

No. 10953

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

Loan Agreement—*Fifth Road Project* (with annexed General Conditions Applicable to Loan and Guarantee Agreements). Signed at Washington on 29 June 1970

Authentic text: English.

Registered by the International Bank for Reconstruction and Development on 22 February 1971.

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

Contrat d'emprunt — *Cinquième projet routier* (avec, en annexe, les Conditions générales applicables aux contrats d'emprunt et de garantie). Signé à Washington le 29 juin 1970

Texte authentique : anglais.

Enregistré par la Banque internationale pour la reconstruction et le développement le 22 février 1971.

LOAN AGREEMENT¹

AGREEMENT, dated June 29, 1970, between IRAN (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

Article I

GENERAL CONDITIONS; DEFINITIONS

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated January 31, 1969,² with the same force and effect as if they were fully set forth herein, subject, however, to the deletion of Section 5.01 thereof (said General Conditions Applicable to Loan and Guarantee Agreements of the Bank, as so modified, being hereinafter called the General Conditions).

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

(a) "Plan Law" means the Law of Iran of Esfand 27, 1346 (March 18, 1968) providing for the Fourth National Five Year Development Plan of the Borrower, together with any amendment or amendments thereof;

(b) "Plan Organization" means the Plan Organization, the functions and responsibilities of which are defined in the Plan Law, or any other organization or organizations which may be charged hereafter by law with functions and responsibilities of similar scope and character, and shall include any successor or successors thereto;

(c) "Ministry" means the Ministry of Roads of the Borrower, and shall include any successor thereto;

(d) "Main roads of Iran" means all roads of Iran (including, but without limitation, all bridges, viaducts and other structures of such roads) which are under the jurisdiction of the Ministry and which have been improved, reconstructed or constructed after the year 1954.

¹ Came into force on 2 October 1970, upon notification by the Bank to the Government of Iran.

² See p. 30 of this volume.

Article II

THE LOAN

Section 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions in the Loan Agreement set forth or referred to, an amount in various currencies equivalent to forty-two million dollars (\$42,000,000).

Section 2.02. Except as the Borrower and the Bank shall otherwise agree, the amount of the Loan may be withdrawn from the Loan Account in accordance with the provisions of Schedule 1 to this Agreement for expenditures made (or, if the Bank shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project described in Schedule 3 to this Agreement and to be financed under the Loan Agreement; provided, however, that no withdrawal shall be made on account of expenditures in the territories of any country which is not a member of the Bank (other than Switzerland) or for goods produced in, or services supplied from, such territories.

Section 2.03. The Closing Date shall be June 30, 1975 or such other date as shall be agreed between the Borrower and the Bank.

Section 2.04. 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 withdrawn from time to time.

Section 2.05. The Borrower shall pay interest at the rate of seven per cent (7%) per annum on the principal amount of the Loan withdrawn and 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 2 to this Agreement.

Section 2.08. 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 VIII of the General Conditions.

Section 2.09. The Managing Director of the Plan Organization and such other person or persons as he shall appoint in writing are designated as authorized representatives of the Borrower for the purposes of Section 8.10 of the General Conditions.

Article III

EXECUTION OF THE PROJECT

Section 3.01. The Borrower shall carry out the Project with due diligence and efficiency and in conformity with sound engineering, adminis-

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

Section 3.02. In the carrying out of the Project, the Borrower shall employ engineering, maintenance and management consultants acceptable to the Bank upon terms and conditions satisfactory to the Bank for the purpose of supervising the construction and improvement of the roads included in Part 1 of the Project, and of carrying out the management, road maintenance, organization improvement, Tehran transportation, and feasibility studies and the detailed engineering included in Part 2 of the Project, and shall furnish to the Bank such information and documents in respect of their services as are listed in Schedule 6 to this Agreement. In obtaining proposals from consultants for the purpose of carrying out the studies and detailed engineering specified in Part 2 of the Project, the Borrower shall observe the provisions set forth in the booklet entitled *Uses of Consultants by the World Bank and its Borrowers*, published by the Bank in September 1966.

Section 3.03. In carrying out Part 1 of the Project, the Borrower agrees that contractors acceptable to the Bank will be employed upon terms and conditions satisfactory to the Borrower and the Bank.

Section 3.04. (a) Except as the Bank shall otherwise agree, (i) the goods and services (other than consultants' services) required for the Project and to be financed out of the proceeds of the Loan 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 Bank in August 1969, and in accordance with such other procedures supplementary thereto as are set forth in Schedule 5 to this Agreement; and (ii) contracts for the procurement of all goods and services to be financed out of the proceeds of the Loan shall be subject to the prior approval of the Bank.

