

No. 8941

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

**Guarantee Agreement — *Atlántico No. 3 Irrigation Project*
(with annexed Loan Regulations No. 4, as amended,
and Loan Agreement between the Bank and the Instituto
Colombiano de la Reforma Agraria). Signed at Washing-
ton, on 29 June 1967**

Official text: English.

*Registered by the International Bank for Reconstruction and Development on
29 January 1968.*

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

**Contrat de garantie — *Projet Atlántico n° 3 relatif à l'irriga-
tion* (avec, en annexe, le Règlement n° 4 sur les emprunts,
tel qu'il a été modifié, et le Contrat d'emprunt entre
la Banque et l'Instituto Colombiano de la Reforma
Agraria). Signé à Washington, le 29 juin 1967**

Texte officiel anglais.

*Enregistré par la Banque internationale pour la reconstruction et le développement
le 29 janvier 1968.*

No. 8941. GUARANTEE AGREEMENT¹ (*ATLÁNTICO No. 3 IRRIGATION PROJECT*) BETWEEN THE REPUBLIC OF COLUMBIA AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON, ON 29 JUNE 1967

AGREEMENT, dated June 29, 1967, 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 the Instituto Colombiano de la Reforma Agraria (hereinafter called the Borrower), which agreement and the schedules therein referred to are hereinafter called the Loan Agreement,² the Bank has agreed to make to the Borrower a loan in various currencies equivalent to nine million dollars (\$9,000,000), on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agrees 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 February 15, 1961, as amended February 9, 1967,² with the same force and effect as if they were fully set forth herein (said Loan Regulations No. 4 being hereinafter called the Loan Regulations).

Article II

Section 2.01. Without limitation or restriction upon any of the other covenants on its part in this Guarantee Agreement contained, the Guarantor

¹ Came into force on 2 November 1967, upon notification by the Bank to the Government of Colombia.

² See p. 108 of this volume.

hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of the principal of, and the interest and other charges on, the Loan, the principal of and interest on the Bonds and the premium, if any, on the prepayment of the Loan or the redemption of the Bonds and the punctual performance of all 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; and (ii) 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 or of Banco de la Republica or any other institution acting as the central bank of the Guarantor, 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 the 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 shall be reasonably

requested 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 administration, operations and financial condition of the Borrower and other 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 cause the roads serving the Project to be adequately maintained and shall cause all necessary repairs to be made promptly and in accordance with sound engineering practices.

(d) 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 and free from all restrictions 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 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 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.

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 for Finance 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 cables :

Minhacienda
Bogotá

For the Bank :

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Alternative address for cables :

Intbafrad
Washington, D.C.

Section 5.02. The Minister for Finance 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 H. ECHAVARRIA OLOZAGA
Authorized Representative

International Bank for Reconstruction and Development :
By S. ALDEWERELD
Vice President

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

LOAN REGULATIONS No. 4, DATED 15 FEBRUARY 1961,
AS AMENDED 9 FEBRUARY 1967REGULATIONS APPLICABLE TO LOANS MADE BY THE BANK TO BORROWERS OTHER THAN
MEMBER GOVERNMENTS*[Not published herein. See United Nations, Treaty Series, Vol. 598, p. 270.]*

LOAN AGREEMENT

(ATLÁNTICO No. 3 IRRIGATION PROJECT)

AGREEMENT, dated June 29, 1967, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and INSTITUTO COLOMBIANO DE LA REFORMA AGRARIA, a Public Agency with Administrative Autonomy established pursuant to Law No. 135 of December 13, 1961, of the Republic of Colombia (hereinafter called the Borrower).

Article I

LOAN REGULATIONS

Section 1.01. The parties to this Agreement accept all the provisions of Loan Regulations No. 4 of the Bank, dated February 15, 1961, as amended February 9, 1967,¹ with the same force and effect as if they were fully set forth herein (said Loan Regulations No. 4 being hereinafter called the Loan Regulations).

Article II

THE LOAN

Section 2.01. The Bank agrees to lend to the Borrower an amount in various currencies equivalent to nine million dollars (\$9,000,000).

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, this Agreement and the Loan Regulations.

