

No. 20486

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**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT, IVORY COAST,  
SOCIÉTÉ POUR LE DÉVELOPPEMENT ET  
L'EXPLOITATION DU PALMIER À HUILE  
(SODEPALM) and SOCIÉTÉ PALMINDUSTRIE**

**Loan Assumption and Amending Agreement. Signed at  
Washington on 18 September 1980**

*Authentic text: English.*

*Registered by the International Bank for Reconstruction and Development on  
28 October 1981.*

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**BANQUE INTERNATIONALE POUR LA  
RECONSTRUCTION ET LE DÉVELOPPEMENT,  
CÔTE D'IVOIRE, SOCIÉTÉ POUR LE  
DÉVELOPPEMENT ET L'EXPLOITATION DU  
PALMIER À HUILE (SODEPALM) et SOCIÉTÉ  
PALMINDUSTRIE**

**Accord portant prise en charge de dettes et modification des  
accords y relatifs. Signé à Washington le 18 septembre  
1980**

*Texte authentique : anglais.*

*Enregistré par la Banque internationale pour la reconstruction et le développe-  
ment le 28 octobre 1981.*

LOAN ASSUMPTION AND AMENDING AGREEMENT<sup>1</sup> FOR THE PURPOSE OF ASSUMING LOAN NOS. 611,<sup>2</sup> 612,<sup>3</sup> 613,<sup>4</sup> 759,<sup>5</sup> 760<sup>6</sup> AND 1036<sup>7</sup>—IVC BY THE REPUBLIC OF THE IVORY COAST AND AMENDING AGREEMENTS ENTERED INTO AMONG THE PARTIES HERETO WITH RESPECT TO SAID LOANS AMONG REPUBLIC OF THE IVORY COAST AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND SOCIÉTÉ POUR LE DÉVELOPPEMENT ET L'EXPLOITATION DU PALMIER À HUILE (SODEPALM) AND SOCIÉTÉ PALMINDUSTRIE

Dated September 18, 1980

AGREEMENT  
(SUBSTITUTION)

AGREEMENT, dated September 18, 1980, among REPUBLIC OF THE IVORY COAST (hereinafter called the Ivory Coast), INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank), SOCIÉTÉ POUR LE DÉVELOPPEMENT ET L'EXPLOITATION DU PALMIER À HUILE (hereinafter called SODEPALM) and SOCIÉTÉ PALMINDUSTRIE (hereinafter called Palmindustrie).

Whereas (A) the Ivory Coast had issued Decree No. 76-854 dated December 10, 1976, which assigned to SODEPALM the responsibility in the territory of the Ivory Coast for the execution of the palm tree and coconut tree projects as well as related regional agricultural and industrial diversification programs (hereinafter called the Decree);

(B) SODEPALM and Palmindustrie had entered into a *Contrat de bail d'immeubles industriels* (hereinafter called the SODEPALM-Palmindustrie *Contrat de bail*) making arrangements for SODEPALM to lease from Palmindustrie oil production facilities and related facilities as well as housing facilities and vehicles;

(C) The Ivory Coast had purchased all of the B and C shares of Société Palmivoire (hereinafter called Palmivoire) and all of the B and C shares of Palmindustrie and, thereupon had taken all action required to dissolve Palmivoire and to cause the *statuts* of Palmindustrie to be amended accordingly;

(D) The Ivory Coast, SODEPALM and Palmindustrie had terminated (i) the *Protocole d'accord* (as such term is defined hereinafter), and (ii) the *Mandats d'investissement et de gestion* (as such *Mandats* are more fully described hereinafter) whereby SODEPALM and Palmindustrie had entrusted to Palmivoire the management of industrial oil palm plantations and related operations and installations and the management of all aspects of business, respectively;

<sup>1</sup> Came into force on 9 October 1980, upon notification by the Bank to the Government of the Ivory Coast.

<sup>2</sup> United Nations, *Treaty Series*, vol. 736, p. 101.

<sup>3</sup> *Ibid.*, p. 35.

<sup>4</sup> *Ibid.*, p. 167.

<sup>5</sup> *Ibid.*, vol. 854, p. 145.

<sup>6</sup> *Ibid.*, p. 133.

<sup>7</sup> *Ibid.*, vol. 985, p. 107.

