

No. 12078

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

**Loan Agreement—*Second Highway Construction Project*
(with schedules and General Conditions Applicable to
Loan and Guarantee Agreements). Signed at Washington
on 14 July 1971**

Authentic text: English.

*Registered by the International Bank for Reconstruction and Development
on 17 October 1972.*

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

Contrat d'emprunt — *Deuxième projet relatif à la construction de routes* (avec annexes et Conditions générales applicables aux contrats d'emprunt et de garantie). Signé à Washington le 14 juillet 1971

Texte authentique: anglais.

Enregistré par la Banque internationale pour la reconstruction et le développement le 17 octobre 1972.

LOAN AGREEMENT¹

AGREEMENT, dated July 14, 1971, between STATE OF ISRAEL (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

Article I. GENERAL CONDITIONS; DEFINITIONS

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated January 31, 1969,² with the same force and effect as if they were fully set forth herein, subject, however, to the deletion of Section 5.01 thereof 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 and the following additional terms have the following meanings:

(a) "PWD" means the Public Works Department in the Ministry of Labor of the Borrower; and

(b) "Netivey Ayalon" means Netivey Ayalon Company Limited, a company duly incorporated with limited liability under the Companies Ordinance of the Borrower, established by the Borrower and the Municipality of Tel Aviv/Jaffa to carry out the planning, construction and maintenance of the Ayalon Expressway and related transportation facilities.

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 thirty million dollars (\$30,000,000).

Section 2.02. 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 described in Schedule 2 to this Agreement and to be financed under the Loan Agreement; 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.

¹ Came into force on 16 August 1971, upon notification by the Bank to the Government of Israel.

² See p. 180 of this volume.

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 one-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 April 15 and October 15 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 Minister of Finance 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 Part A (i) of the Project through Netivey Ayalon and the remaining Parts of the Project through PWD with due diligence and efficiency and in conformity with sound engineering, administrative and financial practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.

Section 3.02. In order to assist the Borrower in the supervision of the construction of the Project, the Borrower shall employ engineering consultants acceptable to the Bank, to the extent and upon terms and conditions satisfactory to the Borrower and the Bank.

Section 3.03. In carrying out the Project, the Borrower shall employ or cause to be employed contractors acceptable to the Bank upon terms and conditions satisfactory to the Borrower and the Bank.

Section 3.04. (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, all goods and services financed out of the proceeds of the Loan shall be used exclusively for the Project until its completion.

Section 3.05. (a) The Borrower shall furnish to the Bank, promptly upon their preparation, the plans, specifications, contract documents and construction and work 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 3.06. The Borrower shall take or cause to be taken 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 and shall furnish to the Bank, promptly after such acquisition, evidence satisfactory to the Bank that such land and rights in respect of land are available for purposes related to the Project.

Section 3.07. Except as the Bank shall otherwise agree, all roads included in the Project shall conform to the general design standards set forth in Schedule 5 to this Agreement.

Section 3.08. The Borrower shall cause its national inter-urban highway network and the Ayalon Expressway to be adequately maintained and shall cause all necessary repairs thereof to be made promptly, all in accordance with sound engineering practices, and shall provide or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for the foregoing.

Section 3.09. The Borrower shall continue to collect and record in accordance with appropriate statistical methods and procedures (including regular and systematic traffic counts) such technical, economic and financial information as shall be reasonably required for proper planning of maintenance, improvements and extensions of its public highway system, including the Ayalon Expressway.

Section 3.10. (a) The Borrower shall take all such steps as shall be reasonably required to ensure that the dimensions and axle-loads of vehicles using its public highway system, including the Ayalon Expressway, shall not exceed limits consistent with its traffic regulations.

(b) The Borrower shall, in consultation with the Bank, (i) undertake and complete by not later than December 31, 1972 (or such later date as may be agreed between the Borrower and the Bank) a study for the purpose of determining whether, and if so to what extent, its existing traffic regulations require amendment with respect to the limits referred to in paragraph (a) of this Section, and (ii) amend said regulations accordingly.

Section 3.11. The Borrower shall ensure that Netivey Ayalon (a) will establish and maintain organizational and staffing arrangements satisfactory to the

Bank for the planning, construction and maintenance of the Ayalon Expressway, and (b) will not, except as the Bank may agree, (i) amend its Memorandum or Articles of Association or (ii) transfer or permit transfer of any of its shares or (iii) increase or reduce its share capital.

Section 3.12. The Borrower shall cause the construction of the La Guardia Street west of the Ayalon Expressway and the widening and improvement of sections of the Petah-Tiqva and Holon Roads to be carried out, through Netivey Ayalon or other authority acceptable to the Bank, in accordance with design standards and a timetable to be approved by the Bank, and shall provide or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for the purpose.

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 Bank of Israel 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 departments or agencies of the Borrower, including Netivey Ayalon, responsible for carrying out the Project or any part thereof.

