

No. 11999

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**INTERNATIONAL DEVELOPMENT ASSOCIATION  
and  
JORDAN**

**Development Credit Agreement—*Education Project* (with  
schedules and General Conditions Applicable to De-  
velopment Credit Agreements). Signed at Washington  
on 11 February 1972**

*Authentic text: English.*

*Registered by the International Development Association on 26 September  
1972.*

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**ASSOCIATION INTERNATIONALE  
DE DÉVELOPPEMENT  
et  
JORDANIE**

**Contrat de crédit de développement — *Projet relatif à  
l'enseignement* (avec annexes et Conditions générales  
applicables aux contrats de crédit de développement).  
Signé à Washington le 11 février 1972**

*Texte authentique : anglais.*

*Enregistré par l'Association internationale de développement le 26 sep-  
tembre 1972.*

## DEVELOPMENT CREDIT AGREEMENT<sup>1</sup>

AGREEMENT, dated February 11, 1972, between the HASHEMITE KINGDOM OF JORDAN (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

### *Article I*

#### GENERAL CONDITIONS; DEFINITIONS

*Section 1.01.* The parties to this Agreement accept all the provisions of the General Conditions Applicable to Development Credit Agreements of the Association, dated January 31, 1969,<sup>2</sup> with the same force and effect as if they were fully set forth herein, subject, however, to the deletion of Sections 5.01 and 6.02 (*h*) thereof and to the renumbering of Section 6.02 (*i*) into 6.02 (*h*) thereof (said General Conditions Applicable to Development Credit Agreements of the Association, 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 CREDIT

*Section 2.01.* The Association agrees to lend to the Borrower, on the terms and conditions in the Development Credit Agreement set forth or referred to, an amount in various currencies equivalent to five million four hundred thousand dollars (\$5,400,000).

*Section 2.02.* The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule shall be amended from time to time, for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 Association shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project described in Schedule 2 to this Agreement and to be financed under the

<sup>1</sup> Came into force on 27 July 1972, upon notification by the Association to the Government of Jordan.

<sup>2</sup> See p. 134 of this volume.

Development Credit Agreement; provided, however, that, except as the Association 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 Association 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 Credit, 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 as revised in May 1971, and in accordance with, and subject to, the provisions set forth in Schedule 3 to this Agreement.

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

*Section 2.05.* The Borrower shall pay to the Association a service charge at the rate of three-fourths of one per cent ( $\frac{3}{4}$  of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

*Section 2.06.* Service charges shall be payable semi-annually on May 1 and November 1 in each year.

*Section 2.07.* The Borrower shall repay the principal amount of the Credit withdrawn from the Credit Account in semi-annual installments payable on each May 1 and November 1 commencing May 1, 1982 and ending November 1, 2021, each installment to and including the installment payable on November 1, 1991 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.

*Section 2.08.* The currency of the United Kingdom of Great Britain and Northern Ireland is hereby specified for the purposes of Section 4.02 of the General Conditions.

### Article III

#### EXECUTION OF THE PROJECT

*Section 3.01.* (a) The Borrower shall carry out the Project through its Ministry of Education with due diligence and efficiency and in conformity with sound administrative, financial, educational and technical practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.

(b) The specialists and fellowships described under numbers 5 and 6 of Annex B to Schedule 2 to this Agreement and the funds required therefor shall be provided by the Borrower within one year after the date of this Agreement.

*Section 3.02.* The Borrower shall, during the execution of the Project (i) maintain and operate a Project Unit as described in Schedule 4 to this Agreement, with such powers, functions, staff, facilities and resources as set forth in such Schedule; (ii) employ qualified and experienced persons acceptable to the Association as the Project Director and Project Architect referred to in such Schedule; and (iii) appoint, after consultation with the Association and within six months of the date of this Agreement, and thereafter employ, qualified and experienced persons as the Project Accountant and Project Procurement Specialist referred to in such Schedule.

