

No. 12030

---

**INTERNATIONAL DEVELOPMENT ASSOCIATION  
and  
ZAIRE**

**Development Credit Agreement—*Education Project* (with  
schedules and General Conditions Applicable to Development  
Credit Agreements). Signed at Washington on 17 December  
1971**

*Authentic text : English.*

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

---

**ASSOCIATION INTERNATIONALE  
DE DÉVELOPPEMENT  
et  
ZAÏRE**

**Contrat de crédit de développement — *Projet relatif à l'en-  
seignement* (avec annexes et Conditions générales appli-  
cables aux contrats de crédit de développement). Signé à  
Washington le 17 décembre 1971**

*Texte authentique : anglais.*

*Enregistré par l'Association internationale de développement le 26 septembre 1972.*

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

---

AGREEMENT, dated December 17, 1971, between the REPUBLIC OF ZAIRE (hereinafter called the Borrower) and the 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 and the term "Project Unit" means the Unit referred to in Section 3.01 (*b*) of this Agreement.

### *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 six million five hundred thousand dollars (\$6,500,000).

*Section 2.02.* The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule shall be amended from time to time, for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 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

---

<sup>1</sup> Came into force on 31 May 1972, upon notification by the Association to the Government of Zaire.

<sup>2</sup> See p. 160 of this volume.

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 and other specialists) 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, 1977 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 June 15 and December 15 in each year.

*Section 2.07.* The Borrower shall repay the principal amount of the Credit in semi-annual installments payable on each June 15 and December 15 commencing December 15, 1981 and ending June 15, 2021; each installment to and including the installment payable on June 15, 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 States of America 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 with due diligence and efficiency and in conformity with sound administrative, financial, technical and educational practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.

(b) For the purposes of overall management and coordination in the carrying out of the Project, the Borrower shall establish and maintain in its Ministry of National Education a Project Unit with such responsibilities and powers as are specified in Schedule 4 to this Agreement. The Project Unit shall be composed of a full-time Project Director and Deputy Director, who shall be an architect or engineer, and, on a part-time basis, a procurement specialist and an accountant, all acceptable to the Association. The Borrower shall provide such Project Unit promptly as needed with such qualified and experienced

supporting staff, facilities and other resources as shall be required for the efficient operation thereof.

*Section 3.02.* (a) In order to assist the Borrower in the procurement of goods and services for the Project and in planning and supervising the construction works included in Part A of the Project, the Borrower shall employ consultants and other specialists acceptable to the Association upon terms and conditions satisfactory to the Association.

(b) In carrying out Part B of the Project, the Borrower shall employ management consultants acceptable to the Association upon terms and conditions satisfactory to the Association.

*Section 3.03.* (a) The construction works included in the Project shall be carried out in accordance with standards appropriate to the specific functions of the educational facilities concerned and to climatic conditions and pursuant to plans and specifications approved by the Association.

(b) In carrying out the construction works included in the Project, the Borrower shall employ contractors acceptable to the Association upon terms and conditions satisfactory to the Association.

*Section 3.04.* (a) The Borrower undertakes to insure, or make adequate provision for the insurance of, the 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 3.05.* (a) The Borrower shall furnish to the Association, 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 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 3.06.* The Borrower shall take all such action as shall be necessary

to acquire as and when needed all such land and rights in respect of land as shall be required for carrying out 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.* The Borrower shall take appropriate steps to ensure adequate availability of primary school teachers pursuant to a plan to be submitted to the Association within one year from the date of this Agreement and approved by it. Such steps shall include (i) the reorganization of its primary teacher training program and (ii) the provision of upgrading courses for such teachers, conducted by qualified teacher trainers.

*Section 4.03.* The Borrower shall maintain in its Ministry of National Education (i) a directorate responsible for technical education and training and (ii) a body responsible for planning the appropriate output from the primary and upper secondary teacher training college.

*Section 4.04.* Taking into account the financial and other benefits offered by industry, the Borrower shall, within one year from the date of this Agreement, take such steps as shall be appropriate to encourage trained technical teachers and instructors to remain in the teaching profession.

*Section 4.05.* To ensure the effectiveness of the technical secondary schools in Katanga Province and in Kisangani included in the Project, the Borrower shall promptly (i) establish in such locations joint advisory boards comprising representatives of the schools and of local industrial employers and (ii) maintain enrollments in the orientation cycle of such schools at levels sufficient to ensure an adequate supply of students for the three- and four-year technician's courses which shall continue to be maintained in such schools for the specialties included in the Project.

*Section 4.06.* The Borrower shall ensure (i) that the institutions included in the Project be maintained according to sound technical policies and practices and (ii) that such institutions be staffed at all times with experienced and qualified personnel, all pursuant to a plan to be submitted to the Association within one year from the date of this Agreement and approved by it.

