

Agreement  
between  
the Royal Government of Cambodia  
and  
the Government of the Federal Republic of Germany  
concerning  
Financial Cooperation  
in 2017 and 2018

PBC  
yfa

The Royal Government of Cambodia  
and  
the Government of the Federal Republic of Germany,

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

desiring to strengthen and intensify those friendly relations through financial coopera-  
tion 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 Kingdom of  
Cambodia,

referring to the Summary Record of the 2017 intergovernmental negotiations held in  
Phnom Penh dated 5 April 2017,

have agreed as follows:

Article 1

(1) The Government of the Federal Republic of Germany shall enable the Royal  
Government of Cambodia to obtain from Kreditanstalt für Wiederaufbau (KfW)  
financial contributions totalling 16,000,000 euros (sixteen million euros):

1. for the projects

- (a) Rural Infrastructure Programme VII (RIP VII), up to 7,000,000 euros  
(seven million euros),
- (b) German Contribution to the Health Equity and Quality Improvement Programme  
(H-EQIP), up to 8,000,000 euros (eight million euros),

PBC  
J/K

(c) Accompanying Measures to the German Contribution to the Health Equity and Quality Improvement Programme (H-EQIP), up to 1,000,000 euros (one million euros),

if on examination they have been found eligible for support.

(2) This Agreement shall also apply if, at a later date, the Government of the Federal Republic of Germany enables the Royal Government of Cambodia to obtain from KfW further financial contributions for the preparation of the projects specified in paragraph (1) above or for attendant measures necessary to implement and support the projects specified in paragraph (1) above.

## Article 2

(1) The utilisation of the amounts specified in Article 1 (1) of this Agreement and the terms and conditions on which they are made available, as well as the procedure for awarding contracts, shall be governed by agreements to be concluded between KfW and the recipients of the financial contributions, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The commitment to grant the amounts specified in Article 1 (1) of this Agreement shall lapse if the relevant financing agreements are not concluded within a period of four years after the year in which the commitment was made. For the specified amounts the deadline shall be 31 December 2021. The deadline for the German side's obligation to make disbursements for the project German Contribution to the Health Equity and Quality Improvement Programme (H-EQIP) specified in Article 1 (1) (b) of this Agreement shall be 30 June 2021.

(3) The Royal Government of Cambodia, where it is not itself the recipient of the financial contributions, shall guarantee any repayment due to KfW under the financing agreements to be concluded pursuant to paragraph (1) above.

PRC  
JK

Article 3

The Royal Government of Cambodia shall exempt KfW from direct taxes levied in the Kingdom of Cambodia in connection with the conclusion and implementation of the agreements referred to in Article 2 (1) of this Agreement. Any value-added tax and similar indirect taxes levied in this connection shall be borne by the Royal Government of Cambodia. Any specific consumption taxes levied shall be assumed by the Royal Government of Cambodia. Furthermore, the Royal Government of Cambodia shall exempt KfW from any other public charges.

Article 4

The Royal Government of Cambodia shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land or air of persons and goods as results from the granting of the financial contributions, abstain from taking any measures that might preclude 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

- (1) This Agreement shall enter into force on the date of signature thereof.
- (2) This Agreement shall be concluded for an indefinite period of time. Either Contracting Party may terminate it in writing through diplomatic channels at any time; termination shall take effect 30 days after receipt of such written notification by the other Contracting Party.
- (3) The Contracting Parties may agree amendments to this Agreement.
- (4) Any disputes concerning the interpretation or application of this Agreement shall be settled amicably by the Contracting Parties by means of talks or negotiations.

PBC

*[Handwritten signature]*

(5) Registration of this Agreement with the Secretariat of the United Nations, in accordance with Article 102 of the United Nations Charter, shall be initiated by the Government of the Federal Republic of Germany immediately following its entry into force. The other Contracting Party shall be informed of registration, and of the UN registration number, as soon as this has been confirmed by the Secretariat.

Done at Phnom Penh on *30 October* 2017 in duplicate in the Khmer, German and English languages, all three texts being authentic. In case of divergent interpretations of the Khmer and German texts, the English text shall prevail.

For the Royal Government of  
Cambodia

*Han B. Chin*

For the Government of  
the Federal Republic of Germany

*Grego Jansen*

*102C*

*[Signature]*