

No. 12067

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

Loan Agreement—*Second Education Project* (with schedules and General Conditions Applicable to Loan and Guarantee Agreements). Signed at Washington on 25 March 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
JAMAÏQUE**

Contrat d'emprunt — *Deuxième projet relatif à l'enseignement* (avec annexes et Conditions générales applicables aux contrats d'emprunt et de garantie). Signé à Washington le 25 mars 1971

Texte authentique : anglais.

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

LOAN AGREEMENT¹

AGREEMENT, dated March 25, 1971, between JAMAICA (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

Article I. GENERAL CONDITIONS; DEFINITIONS

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

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

a) "ITV" means instructional television; and

(b) "Project Unit" means the Project implementation unit maintained for the purpose of carrying out the Project, as required by Section 3.02 of this Agreement.

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 thirteen million five hundred thousand dollars (\$13,500,000).

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 The amount of the Loan may be withdrawn from the Loan Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule shall be amended from time to time by further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

Section 2.03. The Closing Date shall be December 31, 1975, or such other date as shall be agreed between the Borrower and the Bank.

Section 2.04. The Borrower shall pay to the Bank a commitment charge at the rate of three-fourths of one per cent ($\frac{3}{4}$ of 1%) per annum on the principal amount of the Loan not withdrawn from time to time.

Section 2.05. The Borrower shall pay interest at the rate of seven 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 2.06. Interest and other charges shall be payable semi-annually on February 15 and August 15 in each year.

¹ Came into force on 30 July 1971, upon notification by the Bank to the Government of Jamaica.

² See p. 215 of this volume.

Section 2.07. The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 2 to this Agreement.

Section 2.08. If and as the Bank shall from time to time request, the Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in Article VIII of the General Conditions.

Section 2.09. The Minister responsible for 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 the Project with due diligence and efficiency and in conformity with sound administrative, engineering and educational practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.

Section 3.02. The Borrower shall maintain and operate the Project Unit with such powers, responsibilities, staff, facilities and resources as are set forth in Schedule 5 to this Agreement.

Section 3.03. In order to assist the Borrower in the preparation of plans, specifications and bidding documents for and in the supervision of the construction of Parts A through D of the Project, the Borrower shall employ architectural and engineering consultants acceptable to the Bank upon terms and conditions satisfactory to the Bank.

Section 3.04. In carrying out Parts A through D of the Project, the Borrower shall employ contractors acceptable to the Bank upon terms and conditions satisfactory to the Bank.

Section 3.05. (a) Except as the Bank shall otherwise agree, the goods and services (other than consultants' services and fellowships) required for the Project and to be financed out of the proceeds of the Loan shall be procured on the basis of international competitive bidding in accordance with the *Guidelines for Procurement under World Bank Loans and IDA Credits*, published by the Bank in August 1969, and in accordance with such other procedures supplementary thereto as are set forth in Schedule 4 to this Agreement.

(b) The Borrower undertakes to insure, or make adequate provision for the insurance of, the imported goods to be financed out of the proceeds of the Loan against marine, transit and other hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation, and for such insurance any indemnity shall be payable in a currency freely usable by the Borrower to replace or repair such goods.

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

Section 3.06. (a) The Borrower shall furnish to the Bank, promptly upon their preparation, the plans, specifications and construction schedules for the Project, and any material modifications or amplifications thereof, in such detail as the Bank shall reasonably request.

(b) The Borrower: (i) shall maintain records adequate to record the progress of the Project (including the cost thereof) and to identify the goods and services financed out of the proceeds of the Loan, and to disclose the use thereof in the Project; (ii) shall enable

the Bank's representatives to inspect the Project, the goods financed out of the proceeds of the Loan and any relevant records and documents; and (iii) shall furnish to the Bank all such information as the Bank shall reasonably request concerning the Project, the expenditure of the proceeds of the Loan and the goods and services financed out of such proceeds.

Section 3.07. The Borrower shall (i) promptly take, or cause to be taken, all requisite steps for the acquisition and retention of all such lands, interests in land and properties and all rights, powers and privileges as may be necessary or proper for the construction and operation of the educational institutions included in the Project and (ii) ensure that all sites required for the construction included in the Project are available to the Borrower within one year from the date of this Agreement.

