

No. 2738

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**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
and  
COLOMBIA**

**Loan Agreement — *Supplementary Highway Project* —  
(with annexed Loan Regulations No. 3). Signed at  
Washington, on 10 September 1953**

**Agreement amending the above-mentioned Loan Agreement.  
Signed at Washington, on 4 November 1954**

*Official text: English.*

*Registered by the International Bank for Reconstruction and Development on  
27 January 1955.*

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**BANQUE INTERNATIONALE POUR  
LA RECONSTRUCTION ET LE DÉVELOPPEMENT  
et  
COLOMBIE**

**Contrat d'emprunt — *Projet complémentaire relatif au  
réseau routier* — (avec, en annexe, le Règlement n° 3  
sur les emprunts). Signé à Washington, le 10 septembre  
1953**

**Contrat modifiant le Contrat d'emprunt susmentionné. Signé  
à Washington, le 4 novembre 1954**

*Texte officiel anglais.*

*Enregistrés par la Banque internationale pour la reconstruction et le développement  
le 27 janvier 1955.*

No. 2738. LOAN AGREEMENT<sup>1</sup> (*SUPPLEMENTARY HIGHWAY PROJECT*) BETWEEN THE REPUBLIC OF COLOMBIA AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON, ON 10 SEPTEMBER 1953

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AGREEMENT, dated September 10, 1953, between REPUBLIC OF COLOMBIA (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS by a Loan Agreement dated April 10, 1951,<sup>2</sup> between the Borrower and the Bank, the Bank agreed to lend to the Borrower on the terms and conditions therein set forth the sum of \$16,500,000 or the equivalent thereof in currencies other than dollars as provided therein for the rehabilitation of the parts of the highway system of the Borrower therein specified; and

WHEREAS said Loan Agreement was amended on June 20, 1952, to increase from 15 per cent to 50 per cent the percentage of roads to be paved as part of the project therein described (said Loan Agreement dated April 10, 1951, as so amended, being hereinafter in this Agreement called the First Highway Loan Agreement); and

WHEREAS the Bank has agreed to make an additional loan for the rehabilitation and improvement of, and the establishment and initial operation of a maintenance program for, the national highway system of the Borrower;

NOW THEREFORE, the parties hereto agree as follows:

*Article I*

LOAN REGULATIONS; SPECIAL DEFINITIONS

*Section 1.01.* The Parties to this Agreement accept all the provisions of Loan Regulations No. 3<sup>3</sup> of the Bank dated October 15, 1952 (hereinafter called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

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<sup>1</sup> Came into force on 21 December 1954, upon notification by the Bank to the Government of the Republic of Colombia.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 158, p. 155.

<sup>3</sup> See p. 26 of this volume.

*Section 1.02.* Except where the context otherwise requires, the following terms have the following meanings wherever used in this Agreement or any Schedule hereto :

- (a) The term "Projects" shall be deemed to mean the Project described in Schedule 2 of this Agreement<sup>1</sup> and the project described in Schedule 2 of the First Highway Loan Agreement<sup>2</sup> as modified in this Agreement.<sup>3</sup>
- (b) The term "Agency" shall mean any agency or instrumentality of the Borrower or of any political subdivision of the Borrower and shall include any institution or organization which is owned or controlled directly or indirectly by the Borrower or by any political subdivision of the Borrower or the operations of which are conducted primarily in the interest of or for account of the Borrower or any political subdivision of the Borrower.

## Article II

### THE LOAN

*Section 2.01.* The Bank agrees to lend to the Borrower, on the terms and conditions hereinafter in this Agreement set forth or referred to, the sum of fourteen million three hundred fifty thousand dollars (\$14,350,000), or the equivalent thereof in currencies other than dollars.

*Section 2.02.* 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. 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, the Loan Regulations.

*Section 2.03.* The Borrower shall pay to the Bank a commitment charge at the rate of three-quarters of one per cent ( $\frac{3}{4}$  of 1 %) per annum on the principal amount of the Loan not so withdrawn from time to time. The date specified for the purposes of Section 2.02 of the Loan Regulations is the Effective Date or 60 days after the date of this Agreement, whichever shall be the earlier.

*Section 2.04.* The Borrower shall pay interest at the rate of four and three-fourths per cent ( $4\frac{3}{4}$  %) per annum on the principal amount of the Loan so withdrawn and outstanding from time to time.