(E) As a consequence of the execution of the actions referred to in the foregoing recitals the parties to this Agreement had entered into an agreement dated March 30, 1977,<sup>1</sup> for the purpose of amending agreements entered into among them with respect to Loans Nos. 611, 612, 613, 759, 760 and 1036—IVC (hereinafter called the 1977 Agreement);

(F) The Ivory Coast by virtue of its decree No. 78-296 dated April 5, 1978, subsequently redefined the corporate purposes of SODEPALM, thereby amended the Decree and made SODEPALM responsible only for the provision of extension services to out-growers of oil palm trees and coconut trees;

(G) The Ivory Coast, after having transformed Palmindustrie into a *société d'état* pursuant to its Decree No. 77-56 dated January 21, 1977, also redefined the corporate purposes of Palmindustrie by virtue of its decree No. 78-297 dated April 5, 1978, thereby amended the Decree, and made Palmindustrie responsible for the operation and maintenance of the industrial oil palm and coconut plantation and the oil and coconut production facilities;

(H) SODEPALM and Palmindustrie have terminated the SODEPALM-Palmindustrie *Contrat de bail*;

(I) The Ivory Coast set a new policy whereby state corporations, such as SODEPALM and Palmindustrie, will not be permitted anymore to borrow from foreign sources, and therefore and as a consequence of the execution of the actions referred to in recitals (F), (G) and (H) of this preamble, requested the Bank to agree to the undertaking by the Ivory Coast of all of SODEPALM's and Palmindustrie's respective covenants, agreements and obligations, to the extent these pertain to SODEPALM's and Palmindustrie's role as borrowers, in the agreements for Loans Nos. 611, 612, 613, 759, 760 and 1036—IVC contained;

(J) The projects described in the agreements for Loans Nos. 611, 612, 613, 759, 760 and 1036—IVC have been completed;

(K) As a result of the changes referred to in recitals (F) to (J) of this preamble, the Ivory Coast, the Bank, SODEPALM and Palmindustrie have agreed to substitute this Agreement for the 1977 Agreement; and

Whereas the 1977 Agreement and all obligations of the parties thereunder will terminate on the date of this Agreement;

Now therefore the parties hereto hereby agree as follows:

### Article I

*Section 1.01.* Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the preamble to this Agreement have the respective meanings therein set forth and the following terms have the following meanings:

(a) The terms "1969 Loan Agreement No. 611", "1969 Guarantee Agreement No. 611" and "1969 Companies Guarantee Agreement No. 611" mean, respectively, the Loan Agreement between the Bank, SODEPALM and Palmivoire, the Guarantee Agreement between the Ivory Coast and the Bank, and the Companies Guarantee Agreement between the Bank, Palmindustrie and Palmivoire, all entered into on June 13, 1969, for the purpose of the Industrial Oil Palm Plantation Project;

(b) The terms "1969 Loan Agreement No. 612", "1969 Guarantee Agreement No. 612" and "1969 Companies Guarantee Agreement No. 612" mean, respectively,

<sup>1</sup> See "Loan Agreement (Substitution) between the International Bank for Reconstruction and Development and Ivory Coast, signed on 18 September 1980", p. 239 of this volume.

the Loan Agreement between the Bank, Palmindustrie and Palmivoire, the Guarantee Agreement between the Ivory Coast and the Bank and the Companies Guarantee Agreement between the Bank, SODEPALM and Palmivoire, all entered into on June 13, 1969, for the purpose of the Palm-Oil Processing Project;

(c) The terms “1969 Loan Agreement No. 613” and “1969 Guarantee Agreement No. 613” mean, respectively, the Loan Agreement between the Bank and SODEPALM, and the Guarantee Agreement between the Ivory Coast and the Bank, both entered into on June 13, 1969, for the purpose of the Oil Palm Outgrowers and Coconut Project;

(d) The terms “1971 Loan Agreement No. 759”, “1971 Guarantee Agreement No. 759” and “1971 Companies Guarantee Agreement No. 759” mean, respectively, the Loan Agreement between the Bank, Palmindustrie and Palmivoire, the Guarantee Agreement between the Ivory Coast and the Bank, and the Companies Guarantee Agreement between the Bank, SODEPALM and Palmivoire, all entered into on June 22, 1971, for the purpose of the Second Palm-Oil Processing Project;

(e) The terms “1971 Loan Agreement No. 760” and “1971 Guarantee Agreement No. 760” mean, respectively, the Loan Agreement between the Bank and SODEPALM, and the Guarantee Agreement between the Ivory Coast and the Bank, both entered into on June 22, 1971, for the purpose of the Second Oil Palm Outgrowers and Coconut Project;

(f) The terms “1974 Loan Agreement No. 1036” and “1974 Guarantee Agreement No. 1036” mean, respectively, the Loan Agreement between the Bank, SODEPALM and Palmivoire, and the Guarantee Agreement between the Ivory Coast and the Bank, both entered into on July 31, 1974, for the purpose of the Third Oil Palm Project;