Section 3.08. The Borrower shall establish and maintain a Coordination Committee, which shall include representatives of the Ministry of Education, the Ministry of Finance and Planning, and the Ministry of Labour, to coordinate the Project and to provide advice and guidance to the Project Unit.

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.

(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.

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 Jamaica 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 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.

Section 4.03. (a) The Borrower shall operate the educational institutions and facilities included in the Project in accordance with sound administrative and educational policies and practices and with due regard to economy, all as required in order to further the educational objectives of the Borrower.

(b) The Borrower shall:

- (i) at all times employ qualified administrators, teachers and instructors in adequate numbers to staff the educational institutions included in the Project;
- (ii) complete the staffing of and the enrollment of students in each of the educational institutions (excluding trade training centers) included in the Project by the beginning of the January term or the September term, whichever is earlier, following the

completion of construction and equipment of the respective educational institutions; and

- (iii) to assist in achieving the objectives of sub-paragraphs (i) and (ii) above, make adequate provision for technical teacher training.

Section 4.04. The Borrower shall (i) adequately maintain or cause to be maintained the buildings, furniture and equipment of the educational institutions included in the Project and make or cause to be made all necessary repairs and renewals thereof in accordance with sound technical and administrative practices; and (ii) provide or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for the foregoing.

Section 4.05. Except as the Borrower and the Bank shall otherwise agree, the Borrower shall within eighteen months of the date of this Agreement organize and implement suitable training programs for the administration and supervision of the comprehensive curriculum secondary schools.

Section 4.06. Except as the Borrower and the Bank shall otherwise agree, the Borrower shall within two years of the date of this Agreement:

- (a) develop, through curriculum committees, sound and appropriate curricula for the comprehensive curriculum secondary schools included in the Project; and
(b) establish suitable testing procedures for the selection and guidance of students for the second cycle secondary level of the Borrower's educational system.

Section 4.07. Except as the Borrower and the Bank shall otherwise agree, the Borrower shall establish by not later than the Closing Date and maintain thereafter an average teacher:student ratio for the schools included in Part A (i), (ii) and (iii) of the Project of approximately 1:25 and for the schools included in Part A (iv) of the Project of approximately 1:30.

Section 4.08. Except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that, by the completion of Part D of the Project and subject to existing television plant capacity, about three hours 50 minutes of ITV programs are broadcast each school day between 9:10 a.m. and 3:30 p.m. over the Borrower's national television system.

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, operations and financial condition in respect of the Project of the departments or agencies of the Borrower responsible for the carrying out of the Project or any part thereof, and other matters relating to the purposes of the Loan; and
(b) furnish to the other all such information as it shall reasonably request with regard to the general status of the Loan. On the part of the Borrower, such information shall include information with respect to financial and economic conditions in the territories of the Borrower, including its balance of payments, and the external debt of the Borrower, of any of its political subdivisions and of any agency of the Borrower or of any such political subdivision.

Section 5.02. (a) The Borrower shall furnish or cause to be furnished to the Bank all such information as the Bank shall reasonably request concerning the operations 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.

(b) The Borrower shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan, the maintenance of the service thereof or the performance by the Borrower of its other 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 and the Bonds shall be free from any taxes on or in connection with the execution, issue, delivery or registration thereof imposed under the laws of the Borrower or laws in effect in its territories and the Borrower shall pay all such taxes, if any, imposed under the laws of the country or countries in whose currency the Loan and the Bonds are payable or laws in effect in the territories of such country or countries.

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

Article VII. REMEDIES OF THE BANK

Section 7.01. If any event specified in Section 7.01 of the General Conditions shall occur and shall continue for the period, if any, therein set forth, then at any subsequent time during the continuance thereof, the Bank, at its option, may by notice to the Borrower declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately together with the interest and other charges thereon and upon any such declaration such principal, interest and charges shall become due and payable immediately, anything to the contrary in the Loan Agreement or in the Bonds notwithstanding.

Article VIII. EFFECTIVE DATE; TERMINATION

Section 8.01. The following event is specified as an additional condition to the effectiveness of the Loan Agreement within the meaning of Section 11.01 (c) of the General Conditions:

The Borrower shall have employed a qualified architect and a qualified quantity surveyor for the Project Unit under terms and conditions mutually acceptable to the Borrower and the Bank.

Section 8.02. The date August 1, 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 responsible for 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 and Planning
Kingston, Jamaica

Cable address:

Ministry of Finance
Kingston

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.