*Section 2.05.* Except as the Borrower and the Bank shall otherwise agree, the charge payable for special commitments entered into by the Bank at the request of the Borrower pursuant to Section 4.02 of the Loan Regulations shall be at the rate of one-half of one per cent ( $\frac{1}{2}$  of 1 %) per annum on the principal amount of such special commitments outstanding.

<sup>1</sup> See p. 22 of this volume.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 158, p. 168.

<sup>3</sup> See p. 28 of this volume.

*Section 2.06.* Interest and other charges shall be payable semi-annually on May 15 and November 15 in each year.

*Section 2.07.* The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 1<sup>1</sup> to this Agreement.

### *Article III*

#### USE OF PROCEEDS OF THE LOAN

*Section 3.01.* The Borrower shall cause the proceeds of the Loan to be applied exclusively to the cost of goods which will be required for the carrying out of the Project as described in Schedule 2 hereof. The specific goods to be purchased out of the proceeds of the Loan shall be determined by agreement between the Bank and the Borrower, and the list of such goods may be modified from time to time by agreement between them.

*Section 3.02.* The Borrower shall cause all goods purchased in whole or in part with the proceeds of the Loan to be used in the territories of the Borrower exclusively in the carrying out of the Project.

*Section 3.03.* All contracts entered into by the Borrower for the carrying out of the Project or for the purchase of goods to be used in the carrying out of the Project shall be in form and substance satisfactory to the Bank. No contractor under any such contract approved by the Bank and providing for construction work on any of the roads listed in Schedule 2 hereof shall be permitted, without the prior approval of the Bank, to subcontract more than 10 per cent in value of such construction work provided for in such contract.

### *Article IV*

#### BONDS

*Section 4.01.* The Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in the Loan Regulations.

*Section 4.02.* The Minister of Finance of the Borrower and such person or persons as he shall appoint in writing are designated as authorized representatives of the Borrower for the purposes of Section 6.12 of the Loan Regulations.

### *Article V*

#### PARTICULAR COVENANTS

*Section 5.01. (a)* The Borrower shall cause the carrying out of the Project to proceed with due diligence and efficiency and in conformity with sound engineering practice.

<sup>1</sup> See p. 20 of this volume.

(b) The Borrower shall cause to be furnished to the Bank, promptly upon their preparation, the plans and specifications for the Project and any material modifications subsequently made therein.

(c) The Borrower shall cause to be maintained records showing the use made of the goods and the progress of the Project (including the cost thereof); shall enable the Bank's representatives to examine the Project, the goods and any relevant records and documents; and shall furnish to the Bank all such information as the Bank shall reasonably request concerning the goods and the Project.

*Section 5.02.* (a) The Borrower and the Bank shall cooperate fully to assure that the purposes of the Loan will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request with regard to the general status of the Loan. On the part of the Borrower, such information shall include information with respect to financial and economic conditions in the territories of the Borrower and the international balance of payments position of the Borrower.

(b) The Borrower and the Bank shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Loan and the maintenance of the service thereof. The Borrower shall promptly inform the Bank of any condition which shall arise that shall interfere with, or threaten to interfere with, the accomplishment of the purposes of the Loan or the maintenance of the service thereof.

(c) The Borrower shall afford all reasonable opportunity for accredited representatives of the Bank to visit any part of the territories of the Borrower for purposes related to the Loan.

*Section 5.03.* It is the mutual intention of the Borrower and the Bank that no other external debt shall enjoy any priority over the Loan by way of a lien on governmental assets. To that end, the Borrower undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Borrower or any of its political subdivisions or any Agency as security for the payment of any external debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and the interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect; provided, however, that the foregoing provisions of this Section shall not apply (a) to any lien created on any property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property; or (b) to any lien created on commercial goods to secure debt maturing not more than one year after the date on which it is originally incurred and to be paid out of the proceeds of sale of such commercial goods.

*Section 5.04.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid without deduction for, and free from, any taxes or fees imposed under the laws of the Borrower or laws in effect in its territories ; provided, however, that the provisions of this Section shall not apply to taxation of, or fees upon, payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Borrower.

