

No. 4828

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**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
and  
COLOMBIA**

**Guarantee Agreement—*La Esmeralda Project* (with annexed Loan Regulations No. 4 and Loan Agreement between the Bank and Central Hidroeléctrica de Caldas Limitada). Signed at Washington, on 30 January 1959**

*Official text: English.*

*Registered by the International Bank for Reconstruction and Development on 13 July 1959.*

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**BANQUE INTERNATIONALE POUR  
LA RECONSTRUCTION ET LE DÉVELOPPEMENT  
et  
COLOMBIE**

**Contrat de garantie — *Projet de la Esmeralda* (avec, en annexe, le Règlement n° 4 sur les emprunts et le Contrat d'emprunt entre la Banque et la Central Hidroeléctrica de Caldas Limitada). Signé à Washington, le 30 janvier 1959**

*Texte officiel anglais.*

*Enregistré par la Banque internationale pour la reconstruction et le développement le 13 juillet 1959.*

No. 4828. GUARANTEE AGREEMENT<sup>1</sup> (*LA ESMERALDA PROJECT*) BETWEEN THE REPUBLIC OF COLOMBIA AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON, ON 30 JANUARY 1959

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AGREEMENT, dated January 30, 1959, between REPUBLIC OF COLOMBIA (hereinafter called the Guarantor) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS by an agreement of even date herewith between the Bank and Central Hidroeléctrica de Caldas Limitada (hereinafter called the Borrower), which agreement and the schedules therein referred to are hereinafter called the Loan Agreement,<sup>2</sup> the Bank has agreed to make to the Borrower a loan in various currencies equivalent to four million six hundred thousand dollars (\$4,600,000), on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agree to guarantee the obligations of the Borrower in respect of such loan as hereinafter provided ; and

WHEREAS the Guarantor, in consideration of the Bank's entering into the Loan Agreement with the Borrower, has agreed so to guarantee such obligations of the Borrower ;

NOW THEREFORE the parties hereto hereby agree as follows :

*Article I*

*Section 1.01.* The parties to this Guarantee Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated June 15, 1956<sup>2</sup> (said Loan Regulations No. 4 being hereinafter called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

*Article II*

*Section 2.01.* Without limitation or restriction upon any of the other covenants on its part in this Agreement contained, the Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual

<sup>1</sup> Came into force on 5 May 1959, upon notification by the Bank to the Government of Colombia.

<sup>2</sup> See p. 336 of this volume.

payment of the principal of, and the interest and other charges on, the Loan, the principal of and interest on the Bonds, the premium, if any, on the prepayment of the Loan or the redemption of the Bonds, and the punctual performance of all the covenants and agreements of the Borrower, all as set forth in the Loan Agreement and in the Bonds.

*Section 2.02.* Without limitation or restriction upon the provisions of Section 2.01 of this Agreement, the Guarantor specifically undertakes, whenever there is reasonable cause to believe that the funds available to the Borrower will be inadequate to meet the estimated expenditures required for carrying out the Project, to make arrangements, satisfactory to the Bank, promptly to provide the Borrower or cause the Borrower to be provided with such funds as are needed to meet such expenditures.

### Article III

*Section 3.01.* It is the mutual intention of the Guarantor and the Bank that no other external debt shall enjoy any priority over the Loan by way of a lien on governmental assets. To that end, the Guarantor undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Guarantor as security for any external debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect; provided, however, that the foregoing provisions of this Section shall not apply to: (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property; (ii) any lien on commercial goods to secure a debt maturing not more than one year after the date on which it is originally incurred and to be paid out of the proceeds of sale of such commercial goods; or (iii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

As used in this Section, (a) the term "assets of the Guarantor" includes assets of the Guarantor or of any of its political subdivisions or of any Agency including the Banco de la República, and (b) the term "Agency" means any agency or instrumentality of the Guarantor or of any political subdivision of the Guarantor and shall include any institution or organization which is owned or controlled directly or indirectly by the Guarantor or by any political subdivision of the Guarantor or the operations of which are conducted primarily in the interest of or for account of the Guarantor or any political subdivision of the Guarantor.

*Section 3.02.* (a) The Guarantor and the Bank shall cooperate fully to assure that the purposes of the Loan will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request with regard

to the general status of the Loan. On the part of the Guarantor, such information shall include information with respect to financial and economic conditions in the territories of the Guarantor and the international balance of payments position of the Guarantor.

(b) The Guarantor and the Bank shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Loan and the maintenance of the service thereof. The Guarantor shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan or the maintenance of the service thereof.

(c) The Guarantor shall afford all reasonable opportunity for accredited representatives of the Bank to visit any part of the territories of the Guarantor for purposes related to the Loan.

