

No. 29677

**FEDERAL REPUBLIC OF GERMANY
and
KENYA**

**Agreement concerning financial cooperation—*The Loan*.
Signed at Nairobi on 23 May 1990**

Authentic texts: German and English.

Registered by Germany on 23 March 1993.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
KENYA**

**Accord de coopération financière — *Le prêt*. Signé à Nairobi
le 23 mai 1990**

Textes authentiques : allemand et anglais.

Enregistré par l'Allemagne le 23 mars 1993.

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

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

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

desiring to strengthen and intensify those friendly
relations through financial co-operation 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 Kenya,

have agreed as follows:

Article 1

The Government of the Federal Republic of Germany shall
enable the Deutsche Finanzierungsgesellschaft für Betei-
ligungen in Entwicklungsländern GmbH (German Finance
Company for Investments in Developing Countries), Cologne,
hereinafter referred to as "the DEG", to grant the

¹ Came into force on 23 May 1990 by signature, in accordance with article 6.

Development Finance Company of Kenya Limited, hereinafter referred to as "the DFCK", a convertible loan with equity features by subscribing to Kenya Shillings income notes, hereinafter referred to as "the loan".

The Government of the Federal Republic of Germany shall make available to the DEG for this purpose an amount of up to DM 3,000,000 (three million Deutsche Mark).

Article 2

The DEG loan referred to in Article 1 of this Agreement shall be granted in accordance with the provisions of the financing agreement to be concluded with the DFCK.

Article 3

- (1) With regard to the loan referred to in Article 1 of this Agreement, the Government of the Republic of Kenya shall guarantee the free importation of foreign currency in connection with the granting of the loan as well as the free transfer of interest and amortization payments.
- (2) The Government of the Republic of Kenya undertakes on its own behalf and on behalf of the Central Bank of Kenya not to hinder the DFCK in the discharge of its liabilities to the DEG.
- (3) Should the loan be converted into an investment in full or in part, the Government of the Republic of Kenya and the Central Bank of Kenya shall not hinder the payment of sale or liquidation proceeds and of any returns to the DEG.

Article 4

- (1) The Government of the Republic of Kenya shall exempt the DEG from all taxes and other public charges levied in the Republic of Kenya in connection with the loan referred to in Article 1 of this Agreement.
- (2) The same shall apply to the repatriation of sale or liquidation proceeds and of any returns on the investment in the event that the loan is converted into an investment.

Article 5

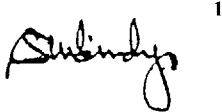
This Agreement shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany does not make a contrary declaration to the Government of the Republic of Kenya within three months of the date of entry into force of this Agreement.

Article 6


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

Done at ..**NAIROBI**..... on **23/5/90**.....
in duplicate in the English and German languages, both
texts being equally authentic.

For the Government
of the Republic of Kenya:

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For the Government
of the Federal Republic of Germany:

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¹ Charles Mbindyo.

² Franz Frh. von Mentzingen.