

No. 14587

DENMARK
and
BOTSWANA

**Agreement concerning the Francistown-Nata Road Project
(with annexed Project Agreement). Signed at London
on 28 May 1975**

Authentic text: English.

Registered by Denmark on 19 February 1976.

DANEMARK
et
BOTSWANA

**Accord relatif à la construction de la route Francistown-
Nata (avec Accord de Projet annexé). Signé à Londres
le 28 mai 1975**

Texte authentique : anglais.

Enregistré par le Danemark le 19 février 1976.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF DENMARK AND THE GOVERNMENT OF THE REPUBLIC OF BOTSWANA CONCERNING THE FRANCISTOWN-NATA ROAD PROJECT

WHEREAS the Government of the Kingdom of Denmark (hereinafter referred to as “Denmark”) and the Republic of Botswana (hereinafter referred to as “Botswana”) entered into an Agreement dated 16th November, 1970² concerning technical co-operation, and with reference to the provisions therein relating to Specific Agreements;

WHEREAS Denmark and Botswana this day entered into a Project Agreement concerning the implementation of a road project in Botswana (hereinafter referred to as “the Project”);

WHEREAS the aforesaid Project Agreement as an Appendix constitutes a part of the present Agreement;

WHEREAS Botswana has entered or will enter into Agreements identical with the Appendix combined with bilateral Agreements on the provision of capital for the Project with the Government of the Kingdom of Norway (hereinafter referred to as “Norway”) and the Government of Canada (hereinafter referred to as “Canada”) respectively; and

WHEREAS Denmark desires to provide capital according to Section 3 in the said Appendix;

NOW THEREFORE, Denmark and Botswana have reached the following understanding which shall constitute a Specific Agreement as mentioned above:

Article I. SCOPE

Denmark shall, subject to the terms and conditions stated in this Agreement, provide a financial Grant not exceeding US Dollars 5,000,000 (five million) to be used exclusively to finance the Project. US Dollars 2,500,000 will be at disposal for the project as from 1st April, 1976 and US Dollars 2,500,000 as from 1st April 1977.

Article II. NOTICES

Any notice or request required under the present Agreement shall be in writing.

Article III. ENTRY INTO FORCE AND CLOSING DATE

The present Agreement shall enter into force on the day of its signature.

If, after January 1st, 1978, or such other date as may be mutually agreed upon between Denmark, Norway, Canada and Botswana, an amount of the Grant shall not have been approved for disbursement, Denmark may by notice to Botswana terminate the right of Botswana to apply for disbursement with respect to such amount.

Upon giving such notice, such amount of the Grant shall be cancelled, and may be withdrawn by Denmark from the account mentioned in Section 9 in the Appendix.

¹ Came into force on 28 May 1975 by signature, in accordance with article III.

² United Nations, *Treaty Series*, vol. 771, p. 255.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement in two originals in the English language.

DONE in London on the twenty-eighth day of May in the year one thousand nine hundred and seventy-five.

For the Government of the Kingdom of Denmark:
E. KRISTIANSEN

For the Government of the Republic of Botswana:
L. M. MPOTOKWANE

PROJECT AGREEMENT

The Governments of Canada, Denmark and Norway on the one hand (hereinafter called the "Donors") and the Government of Botswana on the other hand have agreed on the implementation of a road project in Botswana (hereinafter called the "Project"). At the request of the other Donors Norway will act as and hereinafter be referred to as the "Co-ordinator" for the Project.

1. *The Project*

The Project consists of the construction of the road between Francistown and Nata to bitumen standard in accordance with consultants' specifications, as agreed to by the Donors, in order to complete the North-South road which will serve as a communication link between Zambia and Botswana. The intention is to provide Botswana with an alternative route to world markets in an embargo situation. The economic justification for building the road appears to be considerable, but the overriding reason for the Donors making capital available for the construction of the road is its importance as a "Lifeline" between Botswana and the nations to the north.

2. *Design of the Project*

Botswana shall be responsible for the design required for the Project and shall submit all relevant design documents such as calculations, drawings, specifications and tender documents to the Co-ordinator for approval.

The Co-ordinator shall have the right to obtain expert opinion on the design, particularly with regard to the standard to which the road is going to be constructed. The standard of the road shall be adequate to withstand heavy traffic in an embargo situation.

