

No. 11445

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

Loan Agreement—*Highway Project* (with annexed General Conditions Applicable to Loan and Guarantee Agreements). Signed at Washington on 9 June 1971

Authentic text: English.

Registered by the International Bank for Reconstruction and Development on 16 December 1971.

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

Contrat d'emprunt—*Projet relatif au réseau routier* (avec, en annexe, les Conditions générales applicables aux contrats d'emprunt et de garantie). Signé à Washington le 9 juin 1971

Texte authentique: anglais.

Enregistré par la Banque internationale pour la reconstruction et le développement le 16 décembre 1971.

LOAN AGREEMENT¹

AGREEMENT, dated June 9, 1971, between REPUBLIC OF TUNISIA (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS (A) The Borrower has requested the Bank to assist in the financing of the cost of the Project described in Schedule 2 to this Agreement by making the Loan as hereinafter provided;

(B) By a loan agreement dated June 4, 1969² (hereinafter called the Engineering Loan Agreement), between the Borrower and the Bank, the Bank granted to the Borrower a loan (hereinafter called the Engineering Loan) in various currencies equivalent to eight hundred and fifty thousand dollars (\$850,000) to assist in financing detailed highway engineering;

WHEREAS the Bank is prepared to refund the Engineering Loan out of the proceeds of the Loan provided for herein;

NOW THEREFORE the parties hereto hereby agree as follows:

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, 1969,³ with the same force and effect as if they were fully set forth herein, subject, however, to the deletion of Section 5.01 thereof and to the amendment of Section 6.02 (i) thereof to read as follows: "Any event specified in paragraph (e) or (f) of Section 7.01 shall have occurred." (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.

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 twenty-four million dollars (\$24,000,000).

Section 2.02. (a) The amount of the Loan may be withdrawn from the Loan Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule shall be amended from time to time, 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 and to be financed under the Loan Agreement;

(b) The Bank shall withdraw from the Loan Account and pay to itself, on behalf of the Borrower, the amount required to refund the principal amount

¹ Came into force on 26 October 1971, upon notification by the Bank to the Government of Tunisia.

² United Nations, *Treaty Series*, vol. 741, p. 311.

³ See p. 83 of this volume.

withdrawn and outstanding together with the accrued interest and other charges thereon on the Engineering Loan on the Effective Date of this Agreement. Any amount remaining unwithdrawn in the Loan Account of the Engineering Loan shall automatically be cancelled on the same date; provided, however, that, except as the Bank shall otherwise agree, 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. Except as the Bank shall otherwise agree, the goods and services (other than services of consultants) required for the Project and to be financed out of the proceeds of the Loan, shall be procured on the basis of international competition under procedures consistent with the *Guidelines for Procurement under World Bank Loans and IDA Credits*, published by the Bank in August 1969, and in accordance with, and subject to, the provisions set forth in Schedule 4 to this Agreement.

Section 2.04. The Closing Date shall be June 30, 1976 or such other date as shall be agreed between the Borrower and the Bank.

Section 2.05. 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 2.06. The Borrower shall pay interest at the rate of seven and a quarter per cent ($7\frac{1}{4}\%$) per annum on the principal amount of the Loan withdrawn and outstanding from time to time.

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

Section 2.08. The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

Section 2.09. 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 2.10. The *Ministre délégué auprès du Premier Ministre, Chargé du Plan*, of the Borrower 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 financial, administrative and engineering practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.

Section 3.02. The Borrower shall cause the Direction des Ponts et Chaussées to implement Parts A, B, C, D, E, F and G of the Project and its Direction des Transports to implement Parts H and I of the Project.

Section 3.03. The Borrower shall employ or cause to be employed, except as the Bank shall otherwise agree, consultants acceptable to the Bank upon terms and conditions satisfactory to the Bank for:

- (a) engineering of works under Part C of the Project;
- (b) supervising the execution of work under Parts A, B and C of the Project, and implementing Part D of the Project;
- (c) studies and engineering work under Parts E and F of the Project;
- (d) providing technical assistance for implementing Part H of the Project; and
- (e) studies under Part I of the Project.

Section 3.04. (a) In carrying out Parts A, B, C and G of the Project, the Borrower shall employ contractors acceptable to the Bank upon terms and conditions satisfactory to the Bank.