(b) The Borrower undertakes to insure or make adequate provision for the insurance of the imported 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 for such insurance any indemnity shall be payable in a currency freely usable by the Borrower to replace or repair such goods.

(c) Except as the Bank shall otherwise agree, all goods and services financed out of the proceeds of the Loan shall be used exclusively for the Project.

Section 3.05. (a) The Borrower shall furnish to the Bank, promptly upon their preparation, the plans, specifications and construction and work schedules for the Project, and any material modifications or additions thereto, in such detail as the Bank shall reasonably request.

(b) The Borrower: (i) shall maintain records adequate to record the progress of the Project (including the cost thereof) and to identify the goods and services financed out of the proceeds of the Loan, and to disclose the use thereof in the Project; (ii) shall enable the Bank's representatives to inspect the Project, the goods financed out of the proceeds of the Loan and any relevant records and documents; and (iii) shall furnish to the Bank all such information as the Bank shall reasonably request concerning the Project, the expenditure of the proceeds of the Loan and the goods and services financed out of such proceeds.

Section 3.06. The general design standards and the types of surfacing (including pavement) to be used for the roads included in Part 1 of the Project shall be as set forth in Schedule 4 to this Agreement, as such standards shall be modified from time to time by agreement between the Borrower and the Bank.

Article IV

OTHER COVENANTS

Section 4.01. (a) It is the mutual intention of the Borrower and the Bank that no other external debt shall enjoy any priority over the Loan or the Bonds by way of a lien on governmental assets.

(b) To that end, 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 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.

(c) 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 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.

As used in this Section, the term “assets of the Borrower” includes assets of the Borrower or of any of its political subdivisions or of any agency of the Borrower or of any such political subdivision, including the assets of the Bank Markazi Iran and any other institution performing the functions of a central bank.

Section 4.02. (a) The Borrower shall: (i) cause the main roads of Iran to be adequately maintained and all necessary repairs thereof promptly to be made, all in accordance with sound engineering practices; and (ii) make adequate arrangements satisfactory to the Bank for the timely provision of funds and resources required for that purpose.

(b) The Borrower shall: (i) cause all its road maintenance equipment to be adequately maintained and all necessary repairs, renewals and replacements thereof to be made and suitable workshops to be provided and maintained for that purpose; and (ii) make adequate financial arrangements satisfactory to the Bank for the timely acquisition or renewal of such road maintenance equipment.

Section 4.03. In order to ensure the proper use of the main roads of Iran, the Borrower shall, except as the Borrower and the Bank shall otherwise agree: (i) take all such action as shall be necessary to cause the dimensions and weights of vehicles using such roads to be kept within limits substantially in accordance with the standards agreed upon at the United Nations Conference on Road and Motor Transport held at Geneva, Switzerland in 1949 previously adopted by the Borrower; and (ii) collect and record in accordance with appropriate statistical methods and procedures (including regular and systematic traffic counts) such technical, economic and financial information as shall be reasonably required for proper planning of maintenance, improvements and extensions of the main roads of Iran, and furnish to the Bank such information in respect thereof as the Bank shall reasonably request.

Section 4.04. (a) The Borrower shall make adequate arrangements with the National Cartographic Center and the Materials Laboratory of the Plan Organization for the provision of such cartographic and laboratory services as shall be required by the consultants in accordance with their contracts in order to carry out the feasibility studies and detailed engineering included in Part 2 of the Project within the time limits specified in such contracts.

(b) The Borrower shall implement: (i) such of the principal recommendations of the management consultant as shall be agreed between the Borrower and the Bank regarding institutional arrangements for transport coordination and reorganization of the departments and agencies of the Borrower (including the Ministry) responsible for the main roads of Iran, all in accordance with an agreed timetable; and (ii) the principal recommenda-

tions of the maintenance consultant for improvements in the organization and operation of the Borrower's road maintenance department and provision of funds for road maintenance, as agreed by the Borrower and the Bank.

Article V

CONSULTATION AND INFORMATION

Section 5.01. The Borrower and the Bank shall cooperate fully to assure that the purposes of the Loan will be accomplished. To that end, the Borrower and the Bank shall from time to time, at the request of either party:

- (a) exchange views through their representatives with regard to the performance of their respective obligations under the Loan Agreement, the administration, operations and financial condition of the Plan Organization and, in respect of the Project, of the departments and agencies of the Borrower responsible for the carrying out of the Project or any part thereof, and other matters relating to the purposes of the Loan; and
- (b) 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 financial and economic conditions in the territories of the Borrower, including its balance of payments, and the external debt of the Borrower, of any of its political subdivisions and of any agency of the Borrower or of any such political subdivision.

