

No. 5979

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
SUDAN, KREDITANSTALT FÜR WIEDERAUFBAU and
INTERNATIONAL DEVELOPMENT ASSOCIATION**

**Administration Agreement—*Roseires Irrigation Project.*
Signed at Washington and at Frankfurt, on 14 June 1961**

Official text : English.

*Registered by the International Bank for Reconstruction and Development on
28 November 1961.*

**BANQUE INTERNATIONALE POUR
LA RECONSTRUCTION ET LE DÉVELOPPEMENT,
SOUDAN, KREDITANSTALT FÜR WIEDERAUFBAU et
ASSOCIATION INTERNATIONALE DE
DÉVELOPPEMENT**

**Contrat administratif — *Projet d'irrigation de Roseires.*
Signé à Washington et à Francfort, le 14 juin 1961**

Texte officiel anglais.

*Enregistré par la Banque internationale pour la reconstruction et le développement
le 28 novembre 1961.*

No. 5979. ADMINISTRATION AGREEMENT¹ (*ROSEIRES IRRIGATION PROJECT*) BETWEEN THE REPUBLIC OF THE SUDAN, THE KREDITANSTALT FÜR WIEDERAUFBAU, THE INTERNATIONAL DEVELOPMENT ASSOCIATION AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON AND AT FRANKFURT, ON 14 JUNE 1961

AGREEMENT, dated as of June 14, 1961, between THE REPUBLIC OF THE SUDAN (hereinafter called Sudan), KREDITANSTALT FÜR WIEDERAUFBAU (hereinafter called Kreditanstalt), INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS (A) by separate agreements with Sudan each dated June 14, 1961² the Association and the Bank have severally agreed to provide financing to Sudan in amounts equivalent, respectively, to \$13,000,000 and \$19,500,000 for the purpose of assisting Sudan in financing the construction of the Roseires Dam, forming a part of the Roseires Irrigation Project ;

(B) by an agreement dated July 5, 1961 between Kreditanstalt and Sudan, Kreditanstalt has agreed to make a loan to Sudan in an amount equivalent to \$18,400,000 for the purpose aforesaid ; and

WHEREAS the Parties hereto deem it to be in their mutual interest that withdrawals of certain of the proceeds of such financing and certain other matters of common interest be regulated as hereinafter provided ;

NOW THEREFORE, the Parties hereto agree as follows :

Article I

DEFINITIONS

Section 1.01. Except where the context otherwise requires, the following terms have the following meanings wherever used in this Agreement :

The term "the Lenders" means Kreditanstalt, the Association and the Bank, collectively, and the term "Lender" means each of them, severally.

¹ Came into force on 19 October 1961, upon notification by the Bank to the Government of the Sudan.

² See p. 25 and p. 49 of this volume.

The terms "Bank Agreement"¹ and "Association Agreement"² mean the respective agreements between the Bank and Sudan and the Association and Sudan referred to in Recital (A) to this Agreement, as from time to time amended.

The term "Kreditanstalt Agreement" means the agreement referred to in Recital (B) to this Agreement, as from time to time amended.

The term "the Agreements" means the Bank Agreement, the Association Agreement and the Kreditanstalt Agreement, collectively.

The term "Project" means the project described in the Schedule³ to this Agreement, as such description may from time to time be amended by agreement of the Parties hereto.

The term "goods" means equipment, supplies and services which are required for Part A of the Project ; and wherever reference is made to the cost of any goods, such cost shall be deemed to include the cost of importing such goods into the territories of Sudan.

The term "Loan Proceeds" means the proceeds of the financing provided for in the Agreements, other than the portion thereof to be applied to the payment of interest and commitment charge under the Bank Agreement and the Kreditanstalt Agreement as therein respectively provided.

Article II

USE OF LOAN PROCEEDS ; APPLICATIONS FOR WITHDRAWAL

Section 2.01. Except as the Parties hereto shall otherwise agree, (i) the Loan Proceeds shall be applied by Sudan in accordance with the provisions of the Agreements exclusively to financing the cost of goods required to carry out Part A of the Project, and (ii) withdrawals of Loan Proceeds shall be made and processed as in this Article provided.

Section 2.02. The specific goods to be financed out of the Loan Proceeds and the methods and procedures for procurement of such goods shall be determined by agreement between Sudan and the Bank, subject to modification by further agreement between them.

Section 2.03. Sudan shall be entitled, subject to the provisions of this Agreement and of the Agreements, to withdraw Loan Proceeds in amounts equal to such

¹ See p. 25 of this volume.

