

No. 29651

**FEDERAL REPUBLIC OF GERMANY
and
MOZAMBIQUE**

**Agreement concerning financial cooperation. Signed at
Maputo on 15 June 1988**

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 15 juin
1988**

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 further loan of up to DM 3,000,000 (three million deutsche mark) for the project "Rehabilitation of the Diesel Power Station". In this way the amount of DM 10,000,000 (ten million deutsche mark) previously allocated to the project under the intergovernmental agreement of 28 September 1982² is increased to the total amount of DM 13,000,000 (thirteen million deutsche mark).

(2) Subject to agreement between the Government of the Federal Republic of Germany and the Government of the People's Republic of Mozambique, other projects may be substituted for the project referred to in paragraph 1.

Article 2

The use of the amounts referred to in article 1, the terms and conditions under which they are made available, and the procedure for the placing of orders shall be laid down in contracts to be concluded between the Kreditanstalt für Wiederaufbau and the recipients of the loans; these contracts shall be subject to the legal provisions in force in the Federal Republic of Germany.

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

¹ Came into force on 15 June 1988 by signature, in accordance with article 7.

² United Nations, *Treaty Series*, vol. 1339, p. 127.

may be subject in the People's Republic of Mozambique in connection with the conclusion and execution of the contracts 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 loans, the regular national carriers of both countries shall be ensured equal and fair opportunities, with consideration given in every instance to the most economical way for the People's Republic of Mozambique.

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 *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 15 June 1988, in duplicate in the German and Portuguese languages, both texts being equally authentic.

For the Government
of the Federal Republic of Germany:

P. SCHOLZ

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

JACINTO VELOSO