Jamaica:

By EDWARD SEAGA
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:

Category	Amount of the Loan Allocated (Expressed in Dollar Equivalent)	% of Expenditures to be Financed
I. Civil works.....	5,400,000	36% of total expenditures (representing the estimated foreign expenditure component)

<i>Category</i>	<i>Amount of the Loan Allocated (Expressed in Dollar Equivalent)</i>	<i>% of Expenditures to be Financed</i>
II. Architectural and engineering fees	400,000	20% of total expenditures (representing the estimated foreign expenditure component)
III. Furniture	400,000	40% of total expenditures (representing the estimated foreign expenditure component)
IV. Equipment	3,500,000	95% of total expenditures (representing the estimated foreign expenditure component)
V. Fellowships and salaries and other expenditures approved by the Bank for specialists referred to in Part E of the Project	800,000	80% of total expenditures (representing the estimated foreign expenditure component)
VI. Interest and other charges on the Loan accrued on or before August 14, 1974	1,000,000	100% of total expenditures
VII. Unallocated	2,000,000	
TOTAL	13,500,000	

2. For the purposes of this Schedule:

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

(b) The term "local expenditures" means expenditures in the currency of the Borrower, or for goods produced in, or services supplied from, the territories of the Borrower; and

(c) The term "total expenditures" means the aggregate of foreign and local expenditures.

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

(a) expenditures prior to the date of this Agreement;

(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 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; and

(c) expenditures for Part B (iii) of the Project.

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

(a) if the estimate of the expenditures under any Category shall decrease, the amount of the Loan then allocated to such Category and no longer required therefor will be reallocated by the Bank by increasing correspondingly the unallocated amount of the Loan;

(b) if the estimate of the expenditures under any Category shall increase, the percentage set forth in the third column of the table in paragraph 1 above in respect of such expenditures shall be applied to the amount of such increase, and a corresponding amount will be allocated by the Bank, at the request of the Borrower, to such Category from the unallocated amount of the Loan, subject, however, to the requirements for contingencies, as determined by the Bank, in respect of any other expenditures.

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

SCHEDULE 2

AMORTIZATION SCHEDULE

<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars)*</i>	<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars)*</i>
August 15, 1980	255,000	February 15, 1988	435,000
February 15, 1981	265,000	August 15, 1988	455,000
August 15, 1981	275,000	February 15, 1989	470,000
February 15, 1982	285,000	August 15, 1989	485,000
August 15, 1982	295,000	February 15, 1990	505,000
February 15, 1983	305,000	August 15, 1990	520,000
August 15, 1983	315,000	February 15, 1991	540,000
February 15, 1984	330,000	August 15, 1991	560,000
August 15, 1984	340,000	February 15, 1992	580,000
February 15, 1985	355,000	August 15, 1992	600,000
August 15, 1985	365,000	February 15, 1993	625,000
February 15, 1986	380,000	August 15, 1993	645,000
August 15, 1986	395,000	February 15, 1994	670,000
February 15, 1987	405,000	August 15, 1994	695,000
August 15, 1987	420,000	February 15, 1995	730,000

* 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	3/4%
More than three years but not more than six years before maturity	2 1/4%
More than six years but not more than eleven years before maturity	3%
More than eleven years but not more than sixteen years before maturity	4 1/2%
More than sixteen years but not more than twenty years before maturity	5 3/4%
More than twenty years but not more than twenty-two years before maturity	6 3/4%
More than twenty-two years before maturity	7 1/4%

SCHEDULE 3

DESCRIPTION OF THE PROJECT

The Project consists of the following:

Part A. *Secondary School Facilities.* The construction and equipment of:

- (i) Extensions to 17 existing high schools to facilitate their conversion to comprehensive curriculum schools, with approximately 6,700 additional student places;
- (ii) Expansions of nine existing junior secondary schools in order to add comprehensive curriculum second-cycle facilities, with approximately 3,600 additional student places;
- (iii) Two new comprehensive curriculum secondary schools, with approximately 1,800 additional student places; and
- (iv) 12 new junior secondary schools, with approximately 6,250 additional student places.

