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No. 7848

INTERNATIONAL DEVELOPMENT ASSOCIATION, MAURITANIA

and EUROPEAN ECONOMIC COMMUNITY

Administration Agreement relating to the Development Credit Agreement of 28 December 1964 between Mauritania and the International Development Association and the Agreement of 24 March 1965 between Mauritania and the European Economic Community. Signed at Washington, on 29 March 1965

Official text: English.

Registered by the International Development Association on 1 July 1965.

ASSOCIATION INTERNATIONALE DE DÉVELOPPEMENT, MAURITANIE

et

COMMUNAUTÉ ÉCONOMIQUE EUROPÉENNE

Contrat administratif relatif au Contrat de crédit de développement du 28 décembre 1964 entre la Mauritanie et l'Association internationale de développement et à la Convention du 24 mars 1965 entre la Mauritanie et la Communauté économique européenne. Signé à Washinton, le 29 mars 1965

Texte officiel anglais.

Enregistré par l'Association internationale de développement le 1er juillet 1965.

ADMINISTRATION AGREEMENT 1 No. 7848. BETWEEN ISLAMIC REPUBLIC OF MAURITANIA. THE EUROPEAN ECONOMIC COMMUNITY AND THE TERNATIONAL DEVELOPMENT ASSOCIATION RELAT-ING TO THE DEVELOPMENT CREDIT AGREEMENT DECEMBER 1964 BETWEEN **MAURITANIA** AND THE INTERNATIONAL DEVELOPMENT ASSOCIA-TION AND THE AGREEMENT OF 24 MARCH 1965 BETWEEN MAURITANIA ANDTHE EUROPEAN ECONOMIC COMMUNITY. SIGNED AT WASHINGTON, ON 29 MARCH 1965

AGREEMENT, dated as of March 29, 1965 between the Islamic Republic of Mauritania (hereinafter called Mauritania), the European Economic Community represented by its Commission as Administrator of the European Development Fund (hereinafter called the Commission) and the International Development Association (hereinafter called the Association):

Whereas (1) by an agreement with Mauritania dated December 28, 1964² the Association has agreed to provide financing to Mauritania in an amount equivalent to U.S. \$6,700,000, for the purpose of assisting Mauritania in financing the engineering and the construction of a road from Nouakchott to Rosso and a study by consulting engineers of the road-maintenance requirements of Mauritania;

(2) by an agreement dated March 24, 1965 between the Commission and Mauritania, the Commission has agreed to make available to Mauritania a grant in an amount equivalent to U.S. \$ 3,220,000 for the purpose of assisting in the financing of such construction; and

Whereas the Parties hereto deem it to be in their mutual interest that withdrawals of certain of the proceeds of such financing and certain other matters of common interest be regulated as hereinafter provided;

Now therefore, the Parties hereto agree as follows:

¹ Came into force on 29 March 1965, by signature. See p. 163 of this volume.

Article I

DEFINITIONS

Section 1.01. Except where the context otherwise requires, the following terms have the following meanings wherever used in this Agreement:

The terms "Association Agreement" and "Commission Agreement" mean the respective agreements between the Association and Mauritania and the Commission and Mauritania referred to respectively in recital (1) and recital (2) of the preamble to this Agreement, as from time to time amended.

The term "the Agreements" means such agreements, collectively.

The term "Project" means the project described in the Schedules to this Agreement and to the Association Agreement, as such description may from time to time be amended by agreement between Mauritania, the Commission and the Association.

The term "goods" means equipment, supplies and services which are required for the Project; and wherever reference is made to the cost of any goods, such cost shall be deemed to include the cost of importing such goods into the territories of Mauritania.

The term "Proceeds" means the proceeds of the financing provided for in the Agreements.

Article II

Use of Proceeds and Applications for Withdrawal for Part C of Project

Section 2.01. Except as the Parties hereto shall otherwise agree, (i) the Proceeds shall be applied by Mauritania in accordance with the provisions of the Agreements exclusively to financing the cost of goods required to carry out the Project, and (ii) withdrawals of the Proceeds for Part C of the Project shall be made and processed as in this Article provided.

Section 2.02. The specific goods to be financed out of the Proceeds and the methods and procedures for procurement of such goods shall be determined by agreement between Mauritania, the Commission and the Association, subject to modification by further agreement between Mauritania and the Association after concurrence of the Commission pursuant to Section 2.04 below.

Section 2.03. Mauritania shall be entitled, subject to the provisions of this Agreement and of the Agreements, and in particular to Article XII of the Clauses Générales of the Commission Agreement, to withdraw Proceeds for

Part C of the Project in amounts equal to such amounts as shall have been paid for, or if the Association shall agree, shall be required to meet payments for, the reasonable cost of goods required to carry out such Part C; provided, however, that no such withdrawal shall be made prior to the fulfillment of the conditions set forth in Section 3.03 of the Association Agreement, and, except as shall be otherwise agreed between Mauritania and the Association, no such withdrawals shall be made on account of expenditures in the territories of any country (other than Switzerland) which is not a member of the International Bank for Reconstruction and Development or for goods produced in (including services supplied from) such territories.

Section 2.04. Before making any agreement pursuant to Section 2.02 or 2.03 hereof, the Association shall obtain the concurrence of the Commission, but Mauritania shall be under no obligation to ascertain whether such concurrence has been obtained and may rely upon the Association's agreement as conclusive evidence thereof.

