

No. 6774

**INTERNATIONAL DEVELOPMENT ASSOCIATION
and
HAITI**

**Development Credit Agreement—*Interim Highway Project*
(with related letter and annexed Development Credit
Regulations No. 1). Signed at Washington, on 2 No-
vember 1962**

Official text: English.

Registered by the International Development Association on 11 June 1963.

**ASSOCIATION INTERNATIONALE
DE DÉVELOPPEMENT
et
HAÏTI**

**Contrat de crédit de développement — *Projet intérimaire
relatif au réseau routier* (avec lettre y relative et, en
annexe, le Règlement n° 1 sur les crédits de développe-
ment). Signé à Washington, le 2 novembre 1962**

Texte officiel anglais.

Enregistré par l'Association internationale de développement le 11 juin 1963.

No. 6774. DEVELOPMENT CREDIT AGREEMENT¹
(*INTERIM HIGHWAY PROJECT*) BETWEEN THE
REPUBLIC OF HAITI AND THE INTERNATIONAL
DEVELOPMENT ASSOCIATION. SIGNED AT WASH-
INGTON, ON 2 NOVEMBER 1962

AGREEMENT, dated November 2, 1962, between REPUBLIC OF HAITI (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

Article I

CREDIT REGULATIONS; SPECIAL DEFINITIONS

Section 1.01. The parties hereto accept all the provisions of Development Credit Regulations No. 1 of the Association dated June 1, 1961² (said Development Credit Regulations No. 1 being hereinafter called the Regulations), with the same force and effect as if they were fully set forth herein.

Section 1.02. Wherever used in this Agreement or the Schedule thereto the term "the Service" means the Service Spécial d'Entretien et d'Amélioration des Routes charged by the *Décret* of the Borrower of January 15, 1959, together with any amendment or amendments thereof, with the maintenance and rehabilitation of highways in the Republic of Haiti and any other organization or organizations which may be charged by law with functions of similar scope and character, and shall include any successor or successors thereto.

Article II

THE CREDIT

Section 2.01. The Association agrees to make available to the Borrower, on the terms and conditions in this Agreement set forth or referred to, a development credit in an amount in various currencies equivalent to three hundred and fifty thousand United States dollars (\$350,000).

Section 2.02. The Association shall open a Credit Account on its books in the name of the Borrower and shall credit to such Credit Account the amount

¹ Came into force on 17 January 1963, upon notification by the Association to the Government of Haiti.

² See p. 220 of this volume.

of the Credit. The amount of the Credit may be withdrawn from the Credit Account as provided in, and subject to the rights of cancellation and suspension set forth in, this Agreement and the Regulations.

Section 2.03. Except as the Borrower and the Association shall otherwise agree, the Borrower shall be entitled, subject to the provisions of this Agreement, to withdraw from the Credit Account (i) such amounts as shall have been expended for the reasonable foreign exchange cost of the Project and (ii) if the Association shall so agree, such amounts as shall be required to meet payments to be made for the reasonable cost of the foregoing; provided, however, that no withdrawals shall be made on account of expenditures prior to January 1, 1962.

Section 2.04. Withdrawals from the Credit Account shall be in such freely convertible currency or currencies as the Association shall from time to time reasonably select.

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. The Borrower shall also pay to the Association a service charge at the same rate on the principal amount outstanding from time to time of any special commitment entered into by the Association pursuant to Section 4.02 of the Regulations.

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

Section 2.07. The Borrower shall repay the principal amount of the Credit in semi-annual instalments payable on each February 15 and August 15 commencing August 15, 1972 and ending February 15, 2012, each instalment to and including the instalment payable on February 15, 1982 to be one-half of one per cent ($\frac{1}{2}$ of 1 %) of such principal amount, and each instalment thereafter to be one and one-half of one per cent ($1\frac{1}{2}$ %) of such principal amount.

Article III

USE OF PROCEEDS OF THE CREDIT

Section 3.01. The Borrower shall cause the proceeds of the Credit to be applied exclusively to financing the cost of goods required to carry out the Project described in the Schedule¹ to this Agreement. The specific goods to be financed out of the proceeds of the Credit and the methods and procedures for procurement of such goods shall be determined by agreement between the Borrower and the Association, subject to modification by further agreement between them.

¹ See p. 218 of this volume.

Section 3.02. Except as the Borrower and the Association shall otherwise agree, the Borrower shall cause all goods financed out of the proceeds of the Credit to be used in the territories of the Borrower exclusively in the carrying out of the Project.

Article IV

PARTICULAR COVENANTS

Section 4.01. (a) The Borrower shall cause the Project to be carried out with due diligence and efficiency and in conformity with sound engineering and financial practices.

(b) In the carrying out of the Project the Borrower shall employ or cause to be employed engineering consultants acceptable to, and upon terms and conditions satisfactory to, the Borrower and the Association.

(c) The Borrower shall furnish or cause to be furnished to the Association, promptly upon their preparation, the plans, specifications and work schedules for the Project and any material modifications subsequently made therein, in such detail as the Association shall request.

(d) The list of roads to be included in the Project shall be determined by agreement between the Borrower and the Association, subject to modification by further agreement between them.

(e) The Borrower shall at all times make or cause to be made available promptly as needed all sums and other resources which shall be required for the carrying out of the Project and the proper maintenance of its highway system.

(f) The Borrower shall maintain or cause to be maintained records adequate to identify the goods financed out of the proceeds of the Credit, do disclose the use thereof in the Project, to record the progress of the Project (including the cost thereof and to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of the agency or agencies of the Borrower responsible for the carrying out of the Project or any part thereof; shall enable the Association's representatives to inspect the Project, the goods and any relevant records and documents; and shall furnish or cause to be furnished to the Association all such information as the Association shall reasonably request concerning the expenditure of the proceeds of the Credit, the Project, the goods and the operations and financial condition of the agency or agencies of the Borrower responsible for the carrying out of the Project or any part thereof.

Section 4.02. (a) The Borrower and the Association shall cooperate fully to assure that the purposes of the Credit will be accomplished. To that end,