*Section 5.05.* This Agreement and the Bonds shall be free from any taxes or fees that shall be imposed under the laws of the Borrower or laws in effect in its territories on or in connection with the execution, issue, delivery or registration thereof and the Borrower shall pay all such taxes and fees, if any, imposed under the laws of the country or countries in whose currency the Loan and the Bonds are payable or laws in effect in the territories of such country or countries.

*Section 5.06.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid free from all restrictions imposed under the laws of the Borrower or laws in effect in its territories.

*Section 5.07.* The Borrower shall satisfy the Bank that adequate arrangements have been made to insure the goods financed with the proceeds of the Loan against risks incident to their purchase and importation into the territories of the Borrower.

*Section 5.08.* In order to assure the diligent and efficient carrying out of the Projects and the most economical and effective use of the resources available for that purpose, the Borrower shall not, without the prior approval of the Bank, until the construction included in the Projects is completed, (a) permit any machinery or equipment now used or heretofore or hereafter acquired for use in the Projects to be used on roads not listed in Schedule 2 hereof other than machinery or equipment acquired under the maintenance program referred to in Section 5.09 of this Agreement or (b) permit any work on roads not listed in Schedule 2 hereof to be awarded to or done by any person, firm or other contractor now or hereafter doing any substantial work on any of the roads so listed.

*Section 5.09.* The Borrower and the Bank recognize the importance of adequate maintenance of the roads included in the Borrower's national highway system and that the Loan, and the loan provided for in the First Highway Loan Agreement, can achieve their purpose of improving Colombian highways only if prompt measures are taken to provide for the maintenance of that system.

Therefore, the Borrower shall promptly cause to be adopted and put into effect a maintenance program substantially in the form of the maintenance program described in Maintenance Document No. 1 of the Ministry of Public Works of the Borrower, dated August 19, 1953, entitled "A Program for Maintenance of National Highways in Colombia". The Borrower shall at all times cause such maintenance program to be fully carried out and shall do everything necessary to assure that the Colombian national highway system is fully and adequately maintained in accordance with the principles set forth in that program. Without limiting the obligation of the Borrower at all times to maintain its national highway system fully and adequately, the Borrower shall before making any substantial changes in the maintenance program adopted by it consult with the Bank and seek its views with respect to any such changes. The Borrower shall consult frequently with the Bank with respect to the maintenance operations of the Borrower and the effectiveness of its maintenance program.

*Section 5.10.* The Borrower and the Bank are agreed that the Borrower's highway construction resources must as far as possible be concentrated on the carrying out of the Projects and that construction or reconstruction of roads not included in the Projects should be limited. Therefore, the Borrower agrees that it will not, without the prior approval of the Bank, until the construction included in the Projects is completed, (a) construct or reconstruct any roads not listed in Schedule 2 or Schedule 3<sup>1</sup> hereof or (b) appropriate for expenditure in 1954, or spend in 1954, more than 10 million pesos for the construction or reconstruction of the roads listed in Schedule 3 hereof.

*Section 5.11.* The Borrower shall at all times make available by appropriation or otherwise for disbursement, promptly as they are needed, all sums which shall be required for the carrying out of the Projects and the proper maintenance of its national highway system. Without limiting the foregoing, the Borrower shall, except as the Bank shall otherwise agree, appropriate or cause to be appropriated by specifically named appropriations in a specific article of the budget the following amounts :

- (a) 30,000,000 Colombian Pesos for the Projects (other than maintenance) in the calendar year 1953 ;
- (b) 39,000,000 Colombian Pesos for the same purpose in 1954 ;
- (c) 23,600,000 Colombian Pesos solely for maintenance in 1954.

The above sums shall be in addition to all amounts heretofore appropriated or otherwise made available for such purposes and in addition to all other amounts specifically required to be appropriated for such purposes under the provisions of the First Highway Loan Agreement and the agreement dated June 20, 1952, amending the Loan Agreement dated April 10, 1951. Any sums appropriated

<sup>1</sup> See p. 26 of this volume.

in accordance with this Section 5.11 shall be used only for the respective purposes for which they were appropriated, and if not completely expended in one budgetary year shall be carried over to the next budgetary year or years and used only for such respective purposes.