(b) The specific conditions under which firms partly owned, directly or indirectly, by the Borrower would be eligible to pre-qualify for works under the Project shall be as set forth in Schedule 9 to this Agreement.

Section 3.05. (a) 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 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.

(b) Except as the Bank shall otherwise agree, the Borrower shall cause all goods and services financed out of the proceeds of the Loan to be used exclusively for the Project until its completion.

Section 3.06. (a) The Borrower shall furnish to the Bank promptly upon their preparation, the plans, specifications, contract documents and construction and procurement schedules, for the Project, and any material modifications thereof 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 3.07. The Borrower shall take all such action as shall be necessary to acquire prior to the start of works, all rights-of-way as shall be required for carrying out the Project and shall furnish to the Bank, promptly after such acquisition, evidence satisfactory to the Bank that such rights-of-way are available for purposes related to the Project.

Section 3.08. (a) The Borrower shall establish within the Engineering and Construction Division of the Direction des Ponts et Chaussées an appropriately staffed special unit with responsibility for evaluation of prequalification applications, evaluation of bids and construction programming and supervision.

(b) In order to assist the foregoing special unit in discharging its functions the Borrower shall employ consultants acceptable to the Bank upon terms and conditions satisfactory to the Bank.

Section 3.09. The Borrower shall implement arrangements for transport coordination as set forth in Schedule 10 to this Agreement.

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 (i) represents that at the date of this Agreement no lien exists on any governmental assets as security for any external debt, and (ii) undertakes that if any such lien shall be created, it 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 in the creation of any such lien express provision will be made to that effect. The Borrower shall promptly inform the Bank of the creation of any such lien.

(c) The foregoing representation and undertaking 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; 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.

(d) As used in this Section, the term “governmental assets” means 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 Central Bank of Tunisia or any institution performing the functions of a central bank for the Borrower.

Section 4.02. The Borrower shall maintain or cause to be maintained records adequate to reflect, in accordance with consistently maintained sound accounting practices, the operations, resources and expenditures, in respect of the Project, of the Direction des Ponts et Chaussées and of the Direction des Transports of the Borrower.

Section 4.03. (a) The Borrower shall take all appropriate measures to ease road transport regulations in order to improve the efficiency of the industry.

(b) The Borrower shall undertake a road transport regulations study before January 1974 with the object of examining the economic effectiveness of the then current road transport regulations in comparison with all feasible alternatives.

Section 4.04. The Borrower shall review with the Bank the recommendations referred to in Part I of the Project and shall implement them where appropriate.

Section 4.05. The Borrower shall implement, after consultation with the Bank, a reorganization plan of the maintenance operations of the Direction des Ponts et Chaussées with a view to:

(a) delimiting the scope and functions of highway network maintenance within the Direction des Ponts et Chaussées.

- (b) causing the Direction des Ponts et Chaussées to manage the equipment required for highway network maintenance; and
- (c) setting up an Organization and Methods Office attached to the Director of the Direction des Ponts et Chaussées.

Section 4.06. The Borrower shall cause the roads and bridges included in the Project and other roads and bridges in its highway system to be adequately maintained and shall cause all necessary repairs thereof promptly to be made, all in accordance with sound engineering practices, and shall provide, promptly as needed, the funds, facilities, equipment, services and other resources required for the foregoing.

Section 4.07. The Borrower shall maintain a road inventory and shall collect in accordance with appropriate statistical methods and procedures such other technical, economic and financial information as shall be reasonably required for proper planning of maintenance, improvements and extensions of the road system of the Borrower, and furnish to the Bank such information in respect thereof as the Bank shall reasonably request.

Section 4.08. The Borrower shall ensure that vehicle dimensions, weights and speeds are appropriate to the geometric and structural standards of the Borrower's road system and shall take all necessary action to implement and enforce its traffic rules and regulations designed for such purposes.

Article V. CONSULTATION, INFORMATION AND INSPECTION

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, and with regard to the administration and operations of the departments or 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 furnish or cause to be furnished to the Bank all such information as the Bank shall reasonably request concerning the operations of the departments or agencies of the Borrower responsible for carrying out the Project or any part thereof.

(b) The Borrower and the Bank shall promptly inform each other 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 either of them of its obligations under the Loan Agreement.

