

No. 12309

**INTERNATIONAL DEVELOPMENT ASSOCIATION
and
SUDAN**

**Development Credit Agreement—*Highway Project* (with
schedules and General Conditions Applicable to Develop-
ment Credit Agreements). Signed at Washington on
29 September 1972**

Authentic text : English.

Registered by the International Development Association on 22 February 1973.

**ASSOCIATION INTERNATIONALE
DE DÉVELOPPEMENT
et
SOUDAN**

**Contrat de crédit de développement — *Projet relatif au
réseau routier* (avec annexes et Conditions générales
applicables aux contrats de crédit de développement).
Signé à Washington le 29 septembre 1972**

Texte authentique : anglais.

Enregistré par l'Association internationale de développement le 22 février 1973.

DEVELOPMENT CREDIT AGREEMENT¹

AGREEMENT, dated September 29, 1972, between the DEMOCRATIC REPUBLIC OF THE SUDAN (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

Article I. GENERAL CONDITIONS; DEFINITIONS

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Development Credit Agreements of the Association, dated January 31, 1969,² with the same force and effect as if they were fully set forth herein, subject, however, to the deletion of Section 5.01 (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 "Department of Roads" or "DOR" means the Department of Roads of the Borrower's Ministry of Transport.

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 seven million dollars (\$7,000,000).

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 The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule shall be amended from time to time, for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 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 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 April 1972 and in accordance with, and subject to, the provisions set forth in Schedule 3 to this Agreement.

¹ Came into force on 6 February 1973, upon notification by the Association to the Government of the Sudan.

² See p. 86 of this volume.

Section 2.04. The Closing Date shall be December 31, 1976 or such other date as shall be agreed between the Borrower and the Association.

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

Section 2.06. Service charges shall be payable semi-annually on January 15 and July 15 in each year.

Section 2.07. The Borrower shall repay the principal amount of the Credit in semi-annual installments payable on each January 15 and July 15 commencing July 15, 1982 and ending January 15, 2022, each installment to and including the installment payable on January 15, 1992 to be one-half of one per cent ($\frac{1}{2}$ of 1%) of such principal amount, and each installment thereafter to be one and one-half per cent ($1\frac{1}{2}$ %) of such principal amount.

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

Article III. EXECUTION OF THE PROJECT

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

Section 3.02. (a) In order to assist the Borrower in the carrying out of the Project, the Borrower shall employ consultants acceptable to the Association upon terms and conditions satisfactory to the Association.

(b) The Borrower shall (i) provide an adequate number of qualified personnel, on a full-time basis, to work with the consultants provided for Part A of the Project, (ii) submit to the Association for its approval, upon the completion of Part A (I) of the Project, the consultants' recommendations pertaining thereto and promptly provide a timetable, satisfactory to the Association, for the implementation, under Parts A (II) and A (III) of the Project, of said recommendations, and (iii) review the progress of said implementation, before the completion of Parts A (II) and A (III) of the Project, in order to determine, in consultation with the Association, the need for further consulting services.

(c) The Borrower shall in consultation with the Association appoint on a full-time basis qualified counterparts to the consultants provided under Part C of the Project, and shall review, before the completion by said consultants of their services thereunder, the progress of transport planning with a view to determining the need for further consulting services for that purpose.

Section 3.03. (a) The Borrower undertakes to insure, or make adequate provision for the insurance of, the imported goods to be financed out of the proceeds of the Credit against hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation, and for such insurance any indemnity shall be payable in a currency freely usable by the Borrower to replace or repair such goods.

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

Section 3.04. (a) The Borrower shall furnish to the Association, promptly upon their preparation, the plans, specifications, reports, contract documents and work 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 accredited 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.

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 with the aid of consultants provided under Part A of the Project : (i) institute a program for collecting and recording on a continuing basis in accordance with appropriate statistical methods and procedures such traffic data, technical, economic and financial information as shall be reasonably required for proper planning of maintenance, improvements and extensions of its road network; (ii) prepare and send to the Association not later than June 30, 1973 or such other date as shall be agreed with the Association programs satisfactory to the Association for (A) the adequate maintenance and betterment of the Borrower's road network, (B) the training of DOR's staff, (C) the establishment of the necessary workshop facilities and field organization for this purpose; and (iii) take all necessary action to implement the said programs.

