

No. 29535

**FEDERAL REPUBLIC OF GERMANY
and
KENYA**

**Agreement concerning financial cooperation (with protocol).
Signed at Nairobi on 15 September 1989**

Authentic texts: German and English.

Registered by Germany on 28 January 1993.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
KENYA**

**Accord de coopération financière (avec protocole). Signé à
Nairobi le 15 septembre 1989**

Textes authentiques : allemand et anglais.

Enregistré par l'Allemagne le 28 janvier 1993.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC
OF KENYA AND THE GOVERNMENT OF THE FEDERAL RE-
PUBLIC OF GERMANY CONCERNING FINANCIAL CO-OP-
ERATION

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,

intending to ensure that this Agreement also supports the efforts
for intensified common action to preserve natural resources and
protect the environment,

have agreed as follows:

Article 1

- (1) The Government of the Federal Republic of Germany shall
provide for the loan agreements listed below, concerning a
total of DM 747,512,953.22 (seven hundred and forty-seven

¹ Came into force on 15 September 1989 by signature, in accordance with article 5.

million five hundred and twelve thousand nine hundred and fifty-three Deutsche Mark and twenty-two Pfennig), which were concluded by the Government of the Republic of Kenya with the Kreditanstalt für Wiederaufbau (Development Loan Corporation), Frankfurt/Main, to be amended to the effect that

- (a) as from 31 December 1988 the loans granted to the Government of the Republic of Kenya and the East African Railways Corporation (EARC) shall be turned into grants and hence amortization and interest payments falling due under the aforementioned loan agreements from that date onwards remitted;
- (b) as from 31 December 1988, commitment charges shall not be made on amounts not disbursed under the loan agreements referred to above.

List of loan agreements:

17 February 1966	DM 10,000,000 (ten million Deutsche Mark),
28 June 1971	DM 4,200,000 (four million two hundred thousand Deutsche Mark),
28 March 1973	DM 5,500,000 (five million five hundred thousand Deutsche Mark),
28 March 1973	DM 2,500,000 (two million five hundred thousand Deutsche Mark),
14 June 1974	DM 5,800,000 (five million eight hundred thousand Deutsche Mark),
16 July 1975	DM 3,800,000 (three million eight hundred thousand Deutsche Mark),
17 December 1966	DM 2,500,000 (two million five hundred thousand Deutsche Mark),

26 January 1968	DM 4,350,000 (four million three hundred and fifty thousand Deutsche Mark),
22 May 1970	DM 6,500,000 (six million five hundred thousand Deutsche Mark),
28 March 1973	DM 2,000,000 (two million Deutsche Mark),
26 June 1969	DM 10,000,000 (ten million Deutsche Mark),
24 November 1969	DM 1,300,000 (one million three hundred thousand Deutsche Mark),
28 March 1973	DM 500,000 (five hundred thousand Deutsche Mark),
28 March 1973	DM 12,000,000 (twelve million Deutsche Mark),
28 March 1973	DM 4,000,000 (four million Deutsche Mark),
30 September 1974	DM 2,844,000 (two million eight hundred and forty-four thousand Deutsche Mark),
30 September 1974	DM 10,000,000 (ten million Deutsche Mark),
24 February 1987	DM 2,600,000 (two million six hundred thousand Deutsche Mark),
30 September 1974	DM 1,700,000 (one million seven hundred thousand Deutsche Mark),
13 December 1974	DM 2,400,000 (two million four hundred thousand Deutsche Mark),
23 June 1976	DM 13,500,000 (thirteen million five hundred thousand Deutsche Mark),
13 December 1974	DM 20,000,000 (twenty million Deutsche Mark),
14 November 1975	DM 37,000,000 (thirty-seven million Deutsche Mark),
13 October 1977	DM 5,000,000 (five million Deutsche Mark),
13 October 1977	DM 4,200,000 (four million two hundred thousand Deutsche Mark),

31 January 1979	DM 13,700,000 (thirteen million seven hundred thousand Deutsche Mark),
31 January 1979	DM 5,000,000 (five million Deutsche Mark),
11 January 1977	DM 10,000,000 (ten million Deutsche Mark),
8 February 1978	DM 82,266,000 (eighty-two million two hundred and sixty-six thousand Deutsche Mark),
26 September 1980	DM 7,000,000 (seven million Deutsche Mark),
11 October 1979	DM 28,800,000 (twenty-eight million eight hundred thousand Deutsche Mark),
13 July 1988	DM 3,000,000 (three million Deutsche Mark),
31 January 1979	DM 25,000,000 (twenty-five million Deutsche Mark),
26 September 1980	DM 9,000,000 (nine million Deutsche Mark),
14 January 1981	DM 18,000,000 (eighteen million Deutsche Mark),
26 September 1980	DM 4,500,000 (four million five hundred thousand Deutsche Mark),
14 January 1981	DM 3,000,000 (three million Deutsche Mark),
26 October 1982	DM 5,500,000 (five million five hundred thousand Deutsche Mark),
6 November 1981	DM 25,500,000 (twenty-five million five hundred thousand Deutsche Mark),
23 February 1988	DM 1,500,000 (one million five hundred thousand Deutsche Mark),
26 September 1980	DM 6,800,000 (six million eight hundred thousand Deutsche Mark),
26 October 1982	DM 9,000,000 (nine million Deutsche Mark),
6 November 1981	DM 10,000,000 (ten million Deutsche Mark),