Section 5.03. 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, any instrument made pursuant to Section 4.01 of this 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 any other 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. EFFECTIVE DATE; TERMINATION

Section 8.01. The following event is specified as an additional condition to the effectiveness of the Loan Agreement within the meaning of Section 11.01 (c) of the General Conditions, namely, that the Borrower shall have entered into a contract satisfactory to the Bank with the consultants referred to in Section 3.08 of this Agreement.

Section 8.02. The Date September 9, 1971, 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 *Ministre délégué auprès du Premier Ministre chargé du Plan* of the Borrower 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:

Ministère du Plan
1 rue de Béja
Tunis, Tunisia

Cable address:

Ministère du Plan
Tunis

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.

Republic of Tunisia:

By SLAHEDDINE EL GOULLI
Authorized Representative

International Bank for Reconstruction and Development:

By MOHAMED SHOAB
Vice President

SCHEDULE 1

WITHDRAWAL OF THE PROCEEDS OF THE LOAN

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

<i>Category</i>	<i>Amount of the Loan Allocated (Expressed in dollar Equivalent)</i>	<i>% of expenditures to be financed</i>
I. Civil works under:		
— Part A	11,000,000	
— Part B	2,500,000	
— Part C	4,500,000	18,000,000
		55% of total expenditures
II. Consultants Services	1,500,000	100% of foreign expenditures or 70% of total expenditures

<i>Category</i>	<i>Amount of the Loan Allocated (Expressed in dollar Equivalent)</i>	<i>% of expenditures to be financed</i>
III. Soil laboratory equip- ment	80,000	100% of foreign expenditures
IV. a) Refunding of the En- gineering Loan		
b) Expenditures under Part F of the Project	870,000	100% of foreign expenditures
V. Unallocated	3,550,000	
TOTAL	<u>24,000,000</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 expenditures and of expenditures for goods produced in, or services supplied from, the territories of the Borrower.

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

- (a) expenditures prior to the date of this Agreement except for expenditures still to be made under the Engineering Loan;
- (b) expenditures in the currency of the Borrower, or for goods produced in, or services supplied from, the territories of the Borrower under Category III or IV;
- (c) 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 in respect of any Category 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.

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 percentages set forth in the third column of the table in paragraph 1 above, if the estimate of total expenditures under Category 1 shall increase

and no proceeds of the Loan are available for reallocation to such Category, the Bank may, by notice to the Borrower, adjust 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.

6. If any surplus funds are left in the loan account they shall be applied toward additional resurfacing and rehabilitation works identified in a study on highway maintenance needs carried out by Consultants employed under the Engineering Loan.

SCHEDULE 2

DESCRIPTION OF THE PROJECT

The Project consists of the following parts:

- A. Improvement and construction of about 275 km of primary and secondary roads listed in Schedule 5;
- B. Reconstruction or repair of 51 bridges and culverts listed in Schedule 6;
- C. Resurfacing and rehabilitation of about 1,920 km of paved roads listed in Schedule 7;
- D. Reorganization and strengthening of the Borrower's highway maintenance operations;
- E. Studies and engineering work for the improvement of about 350 km of roads to be selected from those listed in Schedule 8;
- F. Completion of the unfinished Part of the Project described in Schedule 3 to the Engineering Loan Agreement;
- G. Resurfacing and rehabilitation works to be carried out if any surplus funds are left in the loan account;
- H. Improvement of arrangements for transport coordination; and
- I. Road users taxation regulations and road transport tariff regulations study.

The Project is expected to be completed by September 30, 1975.

SCHEDULE 3

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>
June 15, 1976	\$175,000	June 15, 1983	290,000
December 15, 1976	185,000	December 15, 1983	300,000
June 15, 1977	190,000	June 15, 1984	310,000
December 15, 1977	195,000	December 15, 1984	325,000
June 15, 1978	205,000	June 15, 1985	335,000
December 15, 1978	210,000	December 15, 1985	345,000
June 15, 1979	220,000	June 15, 1986	360,000
December 15, 1979	225,000	December 15, 1986	375,000
June 15, 1980	235,000	June 15, 1987	385,000
December 15, 1980	245,000	December 15, 1987	400,000
June 15, 1981	250,000	June 15, 1988	415,000
December 15, 1981	260,000	December 15, 1988	430,000
June 15, 1982	270,000	June 15, 1989	445,000
December 15, 1982	280,000	December 15, 1989	460,000

