No. 20953

NORWAY and UNITED REPUBLIC OF TANZANIA

Agreement regarding maintenance of rural roads in the Tanga and Mbeya regions (with schedule). Signed at Dar es Salaam on 30 August 1979

Authentic text: English. Registered by Norway on 17 March 1982.

NORVÈGE

et

RÉPUBLIQUE-UNIE DE TANZANIE

Accord relatif à l'entretien de routes rurales dans les régions de Tanga et Mbeya (avec annexe). Signé à Dar es-Salaam le 30 août 1979

Texte authentique : anglais. Enregistré par la Norvège le 17 mars 1982. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF NORWAY AND THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA REGARDING MAINTENANCE OF RURAL ROADS IN THE TANGA AND MBEYA REGIONS

The Government of the Kingdom of Norway (hereinafter referred to as "Norway") and the Government of the United Republic of Tanzania (hereinafter referred to as "Tanzania"),

Recognizing the importance of improved communications,

Desiring to continue and expand their cooperation in this sector and thereby strengthen further the friendly relations which exist between the two countries,

In pursuance of the Agreement between Norway and Tanzania regarding Economic and Social Cooperation, dated 11 July 1975 (hereinafter referred to as "the General Agreement"), and with reference to the provisions therein relating to Specific Agreements,

Have reached the following understanding, which shall constitute a Specific Agreement as mentioned above:

Article I. OBLIGATIONS OF NORWAY

Norway shall:

1. On terms and conditions set forth or referred to in this Agreement and subject to Parliamentary appropriations provide a financial grant (hereinafter referred to as "the Grant") not exceeding Norwegian kroner 27,800,000, (twenty-seven million eight hundred thousand) for the partial financing of the programme described in the Schedule to this Agreement (hereinafter referred to as "the Programme").

2. Over and above the Grant provide the personnel referred to in Section 2 of the Schedule, subject to the availability of such personnel at the appropriate time.

The status and privileges of this personnel shall be as set out in the General Agreement or in future General Agreements.

Article II. OBLIGATIONS OF TANZANIA

Tanzania shall:

1. Have the overall responsibility for the planning, administration and implementation of the Programme, including all categories of works, repair and maintenance of equipment, spare parts and materials made available under this Agreement. Exempted from this is the housing project referred to in paragraph 3 of the Schedule;

2. In addition to the assistance referred to in Article I of this Agreement, provide all funds, facilities, services, local staff and all other resources that may be required for a successful implementation of the Programme;

3. Grant all necessary permits, import licences and foreign exchange permissions that may be required in connection with the implementation of the Programme;

4. Promptly inform Norway or its representatives of any condition which interferes or threatens to interfere with the successful realization of the purpose of the Agreement;

5. Submit to Norway:

- For information, procurement procedures to be applied,

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¹ Came into force on 30 August 1979 by signature, in accordance with article VI (2).

- Summary of tenders received and contracts awarded,

- Annual budgets and work schedules for each region.

Article III. PROCUREMENT

1. Tanzania shall be responsible for procurement of equipment, spare parts and materials to be made available under this Agreement.

2. If considered beneficial for the progress of the Programme, Norway may upon request, undertake direct purchases of such goods according to the procedure set forth below:

- (i) The goods shall be made available to Tanzania on the terms defined in Article VII of the General Agreement.
- (ii) Norway will enter into contracts with the suppliers in question and shall be responsible for the shipment of goods.
- (iii) Norway shall notify Tanzania of the estimated date of arrival of each consignment immediately upon dispatch of carriers from a port of loading and shall forward shipping documents, invoices and other related information.
- (iv) If any consignment of goods is partly or entirely lost or damaged during the shipment to the port of destination, Tanzania shall take all appropriate measures and institute any proceedings that may be required, such as lodging of sea protest against shipowner, obtainment of surveyor's reports, etc., and shall notify Norway as soon as possible thereafter.
- (v) In the event of loss or damage of any consignment of goods, Norway will pursue the matter vis-à-vis the insurance company if in Norway's opinion such action is justified. Norway shall at its earliest convenience, within the limit of the insurance policy taken out, grant to replace goods lost or damaged. Norway is under no further obligations than those stated in this paragraph.

Article IV. DISBURSEMENTS; REPORTS

- 1. Tanzania shall submit to Norway:
- (i) Semi-annual requests for disbursement of estimated expenditures for goods and services to be financed from the proceeds of the Grant. Each request shall contain a statement of expenditures incurred during the preceding half year;
- (ii) Semi-annual progress reports together with the applications for disbursement. Such progress reports shall set out, *inter alia*:

- The progress in relation to the established time schedule for the construction works,

- Amendments, if any, of the said schedule and cost estimates,
- The programme of activities for the next six months;
- (iii) Within eighteen months after the end of each fiscal year, audited accounts in respect of the Programme.

