

No. 27429

**FEDERAL REPUBLIC OF GERMANY
and
MOZAMBIQUE**

**Agreement concerning financial cooperation. Signed at
Maputo on 2 May 1989**

Authentic texts: German and Portuguese

Registered by the Federal Republic of Germany on 17 July 1989.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MOZAMBIQUE**

**Accord de coopération financière. Signé à Maputo le 2 mai
1989**

Textes authentiques : allemand et portuguais

Enregistré par la République fédérale d'Allemagne le 17 juillet 1989.

[TRANSLATION — TRADUCTION]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF MOZAMBIQUE CONCERNING FI-
NANCIAL COOPERATION

The Government of the Federal Republic of Germany and

The Government of the People's Republic of Mozambique,

Having regard to resolution 165 (S-IX) of 11 March 1978 of the Trade and Development Board of the United Nations Conference on Trade and Development², in which the industrial countries declare their willingness to adjust the terms of past bilateral official development loans still outstanding in order to bring them into line with currently prevailing softer terms or to take other equivalent measures,

Noting the communication dated 14 July 1988 from the Chancellor of the Federal Republic of Germany, Mr. Helmut Kohl, addressed to His Excellency the President of the People's Republic of Mozambique, Mr. Joaquim Alberto Chissano,

In the spirit of the friendly relations existing between the Federal Republic of Germany and the People's Republic of Mozambique,

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 People's Republic of Mozambique,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall make possible alteration of the terms of the following loans from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main to the Government of the People's Republic of Mozambique, totalling DM 149.7 million (one hundred forty-nine million seven hundred thousand deutsche mark):

- DM 10 million (ten million deutsche mark) granted on 19 November 1984;
- DM 3 million (three million deutsche mark) granted on 30 June 1985;
- DM 5 million (five million deutsche mark) granted on 5 July 1983;
- DM 23.6 million (twenty-three million six hundred thousand deutsche mark) granted on 14 February 1985;

¹ Came into force on 2 May 1989 by signature, in accordance with article 4.

² United Nations, *Official Records of the United Nations Conference on Trade and Development, Ninth Special Session, Supplement No. 1*, p. 1.

- DM 4.4 million (four million four hundred thousand deutsche mark) granted on 20 December 1984;
 - DM 20 million (twenty million deutsche mark) granted on 2 June 1986;
 - DM 3.4 million (three million four hundred thousand deutsche mark) granted on 2 June 1986;
 - DM 10.7 million (ten million seven hundred thousand deutsche mark) granted on 30 August 1988;
 - DM 15 million (fifteen million deutsche mark) granted on 6 April 1987;
 - DM 13.1 million (thirteen million one hundred thousand deutsche mark) granted on 30 August 1988;
 - DM 11,500 (eleven thousand five hundred deutsche mark) granted on 27 January 1988;
 - DM 10 million (ten million deutsche mark) granted on 26 October 1987;
 - DM 10 million (ten million deutsche mark) granted on 21 July 1988; and
 - DM 10 million (ten million deutsche mark) granted on 20 December 1988,
- so that:

- (a) The loans extended to the Government of the People's Republic of Mozambique shall be converted into grants with effect from 31 December 1988 and the payments of principal and interest due on these sums after that time shall be waived;
- (b) Premiums relating to unpaid instalments of the loans referred to in paragraph 1 shall be waived as from 31 December 1988.

(2) With the exception of the contracts to be concluded with the Kreditanstalt für Wiederaufbau pursuant to article 2, interest and premiums relating to the unpaid balance of the loans totalling DM 149.7 million (one hundred forty-nine million seven hundred thousand deutsche mark) shall, in accordance with paragraph 1, be waived.

Article 2

Further details shall be regulated in separate contracts between the Government of the People's Republic of Mozambique and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3

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 People's Republic of Mozambique within the three months following the date of the entry into force of this Agreement.

Article 4

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

DONE at Maputo on 2 May 1989, in duplicate, in the German and Portuguese languages, both texts being equally authentic.

For the Government
of the Federal Republic of Germany:

KRAUS
Ambassador of the Federal Republic of Germany

S. LENG
State Secretary
Federal Ministry for Economic Cooperation

For the Government
of the People's Republic of Mozambique:

ENEAS COMICHE