<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>
June 15, 1990	480,000	December 15, 1995	705,000
December 15, 1990	495,000	June 15, 1996	735,000
June 15, 1991	515,000	December 15, 1996	760,000
December 15, 1991	530,000	June 15, 1997	785,000
June 15, 1992	550,000	December 15, 1997	815,000
December 15, 1992	570,000	June 15, 1998	845,000
June 15, 1993	590,000	December 15, 1998	875,000
December 15, 1993	615,000	June 15, 1999	905,000
June 15, 1994	635,000	December 15, 1999	940,000
December 15, 1994	660,000	June 15, 2000	975,000
June 15, 1995	685,000	December 15, 2000	1,015,000

* 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 four years before maturity	3/4 %
More than four years but not more than eight years before maturity	2 1/4 %
More than eight years but not more than fourteen years before maturity	3 %
More than fourteen years but not more than twenty years before maturity	4 1/2 %
More than twenty years but not more than twenty-six years before maturity	5 3/4 %
More than twenty-six years but not more than twenty-eight years before maturity	6 3/4 %
More than twenty-eight years before maturity	7 1/4 %

SCHEDULE 4

PROCUREMENT

1. With respect to civil works, the Borrower shall furnish to the Bank for its comments proposals for the scope and composition of contracts, and the Borrower shall make such additions or deletions to the contracts as the Bank shall reasonably request.

2. With respect to any contract for civil works estimated to cost \$100,000 equivalent or more, or any contract for equipment estimated to cost \$10,000 equivalent or more:

(a) Bidders shall be required to pre-qualify, and the Borrower shall, before qualification is invited, inform the Bank in detail of the procedure to be followed and shall introduce such modifications in said procedure as the Bank shall reasonably request. The list of pre-qualified bidders, together with a statement of their qualifications and of the reasons for the exclusion of any applicant for prequalification, shall be furnished by the Borrower to the Bank for its comments before the applicants are notified and the Borrower shall make such additions or deletions from the said list as the Bank shall reasonably request;

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(b) before the bids are invited, the Borrower shall furnish to the Bank, for its comments, the text of the invitations to bid and the specifications and other bidding documents, together with a description of the advertising procedure to be followed for the bidding, and shall make such modifications in the said documents or procedure as the Bank shall reasonably request. Any further modification or addition to the bidding documents shall require the Bank's concurrence before it is issued to the prospective bidders;

(c) after the bids have been received and evaluated, the Borrower shall, before a final decision on the award is made, inform the Bank of the name of the bidder to whom it intends to award the contract and shall furnish to the Bank, in sufficient time for its review, a detailed report on the evaluation and comparison of the bids received, together with the reasons for the intended award. The Bank shall promptly inform the Borrower whether it has any objection to the intended award and shall state the reasons for any objection it may have;

(d) if the contract shall be awarded over the Bank's objection or if its terms and conditions shall, without the Bank's concurrence, materially differ from those on which bids were asked, no expenditures thereunder shall be financed out of the proceeds of the Loan;

(e) two copies of the contract shall be furnished to the Bank promptly after its execution and prior to the submission to the Bank of the first application for withdrawal of funds from the Loan Account in respect of any such contract.

3. With respect to any other contract for civil works or equipment the Borrower shall, promptly after the contract is awarded, furnish to the Bank copy of the contract as well as copy of the record of public opening of the bids, and the bid evaluation report. The Bank shall promptly inform the Borrower if it finds that the award of the contract is not consistent with the *Guidelines for Procurement under World Bank Loans and IDA Credits* referred to in Section 2.03 of this Agreement or with the Loan Agreement and, in such event, no expenditures under contract shall be financed out of the proceeds of the Loan.

