No. 9949

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT and LIBERIA

Loan Agreement—*Monrovia Port Dredging Project* (with annexed General Conditions Applicable to Loan and Guarantee Agreements and Project Agreement between the Bank and the National Port Authority). Signed at Washington on 20 June 1969

Authentic text: English.

Registered by the International Bank for Reconstruction and Development on 13 October 1969.

BANQUE INTERNATIONALE POUR LA RECONSTRUCTION ET LE DÉVELOPPEMENT et LIBÉRIA

Contrat d'emprunt — *Projet relatif au dragage du port de Monrovia* (avec, en annexe, les Conditions générales applicables aux contrats d'emprunt et de garantie et le Contrat relatif au Projet entre la Banque et la National Port Authority). Signé à Washington le 20 juin 1969

Texte authentique : anglais.

Enregistré par la Banque internationale pour la reconstruction et le développement le 13 octobre 1969.

LOAN AGREEMENT[1]

AGREEMENT, dated June 20, 1969, between REPUBLIC OF LIBERIA (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

Article I

GENERAL CONDITIONS; DEFINITIONS

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements with the Bank, dated January 31, 1969,[2] with the same force and effect as if they were fully set forth herein, subject, however, to the following modification thereof (said General Conditions Applicable to Loan and Guarantee Agreements with the Bank, as so modified, being hereinafter called the General Conditions) :

The words "and the Project Agreement" are inserted after the words "the Loan Agreement" in Section 9.03 of the General Conditions.

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth and the following additional terms have the following meanings :

(*a*) "NPA" means the National Port Authority, a public authority established in 1968 under the Public Authorities Law of the Borrower (Title 29 A of the Liberian Code of Laws 1956), and charged with responsibility for the development, management and operation of all ports in the territories of the Borrower.

(*b*) "NPA law" means the enactments and other laws of the Borrower relating to the establishment, resources, powers, functions, operations and general status of NPA.

(*c*) "MPMC" means the Monrovia Port Management Company Ltd., a corporation duly incorporated under the the laws of the State of Delaware, United States of America.

[1] Came into force on 10 July 1969, upon notification by the Bank to the Government of Liberia.

[2] See p. 300 of this volume.

(*d*) "Monrovia Port Management Contract" means the agreement dated July 26, 1948, between the Borrower and MPMC providing for the management of the Port of Monrovia by MPMC on the terms and conditions set forth therein, as amended by the agreement between the Government of the United States of America and the Borrower, by Exchange of Notes dated April 13, 1964, and April 14, 1964, respectively.[1]

(*e*) "Project Agreement"[2] means the agreement of even date herewith between the Bank and NPA and shall include any supplemental agreements thereto and amendments thereof.

(*f*) "Subsidiary Loan Agreement" means the loan agreement to be entered into between the Borrower and NPA pursuant to Section 5.01 (b) of the Loan Agreement, as the same shall be amended from time to time with the approval of the Bank.

(*g*) "Subsidiary Loan" means the loan provided for in the Subsidiary Loan Agreement.

(*h*) "U.S. Loan" means the loan provided for in the agreement dated December 31, 1943,[3] between the Government of the United States of America and the Borrower whereby the Government of the United States of America agreed to make funds available to the Borrower for the purpose of financing the construction of the Port of Monrovia on the terms and conditions set forth in such agreement, as amended by an agreement between the parties thereto by the Exchange of Notes referred to in paragraph (*d*) of this Section.

(*i*) "NPA port" means a port administered by NPA in accordance with NPA law.

Article II

THE LOAN

Section 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions in this Agreement set forth or referred to, an amount in various currencies equivalent to three million six hundred thousand dollars ($3,600,000).

Section 2.02. (*a*) The Bank shall open a Loan Account on its books in the name of the Borrower and shall credit to such Account the amount of the Loan.

---

[1] United Nations, *Treaty Series*, vol. 526, p. 221.
[2] See p. 300 of this volume.
[3] United Nations, *Treaty Series*, vol. 106, p. 199.

(*b*) The amount of the Loan may be withdrawn from the Loan Account as provided in, and subject to the rights of cancellation and suspension set forth in, this Loan Agreement and in accordance with the allocation of the proceeds of the Loan as set forth in Schedule 1 to this Agreement, as such allocation shall be modified from time to time pursuant to the provisions of such Schedule or by further agreement between the Bank and the Borrower.

Section 2.03. The Borrower shall be entitled to withdraw from the Loan Account in respect of the reasonable cost of goods or services required for the Project and to be financed under this Loan Agreement :

(i) such amounts as shall have been paid (or, if the Bank shall so agree, shall be required to meet payments to be made) for expenditures under Categories II, III and IV of the allocation of the proceeds of the Loan referred is in Section 2.02 of this Agreement; and

(ii) the equivalent of eighty per cent (80 %) of such amounts as shall have been paid (or, if the Bank shall so agree, shall be required to meet payments to be made) for expenditures under Category I of the allocation of the proceeds of the Loan referred to in Section 2.02 of this Agreement; provided, however, that if there shall be an increase in the estimate of such expenditures under such Category, the Bank may by notice to the Borrower adjust the said percentage as required in order that withdrawals of the amount of the Loan then allocated to such Category and not withdrawn may continue *pro rata* with the expenditures remaining to be made under such Category.

Section 2.04. It is hereby agreed, pursuant to Section 5.01 of the General Conditions, that withdrawals from the Loan Account under Category I of the allocation of the proceeds of the Loan referred to in Section 2.02 of this Agreement may be made on account of payments made prior to the date of this Agreement but after February 1, 1969.

Section 2.05. The Borrower shall pay to the Bank a commitment charge at the rate of three-fourths of one percent ($\frac{3}{4}$ of 1 %) per annum on the principal amount of the Loan not withdrawn from time to time.

Section 2.06. The Borrower shall pay interest at the rate of six and one-half per cent (6 $\frac{1}{2}$ %) per annum on the principal amount of the Loan withdrawn and outstanding from time to time.

Section 2.07. Interest and other charges shall be payable semi-annually on June 15 and December 15 in each year.

Section 2.08. The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 2 to this Agreement.

Article III

Use of Proceeds of the Loan

Section 3.01. The Borrower shall apply the proceeds of the Loan in accordance with the provisions of this Loan Agreement to expenditures on the Project described in Schedule 3 to this Agreement.

Section 3.02. Except as the Bank shall otherwise agree, (i) the goods and services (other than consulting services) to be financed out of the proceeds of the Loan shall be procured on the basis of international competitive bidding in accordance with the *Guidelines for Procurement under World Bank Loans and IDA Credits,* published by the Bank in February 1968, and in accordance with such other procedures supplementary thereto as are set forth in Schedule 4 to this Agreement or as shall be agreed between the Bank and the Borrower, and (ii) contracts for the procurement of such goods and services shall be subject to the prior approval of the Bank.

Section 3.03. Except as the Bank shall otherwise agree, the Borrower shall cause all goods and services financed out of the proceeds of the Loan to be used exclusively in carrying out the Project.

Article IV

Bonds

Section 4.01. If and as the Bank shall from time to time request, the Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in Article VIII of the General Conditions.

Section 4.02. The Secretary of the Treasury of the Borrower is designated as authorized representative of the Borrower for the purposes of Section 8.10 of the General Conditions. The Secretary of the Treasury of the Borrower may designate additional or other authorized representatives by appointment in writing notified to the Bank.

Article V

Particular Covenants

Section 5.01. (*a*) The Borrower shall cause the Project to be carried out with due diligence and efficiency and in conformity with sound administrative, financial and engineering practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the purpose.