BILATERAL

KREDITANSTALT FUR WIEDERAUFBAU

Read online (full-text search, related cases, audio case brief): https://batas.org/library/6328e4033bb4/

[Kreditanstalt Wiederaufbau]

[PalmengartenstraBe 5-9]

[6000 Frankfurt am Main 1]

National Economic and
[PalmengartenstraBe 5-9]

Development Authority
[6000 Frankfurt am Main 1]

Padre Faura St. [Telefon (0611) 7431-1]

Metro Manila [Te!ex:41l352]

Republic of the Philippines [Telegrammadresse:]

[Kreditanstalt Frankfurtmain]

[IhreNachncht]
[Ihr Zeichen] [Bearbeiter] [Unser Zeichen] [Durchwahl] [Datum]

[your teller]
[your sign] [Office in charge] [Our sign] [extension] [date]

[votre lettre]
[votre reference] [employe competent] [notre reference] [extension] [date]

[sucarta]
[su referencia] [functionario encargado] [nuestra referencia] [extension] [fecha]

Dr. Kinnemann
Kin/Kel 2839 22 MAR 1982

Re: L III. b /

Financial Cooperation with the Philippines

DM 3,000,000.-- Financing Agreement for

"Fund for Studies and Experts", No. 81 70 276

Dear Sirs,

The Financing Agreement entered into between the Republic of the Philippines ("Recipient") and Kreditanstalt fur Wiederaufbau ("Kreditanstalt") on 12 MAY 1982 provides that the following be determined by separate agreement:

> Pursuant to Article 1.2 the details of the Project as well as the goods and services to be financed from the Financial Contribution; pursuant to Article 3.1 the disbursement procedure, in particular the evidence to be furnished by the Recipient for the disbursement of the Financial Contribution proving the use of the Financial Contribution for the purpose stipulated in the above Financing Agreement; pursuant to Article 7.2 the details pertaining to Article 7.1 (Execution of the Project).

> Deutsche Bundesbank Frankfurt (BLZ 504 000 00) Girokonto 504 09100 . Postscheckamt frankfurt (BLZ 500 100 60) Konto 49837 609

Therefore, we propose that the following be agreed upon:

I. Details of the Project and of Services

> (1) The individual project studies, detailed engineering or advisory/consulting services ("Project Components") to be financed from the financial contribution shall be determined between the Recipient and Kreditanstalt.
>
> The Recipient shall submit to Kreditanstalt in due time for approval proposals for studies, detailed engineering or advisory/consulting services for investment measures considered to be of developmental priority.
>
> At the same time the Recipient shall inform Kreditanstalt who will be the project sponsor/executing agency responsible for the execution of the corresponding Project Component (ministry, legally independent institution a.o.). The approval for financing a Project Component does not include any consent to cover the investment costs involved in the pertaining investment.
>
> After Kreditanstalt has given its consent for financing a Project Component the details of the Project Component as well as the costs shall be determined by a Project Component Agreement between the Recipient and Kreditanstalt resp. - in case of a legally independent project sponsor - between the corresponding project sponsor and Kreditanstalt.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

Should there be any indication of major changes in the measures or in the cost estimates of the Project Components Kreditanstalt shall be informed without delay. Implementation of such measures shall commence only on the basis of revised planning and after Kreditanstalt has given its consent.

The details of the consulting services shall be laid down in the consulting contracts to be concluded with the experts who shall be entrusted with the implementation of the Project Components.

(2) The details of the contributions possibly to be rendered by the Philippine side shall be agreed upon by Project Component Agreement.

(3) The list of goods and services to be financed from the financial contribution shall be prepared on the basis of the contracts concluded for such goods and services. Accordingly, Kreditanstalt shall be furnished with a copy of each contract.

Having checked the contracts, Kreditanstalt shall transmit to the Recipient numbered letters stating the amounts which have been reserved for the financing from the financial contribution and send him the

"List of Goods and Services"
as supplemented from case to case (Annex 1).