*Section 5.12.* Without limiting any other obligation herein contained, the Borrower shall do all things necessary to assure that its currency will be converted into dollars or other foreign exchange to the extent necessary for the acquisition of all goods, including asphalt, required for carrying out the Projects and not financed through the Loan or the loan provided for in the First Highway Loan Agreement.

## Article VI

### REMEDIES OF THE BANK

*Section 6.01.* If any event specified in paragraph (a) or paragraph (b) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of thirty days or if any event specified in paragraph (c) of Section 5.02 or specified pursuant to paragraph (h) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower, then at any subsequent time during the continuance thereof, the Bank, at its option, may declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately, and upon any such declaration such principal shall become due and payable immediately, anything in this Agreement or in the Bonds to the contrary notwithstanding.

*Section 6.02.* The following is specified as an event for the purposes of Section 5.02 (h) of the Loan Regulations : Any event originally specified in paragraph (c) of Section 5.02 of Loan Regulations No. 3 of the Bank dated December 6, 1950<sup>1</sup> with reference to the First Highway Loan Agreement shall have occurred.

## Article VII

### EFFECTIVE DATE ; TERMINATION

*Section 7.01.* The following events are specified as additional conditions to the effectiveness of this Agreement within the meaning of Section 9.01 (b) of the Loan Regulations :

- (a) The Congress of the Borrower shall have approved this Agreement, the Loan and the carrying out of the Project, and shall have authorized

<sup>1</sup> United Nations, *Treaty Series*, Vol. 158, p. 170.



the adoption and continuance of the maintenance program referred to in Section 5.09 of this Agreement and shall have validly authorized the doing of all things which shall be necessary for the carrying out of that program.

- (b) The Borrower shall have caused to be appropriated for 1953 the sum of 30,000,000 Colombian Pesos for carrying out the Projects, other than maintenance, as provided in paragraph (a) of Section 5.11 of this Agreement.

*Section 7.02.* A date sixty days after the date of this Agreement is hereby specified for the purposes of Section 9.04 of the Loan Regulations.

### *Article VIII*

#### MODIFICATION OF FIRST HIGHWAY LOAN AGREEMENT

*Section 8.01.* The list of specific works to be completed set forth in Schedule 2 to the Loan Agreement dated April 10, 1951 is hereby amended to read as set forth in Schedule 2 to this Agreement.

*Section 8.02.* Section 4.03 (b) of the Loan Agreement dated April 10, 1951 is hereby deleted.

*Section 8.03.* For the purposes of the First Highway Loan Agreement, paragraph (c) of Section 5.02 of Loan Regulations No. 3 of the Bank, dated December 6, 1950, is hereby amended to read as follows :

“(c) A default shall have occurred in the performance of any other covenant or agreement on the part of the Borrower under the Loan Agreement or the Bonds or under the Loan Agreement dated September 10, 1953, or the Bonds therein provided for.”

*Section 8.04.* Except as provided in this Agreement the First Highway Loan Agreement shall remain in full force and effect.

### *Article IX*

#### MISCELLANEOUS

*Section 9.01.* The Closing Date shall be June 30, 1956.

*Section 9.02.* The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Borrower : Ministro de Hacienda y Crédito Público, Bogotá, Colombia.

For the Bank : International Bank for Reconstruction and Development, 1818 H Street, N. W., Washington 25, D. C., United States of America.

*Section 9.03.* The Minister of Finance or the Minister of Public Works of the Borrower in office at the time in question is designated for the purposes of Section 8.03 of the Loan Regulations.

*Section 9.04.* The Minister of Public Works of the Borrower may, by agreement with the Bank, modify Schedule 2 hereof and Schedule 2 of the First Highway Loan Agreement as hereby amended, including without limitation the roads, work and types of surface treatment specified therein.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

Republic of Colombia  
By Eduardo ZULETA ANGEL  
Authorized Representative

International Bank for Reconstruction and Development  
By Eugene R. BLACK  
President

