

No. 29663

**GERMANY
and
PAKISTAN**

Agreement concerning financial cooperation. Signed at Islamabad on 29 November 1990

Authentic texts: German and English.

Registered by Germany on 23 March 1993.

**ALLEMAGNE
et
PAKISTAN**

Accord de coopération financière. Signé à Islamabad le 29 novembre 1990

Textes authentiques : allemand et anglais.

Enregistré par l'Allemagne le 23 mars 1993.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE ISLAMIC
REPUBLIC OF PAKISTAN AND THE GOVERNMENT OF THE
FEDERAL REPUBLIC OF GERMANY CONCERNING FINAN-
CIAL COOPERATION IN 1990

The Government of the Islamic Republic of Pakistan

- acting through its President -

and

the Government of the Federal Republic of Germany,

in the spirit of the friendly relations existing between the
Islamic Republic of Pakistan and the Federal Republic of
Germany,

desiring to strengthen and intensify those friendly relations
through financial cooperation 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 Islamic Republic of Pakistan,

referring to the Summary Record, dated 29 November 1990, of
the intergovernmental negotiations conducted in Islamabad
from 27 to 29 November 1990,

have agreed as follows:

¹ Came into force on 29 November 1990 by signature, in accordance with article 5.

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Islamic Republic of Pakistan or other recipients to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation),

- (a) a loan of up to DM 50,000,000 (fifty million Deutsche Mark) for the project "Guddu Power Station" if, after examination, the project has been found eligible for promotion;
- (b) a financial contribution of up to DM 20,000,000 (twenty million Deutsche Mark) for the UNHCR (United Nations High Commissioner for Refugees) project "Income generating Programme for Refugee Areas, Phase III" if, after examination, the project has been found eligible for promotion;
- (c) a financial contribution of up to DM 5,000,000 (five million Deutsche Mark) for the project "Study and Expert Fund IV" if, after examination, the project has been found eligible for promotion;
- (d) a financial contribution of up to DM 35,000,000 (thirty-five million Deutsche Mark) for the project "Scarp Dera Ghazi Khan" if, after examination, the project has been found eligible for promotion and it has been confirmed that, as a project dealing

with environmental protection, it meets the specific requirements of promotion by means of a financial contribution.

- (2) If the said confirmation cannot be obtained for the project referred to in paragraph (1) (d) above, the financial contribution shall be replaced by a loan.
- (3) The projects referred to in paragraph (1) (a), (b) and (d) above may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Islamic Republic of Pakistan so agree.
- (4) If the project referred to in paragraph (1) (d) above is replaced by a project dealing with environmental protection, social infrastructure or a self-help-oriented measure for the eradication of poverty, which projects meet the specific requirements of promotion by means of a financial contribution, a financial contribution may be granted, failing which a loan may be provided.

Article 2

- (1) The utilization of the loan and the financial contributions referred to in Article 1 of this Agreement and the terms and conditions on which they are made available, as well as the procedure for awarding

contracts, shall be governed by the provisions of the agreements to be concluded between the recipient of the loan and financial contributions 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 Islamic Republic of Pakistan, in so far as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments 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 Islamic Republic of Pakistan shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Islamic Republic of Pakistan 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 Islamic Republic of Pakistan shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land or air of

persons and goods as results from the granting of the loan and the financial contributions, 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 Federal Republic of Germany, and grant any necessary permits for the participation of such enterprises.

Article 5

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

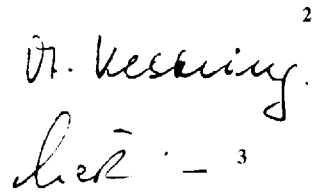
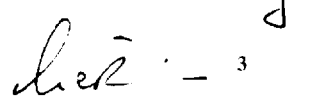
Done at Islamabad on 29 November 1990

in duplicate in the English and German languages, both texts being equally authentic.

For the Government
of the Islamic Republic of Pakistan:

For the Government
of the Federal Republic of Germany:

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¹ Akhund.

² A. Vestring.

³ W. Preuss.