² See p. 49 of this volume.

³ See p. 18 of this volume.

amounts as shall have been paid for the reasonable cost of goods to be financed out of the Loan Proceeds. Except as shall be otherwise agreed between Sudan and the Bank, no withdrawals shall be made on account of (a) expenditures prior to July 1, 1961 or (b) expenditures in the currency of Sudan or for goods produced in (including services supplied from) the territories of Sudan or (c) expenditures in the territories of any country which is not a member of the Bank (other than Switzerland) or for goods produced in (including services supplied from) such territories.

Section 2.04. Before making any agreement pursuant to Section 2.02 or 2.03 hereof, the Bank shall obtain the concurrence of Kreditanstalt and the Association but Sudan shall be under no obligation to ascertain whether such concurrence has been obtained and may rely upon the Bank's agreement as conclusive evidence thereof.

Section 2.05. When Sudan shall desire to withdraw any of the Loan Proceeds it shall deliver to the Bank a written application in such form, and containing such statements and agreements, as the Bank shall reasonably request. Such applications, with the necessary documentation as hereinafter in this Article provided, shall, except as the Bank and Sudan shall otherwise agree, be made promptly in relation to expenditures for Part A of the Project.

Section 2.06. Each such application shall constitute a request to withdraw funds under each of the Agreements and the amount so requested under each Agreement shall be reasonably determined by the Bank by apportioning, as nearly as is practicable in the circumstances, the amount of Loan Proceeds requested in such application to the Bank Agreement, the Kreditanstalt Agreement and the Association Agreement in the respective proportions of 35:35:30 (or in such other respective proportions as may from time to time be agreed upon by the Lenders).

Section 2.07. Sudan shall furnish to the Bank such documents and other evidence in support of each withdrawal application as the Bank shall reasonably request, whether before or after withdrawal shall have been permitted of any of the Loan Proceeds requested in the application.

Section 2.08. Each withdrawal application and the accompanying documents and other evidence must be sufficient in form and substance to satisfy the Bank that Sudan is entitled to withdraw under the Bank Agreement the amount of the Loan Proceeds applied for which has been apportioned thereto in accordance with Section 2.06 hereof, and that the amount so to be withdrawn is to be used only for the purposes specified in this Article II.

Section 2.09 (a) When the Bank has approved disbursement of such amount under the Bank Agreement, it shall promptly notify each of the other Lenders that it has received an application by Sudan to withdraw Loan Proceeds, in an aggregate

amount to be set forth in such notice ; the amount thereof apportioned to each of the Agreements pursuant to Section 2.06 hereof ; and that the Bank has approved disbursement of its share of such Loan Proceeds. Such notice shall be in such form, and contain such other information, including the currency or currencies (if any) in which Sudan has indicated its desire that the respective disbursements be made and to whom, or on the order of whom, payment of the requested Loan Proceeds is to be made, as the Bank and the Lender concerned shall from time to time determine.

(b) Upon receipt of such notice, Kreditanstalt and the Association shall each, subject, respectively, to the provisions of the Kreditanstalt Agreement and the Association Agreement (including any rights of suspension or termination of withdrawals thereunder), promptly disburse the amount specified in such notice as having been apportioned to its agreement pursuant to Section 2.06 hereof.

(c) The currency or currencies of any such disbursement by a Lender, and the value thereof in terms of the currency in which the amount so apportioned to its agreement is expressed, shall be determined in accordance with such agreement.

Section 2.10. It is the intention of the Parties that disbursements of Loan Proceeds will be made only in reimbursement of expenditures for the cost of goods as hereinbefore provided. However, in special circumstances, upon the request of Sudan, and upon such terms and conditions (including special commitment charges or other special charges, if any) as shall be agreed upon by the Parties hereto, the Bank may enter into special commitments for the respective accounts of itself, Kreditanstalt and the Association, to pay amounts to Sudan or others in respect of the cost of goods notwithstanding any subsequent suspension or cancellation of any of the Agreements.

Article III

VALUATION OF CURRENCIES AND EXERCISE OF FUNCTIONS BY BANK

Section 3.01. Without prejudice to Section 2.09 (c) hereof, whenever it shall be necessary for the purposes of this Agreement to value one currency in terms of another currency, such value shall be as reasonably determined by the Bank in accordance with its usual procedures.

Section 3.02. The Bank shall exercise the same care in the discharge of its functions under this Agreement as it exercises in respect of the administration and management of its own affairs.