

No. 29652

FEDERAL REPUBLIC OF GERMANY
and
MOZAMBIQUE

**Agreement concerning financial cooperation. Signed at
Maputo on 9 May 1990**

Authentic texts: German and Portuguese.

Registered by Germany on 23 March 1993.

RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
MOZAMBIQUE

**Accord de coopération financière. Signé à Maputo le 9 mai
1990**

Textes authentiques : allemand et portugais.

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 PEOPLE'S REPUBLIC OF MOZAMBIQUE CONCERNING FINANCIAL COOPERATION

The Government of the Federal Republic of Germany and the Government of the People's Republic of Mozambique,

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

Guided by the desire to strengthen and deepen these friendly relations through financial cooperation based on partnership,

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 enable the Government of the People's Republic of Mozambique to obtain, from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt am Main, a financial contribution totalling up to DM 10,600,000 (ten million six hundred thousand deutsche mark) for the project "Sectoral Transport Programme, Phase II", provided that, after examination, this project is determined to be worthy of promotion.

(2) If at a later date the Government of the Federal Republic of Germany makes it possible for the Government of the People's Republic of Mozambique to obtain, from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, further loans or financial contributions for the preparation of the project "Sectoral Transport Programme, Phase II", or financial contributions for collateral measures necessary for its implementation and maintenance, this Agreement shall be applied.

Article 2

The use of the amount referred to in article 1 and the terms and conditions under which it is made available shall be laid down in a contract to be concluded between the Kreditanstalt für Wiederaufbau and the recipient of the financial contribution; this contract shall be subject to the legal provisions in force in the Federal Republic of Germany.

¹ Came into force on 9 May 1990 by signature, in accordance with article 7.

Article 3

The Government of the People's Republic of Mozambique shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges to which it may be subject in the People's Republic of Mozambique in connection with the conclusion and execution of the contract referred to in article 2.

Article 4

With regard to the transport of persons and goods, by sea and air, occasioned by the granting of the financial contribution, the Government of the People's Republic of Mozambique shall leave to the free discretion of the passengers and suppliers the choice of transport enterprises, shall take no measures that exclude or hinder the participation of transport enterprises with headquarters in the German part of this Agreement's area of application, and shall, where necessary, issue the authorizations required for the participation of these transport enterprises.

Article 5

The Government of the Federal Republic of Germany is particularly interested in having preference accorded to the use of the economic potential of *Land Berlin* in providing the supplies and services arising out of the granting of the financial contribution.

Article 6

This Agreement shall also apply to the *Land Berlin*, provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the People's Republic of Mozambique within three months from the date of entry into force of the Agreement.

Article 7

This Agreement shall enter into force on the date on which it is signed.

DONE at Maputo, on 9 May 1990, in duplicate in the German and Portuguese languages, both texts being equally authentic.

For the Government
of the Federal Republic of Germany:

Dr. PETER SCHOLZ

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

JACINTO VELOSO