Section 2.03. The Borrower shall be entitled to withdraw from the Loan Account :
(a) the equivalent of a percentage or percentages to be established from time to time by agreement between the Borrower and the Bank of such amounts as shall have been expended for the reasonable cost of construction required for carrying out the Project, and

¹ See above.

for purposes of this paragraph clause (b) of Section 4.01 of the Loan Regulations shall not apply; and (b) such amounts as shall have been expended for the reasonable cost of equipment acquired for and services rendered in connection with the Project and not included in the foregoing, and, if the Bank shall so agree, such amounts as shall be required by the Borrower to meet payments for such equipment and services.

Section 2.04. Pursuant to Section 3.02 of the Loan Regulations, withdrawals under paragraph (a) of Section 2.03 of this Agreement shall be made in such currency or currencies as the Bank shall from time to time reasonably select.

Section 2.05. The Borrower shall pay to the Bank a commitment charge at the rate of three-eighths of one per cent ($\frac{3}{8}$ of 1%) per annum on the principal amount of the Loan not withdrawn from time to time from the Loan Account.

Section 2.06. The Borrower shall pay interest at the rate of six per cent (6%) per annum on the principal amount of the Loan so withdrawn and outstanding from time to time.

Section 2.07. 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 commitment outstanding from time to time.

Section 2.08. Interest and other charges shall be payable semi-annually on April 15 and October 15 in each year.

Section 2.09. The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule I 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 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. Except as the Bank and the Borrower shall otherwise agree, the Borrower shall cause all goods financed out of the proceeds of the Loan to be used exclusively in carrying out the Project described in Schedule 2 to this Agreement.

Article IV

BONDS

Section 4.01. If and as the Bank shall from time to time request, the Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in Article VI of the Loan Regulations.

Section 4.02. The General Manager of the Borrower is designated as authorized representative of the Borrower for the purposes of Section 6.12 (a) of the Loan Regulations. The General Manager of the Borrower may designate additional or other authorized representatives by appointment in writing notified to the Bank.

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 management, engineering, agricultural, marketing and financial standards and practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.

(b) In order to assist in carrying out the Project, the Borrower shall employ consultants and contractors acceptable to, and to an extent and upon terms and conditions satisfactory to, the Bank.

(c) The Borrower shall promptly furnish or cause to be furnished to the Bank the plans, specifications and work schedules for the Project and any material modifications subsequently made therein, in such detail as the Bank shall reasonably request.

(d) The Borrower shall cause all works, facilities and equipment related to the Project to be adequately maintained and from time to time shall cause all necessary renewals and repairs thereof to be made promptly in accordance with sound engineering and agricultural practices.

(e) The Borrower shall take all possible measures to assure that the operating policies and procedures for the Project are satisfactory to the Bank and in particular shall ensure that the Project is operated in accordance with sound business, financial and agricultural policies and under the supervision of experienced and competent management.

Section 5.02. If, and as the Bank shall from time to time request, the Borrower shall have its financial statements (balance sheet and related statement of profit and loss) certified by an independent accountant or accounting firm acceptable to the Bank and shall promptly after their preparation and not later than five months after the close of the fiscal year to which they apply transmit to the Bank certified copies of such statements and a signed copy of the accountant's or accounting firm's report.

Section 5.03. The Borrower : (i) shall maintain or cause to be maintained 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 expenditures and the availability of funds in respect of the works and facilities included in the Project; (ii) shall enable the Bank's representatives to inspect the Project, the goods, and any relevant records and documents; and (iii) shall furnish or cause to be furnished 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 operations, administration and financial resources in respect of the works and facilities included in the Project.

Section 5.04. (a) The Borrower 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 Borrower, such information shall include information with respect to the administration and management of the Project.

(b) The Borrower 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 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.

(c) The Borrower shall afford all reasonable opportunity for accredited representatives of the Bank to visit any part of the Project area or any other area within the scope of the Borrower's activities.

Section 5.05. The Borrower shall take all steps necessary to acquire, maintain and renew all rights, powers, privileges and franchises which are necessary or useful to the carrying out of the Project.

Section 5.06. The Borrower undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of 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 the date on which it is originally incurred.