Part B. *Teacher Training Facilities.* The construction and equipment of:

- (i) A new primary teacher training college at Savanna-La-Mar, having an enrollment of, and boarding facilities for, approximately 300 students;
- (ii) Expansion of the existing teacher training college at Mandeville, with an additional enrollment of, and boarding facilities for, approximately 200 students; and
- (iii) Extensions to the College of Arts, Science and Technology to establish a Technical Teacher Training Department with an enrollment of approximately 300 students.

Part C. *Vocational Training Facilities.* The construction and equipment of two new vocational training centers, each with approximately 160 students.

Part D. *Primary Education Enrichment Facilities.* The construction and equipment of an ITV and Educational Materials and Aids Center.

Part E. *Technical Assistance.* The provision of:

- (i) Approximately 14 man-years of specialists and 20 man-years of fellowships to assist in educational planning and the development of the curricula of and training programs for the comprehensive curriculum schools, to support the teacher training programs and to improve ITV and educational materials and aids services; and
- (ii) Approximately nine man-years of specialists to assist the Project Unit.

The locations, approximate enrollment capacities and approximate areas of construction of the educational institutions included in Parts A through D of the Project are set forth in Exhibit A to this Schedule 3. The components of the technical assistance included in Part E of the Project are set forth in Exhibit B to this Schedule 3. Exhibits A and B are subject to modification by further agreement between the Borrower and the Bank.

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

EXHIBIT A

EDUCATIONAL INSTITUTIONS

Code No.	Name of Institution and Location	Approximate Total Enrollment Capacity	Approximate Area of New Construction (sq. ft.)
<i>Conversion of Existing High Schools to Comprehensives</i>			
A1	Excelsior, St. Andrew	2,060	45,910
A2	Meadowbrook, St. Andrew	832	18,450
A3	Camperdown, Kingston	832	20,880
A4	St. Andrew Tech. and Trade, St. Andrew	1,168	8,000
A5	Mannings, Westmoreland	1,096	26,680
A6	St. Elizabeth Tech., St. Elizabeth	1,024	10,560
A7	Manchester High, Manchester	1,252	34,630

<i>Code No.</i>	<i>Name of Institution and Location</i>	<i>Approximate Total Enrollment Capacity</i>	<i>Approximate Area of New Construction (sq. ft.)</i>
A8	Holmwood, Manchester	544	19,530
A9	Vere, Clarendon	924	21,260
A10	Knockalva, Hanover	928	24,610
A11	Ferncourt, St. Ann	1,072	37,330
A12	St. Catherine High, St. Catherine	1,192	15,140
A13	Dinthill, St. Catherine	976	16,650
A14	Cornwall, St. James	888	17,460
A15	St. Mary's High, St. Mary	800	22,200
A16	Jamaica College, St. Andrew	1,096	25,480
A17	Frankfield, Clarendon	1,212	21,000
<i>Conversion of Existing Junior Secondary Schools to Comprehensives</i>			
A18	Haile Selassie, St. Andrew	1,212	27,750
A19	Maxfield Park, St. Andrew	1,572	27,750
A20	Pembroke Hall, St. Andrew	1,572	27,750
A21	Port Maria, St. Mary	1,120	23,920
A22	St. Ann's Bay, St. Ann	1,120	23,920
A23	Maldon, St. James	976	17,160
A24	Ruseas, Hanover	1,120	23,920
A25	Black River, St. Elizabeth	888	14,370
A26	Old Harbour, St. Catherine	1,480	21,900
<i>New Comprehensive Schools</i>			
A27	Falmouth, Trelawny	880	41,880
A28	Stony Hill, St. Andrew	880	41,880
<i>New Junior Secondary Schools</i>			
A29	Gayle, St. Mary	480	27,220
A30	Islington, St. Mary	480	27,220
A31	Duncans, Trelawny	480	27,220
A32	Balaclava, St. Elizabeth	480	27,220
A33	Pratville, Manchester	480	27,200
A34	Cross Keys, Manchester	480	27,200
A35	Bethel Town, Westmoreland	480	27,200
A36	Browns Hall, St. Catherine	480	27,200
A37	James Hill, Clarendon	480	27,200
A38	Harbour View, St. Andrew	720	35,200
A39	New Market, St. Elizabeth	480	27,200
A40	Duhaney Park, St. Andrew	720	35,220
<i>New Teacher Training College</i>			
B1	Savanna-La-Mar, Westmoreland	300	64,160
<i>Expansion of Existing Teacher Training College</i>			
B2	Mandeville, Manchester	450	38,850
<i>Extensions to College of Arts, Science and Technology for Technical Teacher Training</i>			
B3	St. Andrew	300	
<i>New Trade Training Centers</i>			
C1	Petersfield, Westmoreland	160	7,680
C2	Bog Walk, St. Catherine	160	9,480
<i>New ITV and Educational Materials and Aids Center</i>			
D1	Corporate Area		27,310