*Section 3.03.* In order to assist the Borrower in the planning and supervision of the construction of the facilities included in Part A of the Project, the Borrower shall employ architectural consultants acceptable to the Association upon terms and conditions satisfactory to the Association, and shall submit to the Association for approval, promptly upon their preparation, the plans and specifications relating to such construction.

*Section 3.04.* In carrying out Part A of the Project, the Borrower shall employ contractors acceptable to the Association upon terms and conditions satisfactory to the Association.

*Section 3.05.* In carrying out Part B of the Project, the Borrower shall (i) select specialists and award fellowships after consultation with the Association; and (ii) obtain the approval of the Association before selecting the specialists and awarding the fellowships provided for under numbers 1 through 4 of Annex B to Schedule 2 to this Agreement.

*Section 3.06.* (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 Credit 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 Association shall otherwise agree, the Borrower shall cause all goods and services financed out of the proceeds of the Credit to be used exclusively for the Project.

*Section 3.07.* (a) The Borrower shall furnish to the Association, promptly upon their preparation, the reports, contract documents, work schedules and lists of furniture, equipment and books required for the

Project, and any material modifications thereof or additions thereto, in such detail as the Association 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 Credit, and to disclose the use thereof in the Project; (ii) shall enable the Association's representatives to inspect the Project, the goods financed out of the proceeds of the Credit and any relevant records and documents; and (iii) shall furnish to the Association all such information as the Association shall reasonably request concerning the Project, the expenditure of the proceeds of the Credit and the goods and services financed out of such proceeds.

*Section 3.08.* The Borrower shall take all such action as shall be necessary to acquire, not later than six months after the date of this Agreement or such other date as shall be agreed on between the Borrower and the Association, all such land and rights in respect of land as shall be required for the construction (and operation) of the facilities included in the Project and shall furnish to the Association, promptly after such acquisition, evidence satisfactory to the Association that such land and rights in respect of land are available for purposes related to the Project.

#### *Article IV*

##### OTHER COVENANTS

*Section 4.01.* 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 departments or agencies of the Borrower responsible for carrying out the Project or any part thereof.

*Section 4.02.* (a) The Borrower shall: (i) operate the educational institutions included in the Project in accordance with sound administrative and educational policies and practices and with due regard to economy; (ii) cause said institutions to be staffed with qualified teachers and administrators in adequate numbers and on a full-time basis; and (iii) appoint, not later than one year before the scheduled completion of the construction of the comprehensive secondary schools, the Teacher Training Institute and the Polytechnic and Trade Training Center included in the Project, qualified and experienced directors and assistant directors for said institutions.

(b) The Borrower shall: (i) cause the buildings, furniture and equipment of the educational institutions included in the Project to be adequately maintained and shall cause all necessary repairs and renewals thereof to be made; and (ii) establish appropriate administrative and financial procedures for the purpose of such maintenance.

*Section 4.03.* In order to enable the Borrower and the Association to assess the ultimate success of the Project, the Borrower shall within three years after the date of this Agreement establish a “tracer” system to collect and record all relevant information, in respect of the Project institutions and such other institutions as the Borrower and the Association shall determine, concerning premature termination of education, repetition, employment and advanced studies of graduates.

*Section 4.04.* In order to strengthen its educational planning mechanism, the Borrower shall, within one year after the date of this Agreement (i) complete a comprehensive manpower survey and communicate to the Association the results of such survey; and (ii) appoint qualified Jordanian counterparts to the technical assistance staff provided for under number 3 of annex B to Schedule 2 to this Agreement.

*Section 4.05.* The Borrower shall, within one year after the date of this Agreement, establish a National Vocational Council with a Vocational Education and Training Department as its executive arm. Membership of said Council shall include representatives of public and private industry, educational institutions and concerned trade unions.

*Section 4.06.* The Borrower shall, within one year after the date of this Agreement, establish an Advisory Council for the Polytechnic and Trade Training Center. Membership of said Council shall include representatives of public and private industries, of the National Vocational Council and of concerned educational institutions.