Section 5.02. (a) The Borrower shall maintain or cause to be maintained records adequate to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of the Plan Organization and, in respect of the Project, of the departments and agencies of the Borrower responsible for the carrying out of the Project or any part thereof; and shall furnish or cause to be furnished to the Bank all such information as the Bank shall reasonably request concerning the main roads of Iran, the operations and financial condition of the Plan Organization and, in respect of the Project, of such departments and agencies.

(b) 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, the maintenance of the service thereof or the performance by the Borrower of its obligations under the Loan Agreement.

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

Article VI

TAXES AND RESTRICTIONS

Section 6.01. 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 imposed under the laws of the Borrower or laws in effect in its territories; provided, however, that the foregoing 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 Borrower.

Section 6.02. The Loan Agreement and the Bonds shall be free from any taxes on or in connection with the execution, issue, delivery or registration thereof imposed under the laws of the Borrower or laws in effect in its territories and the Borrower shall pay all such 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.

Section 6.03. The payment of the principal of, and interest and other charges on, the Loan and the Bonds shall be free from all restrictions, regulations, controls and moratoria of any nature imposed under the laws of the Borrower or laws in effect in its territories.

Article VII

REMEDIES OF THE BANK

Section 7.01. 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 Bank at its option, may by notice to the Borrower declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately together with the interest and other charges thereon and upon any such declaration such principal, interest and charges shall become due and payable immediately, anything to the contrary in the Loan Agreement or in the Bonds notwithstanding.

Article VIII

TERMINATION

Section 8.01. The date September 30, 1970 is hereby specified for the purposes of Section 11.04 of the General Conditions.

Article IX

REPRESENTATIVE OF THE BORROWER; ADDRESSES

Section 9.01. The Managing Director of the Plan Organization is designated as representative of the Borrower for the purposes of Section 10.03 of the General Conditions.

Section 9.02. The following addresses are specified for the purposes of Section 10.01 of the General Conditions:

For the Borrower:

Plan Organization
Tehran, Iran

Cable address:
Barnameh
Tehran

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.

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.

Iran:

By JAHANGIR AMUZEGAR
Authorized Representative

International Bank for Reconstruction and Development:

By J. BURKE KNAPP
Vice President

SCHEDULE I

WITHDRAWAL OF THE PROCEEDS OF THE LOAN

1. The table below sets forth the categories of goods and services to be financed out of the proceeds of the Loan, the allocation of the amounts of the Loan to each category and the percentage of eligible expenditures to be financed in each category:

<i>Category</i>	<i>Allocation of Amounts of Loan (Expressed in Dollar Equivalent)</i>	<i>Percentage of Expenditures to be Financed</i>
I. Construction and improvement of about 550 km of roads under Part 1 of the Project	22,300,000	40% of total expenditures (such % representing the estimated foreign exchange component)
II. Consultants' services for carrying out supervision of construction, and for studies and detailed engineering, under Part 2 of the Project	6,000,000	100% of foreign expenditures
III. Road maintenance equipment for Part 3 of the Project	8,000,000	100% of foreign expenditures
IV. Unallocated	<u>5,700,000</u>	
	TOTAL: <u>\$ 42,000,000</u>	

2. For the purposes of this Schedule:

- (a) the term "foreign expenditures" means expenditures for goods produced in, or services supplied from, the territories, and in the currency of any member of the Bank (other than the Borrower) or of Switzerland;
- (b) the term "total expenditures" means the aggregate of foreign and local expenditures.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made:

- (a) in respect of payments for taxes imposed under the laws of the Borrower or laws in effect in its territories on goods or services, or on the importation, manufacture, procurement or supply thereof. To the extent that the amount represented by the percentage set forth in the third column of the table in paragraph 1 above would exceed the amount payable net of all such taxes, such percentage shall be reduced to ensure that no proceeds of the Loan will be withdrawn on account of payments for such taxes; or
- (b) in excess of the equivalent of two million dollars (\$2,000,000) from Category III until the Borrower has complied with the provisions of Section 4.04 (b) (ii) of the Loan Agreement.

4. Notwithstanding the allocation of an amount of the Loan set forth in the second column of the table in paragraph 1 above:

- (a) if the estimate of the expenditures under any Category shall decrease, the amount of the Loan then allocated to such Category and no longer required therefor will be reallocated by the Bank by increasing correspondingly the unallocated amount of the Loan;
- (b) if the estimate of the expenditures under any Category shall increase, the percentage set forth in the third column of the table in paragraph 1 above in respect of such expenditures shall be applied to the amount of such increase, and a corresponding amount will be allocated by the Bank, at the request of the Borrower, to such Category from the unallocated amount of the Loan, subject, however, to the requirements, for contingencies, as determined by the Bank, in respect of any other expenditures.