Section 4.03. The Borrower shall cause all roads included in the Project 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 promptly, as needed, the funds, facilities, services and other resources required for such maintenance and repairs.

Section 4.04. The Borrower shall take measures (including where necessary legislation) satisfactory to the Association for the regulation of traffic and road use on its roads including vehicle weight and dimension limitations and take adequate action to enforce said measures.

Section 4.05. The Borrower agrees to adopt not later than June 30, 1973 or such other date as shall be agreed with the Association adequate design standards satisfactory to the Association for road construction.

Section 4.06. (a) The roads which will be the subject of feasibility studies under Part B of the Project shall be agreed between the Borrower and the Association not later than December 31, 1973 or such other date as the Borrower and the Association may determine.

(b) After the completion of the said feasibility studies, the roads which will be the subject of detailed engineering under Part B of the Project shall be agreed between the Borrower and the Association not later than December 31, 1974 or such other date as the Borrower and the Association may determine.

Article V. CONSULTATION, INFORMATION AND INSPECTION

Section 5.01. The Borrower and the Association shall cooperate fully to assure that the purposes of the Credit will be accomplished. To that end, the Borrower and the Association shall from time to time, at the request of either party :

- (a) exchange views through their representatives with regard to the performance of their respective obligations under the Development Credit Agreement, the administration, operations and financial condition in respect of the Project, of the departments or agencies of the Borrower responsible for carrying out any part of the Project, 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 administration, operations and financial condition, in respect of the Project, of the departments or agencies of the Borrower responsible for carrying out any part of the Project.

(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 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.

Section 7.02. For the purposes of Section 7.01 of the General Conditions, the following additional event is specified :

A change shall have been made in the functions and responsibilities of DOR which will materially and adversely affect the carrying out of the Project.

Article VIII. EFFECTIVE DATE; TERMINATION

Section 8.01. The following event is specified as an additional condition for the effectiveness of the Development Credit Agreement within the meaning of Section 10.01 (b) of the General Conditions, namely, that the Borrower shall have employed the consultants required for Part A of the Project in accordance with Section 3.02 of this Agreement.

Section 8.02. The date December 29, 1972 is hereby specified for the purposes of Section 10.04 of the General Conditions.

Section 8.03. The obligations of the Borrower under Sections 4.03 and 4.04 of this Agreement shall cease and determine on the date on which the Development Credit Agreement shall terminate or on a date twenty 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 Planning 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 :

Ministry of Planning
The Democratic Republic of the Sudan
P.O. Box 2092
Khartoum, Sudan

Cable address :

EIMAR
Khartoum, Sudan

For the Association :

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address :

Indevas
Washington, D.C.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Agreement to be signed in their respective names and to be delivered in the District of Columbia, United States of America, as of the day and year first above written.

The Democratic Republic of the Sudan :

By ABUL GASIM HASHIM
Authorized Representative

International Development Association :

By M. SHOAIB
Vice President

SCHEDULE 1

WITHDRAWAL OF THE PROCEEDS OF THE CREDIT

1. The table below sets forth the Categories of imported goods and services to be financed out of the proceeds of the Credit and the allocation of amounts of the Credit to each Category :

<i>Category</i>	<i>Amount of the Credit Allocated (Expressed in Dollar Equivalent)</i>
I. Consultants' services for Part A of the Project	900,000
II. Consultants' services for Part B of the Project	900,000
III. Consultants' services for Part C of the Project	400,000
IV. Spare parts, equipment, materials and supplies for Part A of the Project	4,000,000
V. Unallocated	800,000
TOTAL	<u>7,000,000</u>

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

- (a) expenditures in the currency of the Borrower, or for goods produced in, or services supplied from, the territories of the Borrower;
- (b) expenditures prior to July 1, 1972;
- (c) payments for taxes imposed under the laws of the Borrower or laws in effect in its territories on goods or services, or on the importation, manufacture, procurement or supply thereof; and

- (d) expenditures for equipment, materials and supplies under Category IV prior to the approval by the Association of the program for road maintenance and betterment referred to in Section 4.02 (ii) of this Agreement.