*Section 4.07.* (a) The Borrower shall, within one year after the date of this Agreement, establish a Coordinating Committee for Agricultural Education. Membership of said Committee shall include senior officials from the Ministries of Education and Agriculture of the Borrower, the National Planning Council and the University of Jordan.

(b) The Borrower shall cause the Jordan Board of Education to establish, within one year after the date of this Agreement, a Teacher Training Committee. Membership of said Committee shall include, *inter alia*, the Dean of the Faculty of Science of the University of Jordan, the Project

Manager of the UNDP/UNESCO assisted science teacher program, the Head of the Department of Education of the University of Jordan and the Head of the Teacher Training Department of the Ministry of Education of the Borrower.

*Section 4.08.* The Borrower shall, within one year after the date of this Agreement, establish an Educational Planning Committee within its Ministry of Education. Membership of said Committee shall include the Minister of Education, the Heads of Primary and Secondary Education, the Educational Planner (or Planners) referred to under number 3 of annex B to Schedule 2 to this Agreement, and a representative from the National Planning Council.

*Section 4.09.* The Borrower shall conduct an annual review of the plans and program for expansion of enrollment in its schools and shall communicate the results of such review to the Association.

#### *Article V*

#### CONSULTATION, INFORMATION AND INSPECTION

*Section 5.01.* The Borrower and the Association shall cooperate fully to assure 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:

- (a) exchange views through their representatives with regard to the performance of their respective obligations under the Development Credit Agreement, the administration, operations and financial condition, in respect of the Project, of the departments or agencies of the Borrower responsible for carrying out the Project or any part thereof, and other matters relating to the purposes of the Credit; and
- (b) furnish to the other 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, 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 Association all such information as the Association shall reasonably request concerning the operations and financial condition, resources and

expenditures, in respect of the Project, of the departments or agencies of the Borrower responsible for carrying out the Project or any part thereof.

(b) The Borrower and the Association shall promptly inform each other of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Credit, the maintenance of the service thereof or the performance by either of them of its obligations under the Development Credit Agreement.

*Section 5.03.* The Borrower shall afford all reasonable opportunity for accredited representatives of the Association to inspect all plants, installations, sites, works, buildings, property and equipment included in the Project and to visit any part of the territories of the Borrower for purposes related to the Credit.

### Article VI

#### TAXES AND RESTRICTIONS

*Section 6.01.* The principal of, and service charges on, the Credit 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.

*Section 6.02.* The Development Credit Agreement shall be free from any taxes on or in connection with the execution, delivery or registration thereof, imposed under the laws of the Borrower or laws in effect in its territories.

*Section 6.03.* The payment of the principal of, and service charges on, the Credit 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 ASSOCIATION

*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 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 and service charges shall become due and payable immediately, anything to the contrary in the Development Credit Agreement notwithstanding.



*Article VIII*

## TERMINATION

*Section 8.01.* The date May 11, 1972 is hereby specified for the purposes of Section 10.04 of the General Conditions.

*Section 8.02.* The obligations of the Borrower under Article IV of this Agreement shall cease and determine on the date on which this Development Credit Agreement shall terminate or on a date twenty-five years after the date of this Development Credit Agreement, whichever shall be the earlier.

*Article IX*

## REPRESENTATIVE OF THE BORROWER; ADDRESSES

*Section 9.01.* The President of the National Planning Council of the Borrower is designated as representative of the Borrower for the purposes of Section 9.03 of the General Conditions.

*Section 9.02.* The following addresses are specified for the purposes of Section 9.01 of the General Conditions:

For the Borrower:

National Planning Council  
P.O. Box 555  
Amman, Jordan

Cable address:

JODB  
Amman

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 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.

