

**No. 27278**

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**FEDERAL REPUBLIC OF GERMANY  
and  
PHILIPPINES**

**Agreement concerning financial cooperation. Signed at  
Manila on 25 November 1987**

*Authentic texts: German and English.*

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

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
PHILIPPINES**

**Accord de coopération financière. Signé à Manille le 25 no-  
vembre 1987**

*Textes authentiques : allemand et anglais.*

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

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE REPUBLIC  
OF THE PHILIPPINES AND THE GOVERNMENT OF THE FED-  
ERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL  
CO-OPERATION

The Government of the Republic of the Philippines and

The Government of the Federal Republic of Germany,

In the spirit of the friendly relations existing between the Republic of the Philippines 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 the Philippines,

With reference to the Concluding Report, dated 26 November 1987, of the German-Philippine intergovernmental negotiations held in Manila from 24 to 26 November 1987,

Have agreed as follows:

*Article 1*

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of the Philippines and/or recipients to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans up to a total of DM 35,000,000 (thirty-five million Deutsche Mark) for projects selected by the two Governments pursuant to item 2.2.2 of the Concluding Report of 26 November 1987 if, after examination, the projects have been found eligible for promotion.

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

*Article 2*

(1) The utilization of the amount referred to in Article 1 of this Agreement and the terms and conditions on which it is made available, as well as the procedure for awarding contracts, shall be governed by the provisions of the agreements to be concluded between the recipients of the loans and the Kreditanstalt für Wiederaufbau, which agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Republic of the Philippines, in so far as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all pay-

<sup>1</sup> Came into force on 25 November 1987 by signature, in accordance with article 7.

ments in Deutsche Mark to be made in fulfilment of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

### Article 3

The Government of the Republic of the Philippines shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of the Philippines 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 the Philippines 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 loans, abstain from taking any measures that might exclude or impair the participation on equal terms 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 and services resulting from the granting of the loans, 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

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 the Philippines 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 Manila on November 25, 1987, in duplicate in the English and German languages, both texts being equally authentic.

For the Government  
of the Republic  
of the Philippines:

[Signed — Signé]<sup>1</sup>

[Signed — Signé]<sup>2</sup>

For the Government  
of the Federal Republic  
of Germany:

[Signed — Signé]<sup>3</sup>

[Signed — Signé]<sup>4</sup>

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<sup>1</sup> Signed Paul S. Manglapus — Signé par Paul S. Manglapus.

<sup>2</sup> Signed by S. Monsod — Signé par S. Monsod.

<sup>3</sup> Signed by Peter Scholz — Signé par Peter Scholz.

<sup>4</sup> Signed by Ehmann — Signé par Ehmann.