(g) The term “*Protocole d'accord*” means the agreement together with all its annexes dated June 24, 1968, as amended at the date hereof (and as such annexes may have been amended from time to time with the prior agreement of the Bank) between the Ivory Coast and SODEPALM, on the one side, and, on the other side, Société Sogescol S.A., Société La Forestière Equatoriale, Société d'Etudes pour le Développement de la Culture Bananière, Société des Plantations des Terres Rouges, Société Franco-Africaine de Raffinage, Société Immobilière Elaeis, Banque Internationale pour l'Afrique Occidentale, Société Générale de Banque en Côte d'Ivoire, Société Ivoirienne de Banque, Banque Internationale pour le Commerce et l'Industrie en Côte d'Ivoire, and Société Nationale de Financement;

(h) The term “*Palminindustrie Mandat d'investissement*” means the agreement dated May 12, 1969, as amended June 10, 1971, between Palminindustrie and Palmivoire whereby Palminindustrie had fully authorized and empowered Palmivoire to act as agent of Palminindustrie in order to carry out and execute the investment program Palminindustrie providing for the construction of palm-oil processing mills at Ehania, Anguededou, Tiegba, Boubo, Bolo, Soubré, Toumanguie, Eloka and Dabou and the completion of related facilities, in return for a fixed fee of 60,000,000 CFA francs payable over a five-year period commencing from the date of signing of the *Palminindustrie Mandat d'investissement*;

(i) The term “*SODEPALM Mandat d'investissement*” means the agreement dated May 12, 1969, between SODEPALM and Palmivoire whereby the Borrower had fully authorized and empowered Palmivoire to act as agent of SODEPALM in order to carry out and execute the investment program of SODEPALM providing for the establishment of industrial oil palm plantations and related facilities in return for a fixed fee of 90,000,000 CFA francs payable over a five-year period commencing from the date of signing of the *SODEPALM Mandat d'investissement*;

(j) The term “*Palminindustrie Mandat de gestion*” means the agreement dated May 12, 1969, as amended June 10, 1971, between Palminindustrie and Palmivoire whereby

Palminindustrie had fully authorized and empowered Palmivoire to act as its agent in running the affairs of Palminindustrie and managing all its properties and interest for a period of 30 years commencing January 1, 1969, and terminating December 31, 1998; and

(k) The term “*SODEPALM Mandat de gestion*” means the agreement dated May 12, 1969, as amended June 10, 1971, between SODEPALM and Palmivoire whereby Palminindustrie had fully authorized and empowered Palmivoire to act as agent in managing SODEPALM’s industrial oil palm plantations and related operations and facilities for a period of 30 years commencing January 1, 1969, and terminating December 31, 1998.

*Section 1.02.* This Agreement shall be substituted for the 1977 Agreement and said agreement and all obligations of the parties thereunder shall terminate on the effective date of this Agreement.

### *Article II*

*Section 2.01.* The Ivory Coast hereby assumes, and agrees to carry out and fulfill, all covenants, agreements and obligations of SODEPALM and Palminindustrie, respectively, to the extent these pertain to SODEPALM’s and Palminindustrie’s role as borrowers, in the 1969 Loan Agreement No. 611, 1969 Loan Agreement No. 612, 1969 Loan Agreement No. 613, 1971 Loan Agreement No. 759, 1971 Loan Agreement No. 760 and 1974 Loan Agreement No. 1036 contained, and the Bank hereby recognizes the succession of the Ivory Coast to the rights of SODEPALM and Palminindustrie, respectively, under the said agreements, all with the same effect as though the Ivory Coast were substituted for SODEPALM and Palminindustrie, respectively, as a party to and Borrower under the said agreements.

*Section 2.02.* The Ivory Coast acknowledges that all action taken under 1969 Loan Agreement No. 611, 1969 Loan Agreement No. 612, 1969 Loan Agreement No. 613, 1971 Loan Agreement No. 759, 1971 Loan Agreement No. 760 and 1974 Loan Agreement No. 1036 by SODEPALM and Palminindustrie, respectively, shall be valid and binding on the Ivory Coast as though the Ivory Coast were SODEPALM and Palminindustrie, respectively, and that, except as expressly provided in this Agreement, the coming into effect of this Agreement shall not affect any right acquired or obligation incurred or the consequences of action taken under the 1969 Loan Agreement No. 611, 1969 Loan Agreement No. 612, 1969 Loan Agreement No. 613, 1971 Loan Agreement No. 759, 1971 Loan Agreement No. 760 and 1974 Loan Agreement No. 1036.

*Section 2.03.* SODEPALM and Palminindustrie undertake to continue to carry out and fulfill all the covenants, agreements and obligations in the 1969 Loan Agreement No. 611, 1969 Loan Agreement No. 612, 1969 Loan Agreement No. 613, 1971 Loan Agreement No. 759, 1971 Loan Agreement No. 760 and 1974 Loan Agreement No. 1036 contained to the extent these pertain to SODEPALM’s and Palminindustrie’s role as project executors and continue to be applicable.