SCHEDULE 5

LIST AND SCOPE OF ROAD IMPROVEMENT AND CONSTRUCTION WORKS UNDER PART A OF THE PROJECT

Section of Road	Approximate length (km)	Scope of work	Proposed Design Standards			
			total roadway width (m)	carriage way width (m)	number of lanes	design speed (km/h)
1. South exit of Tunis						
1.1 Expressway south from Tunis	8.8	construction	27	2×7	4	120
1.2 Connections from expressway to GP1 ¹ (Hamman Lif) and GP3	10.1	construction	17.5	10.5	3	100
1.3 GP1 from Hamman Lif to Borj Cedria	15.3	improvement				
1.4 MC34 ² from expressway to Turki	31.4	construction	17.5	10.5	3	100

Section of Road	Approximate length (km)	Scope of work	Proposed Design Standards			
			total roadway width (m)	carriage way width (m)	number of lanes	design speed (km/h)
2. GP1 from Turki to Enfida	57.2	improvement	14	7	2	100
3. Enfida-Kairouan road GP2 from Enfida to PK42 ³	41.2	improvement	12	6	2	100
4. Cap Bon roads						
4.1 MC26-MC44 from Borj Cedria to Korba	45.6	improvement	12	6	2	100
4.2 MC27 from Turki to Nabeul	23.8	improvement	12 to 14	6 to 7	2	100
5. South-West exit of Tunis GP3 from expressway to Cheylus	26.2	improvement	12	6	2	100
6. West exit of Tunis GP5 from Tunis to Monarghia	16.5	construction	14	7	2	100

¹ GP: primary road.
² MC: secondary road.
³ PK: kilometric point.

SCHEDULE 6

LIST OF BRIDGES AND CULVERTS TO BE RECONSTRUCTED OR REPAIRED UNDER PART B OF THE PROJECT

Location			Proposed New Structure	
No.	Road	KP ¹	Type	Approximate Total Opening
<i>Large Bridges</i>				
3	GP17 ²	150.6	PC ⁵ girders	120
4	GP7	114.6	Steel girders	20
7	GP5	79.3	PC girders	99
9	GP17	3.7	Steel girders	52
12	MC27 ³	54.4	PC girders	60
15	GP6	39.0	PC girders	75
17	GP3	400.5	PC girders	81
19	GP4	64.3	PC girders	70
20	GP5	136.3	PC girders	90
2	GP1	181.5	RC ⁶ slabs	33
5	MC35	37.3	RC slabs	33
8	GP17	2.6	RC slabs	33
10	GP17	11.2	RC slabs	48
18	GP4	28.1	RC slabs	48
21	GP12	176.1	RC slabs	56
139	GP12	190.1	RC slabs	33
142	GP1	479	RC slabs	33

Location			Proposed New Structure	
No.	Road	KP ¹	Type	Approximate Total Opening
<i>Small Bridges and Culverts in Reinforced Concrete</i>				
<i>(a) Region of Tunis</i>				
101	MC33	4.0	double box culvert	10
104	MC37	34.3	double box culvert	7.6
105	MC39	1.7	double box culvert	10
106	MC27	26.0	four box culverts	10
107	MC27	27.1	slab	10
108	MC33	22.4	frame	12
121	GP3	65.0	double box culvert	5
130	635 ⁴ RVE	6.9	widening	4
134	MC133	57.7	double box culvert	4
<i>(b) Region of Mateur</i>				
117	MC52	27	double box culvert	5.6
119	GP11	86	slab	7
120	GP11	45.7	double box culvert	7.4
122	GP11	95.8	double box culvert	8
123	GP11	98.1	double box culvert	8
124	GP11	103.6	double box culvert	8
136	GP7	129	double frame	8
<i>(c) Region of Tabarka</i>				
11	GP17	33.4	box culvert	2
109	GP17	40	double box culvert	7.2
110	GP17	10.2	repair of culvert and correction of river bed	6
111	GP17	30.1	box culvert	2
112	GP17	46	widening	3
113	GP17	49.2	frame	6
114	GP17	51.5	box culvert	2
115	GP17	42	frame	12
118	GP17	60.8	slab	10
<i>(d) Region of El Kef and Sbeitla</i>				
133	GP12	180.4	widening	6.5
137	GP12	178	widening	12
138	GP12	188.1	widening	14.7
146	GP12	160.9	slab	15
147	GP12	170	slab	15
1	GP3	193.9	ford	
143	GP3E	10	slab	14
144	GP3E	14.1	slab	17
145	GP12	95.3	slab	14

¹ KP: kilometric point.² GP: primary road.³ MC: secondary road.⁴ RVE: tertiary road.⁵ PC: prestressed concrete.⁶ RC: reinforced concrete.