The Hashemite Kingdom of Jordan:

By ABDUL HAMID SHARAF  
Authorized Representative

International Development Association:

By J. BURKE KNAPP  
Vice President

### SCHEDULE 1

#### WITHDRAWAL OF THE PROCEEDS OF THE CREDIT

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

<i>Category</i>	<i>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</i>	<i>% of Expenditures to be Financed</i>
I. Civil Works	1,860,000	45% of total expenditures (representing the estimated foreign expenditures component)
II. Consultant Services	300,000	100% of foreign expenditures
III. Locally Procured Furniture, Equipment and Books	140,000	75% of total expenditures (representing the estimated foreign expenditures component)
IV. Imported Furniture, Equipment and Books	1,800,000	100% of foreign expenditures
V. Technical Assistance, Specialists and Fellowships	310,000	100% of foreign expenditures
VI. Unallocated	990,000	
TOTAL	<u>5,400,000</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 Switzerland;

(b) The term “total expenditures” means the aggregate of foreign expenditures and of expenditures in the currency of the Borrower, or for goods produced in, and services supplied from, the territories of the Borrower.

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

(a) expenditures prior to the date of this Development Credit Agreement, except that withdrawals may be made in respect of Category II (Consultant Services) on account of expenditures incurred after February 1, 1972;

(b) payments of taxes imposed under the laws of the Borrower or laws in effect in its territories on goods and 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 Credit will be withdrawn on account of payment for such taxes.

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

(a) if the estimate of the expenditures under any of the Categories I through V shall decrease, the amount of the Credit then allocated to such Category and no longer required therefor shall be reallocated by the Association to Category VI;

(b) if the estimate of expenditures under any of the Categories I through V 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 shall be reallocated by the Association, at the request of the Borrower, to such Category from Category VI, subject, however, to the requirements for contingencies, as determined by the Association, in respect of any other expenditures;

(c) if the Association shall have reasonably determined that the procurement of any item in Category I, III or IV is inconsistent with the procedures set forth or referred to in Section 2.03 of this Agreement, no expenditures for such item shall be financed out of the proceeds of the Credit and the Association may, without in any way restricting or limiting any other right, power or remedy of the Association under the Credit Agreement, by notice to the Borrower, cancel such amount of the Credit as in the Association’s reasonable opinion, represents the amount of such expenditures which would otherwise have been eligible for financing out of the proceeds of the Credit.

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 I or III shall increase and no proceeds of the Credit shall be available for reallocation to such Category, the Association may, by notice to the Borrower, adjust the percen-

tage 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

### DESCRIPTION OF THE PROJECT

The Project consists of:

#### *Part A.*

(1) Construction, furnishing and equipping of:

- (a) two new comprehensive secondary schools;
- (b) one new Polytechnic and Trade Training Center;
- (c) one new Teacher Training Institute;
- (d) extension to the Shaubak Agricultural Secondary School.

(2) The educational institutions included in the Project are described in Annex A to this Schedule, subject to modification by further agreement between the Borrower and the Association.

#### *Part B.*

Employment of specialists and provision of fellowships as set forth in Annex B to this Schedule subject to modification by further agreement between the Borrower and the Association.

The Project is expected to be completed by October 31, 1975.

### ANNEX A TO SCHEDULE 2

#### *Educational Institutions*

<i>Type and Name of Institution</i>	<i>Location</i>	<i>Student Places</i>		<i>Boarding Places</i>		<i>Staff Houses</i>	<i>Approximate Construction Area in m<sup>2</sup></i>
		<i>Additional</i>	<i>Total</i>	<i>Additional</i>	<i>Total</i>		
I. Comprehensive Secondary School (Boys)	Amman	1,000	1,000	—	—	—	4,910
Comprehensive Secondary School (Girls)	Amman	1,000	1,000	—	—	—	4,860
II. Polytechnic and Trade Training Center	Marka	755	755	260	260	—	13,210
III. Teacher Training Institute	Salt	700	700	420	420	1	8,785
Agricultural Teacher Training Section*	Shaubak	60	200	60	200	—	800

\* Extensions of existing facilities.