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, the administration and operations, in respect of the Project, of the departments or agencies of the Borrower, including Netivey Ayalon, 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, in respect of the Project, of the departments or agencies of the Borrower, including Netivey Ayalon, 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 or in Section 7.03 of this Agreement 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.

Section 7.02. For the purposes of Section 6.02 of the General Conditions, the following additional event is specified:

The Borrower or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of Netivey Ayalon or for the suspension of its operations without prior arrangements satisfactory to the Bank having been made by the Borrower for the transfer to another department or agency of the Borrower of the functions of Netivey Ayalon with respect to the planning, construction and maintenance of the Ayalon Expressway.

Section 7.03. For the purposes of Section 7.01 of the General Conditions, the following additional event is specified:

The event specified in Section 7.02 of this Agreement shall occur.

Article VIII. TERMINATION

Section 8.01. The date October 15, 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 Minister of Finance 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:

Ministry of Finance
Jerusalem
Israel

Cable address:

Ozar
Jerusalem

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.

State of Israel :

By Y. RABIN
Authorized Representative

International Bank for Reconstruction and Development :

By J. BURKE KNAPP
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 the amounts of the Loan to each category and the percentage of eligible expenditures so to be financed in 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	28,500,000	33% of total expenditures
II. Consultants' services for construction supervision	1,200,000	100% of foreign expenditures
III. Equipment for research and testing	100,000	100% of foreign expenditures
IV. Unallocated	200,000	
	<u>TOTAL</u>	
	<u>30,000,000</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 country other than the Borrower ; and

(b) The term "total expenditures" means the aggregate of foreign 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 ; and

(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 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 Category II or III 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:

- (a) if the estimate of the total expenditures (including contingencies) under Category I shall decrease, the percentage set forth in the third column of the table in paragraph 1 above with reference to Category I shall be increased to enable the Borrower to withdraw the full balance of the amount then remaining allocated to Category I at an even rate until all expenditures under Category I shall have been made, provided, however, that the total amount to be withdrawn by the Borrower under Category I shall not exceed 42% of the total expenditures under that Category;
- (b) if the estimate of the total expenditures under Category I 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.

SCHEDULE 2

DESCRIPTION OF THE PROJECT

The Project consists of:

Part A. The construction of the following parts of the Borrower's 1971-1975 Highway Development Program:

- (i) first phase of the Ayalon Expressway in Tel Aviv (about 7.0 km), including a canal for regulating the Ayalon Creek;
- (ii) Ayalon-Ganot-Lod-Ramleh Expressway (about 18.5 km);
- (iii) Beit Dagan-Ramleh road (about 9.1 km);
- (iv) improved Rishon-Rehovot road (about 6.0 km);
- (v) Azur and Geha interchanges on the eastern bypass of Tel Aviv, and Abir and Netanya interchanges on the Tel Aviv-Haifa road;
- (vi) improved Ra'anana-Beit Lid road (about 17.0 km);
- (vii) improved Shefar Am-Nazareth road (about 22.2 km);
- (viii) improved Beit Slomo-Missaff Amakim road (about 20.0 km);
- (ix) Beit Kama-Beer Sheva road (about 20.7 km).

Part B. The procurement of equipment for research and testing of highway construction materials and soils and for determining axle loads of vehicles.

The Project is expected to be completed by December 31, 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>
October 15, 1976	540,000	October 15, 1980	715,000
April 15, 1977	560,000	April 15, 1981	745,000
October 15, 1977	580,000	October 15, 1981	770,000
April 15, 1978	600,000	April 15, 1982	800,000
October 15, 1978	620,000	October 15, 1982	825,000
April 15, 1979	645,000	April 15, 1983	855,000
October 15, 1979	670,000	October 15, 1983	890,000
April 15, 1980	690,000	April 15, 1984	920,000

<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>
October 15, 1984	955,000	October 15, 1988	1,270,000
April 15, 1985	990,000	April 15, 1989	1,315,000
October 15, 1985	1,025,000	October 15, 1989	1,360,000
April 15, 1986	1,060,000	April 15, 1990	1,410,000
October 15, 1986	1,100,000	October 15, 1990	1,460,000
April 15, 1987	1,140,000	April 15, 1991	1,515,000
October 15, 1987	1,180,000	October 15, 1991	1,570,000
April 15, 1988	1,225,000		

* To the extent that any portion of the Loan is repayable in a currency other than dollars (see General Conditions, Section 4.02), the figures in this column represent dollar equivalents determined as for purposes of withdrawal.

PREMIUMS ON PREPAYMENT AND REDEMPTION

The following percentages are specified as the premiums payable on repayment in advance of maturity of any portion of the principal amount of the Loan pursuant to Section 3.05 (b) of the General Conditions or on the redemption of any Bond prior to its maturity pursuant to Section 8.15 of the General Conditions:

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

SCHEDULE 4

PROCUREMENT

1. With respect to any contract for civil works in Category I of the allocation of the proceeds of the Loan:

(a) Bids shall be invited from prequalified contractors.