SCHEDULE 7

LIST OF ROAD SECTIONS TO BE RESURFACED OR REHABILITATED
UNDER PART C OF THE PROJECT

Region	Summary Description of Works					
	Location		Scope (km)			
	Road	Rehabilitation	Resurfacing	Total		
Sfax	GP ² 13	0-165	139	26	165	
Sbeitla	MC ³ 81	0-102	86	16	102	
	GP1	154-281	92	7	99	
Kairouan	GP3	34-216	129	19	148	
	MC99	0-46	38	8	46	
Béja	GP6	42-70	28	—	28	
	MC52	0-38	26	12	38	
	MC59	0-21	21	—	21	
	MC63	0-10	8	2	10	
	MC76	0-8	—	8	8	
El Kef	GP5	100-160	60	—	60	
Jendouba	GP6	70-136	63	3	66	
Kasserine	GP7	170-186	4	12	16	
	GP17	0-228	172	8	180	
	MC78	9-14	—	2	2	
	GP18	75-104	27	1	28	
Gafsa	GP3	238-430	187	5	192	
Gabes	GP15	0-211	209	2	211	
	GP16	0-30	30	—	30	
	MC107	0-41	41	—	41	
Tunis	GP7	0-26	25	1	26	
Bizerte	GP8	0-51	51	—	51	
Cap Bon	MC26	9-77	54	—	54	
	MC27	25-107	46	—	46	
	MC28	99-125	26	—	26	
	MC34	0-20	15	5	20	
	MC35	0-55	54	1	55	
	MC37	0-37	33	4	37	
	MC39	9-14	—	5	5	
	MC69	0-20	20	—	20	
	MC151	0-21	21	—	21	
Mateur	GP11	37-104	28	39	67	
Béja						
			Length (km)	1,733	186	1,919

¹ KP: kilometer points.² GP: primary road.³ MC: Secondary road.

SCHEDULE 8

LIST OF ROAD SECTIONS TO BE INVESTIGATED FOR SELECTION FOR DETAILED ENGINEERING UNDER PART E OF THE PROJECT

<i>Road</i>	<i>Section KP¹</i>	<i>From</i>	<i>To</i>
GP1 ²	98-408	Enfida	Gabes
GP5	108-165	Teboursouk	El Kef
GP6	42-92	Béja	Jendouba
GP7	0-21	Tunis	Djedeida
GP8	0-65	Tunis	Bizerte
(MC31) ³			
MC28	103-116	Hammamet	Kelibia
MC27	28-82		
MC82	0-34	Sousse	Moknine
GP11	0-38	Bizerte	Mateur

¹ KP: kilometric point.

² GP: primary road.

³ MC: secondary road.

SCHEDULE 9

ELIGIBILITY OF FIRMS PARTLY OWNED, DIRECTLY OR INDIRECTLY, BY THE BORROWER TO PRE-QUALIFY FOR WORKS UNDER THE PROJECT

The specific conditions under which firms partly owned, directly or indirectly, by the Borrower would be eligible to pre-qualify for works in the project shall be as follows:

- (a) the firms shall be financially autonomous and operated on a commercial basis;
- (b) the firms shall not benefit from special governmental protection or subsidy during the execution of the works which may be awarded to them;
- (c) the firms shall be subject to pre-qualification and to participation in bidding under the same conditions as any other commercial enterprise; and
- (d) the representation of the Government on the Board of Directors of the firms shall be exercised by individuals having no connection whatsoever with the management and the operations of the Direction des Ponts et Chaussées.

SCHEDULE 10

COORDINATION OF TRANSPORTATION

The executive agency responsible for coordinating transportation shall be the Direction des Transports of the Ministry of the National Economy.

I. FUNCTIONS AND RESPONSIBILITIES OF THE
DIRECTION DES TRANSPORTS

The responsibility of the Direction des Transports shall be:

- A. To study the demand for transportation and its prospects of development;
- B. To draw up a policy for the entire transportation sector, in accordance with the general social and economic goals of Tunisia;

- C. To draw up detailed policies for each transportation subsector, in accordance with the goals of the sector's overall policy;
- D. To analyze and program investments in the transportation sector;
- E. To formulate and implement policies for regulation and rating in transportation and for taxing road-users;
- F. To make continuing critical evaluation of the efficiency of the entire transportation sector.