*Section 3.03.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid without deduction for, and free from, any taxes or fees imposed under the laws of the Guarantor or laws in effect in its territories ; provided, however, that the provisions of this Section shall not apply to taxation of, or fees upon, payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Guarantor.

*Section 3.04.* This Agreement, the Loan Agreement and the Bonds shall be free from any taxes or fees that shall be imposed under the laws of the Guarantor or laws in effect in its territories on or in connection with the execution, issue, delivery or registration thereof.

*Section 3.05.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid free from all restrictions imposed under the laws of the Guarantor or laws in effect in its territories.

*Section 3.06.* The Guarantor covenants that it will not take or permit any of its political subdivisions or any of its agencies or any agency of any political subdivision to take any action which would prevent or interfere with the performance by the Borrower of any of the covenants, agreements and obligations of the Borrower in the Loan Agreement contained, and will take or cause to be taken all reasonable action which shall be necessary in order to enable the Borrower to perform such covenants, agreements and obligations.

*Section 3.07.* The Guarantor covenants that it will from time to time grant or cause to be granted to the Borrower rates which will provide revenues sufficient : (a) to cover operating expenses, including taxes, if any, adequate maintenance and depreciation, and interest ; (b) to meet repayments on long-term indebtedness but

only to the extent that such repayments shall exceed provision for depreciation ; and (c) to leave a reasonable surplus to finance new investment.

*Article IV*

*Section 4.01.* The Guarantor shall endorse, in accordance with the provisions of the Loan Regulations, its guarantee on the Bonds to be executed and delivered by the Borrower. The Minister of Finance and Public Credit of the Guarantor and such person or persons as he shall designate in writing are designated as the authorized representatives of the Guarantor for the purposes of Section 6.12 (b) of the Loan Regulations.

*Article V*

*Section 5.01.* The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Guarantor :

Republic of Colombia  
Ministerio de Hacienda y Crédito Público  
Palacio de los Ministerios, Plaza San Agustín  
Bogotá, Colombia

Alternative address for cablegrams and radiograms :

Minhacienda  
Bogotá, Colombia

For the Bank :

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington 25, D. C.  
United States of America

Alternative address for cablegrams and radiograms :

Intbafrad  
Washington, D. C.

*Section 5.02.* The Minister of Finance and Public Credit of the Guarantor is designated for the purposes of Section 8.03 of the Loan Regulations.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Guarantee Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

Republic of Colombia :

By José GUTIERREZ-GOMEZ  
Authorized Representative

International Bank for Reconstruction and Development :

By W. A. B. ILIFF  
Vice-President

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

LOAN REGULATIONS No. 4, DATED 15 JUNE 1956

REGULATIONS APPLICABLE TO LOANS MADE BY THE BANK TO BORROWERS OTHER THAN  
MEMBER GOVERNMENTS

[Not published herein. See *United Nations, Treaty Series, Vol. 260, p. 376.*]

#### LOAN AGREEMENT (*LA ESMERALDA PROJECT*)

AGREEMENT, dated January 30, 1959, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and CENTRAL HIDRO-ELÉCTRICA DE CALDAS LIMITADA (hereinafter called the Borrower).

#### *Article I*

##### LOAN REGULATIONS

*Section 1.01.* The parties to this Loan Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated June 15, 1956<sup>1</sup> (said Loan Regulations No. 4 being hereinafter called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

#### *Article II*

##### THE LOAN

*Section 2.01.* The Bank agrees to lend to the Borrower, on the terms and conditions in this Agreement set forth or referred to, an amount in various currencies equivalent to four million six hundred thousand dollars (\$4,600,000).

<sup>1</sup> See above.

*Section 2.02.* The Bank shall open a Loan Account on its books in the name of the Borrower and shall credit to such Account the amount of the Loan. The amount of the Loan may be withdrawn from the Loan Account as provided in, and subject to the rights of cancellation and suspension set forth in, the Loan Regulations.

*Section 2.03.* The Borrower shall pay to the Bank a commitment charge at the rate of three-fourths of one per cent ( $\frac{3}{4}$  of 1 %) per annum on the principal amount of the Loan not so withdrawn from time to time. Notwithstanding the provisions of Section 2.02 of the Loan Regulations, such commitment charge shall accrue from a date sixty days after the date of this Agreement to the respective dates on which amounts shall be withdrawn by the Borrower from the Loan Account as provided in Article IV of the Loan Regulations or shall be cancelled pursuant to Article V of the Loan Regulations.

