

No. 29596

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**FEDERAL REPUBLIC OF GERMANY  
and  
PARAGUAY**

**Agreement concerning financial cooperation. Signed at Asunción on 28 December 1988**

*Authentic texts: German and Spanish.*

*Registered by Germany on 8 February 1993.*

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**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE  
et  
PARAGUAY**

**Accord de coopération financière. Signé à Asunción le 28 décembre 1988**

*Textes authentiques : allemand et espagnol.*

*Enregistré par l'Allemagne le 8 février 1993.*

## [TRANSLATION — TRADUCTION]

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE FEDERAL  
REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE  
REPUBLIC OF PARAGUAY CONCERNING FINANCIAL CO-  
OPERATION

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

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

Desiring to strengthen and intensify 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 Paraguay,

Have agreed as follows:

*Article 1*

(1) The Government of the Federal Republic of Germany shall enable the Administración Nacional de Electricidad (ANDE) to raise with the Kreditanstalt für Wiederaufbau, Frankfurt am Main, a financial contribution of up to DM 900,000 (nine hundred thousand deutsche mark) for the project “Energy study for the Chaco”, provided that, on examination, it is deemed worthwhile.

(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 Paraguay to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, further financial contributions for the implementation and maintenance of the project “Energy study for the Chaco”.

(3) The project 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 Paraguay so agree. Financial contributions granted pursuant to paragraphs 1 and 2 shall be converted into loans if they are not utilized for the purposes envisaged.

*Article 2*

(1) Utilization of the amount referred to in article 1, as well as the terms and conditions on which it is granted and the process of awarding the contract, shall be governed by the contracts to be concluded between the Kreditanstalt für Wiederaufbau and the recipient of the financial contributions; these contracts shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

<sup>1</sup> Came into force on 28 December 1988 by signature, in accordance with article 6.

(2) The Government of the Republic of Paraguay shall stand surety vis-à-vis the Kreditanstalt für Wiederaufbau for any repayment claims based on the financing contracts to be concluded pursuant to paragraph 1.

*Article 3*

The Government of the Republic of Paraguay shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Paraguay in connection with the conclusion and execution of the contracts referred to in article 2.

*Article 4*

With regard to supplies and services resulting from the granting of the financial contributions, the Government of the Federal Republic of Germany attaches particular importance to preference being given to the economic potential of *Land Berlin*.

*Article 5*

This Agreement shall apply also 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 Paraguay within three months following the date of entry into force of this Agreement.

*Article 6*

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

DONE at Asunción on 28 December 1988, in two originals, each in the German and Spanish languages, both texts being equally authentic.

For the Government  
of the Federal Republic of Germany:

RICHARD LOUIS

For the Government  
of the Republic of Paraguay:

RODNEY ELPIDIO ACEVEDO

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