

No. 10580

**INTERNATIONAL DEVELOPMENT ASSOCIATION
and
CAMEROON**

**Development Credit Agreement—*Education project* (with
annexed General Conditions Applicable to Develop-
ment Credit Agreements). Signed at Washington on
23 September 1969**

Authentic text : English.

Registered by the International Development Association on 6 July 1970.

**ASSOCIATION INTERNATIONALE
DE DÉVELOPPEMENT**

et
CAMEROUN

**Contrat de crédit de développement — *Projet relatif à
l'enseignement* (avec, en annexe, les Conditions géné-
rales applicables aux contrats de crédit de dévelop-
pement). Signé à Washington le 23 septembre 1969**

Texte authentique : anglais

Enregistré par l'Association internationale de développement le 6 juillet 1970.

DEVELOPMENT CREDIT AGREEMENT ¹

AGREEMENT, dated September 23, 1969, between, FEDERAL REPUBLIC OF CAMEROON (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

WHEREAS the Borrower has requested the Association to assist in the financing of an education project consisting *inter alia* of the construction, furnishing and equipment of schools;

WHEREAS the Association has agreed, on the basis *inter alia* of the foregoing, to make available to the Borrower a development credit on the terms and conditions hereinafter set forth;

NOW THEREFORE the parties hereto hereby agree as follows :

Article I

GENERAL CONDITIONS; DEFINITIONS

Section 1.01. The parties to this Development Credit Agreement accept all the provisions of the General Conditions Applicable to Development Credit Agreements of the Association, dated January 31, 1969,² with the same force and effect as if they were fully set forth herein (said General Conditions Applicable to Development Credit Agreements of the Association being hereinafter called the General Conditions).

Section 1.02. Wherever used in this Development Credit Agreement, unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth.

Article II

THE CREDIT

Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions in this Development Credit Agreement set forth or referred to, an amount in various currencies equivalent to ten million five hundred thousand dollars (\$10,500,000).

¹ Came into force on 29 April 1970, upon notification by the Association to the Government of Cameroon.

² See p. 38 of this volume.

Section 2.02. (a) The Association shall open a Credit Account on its books in the name of the Borrower and shall credit to such Account the amount of the Credit.

(b) The amount of the Credit may be withdrawn from the Credit Account as provided in, and subject to the rights of cancellation and suspension set forth in, this Development Credit Agreement and in accordance with the allocation of the proceeds of the Credit set forth in Schedule 1 to this Agreement, as such allocation shall be modified from time to time pursuant to the provisions of such Schedule or by further agreement between the Borrower and the Association.

Section 2.03. The Borrower shall be entitled to withdraw from the Credit Account in respect of the reasonable cost of goods or services required for the Project and to be financed under this Development Credit Agreement :

- (i) such amounts as shall have been paid (or, if the Association shall so agree, as shall be required to meet payments to be made) for goods or services included in Categories I and III of the allocation of the proceeds of the Credit referred to in Section 2.02 of this Agreement; and
- (ii) the equivalent of sixty-nine per cent (69 %) of such amounts as shall have been paid (or, if the Association shall so agree, as shall be required to meet payments to be made) for goods or services included in Category II of the allocation of the proceeds of the Credit referred to in Section 2.02 of this Agreement; provided, however, that if there shall be an increase in the estimate of such payments for goods or services included in Category II, the Association may by notice to the Borrower adjust the stated percentage applicable to such Category as required in order that withdrawals of the amount of the Credit then allocated to such Category and not withdrawn may continue *pro rata* with the payments remaining to be made for goods or services included in such Category.

Section 2.04. Withdrawals from the Credit Account may be made on account of payments in CFA Francs for goods produced, or services supplied from, outside the territories of the Borrower; provided, however, that no withdrawals from the Credit Account shall be made on account of payments for taxes imposed by the Borrower or any of its political subdivisions on, or in connection with, the importation or supply of such goods or services.

Section 2.05. The currency of the United States of America is hereby specified for the purposes of Section 4.02 of the General Conditions.

Section 2.06. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one percent ($\frac{3}{4}$ of 1 %) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

Section 2.07. Service charges shall be payable semi-annually on June 15 and December 15 in each year.

Section 2.08. The Borrower shall repay the principal amount of the Credit withdrawn from the Credit Account in semi-annual installments payable on each June 15 and December 15 commencing December 15, 1979, and ending June 15, 2019, each installment to and including the installment payable on June 15, 1989 to be one-half of one per cent ($\frac{1}{2}$ of 1 %) of such principal amount, and each installment thereafter to be one and one-half per cent ($1\frac{1}{2}$ %) of such principal amount.