5. Notwithstanding the percentage set forth in the third column of the table in paragraph 1 above against Category I, if the estimate of expenditures under such Category shall increase and no proceeds of the Loan are available for reallocation to such Category, the Bank may, by notice to the Borrower, modify the percentage then applicable to such expenditures in order that further withdrawals under such Category may continue until all expenditures thereunder shall have been made.

SCHEDULE 2

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, 1975	495,000	November 15, 1985	990,000
May 15, 1976	515,000	May 15, 1986	1,025,000
November 15, 1976	530,000	November 15, 1986	1,060,000
May 15, 1977	550,000	May 15, 1987	1,095,000
November 15, 1977	570,000	November 15, 1987	1,135,000
May 15, 1978	590,000	May 15, 1988	1,175,000
November 15, 1978	610,000	November 15, 1988	1,215,000
May 15, 1979	630,000	May 15, 1989	1,260,000
November 15, 1979	655,000	November 15, 1989	1,300,000
May 15, 1980	675,000	May 15, 1990	1,345,000
November 15, 1980	700,000	November 15, 1990	1,395,000
May 15, 1981	725,000	May 15, 1991	1,445,000
November 15, 1981	750,000	November 15, 1991	1,495,000
May 15, 1982	775,000	May 15, 1992	1,545,000
November 15, 1982	805,000	November 15, 1992	1,600,000
May 15, 1983	830,000	May 15, 1993	1,655,000
November 15, 1983	860,000	November 15, 1993	1,715,000
May 15, 1984	890,000	May 15, 1994	1,775,000
November 15, 1984	925,000	November 15, 1994	1,835,000
May 15, 1985	955,000	May 15, 1995	1,905,000

* To the extent that any portion of the Loan is repayable in a currency other than dollars (see General Conditions, Section 4.02), 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 portion of the principal amount of the Loan pursuant to Section 3.05 (b) of the General Conditions or on the redemption of any Bond prior to its maturity pursuant to Section 8.15 of the General Conditions:

<i>Time of Prepayment or Redemption</i>	<i>Premium</i>
Not more than three years before maturity	$\frac{3}{4}$ of 1%
More than three years but not more than six years before maturity	2%
More than six years but not more than eleven years before maturity	2 $\frac{3}{4}$ %
More than eleven years but not more than sixteen years before maturity	4 $\frac{1}{4}$ %
More than sixteen years but not more than twenty-one years before maturity ..	5 $\frac{1}{2}$ %
More than twenty-one years but not more than twenty-three years before maturity	6 $\frac{1}{2}$ %
More than twenty-three years before maturity	7%

SCHEDULE 3

DESCRIPTION OF THE PROJECT

The Project consists of:

Part 1

The construction and improvement to modern standards of about 550 kilometers of the following roads:

- (a) Nain-Yazd (about 179 km)
- (b) Saghez-Miandoab (about 91 km)
- (c) Miandoab-Rezaieh (about 162 km)
- (d) Rezaieh-Khoy-Evoglu (about 119 km)

Part 2

- (a) Management studies for transport coordination and a new highway organization;
- (b) studies for the improvement of the existing road maintenance organization;
- (c) Tehran transportation study;
- (d) feasibility studies for about 800 kilometers of high priority roads; and
- (e) detailed engineering of agreed highest priority routes.

Part 3

The purchase and utilization of equipment for road maintenance.

Parts 1 and 2 of the Project and the purchase of equipment under Part 3 are expected to be completed by December 31, 1974.

SCHEDULE 4

DESIGN STANDARDS

	<i>Level and Rolling</i>	<i>Mountainous</i>
Design speed	80 to 100 km/h	50 to 60 km/h
Maximum grade	5 to 6%	6 to 8%
Minimum radius	400 to 500 m	100 m
Minimum sight distance ..	100 to 150 m	60 m
Width of roadway	11 m	10 m
Width of pavement	7 m	7 m
Width of shoulders	2 m	1 m
Surfacing	High type (asphalt concrete)	
Structure design	H20-S16-44	
Design axle load	13 m.t.	

SCHEDULE 5

PROCUREMENT

A. *Contracts for Road Construction and Improvement*

1. Prequalification of bidders will be used for bidding on all road construction and improvement works in Part 1 of the Project, and at least 45 days will be allowed for submission of prequalification documents.