### *Article III*

*Section 3.01.* The 1969 Companies Guarantee Agreement No. 611, 1969 Guarantee Agreement No. 611, 1969 Companies Guarantee Agreement No. 612, 1969 Guarantee Agreement No. 612, 1971 Companies Guarantee Agreement No. 759, 1971 Guarantee Agreement No. 759 and 1974 Guarantee Agreement No. 1036 are hereby terminated.

*Section 3.02.* The Loan 1969 Loan Agreement No. 611, 1969 Loan Agreement No. 612, 1971 Loan Agreement No. 759, and 1974 Loan Agreement No. 1036 are hereby amended, as from the effective date hereof, by the deletion or termination, as the case may be, of all reference to, and provisions regarding, Palmivoire, and the Palminindustrie

and SODEPALM *Mandats d'investissement* and the Palmindustrie and SODEPALM *Mandats de gestion* and the *Protocole d'accord*; it being understood that, as from such date, (i) all obligations of Palmivoire are deemed, as the case may be, (A) completely terminated, where they had been undertaken solely by Palmivoire, or (B) assumed exclusively by SODEPALM or Palmindustrie, as the case may be, where they had been undertaken by both Palmivoire and either of the latter companies and continue to be applicable in accordance with the provisions of section 2.03 of this Agreement, and (ii) all consequential grammatical changes in said agreements are deemed effected, as and when required by such termination or assumption.

*Section 3.03.* The 1969 Loan Agreement No. 611, 1969 Loan Agreement No. 612, 1969 Loan Agreement No. 613, 1971 Loan Agreement No. 759, 1971 Loan Agreement No. 760 and 1974 Loan Agreement No. 1036 are amended by deleting therein schedule 5 and deleting that part of section 1.01 starting with the words "subject, however" and adding the words "(said Loan Regulations No. 4 being hereinafter called the Loan Regulations)", except for the 1971 Loan Agreement No. 759, 1971 Loan Agreement No. 760 and 1974 Loan Agreement No. 1036 where the words "(said General Conditions Applicable to Loan and Guarantee Agreements of the Bank being hereinafter called the General Conditions)" shall be added.

#### Article IV

*Section 4.01.* The following event is specified as a condition to the effectiveness of this Agreement, namely, that this Agreement has been duly authorized or ratified on behalf of the Ivory Coast, SODEPALM and Palmindustrie by all necessary governmental and corporate action.

*Section 4.02.* This Agreement shall become effective on the date upon which the Bank dispatches to the Ivory Coast, SODEPALM and Palmindustrie notice of its acceptance of legal opinions and other evidence showing that this Agreement has been duly authorized or ratified by, and executed and delivered on behalf of the Ivory Coast, Palmindustrie and SODEPALM, and is legally binding upon the Ivory Coast, Palmindustrie and SODEPALM, in accordance with its terms.

*Section 4.03.* If this Agreement shall not have come into force and effect by December 18, 1980, this Agreement and all obligations of the parties hereunder shall terminate, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purposes of this Section. The Bank shall promptly notify the Ivory Coast, SODEPALM and Palmindustrie of such date. If this Agreement shall terminate under the provisions of this section, the 1977 Agreement shall continue in full force and effect, as if this Agreement had not been executed.

#### Article V

*Section 5.01.* The following addresses are specified for the purposes of this Agreement:

For the Ivory Coast:

Ministère de l'Économie, des Finances et du Plan  
Abidjan  
Ivory Coast

Cable address:

MINIFIN  
Abidjan  
Ivory Coast

## Telex:

MINIFIN 747  
Abidjan

## 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.

## Telex:

440098 (ITT)  
248423 (RCA) or  
64145 (WUI)

## For SODEPALM:

SODEPALM  
P.O. Box 2049  
Abidjan  
Ivory Coast

## Cable address:

PALMABIDJAN  
Abidjan  
Ivory Coast

## For Palmindustrie:

Société Palmindustrie  
P.O. Box 2049  
Abidjan  
Ivory Coast

## Cable address:

PALMABIDJAN  
Abidjan  
Ivory Coast

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

Republic of the Ivory Coast:

*By:* T. N'GUETTA AHOUA  
Authorized Representative

International Bank for Reconstruction and Development:

*By:* DAVID KNOX  
Regional Vice President  
Western Africa

Société pour le développement et l'exploitation du palmier à huile (SODEPALM):

*By:* T. N'GUETTA AHOUA  
Authorized Representative

Société Palmindustrie:

*By:* T. N'GUETTA AHOUA  
Authorized Representative

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