

No. 26481

**FEDERAL REPUBLIC OF GERMANY
and
KENYA**

Agreement concerning financial cooperation—*Loan for various projects*. Signed at Nairobi on 19 November 1987

Authentic texts: German and English.

Registered by the Federal Republic of Germany on 16 March 1989.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
KENYA**

Accord de coopération financière — *Prêt aux fins de divers projets*. Signé à Nairobi le 19 novembre 1987

Textes authentiques : allemand et anglais.

Enregistré par la République fédérale d'Allemagne le 16 mars 1989.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KENYA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL CO-OPERATION

The Government of the Republic of Kenya and the Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Republic of Kenya and the Federal Republic of Germany,

Desiring to strengthen and intensify those friendly relations through financial co-operation in a spirit of partnership,

Aware that the maintenance of those relations constitutes the basis of this Agreement,

Intending to contribute to social and economic development in the Republic of Kenya,

With reference to items 2.2.1.2 and 2.2.1.4 of the Summary Record of the inter-governmental negotiations, dated 5 October 1986,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Kenya to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main,

(a) A loan of up to DM 6,000,000 (six million Deutsche Mark) for the project "Kenya Industrial Estates (KIE) — Small Scale Industry Development VIII" if, after examination, the project has been found eligible for promotion, and

(b) A financial contribution of up to DM 2,500,000 (two million five hundred thousand Deutsche Mark) for the project Fund for Studies and Experts IV.

The amount made available to Kenya Industrial Estates by the Federal Republic of Germany thus totals DM 39,600,000 (thirty-nine million six hundred thousand Deutsche Mark).

(2) This Agreement shall also apply if, at a later date, the Government of the Federal Republic of Germany enables the Government of the Republic of Kenya to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt/Main, further loans or financial contributions for attendant measures required for the implementation and support of the project "Kenya Industrial Estates (KIE) — Small Scale Industry Development VIII".

¹ Came into force on 19 November 1987 by signature, in accordance with article 7.

(3) The projects referred to in paragraph 1 above may be replaced by other projects if the Government of the Republic of Kenya and the Government of the Federal Republic of Germany so agree.

Financial contributions for preparatory and attendant measures pursuant to paragraphs 1 and 2 above shall be converted into loans in the event that they are not used for such measures.

Article 2

The utilization of the amounts referred to in Article 1 of this Agreement and the terms and conditions on which they are made available, as well as the procedure for awarding contracts, shall be governed by the provisions of the agreements to be concluded between the recipient of the loan and the financial contribution and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3

The Government of the Republic of Kenya shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of Kenya in connection with the conclusion and implementation of the agreements referred to in Article 2 of the present Agreement.

Article 4

The Government of the Republic of Kenya shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea or air of persons and goods as results from the granting of the loan and the financial contribution, abstain from taking any measures that might exclude or impair the participation of transport enterprises having their place of business in the German area of application of this Agreement, and grant any necessary permits for the participation of such enterprises.

Article 5

With regard to supplies resulting from the granting of the loan and the financial contribution, the Government of the Federal Republic of Germany attaches particular importance to preferential use being made of the economic potential of Land Berlin.

Article 6

With the exception of those provisions of Article 4 which refer to air transport, this Agreement shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany does not make a contrary declaration to the Government of the Republic of Kenya within three months of the date of entry into force of this Agreement.

Article 7

This Agreement shall enter into force on the date of signature thereof.

DONE at Nairobi on 19th of November 1987 in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Republic of Kenya:

[Signed — Signé]¹

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]²

[Signed — Signé]³

¹ Signed by George Saitoti — Signé par George Saitoti.

² Signed by Klaiber — Signé par Klaiber.

³ Signed by Volkmar Köhler — Signé par Volkmar Köhler.