#### SCHEDULE 1

##### AMORTIZATION SCHEDULE

<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars)*</i>	<i>Principal Amount Outstanding After Each Payment (expressed in dollars)*</i>	<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars)*</i>	<i>Principal Amount Outstanding After Each Payment (expressed in dollars)*</i>
Nov. 15, 1955 .	—	\$14,350,000	May 15, 1960 .	\$902,000	\$6,945,000
May 15, 1956 .	\$748,000	13,602,000	Nov. 15, 1960 .	924,000	6,021,000
Nov. 15, 1956 .	765,000	12,837,000	May 15, 1961 .	945,000	5,076,000
May 15, 1957 .	784,000	12,053,000	Nov. 15, 1961 .	968,000	4,108,000
Nov. 15, 1957 .	802,000	11,251,000	May 15, 1962 .	991,000	3,117,000
May 15, 1958 .	821,000	10,430,000	Nov. 15, 1962 .	1,015,000	2,102,000
Nov. 15, 1958 .	841,000	9,589,000	May 15, 1963 .	1,039,000	1,063,000
May 15, 1959 .	861,000	8,728,000	Nov. 15, 1963 .	1,063,000	—
Nov. 15, 1959 .	881,000	7,847,000			

##### PREMIUMS ON PREPAYMENT AND REDEMPTION

The following percentages are specified as the premiums payable on repayment in advance of maturity of any part of the principal amount of the Loan pursuant to

\* To the extent that any part of the Loan is repayable in a currency other than dollars (see Loan Regulations, Section 3.02), the figures in these columns represent dollar equivalents determined as for purposes of withdrawal.

Section 2.05(b) of the Loan Regulations or on the redemption of any Bond prior to its maturity pursuant to Section 6.16 of the Loan Regulations :

<i>Time of Prepayment or Redemption</i>	<i>Premium</i>
Not more than 1 year before maturity . . . . .	1/2 %
More than 1 year and not more than 3 years before maturity . . . . .	3/4 %
More than 3 years and not more than 5 years before maturity . . . . .	1 %
More than 5 years and not more than 7 years before maturity . . . . .	1 1/2 %
More than 7 years before maturity . . . . .	2 %

## SCHEDULE 2

### DESCRIPTION OF THE PROJECT

The Project includes :

(a) Additions to and changes in the project originally provided for in the First Highway Loan Agreement and the use of additional machinery and equipment to permit the more rapid and effective completion of the revised project and the meeting of adequate engineering standards.

(b) An increase in the number of roads to be paved. About 82 1/2 per cent of the roads listed below will be paved instead of 50 per cent of the roads provided for in the First Highway Loan Agreement.

(c) The establishment and carrying out by the Borrower of a maintenance program for its national highway system.

The roads to be financed by the Bank, through the Loan and the loan provided for in the First Highway Loan Agreement, and the work to be done on each such road are :

#### A. Roads to be constructed or reconstructed and paved

<i>From</i>	<i>To</i>	<i>Length Kilometers</i>	<i>Type of Surfacing</i>	<i>Paving Width Meters</i>	<i>Paving Thickness Inches</i>
Tunja	Barbosa	75	Surface treatment	6.1	3/4
Barbosa	Guespa	12	Surface treatment	6.1	3/4
Ciba	Socorro	32	Surface treatment	6.1	3/4
Socorro	San Gil	26	Seal Coat	6.0	Seal
San Gil	Piedecuesta	87	Surface treatment	6.1	3/4
Piedecuesta	Bucaramanga	22	Seal Coat	6.0	Seal
Bucaramanga	Pamplona	130	Surface treatment	6.1	3/4
Pamplona	Cucuta	75	Penetration	6.1	2
Cucuta	Venezuela border	16	Seal Coat	6.0	Seal
Cucuta	By-pass	5	Penetration	6.1	2
Ibague	Girardot	78	Road mix	7.0	2
Girardot	Arbelaez Jct.	63	Penetration	7.0	2

