

No. 8037

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT,
TERRITORY OF NORTHERN RHODESIA
and
UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND**

**Guarantee Agreement—*Kariba Project* (with related letter
and annexed Loan Regulations No. 4). Signed at Salis-
bury, on 30 December 1963**

Official text: English.

*Registered by the International Bank for Reconstruction and Development on
10 January 1966.*

**BANQUE INTERNATIONALE POUR
LA RECONSTRUCTION ET LE DÉVELOPPEMENT,
TERRITOIRE DE LA RHODÉSIE DU NORD
et
ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD**

**Contrat de garantie — *Projet de Kariba* (avec lettre y rela-
tive et, en annexe, le Règlement n° 4 sur les emprunts).
Signé à Salisbury, le 30 décembre 1963**

Texte officiel anglais.

*Enregistré par la Banque internationale pour la reconstruction et le développement
le 10 janvier 1966.*

No. 8037. GUARANTEE AGREEMENT¹ (*KARIBA PROJECT*)
BETWEEN THE TERRITORY OF NORTHERN RHODESIA,
THE INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT AND THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND.
SIGNED AT SALISBURY, ON 30 DECEMBER 1963

AGREEMENT dated December 30, 1963, between the TERRITORY OF NORTHERN RHODESIA (hereinafter called the Territory) of the first part, INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) of the second part, and the UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (hereinafter called the United Kingdom) of the third part.

WHEREAS (A) Pursuant to a Loan Agreement dated June 21, 1956 between the Bank and the Federal Power Board² (hereinafter called the Board), the Bank made to the Board a loan in various currencies in an aggregate principal amount equivalent to eighty million dollars (\$80,000,000), on the terms and conditions set forth in the Loan Agreement, including provisions for the execution and delivery of bonds;

(B) By an Agreement dated June 21, 1956 between the Federation of Rhodesia and Nyasaland (hereinafter called the Federation) and the Bank³ the Federation agreed to guarantee the Loan as therein provided;

(C) By an Agreement dated June 21, 1956 between the United Kingdom and the Bank⁴ the United Kingdom agreed to guarantee the Loan as therein provided;

(D) It is planned to dissolve the Federation with the consequential distribution of assets and liabilities of the Federation;

(E) The Central African Power Corporation (hereinafter called the Corporation) has been established by the Federation of Rhodesia and Nyasaland (Dissolution) Order in Council 1963 of the United Kingdom to take over the assets and liabilities of the Board;

¹ Came into force as of the time of the dissolution of the Federation of Rhodesia and Nyasaland, which took place immediately before 1 January 1964, in accordance with article V.

² United Nations, *Treaty Series*, Vol. 285, p. 326.

³ United Nations, *Treaty Series*, Vol. 285, p. 355.

⁴ United Nations, *Treaty Series*, Vol. 285, p. 317.

(F) By an Agreement of even date herewith between the Bank, the Corporation and the United Kingdom¹ (which agreement, including the schedule therein referred to, is hereinafter called the Loan Assumption Agreement) the Corporation has agreed to assume the obligations of the Board under the Loan Agreement;

(G) The Colony of Southern Rhodesia, in consideration of the Bank's entering into the Loan Assumption Agreement with the Corporation and this Agreement with the Territory, has agreed to guarantee the Loan as provided in the Southern Rhodesia Guarantee Agreement;²

(H) The Territory, in consideration of the Bank's entering into the Loan Assumption Agreement with the Corporation and a Guarantee Agreement with the Colony of Southern Rhodesia has agreed to guarantee the Loan as hereinafter provided; and

(I) The United Kingdom has concurred in the agreements referred to in Recitals (F), (G) and (H) above;

NOW THEREFORE the parties hereto hereby agree as follows :

Articles I to IV

[The text of these articles is not published herein as it is identical to that of the corresponding articles of the Guarantee Agreement of the same date between the Colony of Southern Rhodesia, the International Bank for Reconstruction and Development and the United Kingdom of Great Britain and Northern Ireland (see pp. 108 to 112 of this volume), except that wherever in the latter Agreement the word "Colony" occurs, the word "Territory" should be substituted for it, and that in Section 3.04 the words "Southern Rhodesia Guarantee Agreement" should be substituted for "Northern Rhodesia Guarantee Agreement" and in Section 4.01 the words "Permanent Secretary to the Ministry of Finance" for "Secretary to the Treasury".

For the text of Loan Regulations No. 4, dated 15 February 1955, referred to in article I, see United Nations, Treaty Series, Vol. 221, p. 160.]

Article V

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

For the Territory :

Ministry of Finance
P.O. Box RW.62
Ridgeway
Lusaka, Northern Rhodesia

¹ See p. 76 of this volume.

² See p. 106 of this volume.

Alternative address for cablegrams and radiograms :

Minfin
Lusaka

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 Permanent Secretary to the Ministry of Finance of the Territory is designated for the purposes of Section 8.03 (b) of the Loan Regulations.

Section 5.03. This Agreement shall become effective at the time that the Loan Assumption Agreement becomes effective.

Article VI

Section 6.01. The United Kingdom concurs in the provisions of this Agreement.

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

Territory of Northern Rhodesia :

By T. C. GARDNER
Authorized Representative

International Bank for Reconstruction and Development :

By Hugh N. SCOTT
Authorized Representative

United Kingdom of Great Britain and Northern Ireland :

By J. B. JOHNSTON
Authorized Representative

RELATED LETTER

NORTHERN RHODESIA
MINISTRY OF TRANSPORT AND WORKS
LUSAKA

30th December 1963

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

Gentlemen,

In the course of our discussions relating to the Loan Assumption Agreement of even date between you and the Central African Power Corporation¹ (the « Corporation ») and the Guarantee Agreement between us² of even date, you have made it clear to us that you have relied upon the provisions of the Federation of Rhodesia and Nyasaland (Dissolution) Order in Council 1963 of the United Kingdom, the Inter-Governmental Agreement dated 25th November 1963 between the Governments of Northern and Southern Rhodesia, the Central African Power Ordinance 1963 of Northern Rhodesia and the Central African Power Act 1963 of Southern Rhodesia, as forming a satisfactory basis for the establishment, organisation and future operations of the Corporation.

We understand the Bank's interest in assuring that the Corporation will remain financially and administratively autonomous to enable it to carry on its operations and maintain its financial position in accordance with sound business and public utility practices.

We, therefore, agree to obtain your approval before making any change in such Order in Council, such Agreement or such Ordinance which would substantially alter the organisation, powers, responsibilities or immunities of the Corporation in Northern Rhodesia.

Sincerely yours,

Territory of Northern Rhodesia :

By F. N. STUBBS
Authorized Representative

¹ See p. 76 of this volume.

² See p. 120 of this volume.