## ANNEX B TO SCHEDULE 2

*Technical Assistance; Specialists and Fellowships*

	<i>Specialists</i>	<i>Fellowships</i>
1. Comprehensive Schools		
(a) Industrial Arts	2 for 4 man-years	5 for 5 man-years total
(b) Home Economics		3 for 3 man-years total
2. Teacher Training Institutes		
Teacher Trainers		2 for 2 man-years total
3. Educational Planner	2 for 4 man-years	1 for 1 man-year total
4. Project Unit		
Procurement Specialist	1 for 2 man-years	
5. Polytechnic		
Technical Subjects	8 for 23 man-years	17 for 12 <sup>3</sup> / <sub>4</sub> man-years total
6. Trade Training Center		
Trade Courses	7 for 14 man-years	10 for 5 man-years total

The services of the specialists and the fellowships under numbers 1 through 4 above shall be financed out of the proceeds of the Credit; those under numbers 5 and 6 shall be financed by the Borrower from other sources.

## SCHEDULE 3

## PROCUREMENT

A. *Contracts for Civil Works:*

1. Contractors shall be pre-qualified. Before pre-qualification is invited, the Borrower shall inform the Association in detail of the procedure to be followed and shall introduce such modifications in said procedure as the Association shall reasonably request. The list of pre-qualified contractors, together with a statement of their qualifications and of the reasons for the exclusion of any applicant for pre-qualification, shall be furnished by the Borrower to the Association for its comments before the applicants are notified of their pre-qualification or of their exclusion and the Borrower shall make such additions to, or deletions from, the said list as the Association shall reasonably request.

2. Before bids are invited, the Borrower shall furnish to the Association 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 Association shall reasonably request. Any further modification to the bidding documents shall require the Association's concurrence before it is issued to the prospective bidders.

3. The documents referred to in paragraph 2 above shall at least include the following:

- (a) list of all contracts for civil works to be let in carrying out the Project, indicating the estimated value of each contract and the forecast timetable for award. The contracts shall be grouped in such a way as to encourage international competitive bidding;
- (b) description of the proposed international advertising coverage to ensure international competitive bidding;
- (c) drafts of bidding documents including invitations to bid and contracts. The invitations to bid shall, *inter alia*, specify that the bidder may submit bids in respect of each educational institution included in the Project or of all of them, together with related facilities or any combination thereof, the bids therefor to be opened simultaneously and the Borrower to have the option of awarding to one contractor one contract in respect of all such institutions and facilities, or separate contracts in respect of several such institutions and facilities to different contractors.

4. After bids have been received and evaluated, the Borrower shall, before a final decision on the award is made, inform the Association of the name of the bidder to whom it intends to award the contract and shall furnish to the Association, in sufficient time for its review, a detailed report by the Project Unit on the evaluation and comparison of the bids received, together with the said Project Unit's recommendations for award, and the reasons for the intended award as well as justification for recommended awards to other than the lowest qualified bidder. The Association shall promptly inform the Borrower whether it has any objection to the intended award, and shall state the reasons for any such objection it may have.

5. Promptly after a contract has been signed, and before submission to the Association of the first application for withdrawal of funds in respect of such contract, two signed copies thereof shall be sent to the Association.

6. The Borrower shall request the Association's approval for any increase of more than ten per cent (10%) or \$20,000 equivalent, whichever is less, in the price of any such contract together with reasons for the proposed change.

*B. Contracts for Furniture, Equipment and Books:*

1. Within twelve months after the date of signing of this Agreement and before inviting bids, the Borrower shall send to the Association for its approval, the following:

- (a) list of all items of furniture, equipment and books required for the Project showing the specifications and the estimated unit and total price of each item. Items will be indexed, coded and numbered for identification regarding the respective educational institution and the spaces for which they are required. The items to be purchased will be grouped so as to permit such bulk procurement as shall be consistent with sound technical and procurement practices. Insofar as practicable, contracts for such items will be for not less than \$40,000 equivalent. Contracts for less than \$5,000 will not be submitted to the Association for financing. Amendments to such lists which may be made from time to time shall also be submitted to the Association for approval.
- (b) Draft standard documents for inviting tenders, forms of contracts and description of the method to be used for obtaining bids on an international basis.