<i>From</i>	<i>To</i>	<i>Length Kilometers</i>	<i>Type of Surfacing</i>	<i>Paving Width Meters</i>	<i>Paving Thickness Inches</i>
Arbelaez Jct.	Fusagasuga	6	Penetration	7.0	2
Fusagasuga	Soacha by-pass	44	Seal Coat	6.0	Seal
Soacha by-pass		6	Hot mix	7.0	2 <sup>1</sup> / <sub>2</sub>
Soacha by-pass	Bogota	10	Seal Coat	7.0	Seal
Facatativa	Los Alpes	12	Seal Coat	7.0	Seal
Los Alpes	Sasaima	31	Surface treatment	6.1	<sup>3</sup> / <sub>4</sub>
Sasaima	Km. 84	5	Penetration	7.0	2
Km. 84	Villeta	4	Surface treatment	6.1	<sup>3</sup> / <sub>4</sub>
Villeta	Honda	72	Surface treatment	6.1	<sup>3</sup> / <sub>4</sub>
Honda	La Dorada	35	Penetration	7.0	2
Murillo	Calarca	90	Penetration	6.4	2 <sup>1</sup> / <sub>2</sub>
Armenia	Ibague	96	Penetration	6.7 avg.	2 <sup>1</sup> / <sub>2</sub>
Cartago	Pereira	27	Penetration	6.3 avg.	2 <sup>1</sup> / <sub>2</sub>
Pereira (Km. 4)	Manizales	53	Penetration	6.2	2 <sup>1</sup> / <sub>4</sub> avg
Manizales (Km. 8)	Km. 37	29	Surface treatment	6.2	<sup>3</sup> / <sub>4</sub>
Km. 80	Honda	62	Road mix	6.2	1 <sup>1</sup> / <sub>2</sub>
Taraza	Sincelejo	256	Surface treatment	6.5	<sup>3</sup> / <sub>4</sub>
Sincelejo	Ovejas	46	Road mix	5.5	2
Ovejas	Sincerin	100	Surface treatment	5.5	<sup>3</sup> / <sub>4</sub>
Sincerin	Cartagena	48	Road mix	5.5	2
Cartagena (Caiman)	Barranquilla	127	Road mix	6.5	2 <sup>1</sup> / <sub>2</sub>
Dinal	Sabaleta	22	Hot mix	6.1	3
Saladito	Km. 4	8	Hot mix	6.1	3
Cali	Palmira	26	Hot mix	6.7	2
Palmira	Amaine	9	Hot mix	6.7	2
Amaine	Tulua	69	Surface treatment	6.7	1
Tulua	Cartago	95	Hot mix	6.7	2
Cerritos	Cauya	62	Hot mix	6.7	2
Cauya	Versalles	161	Surface treatment	6.7	<sup>3</sup> / <sub>4</sub>
Versalles	Medellin	56	Hot mix	6.7	2
Medellin	Hatillo	35	Hot mix	6.7	2
Hatillo	Yarumal	103	Surface treatment	6.7	<sup>3</sup> / <sub>4</sub>
Yarumal	Taraza	117	Surface treatment	6.7	<sup>3</sup> / <sub>4</sub>
Cauya	Arauca	28	Surface treatment	6.7	<sup>3</sup> / <sub>4</sub>
Arauca	Km. 10	28	Hot mix	6.3	3
Total paving		2,599 Km.			

B. *Roads on which base only will be constructed or reconstructed*

<i>From</i>	<i>To</i>	<i>Length Kilometers</i>
Guespa	Ciba	63
Gamarra	Ocana	82
Platinal	Bucaramanga	180
Manizales Km. 37	Km. 80, Honda	43
Sabaleta	Km. 34	82
Km. 34	Saladito	22
Lobo Guerrero	Km. 34	28 (Cali-Buenaventura road)
Lobo Guerrero	Buenaventura	52
Armenia	Pereira	(Maintenance only)
Total, base only		552 Km.

## SCHEDULE 3

OTHER ROADS PROPOSED TO BE CONSTRUCTED OR RECONSTRUCTED  
BY THE BORROWER

The roads which the Borrower presently intends to construct or reconstruct, in addition to those listed in Schedule 2, are :

1) *With 1954 Funds up to 10,000,000 Pesos*

## Highways

Sonson — Dorada  
 Cali — Popayan  
 Popayan — Pasto — Frontera  
 Neiva — Garzon — Florencia  
 Neiva — Natagaima — Castilla — Espinal  
 Caqueza — Villavicencio  
 Zipaquira — Chiquinquirá — Barbosa  
 Sogamoso — Pajarito  
 San Roque — Rinconhondo — Becerril  
 Quibdo — Yuto  
 Quibdo — Bolivar — Bolombolo  
 Buga — Lobo Guerrero  
 Ciénaga — Barranquilla  
 Cucuta — Catatumbo

2) *By contractor with own equipment against future payment (about 2,500,000 Pesos)*

## Highways

Sahagun — Monteria

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
LOAN REGULATIONS No. 3, DATED 15 OCTOBER 1952