*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, 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, 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, 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 installations, sites, works, buildings, property and equipment related to the Project and any relevant records and documents 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*

#### EFFECTIVE DATE; TERMINATION

*Section 8.01.* The following events are specified as additional conditions to the effectiveness of the Development Credit Agreement within the meaning of Section 10.01 (b) of the General Conditions :

- (a) The Project Unit has been established; and
- (b) The positions in the Project Unit of Project Director, Deputy Project Director, procurement specialist and accountant have been filled in accordance with Section 3.01 (b) of this Agreement.

*Section 8.03.* The date March 31, 1972 is hereby specified for the purposes of Section 10.04 of the General Conditions.

*Section 8.04.* The obligations of the Borrower under Article IV of this Agreement shall cease and determine on the date on which the Development Credit Agreement shall terminate or on a date fifteen years after the date of this Agreement, whichever shall be the earlier.

### *Article IX*

#### REPRESENTATIVE OF THE BORROWER; ADDRESSES

*Section 9.01.* The Minister of Finance 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 :

Ministère des Finances  
Boîte Postale No. 10  
Kinshasa-Kalina, Republic of Zaire

Cable address :

Minifin  
Kinshasa  
Telex : 298

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.  
Telex : 440098 (ITT) or 24423 (RCA)

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 Zaire :

By PIERRE ILEKA  
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<br/>Credit Allocated<br/>(Expressed in<br/>Dollar Equivalent)</i> | <i>% of<br/>Expenditures<br/>to be Financed</i>                                                                                         |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <b>I. Part A of the Project</b>                                               |                                                                                    |                                                                                                                                         |
| (a) Civil works                                                               | 2,470,000                                                                          | 100% of foreign expenditures or, if procured locally, 44% of total expenditures (representing the estimated foreign exchange component) |
| (b) Consultants' and other Specialists' services (other than under (e) below) | 440,000                                                                            | 100% of foreign expenditures                                                                                                            |
| (c) Equipment                                                                 | 1,340,000                                                                          | 100% of foreign expenditures                                                                                                            |
| (d) Furniture                                                                 | 380,000                                                                            | 100% of foreign expenditures or, if procured locally, 55% of total expenditures (representing the estimated foreign exchange component) |
| (e) Specialists' services for Project Unit                                    | 230,000                                                                            | 100% of foreign expenditures                                                                                                            |
| <b>II. Part B of the Project :</b><br>Services of management consultants      | 240,000                                                                            | 100% of foreign expenditures                                                                                                            |
| <b>III. Unallocated</b>                                                       | <u>1,400,000</u>                                                                   |                                                                                                                                         |
| <b>TOTAL</b>                                                                  | <u><u>6,500,000</u></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 country other than the Borrower; and

(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; or

(b) 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 any

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 Credit will be withdrawn on account of payments for such taxes.

- (c) purchases of equipment or furniture pursuant to any contract of a value of less than \$5,000 equivalent.

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 Category shall decrease, the amount of the Credit then allocated to such Category and no longer required therefor will be reallocated by the Association by increasing correspondingly the unallocated amount of the Credit; and
- (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 Association, at the request of the Borrower, to such Category from the unallocated amount of the Credit, subject, however, to the requirements for contingencies, as determined by the Association, 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 I (a) or (d) shall increase and no proceeds of the Credit are available for reallocation to such Category, the Association 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.

## SCHEDULE 2

### DESCRIPTION OF THE PROJECT

The Project consists in (a) the construction or rehabilitation, equipping and furnishing of educational institutions and facilities with a view to improving and developing (i) primary-school inspectors and teachers as well as (ii) secondary and technical education, to be carried out under the supervision of the Project Unit, (b) the carrying out of a management study of the Ministry of National Education in order to improve the effectiveness of its administration and (c) the carrying out of a survey of manpower needs in the territory of the Borrower.

The Project includes the following Parts :

*Part A.* Construction, rehabilitation, equipment and furnishing of the following :