Section 5.07. (a) Except as the Bank and the Borrower shall otherwise agree, the Borrower shall take out and maintain with responsible insurers, or make other provision satisfactory to the Bank for, insurance against such risks and in such amounts as shall be consistent with sound practice.

(b) Without limiting the generality of the foregoing, the Borrower undertakes to insure or cause to be insured the goods to be financed out of the proceeds of the Loan

against marine, transit and other hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation and any indemnity under such insurance shall be payable in a currency freely usable by the Borrower to replace or repair such goods.

Section 5.08. Subject to such exemptions as shall be conferred by the provisions of Section 3.03 and Section 3.04 of the Guarantee Agreement¹ or otherwise, the Borrower shall pay or cause to be paid all taxes, 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 the Loan 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 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 5.09. The Borrower shall pay or cause to be paid all taxes, 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 the Loan Agreement, the Guarantee Agreement or the Bonds.

Section 5.10. The Borrower shall make suitable provision, acceptable to the Bank, for the recovery of all operating and maintenance costs and of as much as practicable of the moneys invested in the Project together with reasonable interest thereon. The Borrower shall cause such charges, including water charges, rents and taxes, to be assessed at such rates and on such a basis as to ensure that the farmers will have the necessary incentive to maximize production.

Section 5.11. The Borrower shall make available or cause to be made available credit on reasonable terms to farmers in the Project area to enable such farmers to make effective use of the Project facilities. The Borrower shall furnish or cause to be furnished such reports as the Bank shall from time to time request with respect to the administration and financial operations of the institutions providing such credit.

Section 5.12. The Borrower shall provide, or cause to be provided, agricultural extension services which shall include conducting research and tests at experimental stations, making available seeds, fertilizers and agricultural machinery and informing and instructing farmers in the Project area through an adequate staff of officers trained in the techniques appropriate to the Project.

Article VI

REMEDIES OF THE BANK

Section 6.01. (i) If any event specified in paragraph (a), paragraph (e) or paragraph (f) of Section 5.02 of the Loan Regulations or in Section 6.02 of this Agreement shall

¹ See p. 100 of this volume.

occur and shall continue for a period of thirty days, or (ii) if a default shall occur in the payment of principal or interest or any other payment required under any other loan agreement between the Bank and the Borrower or under any bond delivered pursuant thereto or under any credit agreement between the Association and the Borrower and such default shall continue for a period of thirty days, or (iii) if a default shall occur in the payment of principal or interest or any other payment required under any loan agreement or under any guarantee agreement between the Guarantor and the Bank or under any bond delivered pursuant to any such agreement or under any credit agreement between the Association and the Guarantor under circumstances which would make it unlikely that the Guarantor would meet its obligations under the Guarantee Agreement and such default shall continue for a period of thirty days, or (iv) 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.

Section 6.02. The following event is specified for the purposes of paragraph (l) of Section 5.02 of the Loan Regulations :

Law No. 135 of December 13, 1961, or any of its provisions, shall have been amended, suspended or abrogated so as to affect adversely the operations or financial condition of the Borrower or the performance by the Borrower of its obligations under the Loan Agreement.

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 (d) of the Loan Regulations, namely, that the arrangements with consultants as referred to in Section 5.01 (b) of this Agreement have been made in terms satisfactory to the Bank.

Section 7.02. The following is specified as an additional matter, within the meaning of Section 9.02 (c) of the Loan Regulations, to be included in the opinion or opinions to be furnished to the Bank, namely, that the arrangements with consultants as referred to in Section 5.01 (b) of this Agreement are valid and binding.

Section 7.03. If this Agreement shall not have come into force and effect by September 30, 1967, this Agreement and all obligations of the parties hereunder shall terminate, unless the Bank, after consideration of the reasons for the delay, establishes a later date for purposes of this Section. The Bank shall promptly notify the Borrower and the Guarantor of such later date.

Article VIII

MISCELLANEOUS

Section 8.01. The Closing Date shall be December 31, 1972, or such later date as may be agreed by the Bank.

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

For the Bank :

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address :

Intbafrad
Washington, D.C.

