No. 9627

INTERNATIONAL DEVELOPMENT ASSOCIATION
and
NIGER

Development Credit Agreement—*Highway Maintenance Project* (with annexed Credit Regulations No. 1, as amended). Signed at Washington on 23 September 1968

Authentic text: English.

Registered by the International Development Association on 13 June 1969.

ASSOCIATION INTERNATIONALE DE DÉVELOPPEMENT
et
NIGER

Contrat de crédit de développement — *Projet d'entretien routier* (avec, en annexe, le Règlement n° 1 sur les crédits de développement, tel qu'il a été modifié). Signé à Washington le 23 septembre 1968

Texte authentique : anglais.

Enregistré par l'Association internationale de développement le 13 juin 1969.

DEVELOPMENT CREDIT AGREEMENT[1]

AGREEMENT, dated September 23, 1968, between the REPUBLIC OF NIGER (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

WHEREAS by a development credit agreement dated June 24, 1964,[2] between the Borrower and the Association, the Association granted to the Borrower a development credit in various currencies equivalent to one million five hundred thousand dollars ($1,500,000) to assist the Borrower in financing a project for the design, improvement and construction of certain roads in the Borrower's national highway system;

WHEREAS the Borrower has requested the Association to make available a development credit to assist in financing the capital expenditures of the Four-Year Niger Highway Maintenance Program and preinvestment studies, as described in Schedule 1 to this Development Credit Agreement, and hereinafter referred to as the Project; and

WHEREAS the Association is willing to make a development credit to the Borrower for the said purposes and for the related services referred to in the said Schedule 1, on the terms and conditions hereinafter set forth;

Now therefore the parties hereto hereby agree as follows :

Article I

CREDIT REGULATIONS

Section 1.01. The parties to this Development Credit Agreement accept all the provisions of Development Credit Regulations No. 1 of the Association dated June 1, 1961 as amended February 9, 1967 [3] (said Development Credit Regulations No. 1 being hereinafter called the Credit Regulations), with the same force and effect as if they were fully set forth herein.

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[1] Came into force on 3 January 1969, upon notification by the Association to the Government of Niger.

[2] United Nations, *Treaty Series*, vol. 554, p. 93.

[3] See p. 192 of this volume.

Article II

THE CREDIT

Section 2.01. The Association agrees to make available to the Borrower, on the terms and conditions in this Development Credit Agreement set forth or referred to, a development credit in an amount in various currencies equivalent to six million one hundred and twenty thousand dollars ($6,120,000).

Section 2.02. (*a*) 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.

(*b*) 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 Development Credit Agreement and the Credit Regulations and in accordance with the allocation of the proceeds of the Credit set forth in Schedule 2 to this Development Credit Agreement, as such allocation shall be modified from time to time pursuant to the provisions of such Schedule or by further agreement between the Borrower and the Association.

Section 2.03. (*a*) The Borrower shall be entitled to withdraw from the Credit Account in respect of the reasonable cost of goods required for carrying out the Project and to be financed under this Development Credit Agreement :

(i) such amounts as shall have been paid (or, if the Association shall so agree, such amounts as shall be required to meet payments to be made) for the c.i.f. (Niamey, Maradi or Zinder) price of goods produced, or services supplied from, outside the territories of the Borrower and included under Categories A (1), C (2) and D of the allocation of the proceeds of the Credit set forth in Schedule 2 to this Development Credit Agreement;

(ii) the equivalent of such amount as shall have been paid (or, if the Association shall so agree, such amounts as shall be required to meet payments to be made) for expenditures under Category A (2) of said Schedule 2; and

(iii) the equivalent of fifty per cent (50 %) of such amounts as shall have been paid (or, if the Association shall so agree, shall be required to meet payments to be made) for expenditures under Categories B and C (1) of said Schedule 2; provided, however, that if there shall be an increase in the estimate of expenditures under such Category B or C (1), the Association may by notice to the Borrower adjust the above percentage as required in order that withdrawal of the amount of the Credit then allocated to such Category B or C (1) and not withdrawn may continue *pro rata* with expenditures remaining to be made under such Category B or C (1).

(*b*) Except as shall otherwise be agreed between the Borrower and the Association, no withdrawals shall be made on account of :

(i) expenditures made prior to October 1, 1968; or

(ii) any payment for any taxes or duties levied on the import of goods into the territories of the Borrower, such as customs duties, "*droit fiscal*", "*taxe de statistique*", "*taxe forfaitaire*", or any other similar taxes or duties which may be subsequently established; or

(iii) expenditures made in the territories of any country which is not a member of the Bank (except Switzerland) or for goods produced in (including services supplied from) such territories.

Section 2.04. The currency of the Republic of France is hereby specified for the purposes of paragraph (*a*) of Section 3.02 of the Credit Regulations.

Section 2.05. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one per cent (3/4 of 1 %) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

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

Section 2.07. The Borrower shall repay the principal of the Credit withdrawn from the Credit Account in semi-annual installments payable on each January 15 and July 15 commencing January 15, 1979 and ending July 15, 2018, each installment to and including the installment payable on July 15, 1988 to be one-half of one per cent (1/2 of 1 %) of such principal amount, and each installment thereafter to be one and one-half per cent (1 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 in accordance with the provisions of this Development Credit Agreement to expenditures required to carry out the Project described in Schedule 1 to this Development Credit Agreement.

Section 3.02. Except as the Association shall otherwise agree :

(*a*) the goods to be financed out of the proceeds of the Credit shall be procured on the basis of international competitive bidding as set forth in "Guidelines for Procurement under World Bank Loans and IDA Credits" dated February 1968, and in accordance with such other procedures supplementary thereto as are set forth in Schedule 3 to this Development Credit Agreement, and as shall be agreed between the Borrower and the Association;

(*b*) the goods required for the extension and improvement of workshops and stores shall be procured on the basis of local competitive bidding in accordance with procedures acceptable to the Association, and in accordance with Schedule 3 of this Development Credit Agreement; and

(*c*) any contract for the procurement of any of the goods to be financed out of the proceeds of the Credit shall be subject to the approval of the Association, except that no contract approval shall be required for items or groups of items from Category C of Schedule 2 to this Development Credit Agreement expected to cost less than the equivalent of ten thousand dollars ($10,000).

Section 3.03. 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 its Direction des Travaux Publics to carry out the Project with due diligence and efficiency and in conformity with sound highway maintenance, engineering, administrative and financial practices, and shall make available, promptly as needed, all funds, facilities, services, and other resources required for the purpose.

(*b*) To assist in carrying out the Project, the Borrower shall employ or cause to be employed competent and experienced consultants acceptable to the Association, to an extent, and upon such terms and conditions as shall have been approved by the Association.

(*c*) The Borrower shall cause Parts I (*b*) and I (*c*) (i) of the Project to be carried out by contractors acceptable to the Association, employed under contracts which shall have been approved by the Association.

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

(*e*) The Borrower shall take all measures reasonably required to ensure that the dimensions and axle-loads of vehicles using the roads in its national