| <i>Facility and Location</i>                                                        | <i>Works and Procurement</i>                                                                                                                                                                                                                                                                                                        | <i>Approximate<br/>Total Area<br/>of New<br/>Construction<br/>(M<sup>2</sup>)</i> |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Upper Secondary<br>School Teacher<br>Training College,<br>Kinshasa                  | Conversion, equipment and furnishing of classrooms, laboratories and administrative facilities to benefit about 1,050 students of whom about 440 in-project upper secondary teacher trainees; construction, equipment and furnishing of offices, technical premises and boarding facilities for about 100 students . . .            | 1,940                                                                             |
| Demonstration<br>Secondary<br>School,<br>Kinshasa                                   | Construction, equipment and furnishing of classrooms, laboratories and administrative premises to benefit about 420 students and one teaching-staff housing unit . . . . .                                                                                                                                                          | 2,500                                                                             |
| Training College<br>for Primary<br>Teacher Trainers<br>and Inspectors,<br>Kisangani | Rehabilitation, equipment and furnishing of classrooms, laboratories and boarding facilities to benefit about 770 students of whom about 260 in-project primary educator and inspector trainees and about 85 boarders; construction of boarding facilities for about 175 new boarders and one teaching-staff housing unit . . . . . | 1,720                                                                             |
| Technical Teacher<br>Training College,<br>Likasi                                    | Construction, equipment and furnishing of classrooms and laboratories to provide about 115 student places and administrative offices and boarding facilities for about 115 students; 11 teaching-staff housing units . . . . .                                                                                                      | 2,630                                                                             |
| Technical<br>Secondary<br>School,<br>Kisangani                                      | Rehabilitation, equipment and furnishing of classrooms, laboratories, workshops and administrative offices, to benefit about 960 students of whom about 350 in-project technician trainees and adults attending accelerated training courses                                                                                        | —                                                                                 |

| <i>Facility and Location</i>                    | <i>Works and Procurement</i>                                                                                                                                                                                                                                                                   | <i>Approximate<br/>Total Area<br/>of New<br/>Construction<br/>(M<sup>2</sup>)</i> |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Technical<br>Secondary<br>School,<br>Lubumbashi | Rehabilitation, construction, equipment and furnishing of classrooms, laboratories, workshops and administrative offices to benefit about 1,185 students of whom about 520 in-project technician trainees; 6 teaching-staff housing units . . . . .                                            | 5,120                                                                             |
| Technical<br>Secondary<br>School,<br>Likasi     | Rehabilitation, construction, equipment and furnishing of classrooms, laboratories, workshops, administrative offices and day-boarding facilities to benefit about 1,240 students of whom about 670 in-project technician trainees and adults attending accelerated training courses . . . . . | 6,270                                                                             |
| Technical<br>Secondary<br>School,<br>Kolwezi    | Rehabilitation, construction, equipment and furnishing of classrooms, laboratories, workshops, administrative offices to benefit about 880 students of whom about 450 in-project technician trainees . . . . .                                                                                 | 3,310                                                                             |

*Part B.* The carrying out of a management study of the present organization of the Ministry of National Education at the central and provincial levels, utilizing about 60 man-months of services of management consultants, under terms of reference and on a schedule satisfactory to the Association.

*Part C.* The carrying out of a survey of the manpower requirements in the territory of the Borrower, under terms of reference satisfactory to the Association.

The Project is expected to be completed by October 31, 1976.

### SCHEDULE 3

#### PROCUREMENT

##### A. *Contracts for Civil Works*

1. Contractors will be prequalified in accordance with a prequalification procedure satisfactory to the Association.

2. Before inviting bids, the Borrower will send to the Association for its approval the following :

- (a) list of all contracts for civil works to be awarded in carrying out the Project, indicating the estimated value of each contract and the forecast timetable for obtaining it. The contracts will be grouped in such a way as to encourage international competitive bidding;
- (b) description of the proposed advertising coverage to ensure international competitive bidding, draft bid notices, prequalification questionnaires and description of prequalification procedures;
- (c) the consultants' report and recommendation on the prequalification data submitted and the proposed selected tender list;
- (d) draft bidding documents including draft contracts. The invitations to bid for the educational institutions included in the Project will, *inter alia*, specify that the bidder will submit offers in respect of each institution together with related facilities, or of all of them, or any combination thereof. The bids shall be opened simultaneously. The Borrower shall have the option of awarding to one contractor one contract in respect of all the educational institutions and facilities, or separate contracts or a combination of contracts in respect of the various educational institutions and facilities. The Borrower shall make such additions or deletions in such proposed tender list and such modifications in such draft bidding documents and draft contracts as the Association shall reasonably request.

3. After bids have been received and evaluated, the Borrower will, 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 the reasons for the intended award, and will furnish to the Association, in sufficient time for its review, a detailed report by the Borrower's consultants on the evaluation and comparison of the bids received, together with the recommendations for award of said consultants. The Association will promptly inform the Borrower of its reasonable determination regarding the consistency of the intended award with the provisions of the Guidelines referred to in Section 2.03 of this Agreement or with the Development Credit Agreement.

4. Promptly after a contract has been awarded, and before submission to the Association of the first application for withdrawal of funds in respect thereof, two certified conformed copies of the contract will be sent to the Association. Two certified conformed copies of any subsequent contract amendment will also be sent to the Association.

5. The Borrower will request the Association's concurrence with any proposed change in a contract involving a price increase of 10% or more of the contract price or of \$100,000 or more equivalent, whichever is less, together with an explanation of the proposed change.

