

No. 29692

**FEDERAL REPUBLIC OF GERMANY
and
BOLIVIA**

Agreement concerning financial cooperation. Signed at La Paz on 30 August 1990

Authentic texts: German and Spanish.

Registered by Germany on 23 March 1993.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BOLIVIE**

Accord de coopération financière. Signé à La Paz le 30 août 1990

Textes authentiques : allemand et espagnol.

Enregistré par l'Allemagne le 23 mars 1993.

[TRANSLATION — TRADUCTION]

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

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

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

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 Republic of Bolivia,

Have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, loans or financial contributions for the implementation of the following projects:

- Electric power supply services (increase): Villamontes–Yacuiba: up to DM 5,000,000 (five million deutsche mark);
- Rehabilitation and maintenance of locomotives (increase): up to DM 18,600,000 (eighteen million, six hundred thousand deutsche mark);
- Pre-Investment Fund: up to DM 3,500,000 (three million, five hundred thousand deutsche mark);
- Cochabamba gas turbines (Valle Hermoso power station): up to DM 34,000,000 (thirty-four million deutsche mark);
- Santa Cruz gas turbine: up to DM 16,000,000 (sixteen million deutsche mark);
- Los Negros–Pampa Grande irrigated land project: up to DM 14,600,000 (fourteen million, six hundred thousand deutsche mark);
- Emergency Social Welfare Fund for the social programme of COMIBOL: up to DM 11,400,000 (eleven million, four hundred thousand deutsche mark);
- Loan programme for private mining activities: up to DM 5,000,000 (five million deutsche mark);

¹ Came into force on 30 August 1990 by signature, in accordance with article 7.

- Altiplano-Valles irrigation programme: up to DM 4,000,000 (four million deutsche mark);
- Rural Development Fund: up to DM 7,000,000 (seven million deutsche mark), provided that, after examination, the projects qualify for promotion.

(2) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, financial contributions or grants for the following projects:

- Fifth Studies and Experts Fund: up to DM 5,000,000 (five million deutsche mark);
- Resource conservation in Santa Cruz (plan of action for the tropical forest): up to DM 12,000,000 (twelve million deutsche mark).

(3) 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 Bolivia to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, loans or financial contributions for preparing the projects referred to in paragraphs (1) and (2) or financial contributions for collateral measures required for the implementation and maintenance of the said projects.

(4) The projects referred to in paragraphs (1) and (2) may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Republic of Bolivia so agree. Financial contributions granted for preparatory and collateral measures in accordance with paragraphs (2) and (3) shall be converted into loans if they are not used for such measures.

Article 2

(1) Utilization of the amounts specified in article 1, paragraphs (1) and (2), the terms and conditions on which they are made available and the procedure for awarding service contracts shall be governed by the contracts to be concluded between the Kreditanstalt für Wiederaufbau and the recipients of the loans and financial contributions.

(2) The Government of the Republic of Bolivia, in so far as it is not itself a borrower, shall stand surety vis-à-vis the Kreditanstalt für Wiederaufbau for all deutsche mark payments to be made in discharge of the borrowers' liabilities under the contracts to be concluded pursuant to paragraph (1).

Article 3

The Government of the Republic of Bolivia shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Bolivia in connection with the conclusion and execution of the contracts referred to in article 2. The Bolivian institutions to which the loans and financial contributions are granted shall be responsible for the payment of such taxes and charges.

Article 4

The Government of the Republic of Bolivia shall allow passengers and suppliers free choice of transport enterprises for such transport by sea and air of passengers and goods as results from the granting of the loans and financial contributions, refrain from taking any measures that might prevent or impede the participation, on

an equal footing, of transport enterprises having their principal 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 and 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 6

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 Bolivia within the three months following the date of entry into force of this Agreement.

Article 7

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

DONE at La Paz on 30 August 1990 in duplicate, in German and Spanish, both texts being equally authentic.

For the Government
of the Federal Republic of Germany:

HERMANN SAUMWEBER

For the Government
of the Republic of Bolivia:

CARLOS ITURRALDE BALLIVIÁN