Article III

USE OF PROCEEDS OF THE CREDIT

Section 3.01. The Borrower shall apply the proceeds of the Credit in accordance with the provisions of this Development Credit Agreement to expenditures on the Project, described in Schedule 2 to this Agreement.

Section 3.02. Except as the Association shall otherwise agree, (i) the goods and services to be financed out of the proceeds of the Credit shall be procured on the basis of international competitive bidding in accordance with the *Guidelines for Procurement under World Bank Loans and IDA Credits*, published by the Association in February 1968, and in accordance with such other procedures supplementary thereto as are set forth in Schedule 4 to this Agreement or as shall be agreed between the Borrower and the Association, and (ii) contracts for the procurement of such goods and services shall be subject to the prior approval of the Association unless otherwise provided in said Schedule 4.

Section 3.03. Except as the Association may otherwise agree, the Borrower shall cause all goods and services financed out of the proceeds of the Credit to be used exclusively in carrying out the Project.

Article IV

PARTICULAR COVENANTS

Section 4.01. (a) The Borrower shall carry out the Project with due diligence and efficiency and in conformity with sound administrative,

financial and technical practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.

(b) In carrying out Part I of the Project, the Borrower shall employ contractors acceptable to the Association upon such terms and conditions as shall have been approved by the Association.

(c) Except as the Association shall otherwise agree, the Borrower shall furnish or cause to be furnished to the Association for its approval, promptly upon their preparation, the plans, specifications, contracts and work and procurement schedules for the construction works included in the Project, the lists of instructional equipment and furniture included therein, and any subsequent material modifications thereof, in such detail as the Association shall reasonably request.

(d) For the purposes of carrying out the Project, the Borrower shall establish and maintain within the Ministry of Education, Youth and Culture a Project Unit with such responsibilities, powers and services as are specified in Schedule 5 to this Agreement.

(e) Except as the Association shall otherwise agree, the Borrower shall employ architectural consultants, selected and retained in accordance with procedures agreed with the Association and upon terms and conditions satisfactory to the Association; such consultants shall be responsible for the architectural, engineering, supervisory and technical control services in respect of all construction works under the Project, and the preparation of the contractual arrangements therefor (subject to the Borrower's undertakings pursuant to Schedule 4 to this Agreement).

Section 4.02. (a) The Borrower shall: (i) ensure that all such land and other property rights as shall be required for carrying out Part I of the Project are immediately available for the purpose; and (ii) take all such timely action as shall be necessary for the acquisition of legal title to such lands, such acquisition to be completed, unless the Association shall otherwise agree, not later than one year after the date of this Agreement.

(b) The Borrower shall cause the buildings, furniture and equipment of the educational institutions included in the Project to be adequately maintained at all times, shall cause all necessary repairs and renewals thereof to be made promptly as needed and shall cause adequate maintenance records to be kept by the ministries of the Borrower responsible for such maintenance, repairs and renewals.

Section 4.03. (a) The Borrower shall cause the educational institutions included in the Project to be so operated as to promote the educational

objectives of the Borrower and to be provided with qualified teachers and administrators in adequate numbers.

(b) The Borrower shall reinforce its Educational Planning Service and employ therein an adequate number of Cameroonians qualified in educational planning, economics, school building, agricultural education and technical education.

Section 4.04. The Borrower shall (i) maintain or cause to be maintained records adequate to identify the goods and services financed out of the proceeds of the Credit, 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 budgetary condition, in respect of the Project, of the ministries, departments or agencies of the Borrower responsible for carrying out the Project or any part thereof; (ii) enable the Association's representatives to inspect the Project, the operation thereof, the goods and any relevant records and documents; and (iii) furnish to the Association all such information as the Association shall reasonably request concerning the expenditure of the proceeds of the Credit, the Project, the goods and services financed out of the proceeds of the Credit, the operation of the educational system of the Borrower, the programs for educational development in its territories and the operations and budgetary condition, in respect of the Project, of the ministries, departments or agencies of the Borrower responsible for carrying out the Project or any part thereof.

Section 4.05. (a) The Borrower and the Association shall cooperate fully to ensure that the purposes of the Credit will be accomplished. To that end, the Borrower and the Association shall from time to time, at the request of either party: (i) exchange views through their representatives with regard to matters relating to the purposes of the Credit and the maintenance of the service thereof, and (ii) furnish to the other party all such information as it shall reasonably request with regard to the general status of the Credit. On the part of the Borrower, such information shall include information with respect to financial and economic conditions in the territories of the Borrower and the international balance of payments position of the Borrower.

