

No. 20298

**FEDERAL REPUBLIC OF GERMANY
and
BOLIVIA**

**Agreement concerning financial co-operation. Signed at
La Paz on 12 December 1979**

Authentic texts: German and Spanish.

Registered by the Federal Republic of Germany on 31 July 1981.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
BOLIVIE**

**Accord de coopération financière. Signé à La Paz le
12 décembre 1979**

Textes authentiques: allemand et espagnol.

Enregistré par la République fédérale d'Allemagne le 31 juillet 1981.

[TRANSLATION—TRADUCTION]

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

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

In the spirit of the friendly relations existing between the Federal Republic of Germany and the Republic of Bolivia,

Desiring to strengthen and enhance these friendly relations through financial co-operation as partners,

Aware that the maintenance of these relations constitutes the basis of this Agreement,

Intending to contribute to social and economic development in the Republic of Bolivia,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Republic of Bolivia, or another borrower to be jointly selected by the two Governments, to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt am Main, for the project “Fund for pre-investment studies (Instituto Nacional de Preinversión—INALPRE)”, provided that, on examination, the project is deemed worthwhile, a loan of up to DM 5 million (five million Deutsche Mark).

(2) The Government of the Federal Republic of Germany shall moreover enable the Government of the Republic of Bolivia, or another borrower to be jointly selected by the two Governments, to utilize, for the project referred to in paragraph (1), the unexpended balance of DM 1,206,000 (one million two hundred and six thousand Deutsche Mark) remaining from the amount of DM 5 million (five million Deutsche Mark) granted for the project “Banco Industrial S.A.” under an Agreement dated 24 November 1970, so that a total loan of DM 6,206,000 (six million two hundred and six thousand Deutsche Mark) is available for the project “Fund for pre-investment studies (Instituto Nacional de Preinversión—INALPRE)”.

(3) The project referred to in paragraph (1) above may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Republic of Bolivia so agree.

Article 2. (1) The utilization of the loan as well as the terms and conditions on which it is granted shall be governed by the contracts to be concluded between the borrower and the Kreditanstalt für Wiederaufbau which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

¹ Came into force on 12 December 1979 by signature, in accordance with article 8.

(2) The Government of the Republic of Bolivia, provided that it is not itself the borrower, and the Central Bank of the Republic of Bolivia shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark to be made in fulfilment of the borrower's obligations under the contracts to be concluded pursuant to paragraph (1) above.

Article 3. The Government of the Republic of Bolivia shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other fiscal charges levied in the Republic of Bolivia in connection with the conclusion and implementation of the contracts referred to in article 2.

Article 4. The Government of the Republic of Bolivia shall allow passengers and suppliers free choice of transport enterprises for such transport by sea and air of persons and goods as results from the granting of the loan, refrain from taking any measures that might exclude or impede the participation on equal terms of transport enterprises having their principal 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. Supplies and services for projects financed from the loan shall, unless otherwise provided for in individual cases, be subject to international public tender.

Article 6. With regard to supplies and services resulting from the granting of the loan, the Government of the Federal Republic of Germany attaches particular importance to preference being given to the economic potential of *Land Berlin*.

Article 7. With the exception of those provisions of article 4 which refer to air transport, this Agreement shall also apply to *Land Berlin*, provided that the Government of the Federal Republic of Germany does not make a declaration to the contrary to the Government of the Republic of Bolivia within three months of the date of entry into force of this Agreement.

Article 8. This Agreement shall enter into force on the date of its signature.

DONE at La Paz on 12 December 1979, in duplicate, in the German and Spanish languages, both texts being equally authentic.

For the Government of the Federal Republic of Germany:

[Signed]

HEYMER

[Signed]

H. LINHART

For the Government of the Republic of Bolivia:

[Signed]

J. GARRET