

No. 27290

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**FEDERAL REPUBLIC OF GERMANY**  
**and**  
**BOLIVIA**

**Agreement concerning financial cooperation. Signed at La Paz on 30 March 1988**

*Authentic texts: German and Spanish.*

*Registered by the Federal Republic of Germany on 11 May 1990.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE**  
**et**  
**BOLIVIE**

**Accord de coopération financière. Signé à La Paz le 30 mars 1988**

*Textes authentiques : allemand et espagnol.*

*Enregistré par la République fédérale d'Allemagne le 11 mai 1990.*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF BOLIVIA CONCERNING FINANCIAL COOPER-  
ATION

The Government of the Federal Republic of Germany and

The Government of the Republic of Bolivia,

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

Desiring to strengthen and enhance these friendly relations through financial cooperation as partners,

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

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

Have agreed as follows:

*Article 1*

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia to obtain loans or financial contributions from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, for the following projects, provided that, on examination, the projects are found deserving of support:

- Emergency social fund: up to DM 15 million (fifteen million deutsche mark);
- Rehabilitation of the Ravelo canal: up to DM 9 million (nine million deutsche mark);
- Oruro water supply: up to DM 6.5 million (six million five hundred thousand deutsche mark);
- Santa Cruz irrigation programme (Comarapa-Saipina-San Rafael-San Isidro): up to DM 18 million (eighteen million deutsche mark);
- La Paz-Cochabamba-Santa Cruz water supply: up to DM 16.8 million (sixteen million eight hundred thousand deutsche mark);
- Public sector sectoral programme: up to DM 25 million (twenty-five million deutsche mark);
- Private sector sectoral programme: up to DM 25 million (twenty-five million deutsche mark);

<sup>1</sup> Came into force on 30 March 1988 by signature, in accordance with article 7.

- Extension of Altiplano/Valles project (PUNATA II): up to DM 5.2 million (five million two hundred thousand deutsche mark);
- Mining sector (Bolívar mine): up to DM 22.5 million (twenty-two million five hundred thousand deutsche mark).

(2) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, a financial contribution of up to DM 3 million (three million deutsche mark) for the project "Studies and experts fund IV".

(3) 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 Bolivia to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, loans or financial contributions for preparing the projects or financial contributions for collateral measures required for the implementation and maintenance of the projects referred to in paragraph 1.

(4) The projects referred to in paragraph 1 may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Republic of Bolivia so agree. Financial contributions for preparatory and collateral measures in accordance with paragraphs 2 and 3 shall be converted into loans if they are not used for such measures.

#### Article 2

(1) Utilization of the amounts referred to in article 1, paragraphs 1 and 2, the conditions on which they are granted and the procurement procedure to be applied shall be governed by the contracts to be concluded between the Kreditanstalt für Wiederaufbau and the recipient of the loans and the financial contribution.

(2) The Government of the Republic of Bolivia, if it is not itself the borrower, shall stand surety *vis-à-vis* the Kreditanstalt für Wiederaufbau for all deutsche mark payments to be made in discharge of the borrower's obligations under the contracts to be concluded pursuant to paragraph 1.

#### Article 3

The Government of the Republic of Bolivia shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Bolivia in connection with the conclusion and execution of the contracts referred to in article 2. Payment of such taxes and charges shall be the responsibility of the Bolivian national authorities and institutions which are beneficiaries of the loans.

#### Article 4

The Government of the Republic of Bolivia shall allow passengers and suppliers free choice of transport enterprises for such transport by sea and air of persons and goods as results from the granting of the loan and the financial contribution, refrain from taking any measures that might exclude or impede the participation on equal terms of transport enterprises having their principal 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 and services resulting from the granting of the loan and the financial contribution, the Government of the Federal Republic of Germany attaches particular importance to preference being given to the economic potential of *Land Berlin*.

*Article 6*

This Agreement shall also apply to *Land Berlin*, provided that the Government of the Federal Republic of Germany does not make a declaration to the contrary to the Government of the Republic of Bolivia within the three months following the entry into force of this Agreement.

*Article 7*

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

DONE at La Paz on 30 March 1988 in two copies in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic  
of Germany:

DR. H. SAUMWEBER

For the Government of the Republic of Bolivia:

DR. G. BEDREGAL

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