(b) The Borrower shall promptly inform the Association of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Credit or the maintenance of the service thereof.

(c) The Borrower shall afford all reasonable opportunity for accredited representatives of the Association to visit any part of the territories of the Borrower for purposes related to the Credit.

Section 4.06. The Borrower undertakes to insure, or make other provision satisfactory to the Association for insurance of, the imported goods to be financed out of the proceeds of the Credit against marine, transit and other hazards incident to acquisition, transportation and delivery thereof to the place of use or installation and for such insurance any indemnity shall be payable in a currency freely usable by the Borrower to replace or repair such goods.

Section 4.07. The principal of, and service charges on, the Credit shall be paid without deduction for, and free from, any taxes, and free from all restrictions, imposed under the laws of the Borrower or laws in effect in its territories.

Section 4.08. This Development Credit Agreement shall be free from any taxes that shall be imposed under the laws of the Borrower or laws in effect in its territories on or in connection with the execution, delivery or registration thereof.

Article V

REMEDIES OF THE ASSOCIATION

Section 5.01. If any event specified in Section 7.01 of the General Conditions shall occur and shall continue for the period, if any, therein set forth, then, at any subsequent time during the continuance thereof, the Association, at its option, may, by notice to the Borrower, declare the principal of the Credit then outstanding to be due and payable immediately together with the service charges thereon and upon any such declaration such principal, together with such charges, shall become due and payable immediately, anything in this Development Credit Agreement to the contrary notwithstanding.

Article VI

EFFECTIVE DATE; TERMINATION

Section 6.01. The following event is specified as an additional condition of effectiveness within the meaning of Section 10.01 (b) of the General Conditions, namely, that provision satisfactory to the Association shall have been made for compliance with the requirements of Section 4.02 (a) (i) and initial compliance with the requirements of Section 4.02 (a) (ii).

Section 6.02. The Date of December 30, 1969 is hereby specified for the purposes of Section 10.04 of the General Conditions.

Article VII

MISCELLANEOUS

Section 7.01. The Closing Date shall be June 30, 1974 or such other date as shall be agreed between the Borrower and the Association.

Section 7.02. The *Ministre du Plan et du Développement* of the Borrower is designated as representative of the Borrower for the purposes of Section 9.03 of the General Conditions.

Section 7.03. The following addresses are specified for the purposes of Section 9.01 of the General Conditions :

For the Borrower :

Ministère du Plan et du Développement
Yaoundé
Federal Republic of Cameroon
Cable address :
Minplan
Yaoundé

For the Association :

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
Cable address :
Indevas
Washington, D.C.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Development Credit 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.

Federal Republic of Cameroon :

By JOSEPH N. OWONO
Authorized Representative

International Development Association :

By J. BURKE KNAPP
Vice President

SCHEDULE 1

ALLOCATION OF THE PROCEEDS OF THE CREDIT

<i>Category</i>	<i>Amounts Expressed in Dollar Equivalent</i>
I. Furniture and Equipment for Part I of the Project . .	2,105,000
II. Construction Works, Siteworks and Professional Services for Part I of the Project.	6,892,000
III. Technical Assistance and Project Unit	720,000
IV. Unallocated	783,000
TOTAL	10,500,000

REALLOCATION UPON CHANGE IN COST ESTIMATES

1. If the estimate of the cost of the items included in any of the Categories I, II, or III shall decrease, the amount of the Credit then allocated to, and no longer required for, such Category will be reallocated by the Association to Category IV.

2. If the estimate of the cost of the items included in any of the Categories I, II, or III shall increase, an amount equal to the portion, if any, of such increase to be financed out of the proceeds of the Credit will be allocated by the Association, at the request of the Borrower, to such Categories I, II, or III from Category IV, subject, however, to the requirements for contingencies, as determined by the Association, in respect of the cost of other items in the other Categories.

SCHEDULE 2

DESCRIPTION OF THE PROJECT

The Project consists of the following three Parts:

I. A. The construction, furnishing and equipment of:

- (a) three new primary teacher training colleges;
- (b) extensions to the secondary teacher training college located in Yaoundé;
- (c) five new first cycle general secondary schools;
- (d) extensions to three first cycle general secondary schools located in Eseka, Nanga Eboko and Yokadouma;
- (e) six new second cycle general secondary schools (*lycées*);
- (f) extensions to one second cycle general secondary school located in Bambili, including an agricultural and a secondary teacher training wing;
- (g) one new vocational training school;
- (h) extensions to an existing technical *lycée* located in Douala; and
- (i) extensions to the higher school of agriculture located in Nkol-Bisson.

