

**No. 29688**

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**GERMANY  
and  
PHILIPPINES**

**Agreement concerning financial cooperation. Signed at  
Manila on 31 July 1991**

*Authentic texts: German and English.*

*Registered by Germany on 23 March 1993.*

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**ALLEMAGNE  
et  
PHILIPPINES**

**Accord de coopération financière. Signé à Manille le 31 juillet  
1991**

*Textes authentiques : allemand et anglais.*

*Enregistré par l'Allemagne le 23 mars 1993.*

AGREEMENT<sup>1</sup> BETWEEN THE GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY CONCERNING FINANCIAL COOPERATION (PROJECT: PROMOTION OF COTTAGE ENTERPRISE)

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

in the spirit of the friendly relations existing between the Republic of the Philippines 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 Republic of the Philippines,

referring to the Summary Record dated 30 October 1990 of the German-Philippine intergovernmental negotiations held in Bonn from 29 to 30 October 1990,

have agreed as follows:

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<sup>1</sup> Came into force on 31 July 1991 by signature, in accordance with article 5.

### Article 1

- (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of the Philippines and/or another recipient to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, a loan of up to DM 17,500,000 (seventeen million five hundred thousand Deutsche Mark) for the project "Promotion of Cottage Enterprise" and a financial contribution of up to DM 2,500,000 (two million five hundred thousand Deutsche Mark) for attendant measures required for its implementation and support.
  
- (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 the Philippines to obtain from the Kreditanstalt für Wiederaufbau further financial contributions for attendant measures required for the implementation and support of the project Promotion of Cottage Enterprise.

### Article 2

- (1) The utilization of the amounts referred to in Article 1 of this Agreement as well as the terms and conditions on which they are made available shall be governed by the provisions of the agreements to be concluded between the recipient of the loan and financial contribution and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

- (2) The Government of the Republic of the Philippines, 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 borrower's liabilities under the agreements to be concluded pursuant to paragraph 1 above.

### Article 3

The Government of the Republic of the Philippines shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Republic of the Philippines 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 the Philippines shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea or air of persons and goods as results from the granting of the loan and the financial contribution, 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 Manila on [31 July 1991]**

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

For the Government  
of the Republic of the Philippines:

[*Signed — Signé*]<sup>1</sup>

For the Government  
of the Federal Republic of Germany:

[*Signed — Signé*]<sup>2</sup>

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<sup>1</sup> Signed by Raul Manglapus — Signé par Raul Manglapus.

<sup>2</sup> Signed by Peter Scholz — Signé par Peter Scholz.