

No. 9642

**INTERNATIONAL DEVELOPMENT ASSOCIATION
and
CHAD**

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

Authentic text: English.

Registered by the International Development Association on 19 June 1969.

**ASSOCIATION INTERNATIONALE
DE DÉVELOPPEMENT
et
TCHAD**

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

Texte authentique: anglais.

Enregistré par l'Association internationale de développement le 19 juin 1969.

DEVELOPMENT CREDIT AGREEMENT¹

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

WHEREAS the Borrower has requested the Association to assist in financing the costs of Parts I and II of the Project described in Schedule 1 to this Development Credit Agreement; and

WHEREAS the Borrower and the Fonds d'Aide et de Coopération, an instrumentality of the Government of France, have agreed on the terms and conditions upon which the Fonds d'Aide et de Coopération will finance Part III of the Project described in Schedule 1 to this Development Credit Agreement;

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, 1967² (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.

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 one million eight hundred thousand dollars (\$1,800,000).

¹ Came into force on 14 January 1969, upon notification by the Association to the Government of Chad.

² See p. 402 of this volume.

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 The amount of the Credit may be withdrawn from the Credit Account as provided in, and subject to the rights of cancellation and suspension set forth in this Development Credit Agreement and the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

Section 2.03. The Borrower shall be entitled to withdraw from the Credit Account in accordance with the Allocation of the Proceeds of the Credit set forth in Schedule 2 to this Development Credit Agreement:

- (a) such amounts as shall have been paid (or, if the Association shall so agree, shall be required to meet payments to be made) in currencies other than the currency of the Borrower for the reasonable cost of imported equipment to be financed under this Development Credit Agreement;
- (b) such amounts as shall have been paid (or, if the Association shall so agree, shall be required to meet payments to be made) for the reasonable cost of services to be financed under this Development Credit Agreement;
- (c) the equivalent of eighty-four per cent (84%) of such amounts as shall have been paid for the reasonable cost of civil works and locally produced goods to be financed under this Development Credit Agreement, other than payments under paragraphs (a) and (b) above, provided, however, that if there shall be an increase in the estimates of such cost, the Association may by notice to the Borrower reduce the above percentage to such lower percentage as shall be required in order that withdrawal of the amount of the Credit allocated or reallocated in accordance with Schedule 2 to this Development Credit Agreement to such cost and not withdrawn may continue *pro rata* with the expenditures remaining to be made for such cost;

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

Section 2.04. The currency of the United States of America is hereby specified for the purposes of paragraph (a) of Section 3.02 of the Regulations.

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.

Section 2.06. Service charges shall be payable semi-annually on June 1 and December 1 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 June 1 and December 1 commencing December 1, 1978 and ending June 1, 2018, each installment to and including the installment payable on June 1, 1988 to be one-half of one per cent ($\frac{1}{2}$ of 1%) of such principal amount, and each installment thereafter to be one and one-half per cent ($1\frac{1}{2}\%$) of such principal amount.

Article III

USE OF PROCEEDS OF THE CREDIT

Section 3.01. The Borrower shall apply the proceeds of the Credit in accordance with the provisions of this Development Credit Agreement exclusively to expenditures on the Project described in Schedule 1 to this Development Credit Agreement. The specific allocation of the proceeds of the Credit is set forth in Schedule 2 to this Development Credit Agreement and shall be subject to modification by agreement between the Borrower and the Association.

Section 3.02. Except as the Association shall otherwise agree, 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 the "*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 or as shall be agreed between the Association and the Borrower. 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.

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 carry out the Project or cause the Project to be carried out with due diligence and efficiency, in conformity with sound technical, administrative and financial standards and with due regard to economy.

(b) The Borrower shall cause the educational institutions included in the Project to be operated so as to promote the educational objectives of the Borrower and to be provided with qualified teachers and administrators in adequate numbers.

(c) The Borrower shall cause the buildings and equipment of the educational institutions included in the Project to be adequately maintained and shall cause all necessary renewals and repairs to be made thereto.

(d) To assist in the carrying out of the Project, the Borrower shall appoint, or cause its Ministry of Education to appoint, a Project Director acceptable to the Association and two Assistants acceptable to the Association. The Project Director shall be attached to the Ministry of Education and shall be given overall responsibility for the proper execution and supervision of Parts I and II of the Project.

(e) Except as the Association shall otherwise agree, in the carrying out of the Project the Borrower shall employ or cause to be employed qualified and experienced architectural consultants acceptable to the Borrower and the Association, upon terms and conditions satisfactory to the Association, to design the buildings included in the Project and to supervise their construction.

(f) Except as the Association shall otherwise agree, the Borrower shall cause the construction of the Teacher Training Center and the Center for Training Agricultural Technicians included in the Project to be carried out by contractors acceptable to the Borrower and the Association employed under contracts satisfactory to the Borrower and the Association.

(g) Upon request from time to time by the Association, the Borrower shall furnish or cause to be furnished to the Association for its approval promptly upon their preparation the plans, specifications, contracts and work schedules for the construction included in the Project and the master lists of instructional equipment and furniture included therein and any material modifications subsequently made therein, in such detail as the Association shall reasonably request.

Section 4.02. The Borrower shall at all times make or cause to be made available promptly as needed all funds, facilities, services and other resources, including land and housing, required for the carrying out of the Project and for the effective utilization, staffing, equipping, operation and maintenance of the educational institutions included in the Project, and shall make such budgetary allocations or other appropriate arrangements as shall be necessary for the purpose.