#### B. *Contracts for Equipment and Furniture*

1. 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 groups will be for not less than \$40,000 equivalent.

Contracts for equipment or furniture in amounts less than \$5,000 equivalent will not be accepted by the Association for approval or financing out of the proceeds of the Credit.

2. Before inviting bids, the Borrower will send to the Association for its approval the following :

- (a) lists of all items of equipment and furniture required for the Project and the proposed grouping thereof, showing the specifications and the estimated unit price of each item and the total price of each category of items. Items will be indexed, coded and numbered for identification with the educational institution in question and the space for which they are required. Amendments to such lists will also be submitted to the Association for approval; and
- (b) draft standard documents for inviting tenders, forms of contracts and a description of the method to be used for inviting bids on an international basis, including the proposed advertising procedures.

3. Procurement will be limited to those items of equipment and furniture specified in the approved lists mentioned in subparagraph B. 2 (a) above and identified in contract documents by the same indices, codes and numbers as in such lists.

4. For evaluating any competing bids received for imported and for locally manufactured furniture, for the purposes of comparison, the following method will be used :

(a) The term "Local Bid" means a bid offering goods manufactured or processed to a substantial extent (as reasonably determined by the Association) in the territories of the Borrower; any bid offering other goods shall be deemed a Foreign Bid.

(b) The comparison 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 comparison bid price under a Foreign Bid shall be the sum of the following amounts :

- (i) the c.i.f. 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 (c) (i) above, whichever shall be lower; and

(iii) inland freight and insurance, and other costs of delivery of such goods to the place of their use or installation.

5. If (a) Foreign and Local Bids have been so compared, or (b) a contract is proposed to be awarded to a bidder other than the lowest evaluated bidder (taking into account, if applicable, the foregoing paragraph B. 4), or (c) a proposed award involves a difference in price of 10% or more from the original estimate as shown pursuant to paragraph B. 2 (a) above, the Borrower will, after the bids have been

evaluated and before making the award, send to the Association for its prompt approval, a summary and analysis thereof and a brief justification of the Borrower's proposal for the award.

6. Promptly after bids have been evaluated and a contract has been awarded and before submission to the Association of the first application for withdrawal of funds from the Credit Account in respect of such contract, the following will be sent to the Association (if not already furnished under paragraph B. 5 above) :

- (a) certificate signed by the Project Director or the Deputy Director that the goods covered by the contract are in accordance with the quantities and specifications in the list approved by the Association;
- (b) list of the bids received;
- (c) brief analysis of the bids and justification for the Borrower's decision in making the award; and
- (d) two certified conformed copies of the contract.

Two certified conformed copies of any subsequent amendment to any such contract will also be sent to the Association.

#### SCHEDULE 4

##### PROJECT UNIT

1. The Project Unit, within the Ministry of National Education and under the direction of the Project Director, will be directly responsible to the Minister of National Education for the overall management of the Project, coordination with other government services and for coordinating the carrying out of the Project with education projects financed by other bilateral or multilateral agencies.

2. The Project Director will be assisted by a full-time Deputy Director who shall be an engineer or architect. The Director will in particular carry out the functional liaison with the educational bodies concerned and will ensure that the rehabilitation, conversion, equipment and furnishing of all educational premises be consistent with educational requirements.

3. In addition, the Project Director will be assisted by (a) a part-time procurement specialist and (b) a part-time accountant.

4. The Project Unit will be responsible, *inter alia*, specifically for the following:

- (a) coordination and integration of all Project activities with the Ministries and other public or semi-public agencies of the Borrower;
- (b) arrangements for the selection of the consultants (including the management consultants carrying out Part B of the Project) and the other specialists, and the establishment of their terms of reference;
- (c) administration of agreements with such consultants;
- (d) preparation, with the help of the National Center for School Construction and the consultants, of a comprehensive implementation schedule based on the Critical Path Method, Gantt Chart or other satisfactory method, for setting down the planned timetable of coordinated activities and responsibilities on which the carrying out of all aspects of the Project will be based;

- (e) arrangements for the review and approval by appropriate authorities of the reports, specifications and other material submitted by the consultants and other specialists;
- (f) advice and assistance to the National Center for School Construction and the consultants, with the help of other specialists as needed, as to the educational needs of the institutions included in the Project;
- (g) preparation of the documents required under paragraph B. 2 of Schedule 3 to this Agreement;
- (h) necessary arrangements for inviting bids and awarding contracts relating to the Project;
- (i) keeping of accounts for Parts A and B of the Project and preparation of interim evaluation and financial statements therefor;
- (j) preparation for submission to the Association through proper channels of applications for withdrawals from the Credit Account; and
- (k) preparation of quarterly progress reports for submission to the Association.

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.*]

---