EXHIBIT B

TECHNICAL ASSISTANCE IN PART E OF THE PROJECT

(a) <i>Educational Planning</i>		
1 educational planner	2	man-years
1 statistician to assist the above specialist	2	man-years
(b) <i>Comprehensive High Schools</i>		
1 specialist in administration and organization of comprehensive schools	1	man-year
1 specialist in tests and measurements to assist in the development of selection and guidance procedures	2	man-years
1 specialist in in-service training of comprehensive school administrators and supervisors	2	man-years
5 fellowships—each fellowship would be for training abroad in countries with an established comprehensive secondary school system	2 1/2	man-years
(c) <i>Teacher Training</i>		
6 fellowships for upgrading (higher degrees) existing or prospective teacher-trainers	12	man-years
7 fellowships for retraining of existing or prospective teacher-trainers	3 1/2	man-years
(d) <i>ITV and Educational Materials and Aids Center</i>		
1 engineer for ITV technical operations	2	man-years
1 engineer for ITV studio equipment	2	man-years
1 specialist for ITV and educational materials and aids	1	man-year
1 fellowship for ITV technical operations	1	man-year
1 fellowship for ITV studio operations	1	man-year
(e) <i>Project Unit</i>		
1 architect to supervise design and construction of the Project institutions and to develop a satisfactory maintenance scheme	3	man-years
1 quantity surveyor for the preparation of bills of quantities and supervision	3	man-years
1 equipment specialist for the preparation of equipment list and specifications	3	man-years

SCHEDULE 4

PROCUREMENT

A. *Contracts for Civil Works*

1. Contractors will be pre-qualified in accordance with paragraph 1.3 of the Guidelines referred to in Section 3.05 of this Agreement.
2. Before inviting bids, the Borrower will send to the Bank for its comments 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;
 - (b) description of the proposed international advertising coverage to ensure international competitive bidding, draft bid notices, pre-qualification questionnaires and description of pre-qualification procedures;

- (c) the consultant's report and recommendation on the pre-qualification data submitted and the proposed selected tender list; and
- (d) draft bidding documents and draft contracts. 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 Bank shall reasonably request.

3. 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 by the Borrower's consultants on the evaluation and comparison of the bids received, together with the recommendations for award of said consultants, and 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 provisions of such Guidelines or with the Loan Agreement, and shall state the reasons for any such objection.

4. If the contract shall be awarded over the Bank's reasonable objection on the ground of inconsistency with such Guidelines or the Loan Agreement or if its terms and conditions shall, without the Bank's concurrence, materially differ from those on which bids were asked, no expenditures thereunder shall be financed out of the proceeds of the Loan.

5. Promptly after a contract has been awarded, and before submission to the Bank of the first application for withdrawal of funds in respect of such contract, a certified copy of the contract will be sent to the Bank.

6. The Borrower shall request the Bank's approval for any proposed change in a contract involving a price increase of more than 10% of the contract price or more than U.S.\$25,000 equivalent, whichever is less, together with an explanation of the proposed change.

B. *Contracts for Furniture and Equipment*

1. Before inviting bids, the Borrower will send to the Bank for its comments the following:

- (a) lists of all items of furniture and equipment required for the Project showing the specifications and the estimated unit and total price of each item. Items will be indexed, coded (see Exhibit A to Schedule 3 to this Agreement) and numbered for identification with the Project school or institution in question and the spaces for which they are required. The items to be purchased will be grouped so as to permit 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. Amendments of such lists which may be made from time to time will also be submitted to the Bank for comments; and
- (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 will be limited to those items of furniture and equipment specified in the approved lists mentioned in subparagraph B.1. (a) above and identified in contract documents by the same indices, codes and numbers as in the lists.