(b) Copies of notices to embassies and advertisements (with a list of the publications in which such advertisements shall appear) inviting contractors to prequalify shall be sent to the Bank at the time of their distribution or placement. A period of at least 45 days shall be allowed for the presentation of proposals.

(c) The Borrower shall furnish the Bank with an official record of the proposals received for prequalification, together with its evaluation of the proposals and the proposed list of contractors to be allowed for bidding. The Bank shall make any comments it may have on this list and the Borrower shall make such additions or deletions from the said list as the Bank shall reasonably request.

(d) Before 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, and shall make such modifications in the said documents as the Bank shall reasonably request. Any further modification to the bidding documents shall require the Bank's concurrence before it is issued to the prospective bidders. A period of at least 60 days will be allowed for the submission of bids.

(e) For bidding purposes, Parts A (i) and A (ii) of the Project will each be subdivided into a number of sections to be agreed between the Borrower and the Bank, and prequalified

contractors shall be permitted to bid for a single section or for any combination of sections within each such Part.

(f) Awards with respect to Parts A (i) and A (ii) of the Project shall be made on the basis of the lowest evaluated bid or combination of bids within each such Part.

(g) Bids shall be accompanied by a bid bond or guarantee amounting to not less than $2\frac{1}{2}\%$ of the bid contract value.

(h) After 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 on the ground that it would be inconsistent 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 shall state the reasons for any objections it may have.

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

(j) Each contract shall:

- (i) be on a unit price basis;
- (ii) allow the contractor the option of furnishing by an acceptable financial institution doing business in Israel a guarantee in an amount of not less than 7.5% of the contract price or a performance bond in an amount of 100% of that price, to remain in effect until the provisional acceptance of the work; and
- (iii) provide for the retention of 10% of the amount payable to the contractor on monthly invoices. After the final acceptance of the works, or of any portion thereof, the amounts so retained in respect of such works or portion thereof shall be paid to the contractor.

2. With respect to any contract for equipment in Category III of the allocation of the proceeds of the Loan:

(a) Identical or similar items of equipment will be grouped together wherever practicable for purposes of bidding and procurement, and such grouping of items will be subject to the approval of the Bank.

(b) Whenever the cost of any goods or group of goods shall not exceed the equivalent of \$10,000, the Borrower may, at its option, procure them on the basis of competition limited to suppliers established within the territories of the Borrower.

(c) The interval between the invitation to bid and the opening of bids shall be not less than 45 days.

(d) Prior to the invitation to bid, the Borrower shall prepare, and submit to the Bank for its review, lists of the goods to be procured, including specifications, grouping for bid purposes, the estimated unit and total cost thereof, and in the case of goods referred to in (b) above, the names of the proposed suppliers, and, for all other goods, copies of advertising coverage and tender documents.

(e) Prior to the award of any contract, the Borrower shall send to the Bank a summary of all bids received and the Borrower's evaluation of such bids and recommendation for award plus:

- (i) in the case of goods referred to in (b) above, the Borrower's decision for award;
- (ii) in the case of all other goods, the Borrower's proposal for award.

In the case of (e) (ii) above, the Bank shall promptly inform the Borrower whether it has any objection to the intended award on the ground that it would be inconsistent 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 shall state the reasons for any objections it may have. If the contract shall be awarded over the Bank's reasonable objection, or if its terms and conditions shall, without the Bank's concurrence, materially differ from those on which bids were asked, no expenditure thereunder shall be financed out of the proceeds of the Loan.

3. Two copies of every 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 such contract.

SCHEDULE 5

STANDARDS FOR GEOMETRIC DESIGN OF NATIONAL HIGHWAYS

Elements	Design Speed (km/h)							
	30	40	50	60	80	100	110	120
Minimum Radius of Horizontal Curve (m)	25	45	70	110	350	600	750	900
Maximum Vertical Grade (%)	10.9	10.0	8.0	6.5	5.0	4.0	3.5	3.5
Minimum Radius Crest Vertical Curve (m)	1,000	1,500	2,000	3,000	5,000	9,000	16,000	20,000
Minimum Radius Sag Vertical Curve (m)	500	1,000	1,500	2,000	3,000	5,000	8,000	10,000
Maximum Super-elevation (%)	8.0	8.0	8.0	8.0	5.0	4.5	4.5	4.3
Minimum Stopping Sight Distance (m)	30	50	70	90	145	210	250	265
Minimum Passing Sight Distance (m)	—	—	—	350	450	600	720	800
Lane Width on Tangents (m)	3.00	3.00	3.00	3.25	3.60	3.60	3.60	3.75
Shoulder Width (m)	1.50	1.50	1.50	2.00	2.00	3.00	3.00	3.00

NOTES:

- Design speed to be applied to:
 - Part A (iv) of the Project — 80 km/h,
 - Part A (i) of the Project — 95 km/h,
 - all other roadworks in Part A of the Project — 100 km/h.
- Parts A (vii), A (viii) and A (ix) of the Project shall be constructed with 2 traffic lanes, and all other roadworks in Part A of the Project shall be constructed with 4 traffic lanes.

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.]