For the Borrower :

Instituto Colombiano de la Reforma Agraria
Centro Administrativo Nacional
Bogotá, D.E.
Colombia

Cable address :

Incora
Bogota, Colombia

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 to be 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 S. ALDEWERELD
Vice President

Instituto Colombiano de la Reforma Agraria :

By E. PEÑALOSA CAMARGO
Authorized Representative

SCHEDULE I

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>
October 15, 1973	\$125,000	April 15, 1983	220,000
April 15, 1974	130,000	October 15, 1983	225,000
October 15, 1974	130,000	April 15, 1984	230,000
April 15, 1975	135,000	October 15, 1984	240,000
October 15, 1975	140,000	April 15, 1985	245,000
April 15, 1976	145,000	October 15, 1985	255,000
October 15, 1976	150,000	April 15, 1986	260,000
April 15, 1977	155,000	October 15, 1986	270,000
October 15, 1977	160,000	April 15, 1987	275,000
April 15, 1978	165,000	October 15, 1987	285,000
October 15, 1978	165,000	April 15, 1988	295,000
April 15, 1979	170,000	October 15, 1988	300,000
October 15, 1979	180,000	April 15, 1989	310,000
April 15, 1980	185,000	October 15, 1989	320,000
October 15, 1980	190,000	April 15, 1990	330,000
April 15, 1981	195,000	October 15, 1990	340,000
October 15, 1981	200,000	April 15, 1991	350,000
April 15, 1982	205,000	October 15, 1991	360,000
October 15, 1982	210,000	April 15, 1992	370,000
		October 15, 1992	385,000

* To the extent that any part of the Loan is repayable in a currency other than dollars (see Loan Regulations, Section 3.03), 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>Premiums</i>
Not more than three years before maturity	½%
More than three years but not more than six years before maturity	1%
More than six years but not more than eleven years before maturity	2%
More than eleven years but not more than sixteen years before maturity	3%
More than sixteen years but not more than twenty-one years before maturity	4%
More than twenty-one years but not more than twenty-three years before maturity	5%
More than twenty-three years before maturity	6%

SCHEDULE 2

DESCRIPTION OF THE PROJECT

1. The purpose of the Project is to provide for the settlement and development of 9,900 ha of land in the Department of Atlántico in northern Colombia. 3,900 ha will be irrigated and 6,000 ha will be protected from flooding. The Project will be the first stage of a program to irrigate a substantially larger area in the same vicinity.

2. The principal works to be constructed as part of the Project are :

- (a) The San Pedrito pumping station, to raise water from the Magdalena River by electrically-driven pumps an average of 3 meters into the Main Canal.
- (b) The Main Canal, approximately 19 km long, and regulatory structures for it.
- (c) The Irrigation Lateral System, comprising electrically-driven pumps and their pumphouses, approximately 60 km of asbestos-cement pressure pipe, approximately 125 km of aluminum pipe lateral, and approximately 13,000 sprinkler heads.
- (d) The Drainage System, comprising farm, secondary and main drains and a pumping station near San Cristobal.
- (e) An electrical generating station, a transformer substation, approximately 26 km of transmission line and transformers.
- (f) The Santa Lucia Pilot Farm and nurseries and two field trial farms, with their irrigation systems.
- (g) A flood protection interceptor channel approximately 35 km long with inlets from creeks and a discharge outfall into Lake Guajaro.
- (h) A system of secondary and farm roads.
- (i) Offices, houses and a repair and maintenance workshop in the Project headquarters area, together with utilities.
- (j) An orange packing-house equipped to process and pack oranges for export and also drying sheds for tobacco.

3. The Project includes the purchase, installation and utilization of equipment and vehicles for agricultural field operations, operation and maintenance of Project works and maintenance and repair of mechanical and other equipment and the provision of spare parts.

4. The Project also includes :

- (i) The employment of consultants to prepare final designs and tender documents, supervise construction, manage the Project and train INCORA's Project staff to take over technical and managerial functions, and also to carry out feasibility studies for future stages of irrigated development.

- (ii) The establishment of perennial crops of oranges, guava, papaya and pineapple.
- (iii) The training, outside Colombia, of Project personnel and selected farmers in the techniques of intensive production of high-value crops and of other members of INCORA's professional staff in administrative or technical subjects of such a nature as to contribute to INCORA's overall development.

The Project is expected to be completed by June 30, 1972.