2. Procurement shall be limited to those items of furniture, equipment and books which are specified in the approved lists mentioned in sub-paragraph B (1) (a) above and which shall be identified in contract documents by the same indexes, codes and numbers as in such lists.

3. The Borrower shall send to the Association, after bids have been evaluated, a summary and analysis thereof, and obtain the Association's approval before awarding a contract. In case of a contract to be awarded to other than the lowest bidder, or of a contract involving a price of 10% or more above the original estimate as submitted under sub-paragraph B (1) (a) above, the Borrower shall send to the Association a brief justification by the Project Unit of the proposed award.

4. Promptly after bids have been evaluated and the contract has been awarded, the Borrower shall furnish the Association with the following:

- (i) a certificate signed by the Project Director that the goods contracted for are in accordance with the quantities and specifications in the list approved by the Association under sub-paragraph B (1) (a) above;
- (ii) two signed copies of the contract awarded, promptly after its execution and prior to the submission to the Association of the first application for withdrawal in respect of such contract.

*C. Margin of Preference for Local Manufacturer and Suppliers:*

For the purpose of evaluating bids with respect to all contracts for furniture, equipment and books bid prices shall be determined in accordance with the following rules:

- (a) The term “Local Bid” means a bid submitted by a manufacturer or supplier established in the territories of the Borrower for goods manufactured or processed to a substantial extent (as reasonably determined by the Association) in such territories; any other bid shall be deemed to be a “Foreign Bid”.
- (b) The bid price under a Local Bid shall be the sum of the following amounts:
- (i) the ex-factory price of such goods; and
  - (ii) inland freight, insurance and other costs of delivery of such goods to the place of their use or installation.
- (c) For the purpose of comparing any Foreign Bid with any Local Bid the bid price under a Foreign Bid shall be the sum of the following amounts:
- (i) the c.i.f. landed price of such goods net of any taxes on their importation;
  - (ii) any such taxes, as generally apply to such goods if imported into the territories of the Borrower by non-exempt importers, or 15% of the amount specified in (i) above, whichever shall be lower; and
  - (iii) inland freight, insurance and other costs of delivery of such goods to the place of their use or installation.

#### SCHEDULE 4

##### THE PROJECT UNIT

1. A Project Unit has been established within the Ministry of Education of the Borrower under a full-time Project Director responsible to the Minister of Education.

2. The staff of the Project Unit shall at all times include, on a full-time basis, an architect, a procurement specialist, an accountant and adequate supporting personnel.

3. The Project Unit shall have the necessary powers for the execution of the Project, including, *inter alia*:

- (a) the coordination of the Project with ministries and government services;
- (b) the selection, briefing, coordination and supervision of architectural consultants and contractors provided for in Sections 3.03 and 3.04 of this Agreement;
- (c) the approval of the civil works design of the educational institutions included in the Project;
- (d) the preparation of detailed lists of the furniture, equipment and books required for Part A of the Project;



- (e) the procurement of civil works, furniture, equipment and books including the preparation of bidding documents, the analysis of bids and the making of recommendations regarding the award of contracts;
- (f) the regular inspection of all construction work;
- (g) the keeping of records, including financial records, of the execution of the Project, and the preparation of regular reports to the Association;
- (h) the selection, briefing, coordination and supervision of the specialists provided under Part B of the Project; and
- (i) the selection, arrangement and supervision of the fellowships under Part B of the Project.

4. The functions of the Project Director, the Project Architect, the Procurement Specialist and the Project Accountant shall be as follows:

(a) *The Project Director*

The Project Director shall be responsible for directing all aspects of the execution of the Project. He shall report directly to the Minister of Education.