The Direction des Transports shall have a sufficient number of qualified staff. It shall also be provided with all the means it requires to be able to carry out the tasks entrusted to it.

The responsibility of the Direction des Transports shall extend to all modes of transportation and to all administrative duties connected therewith.

In particular, the Direction des Transports shall be responsible for:

- promoting the development and efficiency of transportation;
- studying the effects of transportation costs on the prices of goods;
- making use of statistical data;
- programming investments;
- determining the allocation of foreign exchange needed to purchase vehicles and transportation equipment;
- drawing up the balance sheet of State expenditures and receipts from fees for use of infrastructure and determining the criteria for taxation in the field of transportation; and
- lastly, taking part in studies with a view to improving the economic efficiency of communications.

The Direction des Transports shall work closely with the staff of the Ministry of Public Works and Housing, which is responsible for programming investment projects relating to the transportation infrastructure.

Moreover, it shall be responsible for carrying out or coordinating in-depth studies of an economic nature, such as a continuing review of the Master Plan for Transportation, transportation coordination, studies of the demand for transportation, by mode, and programming the development of the transportation system.

Proposed policies shall be submitted, before adoption, to a standing Advisory Committee on Transportation composed of representatives of the government departments and of users. This Committee, duly constituted and organized, shall begin work in 1971. The Secretariat of this Committee shall be provided by the Direction des Transports.

The Direction des Transports shall have 3 divisions:

- The Research Division,
- The Overland Transportation Division,
- The Air and Seas Transportation Division.

The Research Division shall be responsible for studying all questions related to the various modes of transportation. The fundamental goal of this division in the field of transportation shall be to seek and develop a coherent transportation policy. It shall study economic phenomena that are likely to guide and justify the most economic and productive transportation policy for the country. It shall therefore assist in the

preparation of decisions on transportation matters. Its action shall be, specifically, to take part in drawing up and regularly updating the country's transportation plan, in collaboration with the other departments, including the Ministry of Public Works and the Ministry of Planning, within the framework of their respective responsibilities.

The principal tasks of this division shall be the following:

- economic study of investments, bearing on their rate of return, their costs in foreign exchange, their social costs, their direct and indirect effects (qualitative and quantitative), particularly in the framework of general investment programming;
- supervision of the balance sheets of transportation activities;
- systematic study of transportation rates and costs;
- use of statistical information; and
- lastly, relations with other departments:
 - at the investment programming level, with the Ministry of Planning;
 - at the taxation level, with the Ministry of Finance;
 - and with the staff of the Ministry of Public Works as regards infrastructure and the operation thereof.

II. ORGANIZATION OF THE DIRECTION DES TRANSPORTS

Three sections shall be set up in the Research Division of the Direction des Transports:

- The first section shall be responsible for studying demand in the transportation sector.
- The second shall be responsible for examining the investment programs concerning the modes of transportation and relations with the staff of the Ministry of Public Works and Housing responsible for drawing up infrastructure investment programs.
- The third shall be responsible for making general economic studies of the various modes of transportation and for evaluating the efficiency of the transportation sector as a whole.

The Division of Overland Transportation and the Division of Air and Sea Transportation shall, taking into account the general policy laid down, and pursuant to the procedure described above, draw up the detailed policies for each transportation subsector.

To that end, these divisions shall be provided with staff for transportation regulation, supervision of the operation of enterprises and issuing of transportation permits.

In addition, it is stipulated that the supervisory staff needed to carry out the tasks of the Direction des Transports shall be provided before the end of 1972. For 1971, recruitment of three engineers, one economist and one lawyer is envisaged.

III. RELATIONS BETWEEN THE DIRECTION DES TRANSPORTS AND THE OTHER ADMINISTRATIVE SERVICES

The Ministry of Public Works and Housing, being responsible for construction, maintenance and operation of the transportation infrastructure, shall proceed in collaboration with the Ministry of National Economy with technical and economic studies relative to this field.

The Ministry of Planning, after proposals being made by the Ministries of National Economy and of Public Works and Housing, shall determine the proposals to be

submitted to the government for approval concerning investment programming, investment financing, and the incorporation of investments relative to transportation into the short, medium-term and long-term plans of economic development.

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.*]