REGULATIONS APPLICABLE TO LOANS MADE BY THE BANK TO MEMBER GOVERNMENTS

[Not published herein. See *United Nations, Treaty Series, Vol. 165, p. 252.*]

AGREEMENT<sup>1</sup> AMENDING THE LOAN AGREEMENT DATED 10 SEPTEMBER 1953 BETWEEN THE REPUBLIC OF COLOMBIA AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON, ON 4 NOVEMBER 1954

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AGREEMENT, dated November 4, 1954, between REPUBLIC OF COLOMBIA (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS the Borrower and the Bank have signed a Loan Agreement (Supplementary Highway Project) dated September 10, 1953<sup>2</sup> (hereinafter called the Loan Agreement); and

WHEREAS the Loan Agreement is not yet effective; and

WHEREAS the parties hereto desire to amend the Loan Agreement in certain respects;

NOW THEREFORE the parties hereto agree as follows:

*Section 1.01.* The Loan Agreement shall be amended as follows:

(a) Section 5.10 shall read as follows:

*Section 5.10.* The Borrower and the Bank are agreed that the Borrower's highway construction resources must as far as possible be concentrated on the carrying out of the Projects and that construction or reconstruction of roads not included in the Projects should be limited. Therefore, the Borrower agrees that it will not, without the prior approval of the Bank, spend in 1954 more than 26 million pesos for the construction or reconstruction of roads not included in the Projects. Thereafter, until the Projects shall have been completed, the Borrower will from time to time consult with the Bank as to roads to be constructed or reconstructed outside the Projects and amounts to be expended therefor.

(b) Section 5.11 shall read as follows:

*Section 5.11.* The Borrower shall at all times make available by appropriation or otherwise, for disbursement promptly as they are needed, all sums which shall be required for the carrying out of the Projects and the proper maintenance of its national highway system.

(c) Section 6.01 shall read as follows:

*Section 6.01.* If at the end of the state of siege which is now in effect, any Congressional authorization or ratification shall be needed to enable the Borrower

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<sup>1</sup> Came into force on 21 December 1954, date of the entry into force of the Loan Agreement, in accordance with Section 2.01, p. 34 of this volume.

<sup>2</sup> See p. 3 of this volume.

to fulfill any of its obligations to carry out the Project, including the maintenance program referred to in Section 5.09 of this Agreement, and such authorization or ratification shall not have been obtained, or if any event specified in paragraph (a) or paragraph (b) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of thirty days or if any event specified in paragraph (c) of Section 5.02 or specified pursuant to paragraph (h) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower, then at any subsequent time during the continuance thereof, the Bank, at its option, may declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately, and upon any such declaration such principal shall become due and payable immediately, anything in this Agreement or in the Bonds to the contrary notwithstanding.

(d) A new section shall be added to Article VI as follows :

*Section 6.03.* Section 5.02 of the Loan Regulations shall be amended by the addition of the following clause :

(i) If at the end of the state of siege which is now in effect any Congressional authorization or ratification shall be needed to enable the Borrower to fulfill any of its obligations to carry out the Project, including the maintenance program referred to in Section 5.09 of the Loan Agreement, and such authorization or ratification shall not have been obtained.

(e) Section 7.01 shall read as follows :

*Section 7.01.* The following event is specified as an additional condition to the effectiveness of this Agreement within the meaning of Section 9.01 (b) of the Loan Regulations : The Borrower shall have taken all action possible under the existing state of siege to authorize the carrying out of the Project, the adoption and continuance of the maintenance program referred to in Section 5.09 of this Agreement, the doing of all things which shall be necessary for the carrying out of that program, and the carrying out of all other obligations of the Borrower under this Agreement, both for the duration of the state of siege and after the state of siege has ended.

(f) A new section shall be added at the end of Article VII as follows :

*Section 7.03.* The following is specified as an additional matter within the meaning of Section 9.02 (c) of the Loan Regulations : that except as otherwise indicated in such opinion, no authorizations or ratifications by the Congress of the Borrower at or before the end of the state of siege now in effect will be required to enable the Borrower to continue to carry out the Project, including the maintenance program referred to in Section 5.09 of this Agreement.