B. The re-equipment of two existing vocational training schools located in Ebolowa and Edea.

2. The provisions of 24 man-years of technical assistance (advisers and teachers) and of 20 man-years of fellowships to ensure that the schools included in Part I hereof function satisfactorily and to assist the Ministry of Education, Youth and Culture in the strengthening of its planning services.

3. The establishment of a Project Unit to supervise the execution of the Project and the provision of services and facilities necessary therefor.

The educational institutions to be included in the Project, their location, their planned total full-day student enrollment levels and the approximate area to be constructed for each such institution shall be as specified in the Exhibit hereto set out in Schedule 3 to this Agreement, as such exhibit may be amended by agreement between the Borrower and the Association.

The Project is expected to be completed by June 30, 1973.

SCHEDULE 3

E X H I B I T

LIST OF EDUCATIONAL INSTITUTIONS

<i>Item No.</i>	<i>Location*</i>	<i>Total enrollment capacity**</i>	<i>Area of new construction (approx. gross m²)</i>
<i>New Primary Teacher Training Colleges</i>			
1	N'Goumou	270	6020
2	Bafoussam	210	3800
3	Bertoua	210	3800
<i>Extensions to the Secondary Teacher Training College</i>			
4	Yaoundé	500	1900
<i>New First Cycle General Secondary Schools</i>			
5	Fort Foureau	320	3000
6	Mokolo	320	3000
7	Yagoua	320	3000
9	Batouri	320	3000
10	Akonolinga	320	3000
<i>Extensions to First Cycle General Secondary Schools</i>			
8	Yokadouma	320	2250
11	Nanga Eboko	320	2250
12	Eseka	320	2250

* In East Cameroon, unless otherwise stated.

** For the schools to be extended, the capacity indicated is the total for the extended facilities.

<i>Item No.</i>	<i>Location*</i>	<i>Total enrollment capacity**</i>	<i>Area of new construction (approx. gross m²)</i>
<i>New Second Cycle General Secondary Schools</i>			
13	Obala	360	3120
14	Sangmelima	360	3120
15	Edea	340***	3200
16	Bertoua	180	2660
17	Garoua	270	2940
18	Kumba (West Cameroon)	180	3060
<i>Extensions to a Second Cycle General Secondary School</i>			
19	Bambili (West Cameroon)	360****	1500
<i>Extensions to a Technical Lycée</i>			
20	Douala	600	1580
<i>Re-Equipment Only of Existing Vocational Training Schools</i>			
21	Edea	170	—
22	Ebolowa	170	—
<i>New Vocational Training School</i>			
23	Kumba (West Cameroon)	280	4100
<i>Extensions to the Higher School of Agriculture</i>			
24	Nkol-Bisson	120	770

* In East Cameroon, unless otherwise stated.

** For the schools to be extended, the capacity indicated is the total for the extended facilities.

*** Includes 160 first cycle students.

**** Includes 80 students in the annex of item No. 4, and 100 in the agricultural wing.

SCHEDULE 4

PROCUREMENT PROCEDURES

1. With respect to goods and services in Categories I and II of the allocation of the proceeds of the Credit, referred to in Section 2.02 of this Agreement, and required to be procured on the basis of international competitive bidding under Section 3.02 of this Agreement, identical or similar items to be procured shall be grouped together wherever practicable for the purposes of bidding and procurement.

2. *Contracts for Civil Works*

(a) In respect of civil works contracts expected to cost the equivalent of \$100,000 or more:

- (i) Prior to inviting bids the Borrower shall submit for approval by the Association :
 - (A) lists containing the types of works proposed to be let and the estimated costs thereof, together with a description of the method to be used for obtaining bids, the proposed advertising coverage and a timetable for their award;
 - (B) a description of pre-qualification procedures, the list of pre-qualified contractors and the pre-qualification documents;
 - (C) the draft bidding documents and the draft contracts.
- (ii) After bids have been received and evaluated, the Borrower shall send to the Association for its approval, prior to making any award, a summary of bids received, the analysis of the bid by the Project Unit, and a brief justification of the Borrower's decision on the award.
- (iii) As soon as a contract has been awarded, the Borrower shall send a conformed copy thereof to the Association.
 - (b) In respect of civil works contracts expected to cost less than the equivalent of \$100,000, copies of all tender documents, including invitations to bid, bid analyses and evaluations as well as one conformed copy of any such contract relating thereto shall be sent to the Association promptly after the execution of any such contract and prior to the submission to the Association of the first application for withdrawal of funds from the Credit Account in respect of any such contract.
 - (c) The Borrower shall request the approval of the Association for any proposed Change in a contract involving a price increase of 5 % or more or of the equivalent of \$10,000 or more, whichever is less.