He shall be responsible, *inter alia*, for the following:

- (i) the administration of agreements with the architectural consultants in accordance with their terms of reference;
- (ii) making the necessary arrangements for briefing architectural consultants and other architects and engineers of the agencies of the Borrower;
- (iii) reviewing and approving or arranging for the review and approval by the appropriate authorities of all reports, plans, specifications and other material related to the Project;
- (iv) making all necessary arrangements for calling bids and awarding all contracts relating to the Project;
- (v) the coordination and integration of all Project activities with the relevant ministries, authorities and agencies, and with the Association;
- (vi) the organization and administration in consultation with the appropriate authorities of the technical assistance program included in the Project;
- (vii) the selection and organization of the staff of the Project Unit and the supervision and direction of their performance of their respective duties; and
- (viii) the preparation of quarterly project progress reports for the Borrower and the Association.

(b) *The Project Architect*

Under the general direction of the Project Director, and in coordination with the architectural consultants, the Project Architect shall, *inter alia*:

- (i) assemble all information relating to site and site conditions of the Project institutions;
- (ii) prepare schedules for the construction, furnishing and equipping of the Project institutions;
- (iii) prepare the architects' briefs, relating educational specifications to realistic costing and functional design;
- (iv) act as technical and architectural adviser to the architectural consultants to ensure that the brief is fully understood and that the Project is carried out in accordance with the brief;
- (v) check the architectural drawings to see that the space provisions and educational specifications are interpreted correctly so as to minimize changes during construction and after tenders have been accepted and approved;
- (vi) ensure that the architectural consultants and contractors are meeting performance standards as reflected in the specifications;
- (vii) take all steps required to ensure that the furniture is designed and constructed to specifications;
- (viii) ensure that furniture and building materials are procured in time and available for use on schedule;
- (ix) process and expedite all certificates of payments from contractors submitted through the executive architects; and
- (x) visit the works and inspect progress.

(c) *The Project Accountant*

The Project Accountant shall be responsible to the Project Director for setting up of the accounting machinery and the technical and operational aspects of accounting control relating to Project implementation in terms of the Development Credit Agreement.

He shall be responsible, *inter alia*, for:

- (i) ensuring that funds are available in the relevant accounts as required to meet payments to be financed out of the proceeds of the Credit;
- (ii) conducting the overall supervision, maintenance and verification of any special bank account which may be set up for the Project;
- (iii) taking promptly all actions required under the Development Credit Agreement in order to expedite the disbursement of the amounts of the Credit, including the preparation of withdrawal applications;
- (iv) ensuring that a detailed account is maintained in respect of each contract for the procurement of goods or services for the Project;
- (v) preparing such interim evaluation and financial statements as are required under the Development Credit Agreement;

- (vi) arranging for the establishment of letters of credits, if any;
- (vii) ensuring that financial regulations are complied with by the staff working under his control;
- (viii) signing or countersigning of checks; and
- (ix) such other duties as may be assigned by the Project Director.

(d) *The Project Procurement Specialist*

Under the general direction of the Project Director, the Project Procurement Specialist shall be responsible, *inter alia*, for the following:

- (i) the procurement of all furniture, equipment, books and materials for the Project institutions;
- (ii) the itemization and listing of all goods required for the Project showing the specifications and the estimated unit and total costs of each item, and the arrangement for the index coding and numbering of each item for identification with each of the Project institutions and with the space for which they are required;
- (iii) the grouping of goods to be procured so as to permit bulk procurement consistent with sound technical and procurement practices;
- (iv) the drafting of standard documents for inviting bids and the implementation of bidding procedures in accordance with Section 2.03 of the Development Credit Agreement;
- (v) the evaluation of bids received for all goods;
- (vi) the inspection of goods to ensure that correct quantities are received to the correct specifications; and
- (vii) the arrangement of safe custody and delivery of the goods to designated sites in accordance with target dates laid down.

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.*]