(g) Paragraph A of Schedule 2, "Roads to be constructed or reconstructed and paved," and the list of specific works to be completed set forth in Schedule 2 to the Loan Agreement dated April 10, 1951, shall be amended as follows :

A. *Roads to be constructed or reconstructed and paved*

<i>From</i>	<i>To</i>	<i>Length Kilometers</i>	<i>Type of Surfacing</i>	<i>Paving Width Meters</i>	<i>Paving Thickness cms</i>
Tunja	Barbosa	75	Penetration	6.1	6.0
Barbosa	Guespa	12	Surface treatment	6.1	3.0
Oiba	Socorro	32	Surface treatment	6.1	3.0
Socorro	San Gil	26	Seal Coat	6.0	Seal
San Gil	Piedecuesta	87	Surface treatment	6.1	3.0
Piedecuesta	Bucaramanga	22	Seal Coat	6.0	Seal
Bucaramanga	Pamplona	130	Surface treatment	6.1	3.0
Pamplona	Cucuta	75	Surface treatment	6.1	3.0
Cucuta	Venezuela border	16	Seal Coat	6.0	Seal
Cucuta	By-pass	5	Surface treatment	6.1	3.0
Ibague	Girardot	78	Road mix	7.0	5.0
Girardot	Arbelaez Jct.	63	Penetration	7.0	5.0
Arbelaez Jct.	Fusagasuga	6	Penetration	7.0	5.0
Fusagasuga	Soacha by-pass	44	Seal Coat	6.0	Seal
Soacha by-pass		6	Penetration	7.0	6.0
Soacha by-pass	Bogota	10	Seal Coat	7.0	Seal
Facatativa	Los Alpes	12	Seal Coat	7.0	Seal
Los Alpes	Sasaima	31	Surface treatment	6.1	2.0
Sasaima	Km. 84	5	Surface treatment	7.0	2.0
Km. 84	Villeta	4	Surface treatment	6.1	2.0
Villeta	Honda	72	Surface treatment	6.1	2.0
Honda	La Dorada	35	Penetration	7.0	5.0
Murillo	Calarca	90	Penetration	6.4	6.0
Armenia	Ibague	96	Penetration	6.7 avg	6.0
Cartago	Pereira	27	Penetration	6.3 avg	6.0
Pereira (Km. 4)	Manizales	53	Penetration	6.2	5.5
Manizales (Km. 8)	Km. 37	29	Surface treatment	6.2	3.0
Km. 80	Honda	62	Surface treatment	6.2	3.0
Taraza	Sincelejo	256	Road mix	6.1	5.0
Sincelejo	Ovejas	46	Road mix	6.1	5.0
Ovejas	Sincerin	100	Road mix	6.1	5.0
Sincerin	Cartagena	48	Road mix	6.1	5.0
Cartagena (Caiman)	Barranquilla	127	Road mix	6.5	6.0
Piñal	Sabaleta	22	Hot mix	6.1	7.5
Saladito	Km. 4	8	Hot mix	6.1	7.5
Cali	Palmira	26	Hot mix	6.7	7.5
Palmira	Amaine	9	Hot mix	6.7	5.0



<i>From</i>	<i>To</i>	<i>Length Kilometers</i>	<i>Type of Surfacing</i>	<i>Paving Width Meters</i>	<i>Paving Thickness cms.</i>
Amaine	Tulua	69	Road mix or hot mix	6.7	5.0
Tulua	Cartago	95	Hot mix	6.7	5.0
Cerritos	Cauya	62	Hot mix	6.7	5.0
Cauya	Versalles	161	Surface treatment	6.7	2.0
Versalles	Medellin	56	Hot mix	6.7	5.0
Medellin	Hatillo	35	Hot mix	6.7	5.0
Hatillo	Yarumal	103	Surface treatment	6.7	2.0
Yarumal	Taraza	117	Surface treatment	6.7	2.0
Cauya	Arauca	28	Surface treatment	6.7	2.0
Arauca	Km. 10	28	Hot mix	6.0	7.5
Total paving		2,599 Km.			

(h) Schedule 3 shall be deleted.

*Section 2.01.* This Agreement shall become effective on the date the Loan Agreement becomes effective.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

Republic of Colombia  
By Eduardo ZULETA ANGEL  
Authorized Representative

International Bank for Reconstruction and Development  
By Eugene R. BLACK  
President