

No. 27430

**FEDERAL REPUBLIC OF GERMANY
and
INDONESIA**

**Agreement concerning financial cooperation. Signed at
Jakarta on 25 July 1989**

Authentic texts: German, Indonesian and English.

Registered by the Federal Republic of Germany on 17 July 1990.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
INDONÉSIE**

**Accord de coopération financière. Signé à Jakarta le 25 juillet
1989**

Textes authentiques : allemand, indonésien et anglais.

Enregistré par la République fédérale d'Allemagne le 17 juillet 1990.

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

The Government of the Federal Republic of Germany and

The Government of the Republic of Indonesia,

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

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 Indonesia,

With reference to the Note Verbale of 23 March 1989 from the Embassy of the Federal Republic of Germany, Jakarta,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Indonesia to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, loans totalling up to DM 40,000,000 (forty million Deutsche Mark) for the project Sector-related Programme (Industry II) if, after examination, the project has been found eligible for promotion.

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

Article 2

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 Government of the Republic of Indonesia and the Kreditanstalt für Wiederaufbau, which agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3

All taxes and other public charges levied in Indonesia in connection with the conclusion and implementation of the agreements referred to in Article 2 of the present Agreement are to be borne by the Government of the Republic of Indonesia.

¹ Came into force on 25 July 1989 by signature, in accordance with article 7.

This implies that the Kreditanstalt für Wiederaufbau is exempt from all taxes and other public charges levied in the Republic of Indonesia 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 Indonesia 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 Indonesia 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 Jakarta on July 25, 1989 in duplicate in the German, Indonesian and English languages, all three texts being authentic. In the event of divergent interpretations of the German and Indonesian texts, the English text shall prevail.

For the Government of the Federal Republic
of Germany:

THEODOR WALLAU

For the Government of the Republic of Indonesia:

POEDJI KOENTARSO