

No. 29690

**GERMANY
and
INDONESIA**

**Agreement concerning financial cooperation. Signed at
Jakarta on 20 February 1991**

Authentic texts: German, Indonesian and English.

Registered by Germany on 23 March 1993.

**ALLEMAGNE
et
INDONÉSIE**

**Accord de coopération financière. Signé à Jakarta le 20 fé-
vrier 1991**

Textes authentiques : allemand, indonésien et anglais.

Enregistré par l'Allemagne le 23 mars 1993.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE REPUBLIC OF INDONESIA CONCERNING FINANCIAL COOPERATION

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

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

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 economic and social development in the Republic of Indonesia,

referring to the Summary Record of the negotiations conducted between our two Governments in Jakarta from 12 to 14 November 1990,

have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Indonesia to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation) Frankfurt/Main, for the following projects selected by both Governments,

(a) (aa) 500 kv Transmission System Krian-Paiton,

¹ Came into force on 20 February 1991 by signature, in accordance with article 5.

(bb) Extension of the 500 kv Substations Suralaya, Cibinong, Bekasi,

(cc) Telecommunication VIIa/, and

(dd) Batam Diesel Power Plant

loans to a total value of DM 107,450,000 (one hundred and seven million four hundred and fifty thousand Deutsche Mark) if, after examination, the projects have been found eligible for promotion;

(b) financial contributions to a total value of DM 10,350,000 (ten million three hundred and fifty thousand Deutsche Mark) for the projects

(aa) Development of Sustainable Forest Management Systems, East Kalimantan, and

(bb) Drinking Water Supply Kudus

if, after examination, the projects have been found eligible for promotion and it has been confirmed that the projects referred to in paragraphs (aa) and (bb) above, as projects dealing with environmental protection and social infrastructure respectively, meet the specific requirements of promotion by means of a financial contribution; as well as

(c) a financial contribution of up to DM 2,200,000 (two million two hundred thousand Deutsche mark) for the project Study and Expert Fund III.

(2) If the said confirmation cannot be obtained for any of the projects referred to in paragraph 1 (b) above, the Government of the Federal Republic of Germany shall enable the Government of the Republic of Indonesia to obtain from the Kreditanstalt für Wiederaufbau a loan up to the amount of the financial contribution envisaged for the project.

- (3) The projects referred to in paragraph 1 (a) and (b) above may be replaced by other projects if the Government of the Republic of Indonesia and the Government of the Federal Republic of Germany so agree.
- (4) If any project referred to in paragraph 1 (b) above is replaced by a project dealing with environmental protection, social infrastructure or a self-help-oriented measure for the eradication of poverty, which project meets 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

The utilization of the amounts referred to in Article 1 above, as well as the terms and conditions on which they are made available and the procedure for awarding contracts, shall be governed by the provisions of the agreements to be concluded between the Kreditanstalt für Wiederaufbau and the Government of the Republic of Indonesia, which agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3

All taxes and other public charges levied in connection with the conclusion and implementation of the agreements referred to in Article 2 of the present Agreement are to be borne by the Government of the Republic of Indonesia. This implies that the Kreditanstalt für Wiederaufbau is free from all taxes and other public charges levied in the Republic of Indonesia 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 Republic of Indonesia shall allow passengers and suppliers free choice of transport enterprises for such

transportation by sea, land or air as results from the granting of the loan, 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 German area of application of this Agreement, 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 *Jakarta* on *February 20, 1991*
in duplicate in the German, Indonesian and English languages,
all three texts being authentic. In case of divergent interpretations of the German and Indonesian texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

For the Government
of the Republic of Indonesia:

[Signed — Signé]²

¹ Signed by Th. Wallau — Signé par Th. Wallau.

² Signed by Poedji Kuntarso — Signé par Poedji Kuntarso.