3. *Contributions of the Donors*

a) The capital provided for the Project by each Donor is as follows:

Canada	\$ 5,000,000 (Can.)
Denmark	\$ 5,000,000 (U.S.)
Norway	40,000,000 N. Kr.

The financial conditions regarding the capital from each Donor are to be determined in separate agreements between Botswana and the individual Donors.

b) The cost of technical assistance for the implementation of the Project will be borne by the Donor providing such assistance, over and above the capital provided by that particular Donor.

4. *Contribution of Botswana*

Botswana shall provide all funds that may be required over and above the capital specified in 3 a) for the successful accomplishment of the Project.

5. *Project administration*

Botswana shall be responsible for the planning, implementation and administration of the Project, including all categories of work, purchases, control and other necessary services.

The Co-ordinator will provide a qualified road engineer to strengthen the road administration. The engineer, hereinafter referred to as the "Project Engineer", shall in all respects be considered a member of the road administration responsible to the Chief Road Engineer. Terms of reference for the Project Engineer will be agreed upon between Botswana and the Co-ordinator.

6. *Co-ordination*

In all matters relating to the Project all contacts shall be between Botswana and the Co-ordinator and between the Coordinator and the other Donors. The Coordinator shall be responsible for keeping the other Donors fully informed of all relevant technical and financial aspects of the Project. The Co-ordinator shall keep the other Donors informed of the progress of the Project and forward to the other Donors reports, accounts and other information submitted by Botswana.

7. *Tenders*

Botswana shall call for tenders through its Central Tender Board in accordance with the rules of the Board. Only firms which are acceptable to the Donors shall be asked to tender. In this connection Botswana shall submit to the Co-ordinator all relevant information regarding each firm's country of origin, origin of its controlling capital, countries of operation and a list of its previous contracts. A detailed report on tenders shall be submitted to the Co-ordinator. Should Botswana wish to accept a tender which is not the lowest, the approval of the Co-ordinator must be obtained before the contract is placed.

8. *Reports*

Botswana shall submit to the Co-ordinator monthly progress reports in addition to the consultant's quarterly reports on progress and expenditure. The reports shall be signed by a senior official in the road administration and by the Project Engineer.

9. *Administration of funds*

Funds made available by the Donors for the Project shall be deposited in a bank account in Botswana administered by the Co-ordinator. Requests from Botswana for disbursements shall be made to the Co-ordinator who will authorize payments according to the conditions of this Agreement and keep the other Donors informed of payments made.

10. *Disbursements*

The capital provided by the Donors shall be disbursed to Botswana as follows:

- a) The first instalment of R 3,000,000 (three million Rand) to be drawn on the bank account shall be payable upon the signing of the respective Grant/Loan Agreements between Botswana and the individual Donors.
- b) The second instalment of R 3,000,000 (three million Rand) shall be payable upon completion of work and acquisition of equipment and material to the total value of R 2,25 million.
- c) The third instalment of R 3,000,000 (three million Rand) shall be payable upon completion of work and acquisition of equipment and material to the total value of R 5,25 million.
- d) The final instalment shall be payable when the certificate of substantial completion is issued by the consulting Engineer.

Applications for disbursements shall be accompanied by a detailed statement of expenditure and shall be signed by a senior official in each of the Ministries of Works and Communications and Finance and Development Planning. Reimbursements will be effected upon approval of the applications by the Co-ordinator.

Expenditure specifically related to this Project and borne by Botswana after 1st January, 1974 shall be reimbursed.

11. *Audited Accounts*

Botswana shall submit to the Co-ordinator:

- a) an audited account of the Project for each Botswana financial year, not later than 9 months after the end of the financial year,
- b) an audited statement of expenditure within 12 months of the physical and financial completion of the Project.

12. *Completion*

Upon physical and financial completion of the Project, Botswana shall submit a Certificate of Completion to the Co-ordinator.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed the present Agreement in two originals in the English language.

DONE in London on the twenty-eighth day of May in the year one thousand nine hundred and seventy-five.

For the Government of the Kingdom of Denmark:

E. KRISTIANSEN

For the Government of the Republic of Botswana:

L. M. MPOTOKWANE
