

No. 9325

**INTERNATIONAL DEVELOPMENT ASSOCIATION
and
CAMEROUN**

Development Credit Agreement—*Highway Engineering Project* (with annexed Credit Regulations No. 1, as amended). Signed at Washington, on 29 January 1968

Official text : English.

Registered by the International Development Association on 29 November 1968.

**ASSOCIATION INTERNATIONALE
DE DÉVELOPPEMENT
et
CAMEROUN**

Contrat de crédit de développement — *Projet relatif à l'aménagement du réseau routier* (avec, en annexe, le Règlement n° 1 sur les crédits de développement, tel qu'il a été modifié). Signé à Washington, le 29 janvier 1968

Texte officiel anglais.

Enregistré par l'Association internationale de développement le 29 novembre 1968.

No. 9325. DEVELOPMENT CREDIT AGREEMENT¹ (*HIGHWAY ENGINEERING PROJECT*) BETWEEN THE FEDERAL REPUBLIC OF CAMEROON AND THE INTERNATIONAL DEVELOPMENT ASSOCIATION. SIGNED AT WASHINGTON, ON 29 JANUARY 1968

AGREEMENT, dated January 29, 1968, between FEDERAL REPUBLIC OF CAMEROON (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

WHEREAS the Borrower has requested the Association to make available a development credit to assist in financing the detailed engineering and related studies of the highways described in Schedule 2 to this Agreement, and the Association is willing to make a development credit to the Borrower for the said purpose on the terms and conditions hereinafter in this Agreement set forth; and

WHEREAS the Association would be prepared to refund the said development credit out of the proceeds of any later development credit which it may make to the Borrower for the construction of the said highways;

NOW THEREFORE the parties hereto hereby agree as follows :

Article I

CREDIT REGULATIONS

Section 1.01. The parties to this Agreement accept all the provisions of Development Credit Regulations No. 1 of the Association dated June 1, 1961, as amended February 9, 1967² (hereinafter called the Regulations), with the same force and effect as if they were fully set forth herein.

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 develop-

¹ Came into force on 19 March 1968, upon notification by the Association to the Government of the Cameroon.

² See p. 78 of this volume.

ment credit in an amount in various currencies equivalent to five hundred and fifty thousand dollars (\$550,000).

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 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.

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 goods required for carrying out the Project; and
- (ii) if the Association shall so agree, such amounts as shall be required to meet payments under paragraph (i) of this Section;

provided, however, that no withdrawals shall be made on account of expenditures prior to the date of this Agreement.

Section 2.04. 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.

Section 2.05. Service charges shall be paid semi-annually on March 1 and September 1 in each year.

Section 2.06. The Borrower shall repay the principal of the Credit withdrawn from the Credit Account in accordance with the Amortization Schedule set forth in Schedule 1 to this Agreement.

Section 2.07. The currency of the United States of America is hereby specified for the purposes of paragraph (a) of Section 3.02 of the Regulations.

Article III

PARTICULAR COVENANTS

Section 3.01. (a) The Borrower shall carry out or cause the Project, described in Schedule 2 to this Agreement, to be carried out with due diligence and efficiency, in conformity with sound engineering and financial practices, and in accordance with design standards satisfactory to the Association and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.