(4) When concluding contracts for goods and services to be financed from the financial contribution, the following principles shall be adhered to by the Recipient:
(a) The payment conditions of the contracts shall be in line with commercial practice.

(b) To safeguard the advance payments and the due implementation of the contracts, the contracts shall provide for appropriate advance payment and performance guarantees to be given by banks or insurance companies.

(c) As according to Article 1.4 of the Financing Agreement no import duties shall be financed from the financial contribution, such import duties, if part of the contract value, shall be stated separately in the contracts to be concluded for the goods and services and in the invoices.

(d) It shall be ensured that the goods and services to be financed from the financial contribution are insured adequately and to the customary extent against transport risks so that their replacement or repair is possible. Such insurance shall be taken out in a freely convertible currency as far as foreign exchange costs accruing to the Recipient shall be financed.

(e) It shall be ensured that all contracts for services, if payable from the financial contribution, contain a provision to the effect that any reimbursements, insurance, guarantee or similar claimable payments shall be made for the account of the Recipient to Kreditanstalt into its account No. 504 091 00 with Deutsche Bundesbank, Frankfurt am Main, with Kreditanstalt crediting him with the amounts. If such payments are made in local currency they shall be transferred to a special account of the Recipient in Manila; such account may be operated only with the consent of Kreditanstalt. Such funds may be re-utilized in accord with Kreditanstalt for the execution of the Project.

II. Disbursement Procedure

The disbursement procedure is governed by the "Guidelines for the Disbursement of Funds of German Financial Co-operation with Developing Countries by Kreditanstalt fur Wiederaufbau", which constitute an integral part of this Agreement.

III. Implementation of the Project

(1) For the implementation of the Project the project sponsors/ executing agencies of the individual Project Components are responsible. The time-table and the cost and financing schedule required for the proper technical and financial execution of the corresponding Project Component shall be prepared as soon as

Study hands-free: podcast-style lessons with read-along highlighting - batas.org

possible after it has been decided to finance the respective Project Component from the financial contribution and shall be forwarded to Kreditanstalt. Such schedule shall show the presumable timing and coordination of the individual measures as laid down in the Terms of Reference and the resulting financial requirements, by dates and amounts. As far as any deviation from such schedule becomes necessary in the course of the implementation of the Project Components Kreditanstalt shall be furnished with the revised schedule.

(2) The contracts concerning the preparation of the individual studies, the detailed engineering services or advisory/consulting services shall be awarded to independent qualified Consulting Engineers domiciled in the Federal Republic of Germany including the Land Berlin in the course of public competition. For this purpose, the project sponsors/executing agencies shall publish a corresponding notice at least in the "Nachrichten fur Aussenhandel" (NfA) of the

Bundesstelle fur Aussenhandels information
Blaubach 13
D - 5000 K o 1 n
FEDERAL REPUBLIC OF GERMANY
under the heading "Finanzielle Zusammenarbeit der Bundesrepublik Deutschland" (Financial Cooperation of the Federal Republic of Germany). Publication in the NfA is free of charge. From among the applications of the Consulting Engineers interested (long-list), the project sponsors/executing agencies shall preselect the Consulting Engineers particularly qualified for executing the Project Component (short-list), with the preselection requiring the approval of Kreditanstalt. Accordingly, the project sponsors/executing agencies shall furnish Kreditanstalt with an evaluation report on the preselection together with all other relevant documents as requested by Kreditanstalt. Sufficient time allowed, the Consulting Engineers selected shall be invited to submit their tenders of services and price quotations separately.

The final selection shall depend on the quality of the tenders of services; only if the tenders are of equal quality shall the price quotations be decisive. Kreditanstalt reserves the right to approve the proposal to award the contract. Accordingly, it shall be furnished with an evaluation report on the final selection together with any documents as requested by it. Furthermore, the engagement of the Consulting Engineers selected shall require the prior approval of Kreditanstalt. Accordingly, it shall be furnished in due course with the draft of the consulting contract.