*Section 2.04.* The Borrower shall pay interest at the rate of five and three-quarters per cent ( $5\frac{3}{4}$  %) per annum on the principal amount of the Loan so withdrawn and outstanding from time to time.

*Section 2.05.* Except as the Bank and the Borrower shall otherwise agree, the charge payable for special commitments entered into by the Bank at the request of the Borrower pursuant to Section 4.02 of the Loan Regulations shall be at the rate of one-half of one per cent ( $\frac{1}{2}$  of 1 %) per annum on the principal amount of any such special commitments outstanding from time to time.

*Section 2.06.* Interest and other charges shall be payable semi-annually on May 15 and November 15 in each year.

*Section 2.07.* The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule I<sup>1</sup> to this Agreement.

### *Article III*

#### USE OF PROCEEDS OF THE LOAN

*Section 3.01.* The Borrower shall apply the proceeds of the Loan exclusively to financing the cost of goods required to carry out the Project described in Schedule 2<sup>2</sup> to this Agreement. The specific goods to be financed out of the proceeds of the Loan and the methods and procedures for procurement of such goods shall be determined by agreement between the Bank and the Borrower, subject to modification by further agreement between them.

*Section 3.02.* The Borrower shall cause all goods financed out of the proceeds of the Loan to be imported into the territories of the Guarantor and there to be used exclusively in the carrying out of the Project.

<sup>1</sup> See p. 348 of this volume.

<sup>2</sup> See p. 350 of this volume.

*Article IV*

## BONDS

*Section 4.01.* The Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in the Loan Regulations.

*Section 4.02.* The Manager (*Gerente*) of the Borrower and such person or persons as he shall appoint in writing are designated as authorized representatives of the Borrower for the purposes of Section 6.12 (*a*) of the Loan Regulations.

*Article V*

## PARTICULAR COVENANTS

*Section 5.01. (a)* The Borrower shall carry out the Project with due diligence and efficiency and in conformity with sound engineering and financial practices. To assist it in carrying out the Project, the Borrower shall employ competent and experienced engineering consultants and contractors and the terms and conditions of their employment shall be mutually satisfactory to the Bank and the Borrower.

*(b)* The Borrower shall furnish to the Bank, promptly upon their preparation, the plans and specifications for the Project and any material modifications subsequently made therein, in such detail as the Bank shall from time to time request.

*(c)* The Borrower shall maintain records adequate to identify the goods financed out of the proceeds of the Loan, to disclose the use thereof in the Project, to record the progress of the Project (including the cost thereof) and to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of the Borrower; shall enable the Bank's representatives to inspect the Project, the goods and any relevant records and documents; and shall furnish to the Bank all such information as the Bank shall reasonably request concerning the expenditure of the proceeds of the Loan, the Project, the goods, and the operations and financial condition of the Borrower.

*Section 5.02. (a)* The Bank and the Borrower shall cooperate fully to assure that the purposes of the Loan will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request with regard to the general status of the Loan.

*(b)* The Bank and the Borrower shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Loan and the maintenance of the service thereof. The Borrower shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan or the maintenance of the service thereof.

*Section 5.03.* The Borrower undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Borrower, or of any corporation

or company all or a majority of the capital stock of which shall be owned by the Borrower, as security for any debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect; provided, however, that the foregoing provisions of this Section shall not apply to: (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property; or (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

*Section 5.04.* The Borrower shall pay or cause to be paid all taxes or fees, if any, imposed under the laws of the Guarantor or laws in effect in the territories of the Guarantor on or in connection with the execution, issue, delivery or registration of this Agreement, the Guarantee Agreement or the Bonds, or the payment of principal, interest or other charges thereunder; provided, however, that the provisions of this Section shall not apply to taxation of, or fees upon, payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Guarantor.

*Section 5.05.* The Borrower shall pay or cause to be paid all taxes and fees, if any, imposed under the laws of the country or countries in whose currency the Loan and the Bonds are payable or laws in effect in the territories of such country or countries on or in connection with the execution, issue, delivery or registration of this Agreement, the Guarantee Agreement or the Bonds.

*Section 5.06.* Except as shall be otherwise agreed between the Bank and the Borrower, the Borrower shall insure or cause to be insured the goods financed out of the proceeds of the Loan against risks incident to their purchase and importation into the territories of the Guarantor. Such insurance shall be consistent with sound commercial practice and shall be payable in dollars or in the currency in which the cost of the goods insured thereunder shall be payable.

*Section 5.07.* (a) The Borrower shall at all times maintain its existence and right to carry on operations and shall, except as the Bank shall otherwise agree, take all steps necessary to maintain and renew all rights, powers, privileges and franchises which are necessary or useful in the conduct of its business.