3. *Contracts for Instructional Furniture and Equipment*

- (a) When evaluating bids for the procurement of instructional furniture, prices of locally produced goods shall be compared with prices of imported goods on the following basis : (i) the price of goods produced in the territories of the Borrower shall consist of the ex-factory cost of such goods net of all taxes imposed by the Borrower ; and (ii) the price of imported goods shall consist of the c.i.f. landed cost of such imported goods plus a margin, to be agreed with the Association from time to time but not to exceed fifteen percent (15 %) of such cost. This margin of preference may be extended by the Borrower to local manufacturers of other member countries of C.A.E.C.U. (Central African Economic and Customs Union).
- (b) In respect of contracts for the supply of furniture and equipment expected to cost the equivalent of \$25,000 or more :
 - (i) Lists for all items of instructional furniture and equipment required for the Project shall be prepared by the Project Unit, showing the specifications and the estimated unit and total price of each item.
 - (ii) Prior to inviting bids the Borrower shall submit for approval by the Association :

- (A) the lists mentioned in sub-paragraph (i) hereof, together with a description of the method to be used for obtaining bids and the proposed advertising coverage;
- (B) the draft standard bid, tender and contract documents.
- (iii) After bids have been received and evaluated, the Borrower shall send to the Association for its approval, prior to making any award, a summary of bids received, together with the Project Unit analysis thereof and a brief justification of the Borrower's decision on the award.
- (iv) As soon as the contract has been signed, the Borrower shall send a conformed copy thereof to the Association.
 - (c) In respect of contracts for the supply of furniture and equipment expected to cost less than the equivalent of \$25,000, the lists of all items included in any such contract, and copies of all tender documents, including invitations to bid, bid analyses and evaluations, as well as one conformed copy of any such contract shall be sent to the Association promptly after the execution of any such contract and prior to the submission to the Association of the first application for withdrawal of funds from the Credit Account in respect of any such contract.
 - (d) The Borrower shall request the approval of the Association for any proposed change in a contract involving a price increase of 5 % or more or the equivalent of \$10,000 or more, whichever is less.

4. Whenever a contract under the Project is awarded to a supplier or contractor not registered in Federal Republic of Cameroon, the Borrower shall facilitate the accomplishment by such supplier or contractor of all formalities which may be required to enable him to carry out such contract.

SCHEDULE 5

THE PROJECT UNIT

1. The Project Unit shall be responsible for initiating, coordinating and supervising all phases and aspects of the implementation of the Project, including *inter alia*:
- (a) the selection, briefing and supervision of architectural consultants provided for in Section 4.01 (e) of this Agreement;
 - (b) the approval of the design of the educational institutions included in the Project;
 - (c) the preparation of master lists of the furniture and equipment to be procured for the Project;
 - (d) the preparation of bidding documents for all construction works and for the procurement of furniture and equipment the analysis of bids and, where required by Schedule 4 to this Agreement, the making of recommendations regarding the award of contracts;

- (e) coordination with the Secretariat of Public Works of East Cameroon, and the Department of Public Works of West Cameroon;
- (f) the regular inspection of all construction works;
- (g) the keeping of records, including financial records, related to the execution of the Project; and
- (h) the preparation of quarterly progress reports to be sent by the Borrower to the Association.

2. The Project Unit shall consist of:

- (a) a full-time Chief of Project acceptable to the Association, who shall have over-all responsibility for the direction and coordination of its work;
- (b) a full-time Project Architect (or Engineer) acceptable to the Association, who shall in particular be responsible for the direction and supervision, through the architectural consultants referred to in Section 4.01 (e) of this Agreement, of all construction works and for liaison with the government departments responsible for such works as well as with other official agencies having jurisdiction over such works; and
- (c) such technical, accounting, administrative, and secretarial staff, as may be required for the efficient carrying out of the Project Unit's responsibilities.

3. The Project Unit shall be provided with the necessary office space and equipment as may be required by the Unit.

INTERNATIONAL DEVELOPMENT ASSOCIATION

GENERAL CONDITIONS, DATED 31 JANUARY 1969

GENERAL CONDITIONS APPLICABLE TO DEVELOPMENT CREDIT AGREEMENTS

[Not published herein. See *United Nations, Treaty Series, vol. 703, p. 244.*