2. Registration of foreign bidders in Iran will not be required as a condition to participation in bidding. Should applicable Iranian laws or regulations require registration of a successful foreign bidder or other similar formalities, the Borrower will facilitate such registration to avoid any possible delay.

3. Contracts for road construction and improvement for Part 1 of the Project will be on a unit price basis. For the purposes of bidding, each road will be divided into a number of bidding sections to be tendered simultaneously. A contractor will be allowed to bid for one or more sections of a road. The number of sections will be as follows:

<i>Road</i>	<i>Number of Sections</i>
(a) Nain-Yazd	3
(b) Saghez-Miandoab	2
(c) Miandoab-Rezaieh	3
(d) Rezaieh-Khoy-Evoglu	5

4. A period of at least 60 days will be allowed for submission of proposals from bidders. Proposals will be accompanied by a bid bond or bank guarantee amounting to not less than 2% of the estimated contract value.

5. The successful bidder will be allowed the option of furnishing a guarantee by an acceptable financial institution in the amount of not less than 5% of the contract value or a performance bond in an amount of 100% of the contract price, such guarantee or bond to remain in effect until preliminary reception after completion of work. In addition, the contract will provide for retention of 10% of the value of the works on monthly invoices. The contractor will have the option of substituting a satisfactory bank guarantee for such retention, in which case the retention money will be released to him. The contractor will remain liable for defective work for a period of two years after preliminary reception of the work. A non-Iranian contractor will be entitled to convert into foreign exchange a reasonable portion of the contract payments.

6. Copies of invitations to bid, together with tender documents and a list of prequalified contractors, will be sent to the Bank at the same time as such documents are sent to prospective bidders. Before awarding any contract, the Borrower will send the proposed contract to the Bank for its approval, together with an analysis of all bids received and the Borrower's comments and recommendations thereon. If it is proposed to award any contract to a bidder other than the one quoting the lowest price, the reasons for such proposal will be given. A conformed copy of each contract will be furnished to the Bank as soon as signed and before submission of the first withdrawal application thereunder.

B. Contracts for Purchase of Road Maintenance Equipment for Part 3 of the Project

1. Identical or similar items of equipment will be grouped together wherever practicable for purposes of bidding and procurement, and such groupings of items will be submitted to the Bank for its approval before inviting bids.

2. Before inviting bids, information concerning advertising coverage as well as the bidding documents will be submitted to the Bank for its approval. After such approval has been obtained, bids will be invited, and the time interval between the invitation to bid and bid opening referred to in Section 3.1 of the Guidelines will be not less than forty-five days.

3. Before awards of contracts are made, the Borrower will send to the Bank for its approval an evaluation of the bids received, the maintenance consultants' recommendations, and the Borrower's proposals concerning the contract and award. Bids will be evaluated in accordance with Section 3.7 of the Guidelines, and will take into account the advantages resulting from the standardization of equipment and the availability of manufacturer's spares and servicing facilities. If it is proposed to award the contract to a bidder other than the one offering the lowest evaluated price, the reasons for such proposal will be given. A conformed copy of each contract will be furnished to the Bank as soon as signed and before submission of the first withdrawal application thereunder.

4. For certain minor items or groups of items, international competitive bidding may be dispensed with, provided that the Borrower will send to the Bank for its approval details of the proposed procurement procedure together with periodic lists thereof indicating their expected price and the intended suppliers thereof.

SCHEDULE 6

CONSULTANTS' SERVICES

1. *Supervision Contracts and Tehran Transportation Study*

Before contracts are signed for these services, the Borrower will furnish to the Bank the consultants' staffing proposals, with *resumés* of proposed staff members, and a breakdown of fees into foreign and local costs.

2. *Feasibility Studies, Detailed Engineering and Other Studies*

Before inviting proposals for these services, the Borrower will furnish to the Bank the following documents:

- (a) list of consultants to be invited; and
- (b) copy of the letter of invitation and terms of reference.

Before a contract is signed, the Borrower will furnish to the Bank the following:

- (a) the Borrower's evaluation of proposals and its recommendations, as well as copies of the consultants' proposals; and
- (b) copy of the selected consultants' proposals including a breakdown of fees into foreign and local costs and a staffing plan with *resumés* of principal staff members.

3. *Reports*

Copies of the consultants' reports will be furnished in such detail as the Bank shall reasonably request.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

GENERAL CONDITIONS, DATED 31 JANUARY 1969

GENERAL CONDITIONS APPLICABLE TO LOAN AND GUARANTEE AGREEMENTS

[Not published herein. See *United Nations, Treaty Series, vol. 691, p. 300.*]