(b) The Borrower shall operate and maintain its plants, equipment and property, and from time to time make all necessary renewals and repairs thereof, all in accordance with sound engineering standards; and shall at all times operate its plants and equipment and maintain its financial position in accordance with sound business and public utility practices.

*Section 5.08.* The Borrower shall not, without the consent of the Bank, sell or otherwise dispose of all or substantially all of its property and assets or all or substantially all the property included in the Project or any plant included therein, unless the

Borrower shall first redeem and pay, or make adequate provision satisfactory to the Bank for redemption or payment of, all of the Loan which shall then be outstanding and unpaid.

*Section 5.09.* Until such time as the Project shall have been completed, the Borrower shall not, without the consent of the Bank, undertake or execute any major projects or developments other than the Project or make any major additions to its plant and other properties.

*Section 5.10.* Unless the Bank shall otherwise agree, the Borrower shall not declare or pay any dividend, or make any distribution on any shares of its capital stock, other than a dividend payable solely in shares of its capital stock, nor shall the Borrower acquire any shares of its capital stock for a consideration, if, as a result of any such dividend or distribution (other than those payable solely in shares of its stock) or such acquisition of shares of capital stock, the accumulated earned surplus of the Borrower, determined after adequate provision for maintenance and depreciation and otherwise in accordance with sound accounting practice, would be reduced below an amount equivalent to the Borrower's aggregate requirements for the next twelve-month period for the payment of principal (including amortization and sinking fund payments) of, and interest and other charges on, all outstanding debt other than debt incurred in the ordinary course of business and maturing by its terms in not more than one year after its date.

*Section 5.11.* Except as the Bank shall otherwise agree, the Borrower shall not incur any long-term indebtedness if, after the incurring of any such long-term indebtedness, the long-term indebtedness of the Borrower would exceed the total capital and surplus of the Borrower. As used in this Agreement and in the Guarantee Agreement, the following terms shall have the meanings hereinafter set forth :

- (a) The term "long-term indebtedness" shall mean debt maturing by its terms more than one year after the date on which it is incurred. Whenever for the purpose of this Section it shall be necessary to value in Colombian currency debt payable in another currency, such valuation shall be made on the basis of the rate of exchange at which such other currency, at the time such valuation is made, is obtainable for the purposes of servicing such debt, or if such other currency is not so obtainable, at the rate of exchange reasonably determined by the Bank.
- (b) The term "capital and surplus" shall mean capital and surplus determined in accordance with sound accounting practices.

*Section 5.12.* The Borrower shall from time to time take all steps necessary or desirable to obtain such adjustments in its rates as will provide revenues sufficient : (a) to cover operating expenses, including taxes, if any, adequate maintenance and depreciation, and interest ; (b) to meet repayments on long-term indebtedness but only to the extent that such repayments shall exceed provision for depreciation ; and (c) to leave a reasonable surplus to finance new investment.

*Article VI*

## REMEDIES OF THE BANK

*Section 6.01.* (i) If any event specified in paragraph (a), paragraph (b), paragraph (e) or paragraph (f) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of thirty days, or (ii) if any event specified in paragraph (c) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower, then at any subsequent time during the continuance thereof, the Bank, at its option, may declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately, and upon any such declaration such principal shall become due and payable immediately, anything in this Agreement or in the Bonds to the contrary notwithstanding.

*Article VII*

## EFFECTIVE DATE ; TERMINATION

*Section 7.01.* The following event is specified as an additional condition to the effectiveness of this Agreement within the meaning of Section 9.01 (a) (ii) of the Loan Regulations, namely : that the Borrower shall have submitted evidence to the Bank that, since December 31, 1957, the Borrower's shareholders have undertaken in a form satisfactory to the Bank to subscribe for additional shares with a paid-in value of not less than 12.5 million Colombian pesos.

*Section 7.02.* A date 90 days after the date of this Agreement is hereby specified for the purposes of Section 9.04 of the Loan Regulations.

*Article VIII*

## MISCELLANEOUS

*Section 8.01.* The Closing Date shall be June 30, 1962.