2. Norway shall effect disbursement upon approval of the requests and the progress reports referred to in paragraph 1(i) and (ii) above.

3. With respect to the procurements referred to in Article III.2, Norway will effect disbursements directly to the supplier. Norway will furnish semi-annual reports on the expenditures incurred.

Article V. COOPERATION; REPRESENTATION

1. Norway and Tanzania shall cooperate fully to ensure that the purpose of this Agreement is accomplished. To that end each Party shall furnish the other with such

information as it may reasonably require pertaining to the Programme. Tanzania shall permit representatives of Norway to have access to all relevant records, documents and work related to the Programme.

2. In matters relating to the implementation of this Agreement, the Norwegian Agency for International Development (NORAD) and the Prime Minister's Office shall be competent authorities to represent Norway and Tanzania, respectively.

Article VI. DISPUTES; ENTRY INTO FORCE; TERMINATION

1. If any dispute arises relating to the implementation or interpretation of this Agreement, there shall be mutual consultations between the two Parties with a view to a successful implementation of the Programme.

2. This Agreement shall enter into force upon the date of its signature and shall remain valid until both Parties have fulfilled all obligations arising from it.

3. Notwithstanding the preceding paragraph, each Party may terminate the Agreement by giving three months' written notice to the other Party.

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 at Dar es Salaam this 30th day of August 1979.

For the Government
of the United Republic of Tanzania:
[Signed]
E. A. MULOKOZI

SCHEDULE

1. Scope of Programme

The Programme is based inter alia on the following reports:

- A study of Rural Roads Maintenance in Tanzania, a Tanzanian-Norwegian report of December 1977, and
- Tanzania, Maintenance of Rural Roads, a NORAD report from meetings with Tanzanian Authorities, October 1978.

The main objective of the Programme is to strengthen the Regional and District Administrations in Tanga and Mbeya as to the implementation, planning and budgeting of maintenance and upgrading of rural roads.

The Programme puts emphasis on maintenance. It is a main objective to obtain balance between upgrading and maintenance inputs. Maintenance of roads of adequate standards and newly improved roads will be given priority. Upgrading and constructions of new roads shall be limited to the capacity to maintain them.

2. Organization

Each Regional Engineer is responsible to the Regional Development Director, and will be assisted by a Resident Engineer (Rural Roads).

The Resident Engineer shall be responsible for the administration and the implementation of the maintenance and upgrading work, and shall be sub-warranted all funds allocated for these works. He shall also assist in the technical planning as to the annual work programmes.

The Resident Engineer shall have a staff consisting of a Road Supervisor, a Mechanical Supervisor, Road and Bridge Inspectors, an Office and Accounting Staff and labourers.

To strengthen the initiation of the Programme a Project Coordinator shall be posted at the Prime Minister's Office, and an Administrative Consultant shall be appointed in each region. These positions are considered temporary.

In accordance with Article I, section 2, of the present Agreement, NORAD shall provide the Project Coordinator as well as a Resident Engineer, a Road Supervisor, a Mechanical Supervisor and an Administrative Consultant in each region.

As to the routine maintenance, the District Administration shall have the responsibility.

3. Utilization of the Grant

1982

The Grant is scheduled over a four-year period starting 1 July 1979, and is expected to be utilized as follows:

- Approximately Nkr 16,000,000 (sixteen million) for provision of equipment, materials and spare parts, which shall be provided according to the schedule contained in the aforesaid report dated October 1978. Amendments in this schedule shall be approved of by NORAD;
- Approximately Nkr 11,000,000 (eleven million) to cover recurrent expenditures over and above the Tanzanian allocations to the Programme;
- Approximately Nkr 800,000 (eight hundred thousand) for the construction and equipment of four staff houses in Mbeya. The planning and implementation of the housing scheme will be undertaken by NORAD supported by the regional authority.

Tanzania shall become the owner of the houses upon completion of the housing scheme, and shall be responsible for the necessary maintenance and repair services. The houses shall, however, remain at NORAD's sole disposal as long as needed for Norwegian-supported projects in the area.

If any amount is not fully utilized for the items indicated, the balance may upon agreement between the Parties be utilized for any other purpose to the benefit of the Programme.

4. Training

A Staff Development Plan shall be worked out and priority will be given to the training of personnel. A major component of this plan will be to appoint and train national staff to take over positions held initially by expatriates.

5. The Road Betterment Units Project in the Rungwe and Lushoto Districts

Reference is made to the Agreement between Norway and Tanzania dated 19 April 1972, regarding the above-mentioned Project.

This Programme includes maintenance of the roads upgraded by the Road Betterment Units. A plant will remain in Rungwe and Lushoto for this purpose and shall be administered by the Resident Engineer.

NORAD technical staff, local personnel, as well as equipment will be transferred from the Road Betterment Units to the Programme.