8 May 1985	DM 5,000,000 (five million Deutsche Mark),
26 September 1980	DM 3,600,000 (three million six hundred thousand Deutsche Mark),
26 October 1982	DM 199,606.86 (one hundred and ninety-nine thousand six hundred and six Deutsche Mark and eighty-six Pfennig),
26 October 1982	DM 1,400,000 (one million four hundred thousand Deutsche Mark),
26 October 1982	DM 14,300,000 (fourteen million three hundred thousand Deutsche Mark),
8 May 1985	DM 5,400,000 (five million four hundred thousand Deutsche Mark),
26 October 1982	DM 2,750,000 (two million seven hundred and fifty thousand Deutsche Mark),
4 September 1984	DM 30,800,000 (thirty million eight hundred thousand Deutsche Mark),
26 September 1980	DM 15,000,000 (fifteen million Deutsche Mark),
26 October 1982	DM 28,000,000 (twenty-eight million Deutsche Mark),
26 October 1982	DM 38,000,000 (thirty-eight million Deutsche Mark),
9 August 1982	DM 656,000 (six hundred and fifty-six thousand Deutsche Mark),
26 October 1982	DM 20,000,000 (twenty million Deutsche Mark),
4 September 1984	DM 62,000,000 (sixty-two million Deutsche Mark),
6 January 1984	DM 20,000,000 (twenty million Deutsche Mark),
4 September 1984	DM 8,000,000 (eight million Deutsche Mark),

24 September 1986	DM 3,000,000 (three million Deutsche Mark),
2 February 1988	DM 25,000,000 (twenty-five million Deutsche Mark),
17 December 1987	DM 12,800,393.14 (twelve million eight hundred thousand three hundred and ninety-three Deutsche Mark and fourteen Pfennig),
7 November 1988	DM 6,084,953.22 (six million eighty-four thousand nine hundred and fifty-three Deutsche Mark and twenty-two Pfennig),
21 September 1971	DM 3,762,000 (three million seven hundred and sixty-two thousand Deutsche Mark).

(2) The Government of the Federal Republic of Germany shall furthermore enable the Republic of Kenya to conclude an Arrangement with the Kreditanstalt für Wiederaufbau pursuant to which the Kreditanstalt für Wiederaufbau

(a) releases the Republic of Kenya from the guarantee assumed by it in the contract of guarantee of 21 September 1971 in respect of the loan agreement of the same date between the Kreditanstalt für Wiederaufbau and the East African Railways Corporation, and

(b) acknowledges that the Republic of Kenya has no liabilities vis-à-vis the Kreditanstalt für Wiederaufbau pursuant to the loan agreement between the latter and the East African Railways Corporation.

(3) On the basis of paragraph 1 above, and subject to the agreements to be concluded with the Kreditanstalt für Wiederaufbau pursuant to Article 2 of this Agreement, the

claim to repayment of a total of DM 695,646,953.22 (six hundred and ninety-five million six hundred and forty-six thousand nine hundred and fifty-three Deutsche Mark and twenty-two Pfennig) plus interest and commitment charges shall be waived.

Article 2

Further details shall be settled in separate agreements to be concluded between the Government of the Republic of Kenya and the Kreditanstalt für Wiederaufbau, which agreements shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

Article 3

The Government of the Republic of Kenya shall, to the extent possible, use the funds in national currency released through the remission of debts for specific, verifiable measures of environmental protection and the preservation of natural resources. Details shall be laid down in a Protocol, which shall constitute an integral part of this Agreement.

Article 4

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 5

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

DONE at *Nairobi* on *15th September, 1989*

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

For the Government
of the Republic of Kenya:

[Signed — Signé]¹

For the Government
of the Federal Republic
of Germany:

[Signed — Signé]²

[Signed — Signé]³

¹ Signed by George Saitoti — Signé par George Saitoti.

² Signed by Franz Frhr. v. Mentzingen — Signé par Franz Frhr v. Mentzingen.

³ Signed by Siegfried Lengl — Signé par Siegfried Lengl.

P r o t o c o l

The Government of the Republic of Kenya

and

the Government of the Federal Republic of Germany,

on the occasion of the signing of the Agreement of 15th September, 1989 between the two Governments concerning Financial Co-operation and implementing the second sentence of Article 3 thereof, have agreed as follows:

The two Governments agree that Article 3 of the Agreement shall be realized as follows:

The Government of the Republic of Kenya shall as far as possible use the funds available on account of the debt remission in local currency for additional measures concerning protection of the environment and of natural resources in Kenya. The amounts to be raised annually shall be based on the debt service payments, which would have to be made without the debt remission.

The measures for the protection of the environment and of natural resources could be:

- the promotion of institutions concerned with protection of the environment and natural resources (institutional promotion);
- concrete projects/programmes in this sector.

The Government of the Republic of Kenya shall transmit to the Government of the Federal Republic of Germany a list of the additional measures provided for in each subsequent fiscal year of Kenya together with a comment. Consultations shall take place if either Government so desires.

After termination of the fiscal year the Government of the Republic of Kenya shall inform the Government of the Federal Republic of Germany of the utilization of the funds.

After a term of three years the two Governments shall jointly review the procedure as agreed above.