*Section 8.02.* The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Borrower :

Central Hidroeléctrica de Caldas Limitada  
Manizales, Colombia

Alternative address for cablegrams and radiograms :

Hidroeléctrica  
Manizales, Colombia

For the Bank :

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington 25, D. C.  
United States of America

Alternative address for cablegrams and radiograms :

Intbafrad  
Washington, D. C.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Loan Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

International Bank for Reconstruction and Development :

By W. A. B. ILIFF  
Vice-President

Central Hidroeléctrica de Caldas Limitada :

By Santiago SALAZAR  
Authorized Representative

### SCHEDULE 1

#### AMORTIZATION SCHEDULE

<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>	<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>
November 15, 1962 . . . . .	\$82,000	May 15, 1971 . . . . .	\$132,000
May 15, 1963 . . . . .	84,000	November 15, 1971 . . . . .	136,000
November 15, 1963 . . . . .	86,000	May 15, 1972 . . . . .	140,000
May 15, 1964 . . . . .	89,000	November 15, 1972 . . . . .	144,000
November 15, 1964 . . . . .	91,000	May 15, 1973 . . . . .	148,000
May 15, 1965 . . . . .	94,000	November 15, 1973 . . . . .	152,000
November 15, 1965 . . . . .	97,000	May 15, 1974 . . . . .	157,000
May 15, 1966 . . . . .	100,000	November 15, 1974 . . . . .	161,000
November 15, 1966 . . . . .	102,000	May 15, 1975 . . . . .	166,000
May 15, 1967 . . . . .	105,000	November 15, 1975 . . . . .	170,000
November 15, 1967 . . . . .	108,000	May 15, 1976 . . . . .	175,000
May 15, 1968 . . . . .	111,000	November 15, 1976 . . . . .	180,000
November 15, 1968 . . . . .	115,000	May 15, 1977 . . . . .	186,000
May 15, 1969 . . . . .	118,000	November 15, 1977 . . . . .	191,000
November 15, 1969 . . . . .	121,000	May 15, 1978 . . . . .	196,000
May 15, 1970 . . . . .	125,000	November 15, 1978 . . . . .	202,000
November 15, 1970 . . . . .	128,000	May 15, 1979 . . . . .	208,000

\* To the extent that any part of the Loan is repayable in a currency other than dollars (see Loan Regulations, Section 3.02), the figures in this column represent dollar equivalents determined as for purposes of withdrawal.

## PREMIUMS ON PREPAYMENT AND REDEMPTION

The following percentages are specified as the premiums payable on repayment in advance of maturity of any part of the principal amount of the Loan pursuant to Section 2.05 (b) of the Loan Regulations or on the redemption of any Bond prior to its maturity pursuant to Section 6.16 of the Loan Regulations :

<i>Time of Prepayment or Redemption</i>	<i>Premium</i>
Not more than 3 years before maturity . . . . .	$\frac{1}{2}$ %
More than 3 years but not more than 6 years before maturity . . . . .	$1\frac{1}{2}$ %
More than 6 years but not more than 11 years before maturity . . . . .	$2\frac{1}{2}$ %
More than 11 years but not more than 16 years before maturity . . . . .	$3\frac{1}{2}$ %
More than 16 years but not more than 18 years before maturity . . . . .	$4\frac{3}{4}$ %
More than 18 years before maturity . . . . .	$5\frac{3}{4}$ %

## SCHEDULE 2

## DESCRIPTION OF THE PROJECT

The Project consists of the following :

1. Construction of a barrage and intake works across the Campoalegre River immediately below the discharge of the La Insula plant ;
2. Construction of a series of canals and siphons with a capacity of 22 cubic meters per second with a total length of about 14 kilometers, and a regulating tank with a capacity of 30,000 cubic meters ;
3. Installation of two penstocks from the regulating tank to the powerhouse, with a head of about 174 meters ;
4. Construction of a powerhouse with appurtenant works at La Esmeralda, and installation of two turbo-generators of the Francis type with a capacity of 13,300 kw each and the related auxiliary equipment and controls ;
5. Construction of a substation at the Esmeralda powerhouse stepping up the voltage from 13.8 to 110 kv ;
6. Construction of a 110 kv transmission line from the Esmeralda substation to La Insula and from La Insula to La Rosa with a total length of about 35 kilometers ;
7. Construction and/or enlargement of 110 kv substations at La Insula, La Rosa, Armenia and Cartago ;
8. Construction of 33 and 13.2 kv lines with a total length of about 112 kilometers, and related substations, between the following points : Armenia—Montenegro, Montenegro—Quimbaya, Marsella—Belalcázar, Belalcázar—El Aguila, El Aguila—Viterbo, El Aguila—Calamar—La Virginia, Calamar—Balboa, Viterbo—Apía, Apía—Santuario, Anserma—Guática, Anserma—Puente Umbría Mistrató, Guática—Quinchía and Puente Umbría—Belén de Umbría ; and
9. Reconstruction and enlargement of the distribution systems in the following towns : Aguadas, Pácora, La Merced, Apía, Balboa, Belalcázar, La Virginia, Santuario, Viterbo, Belén de Umbría, Mistrató, Guática and Quinchía.