(3) The project sponsors/executing agencies shall cause the Consulting Engineers in charge of implementing the Project Components to report to Kreditanstalt quarterly on the progress of the corresponding study or advisory services until completion of the corresponding study or advisory services. Such reports shall cover the points stated in the list attached hereto (Memo for Progress Reports, Annex 2).

(4) Please send all documents we need for preparing the comments and approvals agreed upon above so early as to give us sufficient time for their examination.

(5) Further details of the implementation of the Project shall be determined by the respective Project Component Agreements.

IV. The above stipulations may at any time be amended or modified by mutual consent if this should appear useful for the execution of the Project or the implementation of the Financing Agreement. In addition, the provisions of Article 6.2 and 8 of the Financing Agreement shall apply to this agreement accordingly.

We enclose herewith one copy each of the present letter in German and English asking you to be so kind, as to forward them in due course to the Consulting Engineers.

Please confirm your approval of the above agreement by signing in a legally binding form and returning the enclosed copies in German and in English.

ours faithfully,

KREDITANSTALT FUR WIEDERAUFBAU

Encls.
[Standard form for reservation]
[of partial financial contribution]
[amounts by addition to the]
["List of Goods and Services"]
[Memo for Progress Reports]

READ AND AGREED:

NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY

SPECIMEN
Reservation of partial financial contribution amounts by addition to the "List of Goods and Services"
KREDITANSTALT FUR WIEDERAUFBAU Frankfurt/Main,.....

Project Sponsor

Re: RS-A/L III b /

Financing Agreement

dated 12 MAY 1982 for DM 3,000,000.--

for "Fund for Studies and Experts

No. 81 70 276

List of Goods and Services

Letter of Reservation No.....

Dear Sirs,

With letter dated ..... you sent us your contract for services dated ..... concluded with.....

In consequence, we have reserved the amount of DM .....to be financed from the above financial contribution and have added the amount to the

List of Goods and Services,
(a supplemented) copy of which is enclosed herewith.

You will request disbursement of the amount reserved under the ..... Procedure.

Kindly check the enclosed list. In case you should have any objections, please contact us immediately.

Bar review courses, mock exams and a study planner that keeps you on pace - batas.org

Yours faithfully,

KREDITANSTALT FUR WIEDERAUFBAU

List of Goods and Services, inclusive of Reservation No..... dated.....

Re. RS-A/L III b / Philippines, 81 70 276, DM 3.0 million for Fund of Studies and Experts

Reser.

Contract

Total Costs

Local Costs

Foreign Exchange

Reservation

No.

dated with (Local DM '000 DM. '000 Costs

_____ DM '000 DM '000

currency DM '000

(Direct disbursement)_____

(Reimbursement)_____

(Letter of credit)_____

Reservations, total

Financial contribution amount not yet reserved

Total financial contribution amount

Memo for Progress Reports
The reports on the progress of the individual Project Component to be submitted quarterly by the Project Sponsor shall cover at least the following points:

(1) General Information
- name of Project Component
- name of Project Sponsor and of Consulting Engineers
- reporting period

(2) Activities of the Consulting Engineers
Award of contract; kind of services rendered and activities of personnel engaged at the project site.
(3) Award of contracts for Goods and Services
Tender procedure; deadlines; results and evaluation of bids; award of contract

(4) Rendering of the Project Sponsor's Own Contribution (5) Adherence to Time schedule
Comparison of targets with actual values; reasons for changes in the time schedule; descriptions of effects on the progress of the project.

(6) State of Accounts and Disbursements Regarding the services stated in the list specified above under (1).

(7) Adherence to Cost and Financing Schedule Comparison of targets with actual values; proposed financing of cost increase, if any; estimate of the Disbursement from the fund in future (expected need of disbursement quarterly) .

It is recommended to use graphic presentations (bar charts or CPM/PERT network} to show the flow of goods and the performance of services and the incurrence of costs. The progress reports shall be sent to Kreditanstalt within four weeks after the end of the period under report.

Turn this case into an audio lecture - facts, issues, ruling and doctrine - at batas.org

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at https://batas.org

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.