3. Pursuant to paragraph 2.8 of the Guidelines referred to in Section 3.05 of this Agreement, where bids are submitted by any manufacturer established in the territories of the Borrower of any equipment and furniture manufactured or processed in the territories of the Borrower to a substantial extent as determined by the Bank (hereinafter called *Local Bid*), the following rules shall be observed for the purpose of comparing any *Local Bid* to any bid other than a *Local Bid* (hereinafter called *Foreign Bid*):

- (a) all customs duties and taxes on the importation of such goods into the territories of the Borrower shall first be deducted from the total of any *Foreign Bid*;
- (b) the portion of any such *Foreign Bid* resulting from sub-paragraph (a) above which represents the c.i.f. (port of entry) price of such goods shall then be increased by 15% thereof or by the amount of such customs duties and taxes as generally apply to such goods if imported into the territories of the Borrower by non-exempt purchasers, whichever is lower;

- (c) the figure resulting from sub-paragraph (b) above shall be deemed to be the price of any such Foreign Bid for comparison purposes;
- (d) the price of any Local Bid shall be equal to the ex-factory price of the goods offered;
- (e) if the price of the goods offered under the lowest evaluated Local Bid is equal to or lower than the price of the lowest evaluated Foreign Bid, then the lowest evaluated Local Bid may be considered the lowest evaluated bid for the purposes of paragraph 3.9 of said Guidelines; and
- (f) in cases where a Local Bid is considered, pursuant to sub-paragraph (e) above, to be the lowest evaluated bid, the bid analysis submitted to the Bank shall state the amount of the customs duties and taxes referred to under sub-paragraph (b) above.

4. If a contract is intended to be awarded to a bidder other than the lowest bidder (within the meaning of the foregoing paragraph 3.), or if the contract involves a price difference of 10% or more from the original estimate as shown pursuant to sub-paragraph B.1. (a) above, the Borrower will, after the bids have been evaluated and before making the awards, send to the Bank in sufficient time for its review a summary and analysis thereof and a brief justification of the Borrower's decision on the 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 provisions of such Guidelines or with the Loan Agreement, and shall state the reasons for any such objection.

5. Promptly after bids have been evaluated and a contract has been awarded and before submission to the Bank of the first application for withdrawal of funds in respect of such contract, the following will be sent to the Bank:

- (a) certificate signed by the Project Director, or his deputy, that the goods tendered for are in accordance with the quantities and specifications in the lists approved by the Bank;
- (b) summary of the tenders received;
- (c) brief analysis of the tenders and justification for the Borrower's decision in making the award; and
- (d) certified copy of the contract.

The Bank shall promptly inform the Borrower if it reasonably determines that the award of the contract is inconsistent with such Guidelines or with the Loan Agreement and, in such event, no expenditures under such contract shall be financed out of the proceeds of the Loan.

SCHEDULE 5

THE PROJECT UNIT

1. The Project Unit shall be the project unit established for the project described in the Loan Agreement (Education Project) between the Borrower and the Bank dated September 30, 1966,¹ expanded to include an architect, a quantity surveyor and an equipment specialist.

2. The Project Unit shall be responsible, and 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 the firms of architects and contractors provided for in Sections 3.03 and 3.04 of this Agreement;
- (c) the approval of civil works design of the educational institutions included in the Project;
- (d) the preparation of detailed lists of the furniture and equipment required for parts A-D of the Project;

¹ United Nations, *Treaty Series*, vol. 582, p. 179.

- (e) the procurement of civil works, furniture and equipment, 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 Bank;
- (h) the selection, briefing, coordination and supervision of specialists provided under Part E of the Project; and
- (i) the selection, briefing, arrangement and supervision of fellowships provided under Part E of the Project.

3. The responsibilities and functions of the Project Director, Project Architect, Quantity Surveyor and Equipment Specialist shall include:

- (a) Project Director: overall guidance, supervision and execution of the Project, including all such arrangements with other ministries and government services as shall be necessary for Project implementation;
- (b) Project Architect: guidance and supervision of the Project's civil works and of the architectural consultants, evaluation of design, and the development of a satisfactory school maintenance scheme for the Project schools;
- (c) Quantity Surveyor: in conjunction with the Project Architect, the establishment of construction and cost standards as guidelines for the design of Project schools; review of bills of quantities and evaluation of tenders; and the establishment and maintenance of a cost control system for the Project;
- (d) Equipment Specialist: guidance and advice on preparing equipment lists for Project schools, assistance in writing specifications for bid documents and the evaluation of tenders, and, wherever possible, supervision of the installation, initial operation, utilization and maintenance of equipment.

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.]