3. 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;
- (b) if the estimate of the expenditures under any Category shall increase, 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; and
- (c) if the Association shall have reasonably determined that the procurement of any item in any Category is inconsistent with the procedures set forth or referred to in Section 2.03 of this Agreement, no expenditures for such item shall be financed out of the proceeds of the Credit and the Association may, without in any way restricting or limiting any other right, power or remedy of the Association under the Development Credit Agreement, by notice to the Borrower, cancel such amount of the Credit as in the Association's reasonable opinion represents the amount of such expenditures which would otherwise have been eligible for financing out of the proceeds of the Credit.

SCHEDULE 2

DESCRIPTION OF THE PROJECT

The Project consists of the following Parts :

Part A. The improvement of the organization and operations of DOR including :

(I) Consulting services over a period of about one year for :

- (a) the preparation of a program of highway maintenance and betterment for 1973 through 1978 and the determination of budget requirements for the program based on needs for manpower, equipment, workshop and materials;
- (b) the preparation of specifications, lists and bidding documents for purchases of spare parts, equipment, materials and supplies mentioned in Part A (III) of the Project, and assistance to DOR in evaluating bids and awarding contracts;
- (c) advice and assistance to DOR on emergency rehabilitation of existing maintenance equipment;
- (d) review of the existing organization and operations of DOR and recommendations as to improvements based on the proposed 1973-1978 work program;
- (e) determination of the training needs of highway staff of DOR at all levels, the preparation of appropriate training programs, and advice on the facilities and funds required to carry out the programs;
- (f) identification of high priority road construction projects and the development of appropriate design standards for different road types and traffic levels;
- (g) preparation of suitable traffic and road user regulations, including vehicle weight and dimension limitations, and recommendations as to the appropriate organization to enforce them; and
- (h) the establishment of a program for collection of traffic data.

(II) The implementation by DOR with the assistance of consultants over a period of about 2 years of recommendations made under Part A (I) of the Project as

agreed between the Borrower and the Association, including the carrying out of highway maintenance and betterment programs.

- (III) Purchases of (i) spare parts for new and existing highway maintenance, workshop and laboratory equipment; (ii) new highway maintenance, workshop and laboratory equipment; (iii) materials and supplies for highway betterment works and workshop construction.

Part B. Feasibility studies of about 500 km of high priority roads identified under Part A of the Project, followed by detailed engineering and/or revisions to existing detailed engineering of, and preparation of bidding documents for the construction of about 350 km of these roads, identified as being of high priority.

Part C. Technical assistance for transport planning and coordination and staff training in the Borrower's Ministry of Transport.

The Project is expected to be completed by June 30, 1976.

SCHEDULE 3

PROCUREMENT

A. Road Maintenance, Workshops and Laboratory Equipment

1. Prior to the invitation to bid, the Borrower shall prepare, with the assistance of the consultants, under Part A of the Project, and submit to the Association for its approval, lists of the goods to be procured, including specifications, proposed grouping of goods, the estimated unit and total cost thereof and copies of advertising coverage and of the tender documents.

2. The interval between the invitation to bid and the opening of bids shall be not less than forty-five days.

3. Prior to the award of any contract for the supply of goods, the Borrower shall send to the Association :

- (a) a summary of all bids received; and
- (b) the Borrower's and the consultants' evaluation of such bids and their recommendation for award.

4. After the award of any contract, but prior to the submission of any withdrawal application relating to expenditures thereunder, the Borrower shall send two signed copies thereof to the Association.

B. Spare Parts for Existing Holdings of Highway Maintenance and Workshop Equipment, Materials and Supplies

1. Procurement of such goods shall be made on the basis of local competitive bidding or quotations from local suppliers. Identical or similar items will be grouped together wherever practicable for the purposes of bidding and procurement. Prior to procurement the Borrower shall, with the assistance of the Consultants under Part A of the Project, submit to the Association for its approval lists of the goods to be procured, including specifications, the estimated unit and total cost thereof and the names of the proposed suppliers or bidders.

2. Before contracts are awarded, the Borrower will send to the Association copies of the text of the invitation to submit quotations or bids, and shall submit, for the approval of the Association, an evaluation of the bids received and the Borrower's proposal concerning the contract award. If it is proposed to award the contract to a bidder other than the one offering the lowest evaluated price, the reasons for such proposal will be given.

C. In respect of all Project contracts, the Borrower shall send to the Association two signed copies of each contract as soon as signed and before submission of the first withdrawal application in respect of such contract.

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.*]