Section 2.05. When Mauritania shall desire to withdraw any of the Proceeds for Part C of the Project, it shall deliver to the Association a written application in such form, and containing such statements and agreements, as the Association shall reasonably request. Such applications, with the necessary documentation as hereinafter in this Article provided, shall, except as the Association and Mauritania shall otherwise agree, be made promptly in relation to expenditures for the Project.

Section 2.06. Each such application shall constitute a request to withdraw funds under each of the Agreements and the amount so requested under each Agreement shall be reasonably determined by the Association by apportioning, as nearly as is practicable in the circumstances, the amount of Proceeds requested in such application to the Association Agreement and the Commission Agreement in such respective proportions as may from time to time be agreed upon by the Association and the Commission.

Section 2.07. Each withdrawal application and the accompanying documents and other evidence must be sufficient in form and substance to satisfy the Association that Mauritania is entitled to withdraw under the Association Agreement the amount of the Proceeds applied for which has been apportioned thereto in accordance with Section 2.06 hereof.

Section 2.08. Mauritania shall furnish to the Association such documents and other evidence in support of each withdrawal application as the Association shall reasonably request, whether before or after withdrawal of any of the Proceeds requested in the application shall have been permitted.

- Section 2.09. (a) When the Association has approved withdrawal of such amount under the Association Agreement, it shall promptly notify the Commission that it has received an application by Mauritania to withdraw Proceeds, in an aggregate amount to be set forth in such notice, the amount thereof apportioned to each of the Agreements pursuant to Section 2.06 hereof, and that the Association has approved withdrawal of its share of such Proceeds. Such notice shall be in such form as the Association and the Commission shall from time to time determine.
- (b) Upon receipt of such notice, the Commission shall, subject to the provisions of the Commission Agreement (including any rights of suspension or termination of withdrawals thereunder), promptly disburse the amount specified in such notice as having been apportioned to the Commission Agreement pursuant to Section 2.06 hereof.
- (c) The currency or currencies of any such withdrawal, and the value thereof in terms of the currency in which the amount so apportioned to the appropriate agreement is expressed, shall be determined in accordance with such agreement.

Article III

EXERCISE OF FUNCTIONS BY ASSOCIATION

Section 3.01. The Association shall exercise the same care in the discharge of its functions under this Agreement as it exercises in respect of the administration and management of its own affairs.

Article IV

EXCHANGE OF INFORMATION AND CONSULTATION

Section 4.01. The parties to this Agreement shall cooperate fully to ensure that the purposes thereof will be accomplished. To that end, the Parties shall from time to time exchange views through their representatives with regard to matters relating to the purposes of this Agreement, and each of them shall furnish to any of the others such information as such other shall reasonably request with regard to the operation thereof.

Section 4.02. Mauritania shall promptly inform the Association and the Commission of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of this Agreement and shall afford all reasonable opportunity for accredited representatives of the Association and of the Commission, including any local representatives of the Commission, to visit any part of Mauritania for purposes related to this Agreement.

Section 4.03. (a) It is the intention of the Association and the Commission that there be close collaboration between them on matters relating to the

execution of the Project and on other matters of common interest to them in the administration of the Agreements. To that end, they propose, as hereinafter provided, to keep each other currently informed of the progress of the Project and to consult with each other before taking important actions bearing on it. To avoid duplication of effort, the Commission agrees to rely to the extent possible on the Association to review matters of common interest, to suggest to the Commission appropriate action in such matters as awards of contracts, forms of contracts, disbursement procedures, supervision of projects and any other matter of common interest with respect to carrying out the Project and, to the extent practicable, to act as coordinator in dealing with Mauritania. The responsibility of the Association for technical supervision of the carrying out of the Project shall be exercised by the Association for the benefit of both the Commission and the Association.

- (b) Each shall inform the other if any event comes to its knowledge which materially affects the progress of the Project or which threatens substantially to impede it and shall consult with the other concerning any action which it proposes to take in respect thereof.
- (c) Each shall promptly inform the other whenever it proposes (i) materially to modify its agreement with Mauritania or (ii) to suspend or terminate in whole or in part withdrawals of Proceeds under such agreement and shall, in either such case, afford the other all reasonable opportunity, in advance of taking the proposed action, to exchange views with respect thereto.
- (d) In the event the Association, under Section 5.01 of the Association Agreement or under Section 5.02 of the Development Credit Regulations No. 1 applicable to such Agreement, proposes to suspend or terminate the right of Mauritania to withdraw proceeds under the Association Agreement or to declare any indebtedness of Mauritania under such Agreement due and payable in advance of the agreed maturity thereof, the Association shall notify th Commission of its proposal and of the reasons therefor and shall afford the Commission all reasonable opportunity, in advance of taking such proposed action, to exchange views with respect thereto.
- (e) Each shall keep the other informed of the progress of the Project, on the basis of the findings of any inspections or studies made by its representatives under Section 4.02 hereof.

Section 4.04. To ensure the close cooperation between the Parties contemplated by Section 4.01 above, all communications on behalf of Maurita-

¹ United Nations, Treaty Series, Vol. 415, p. 68.

nia containing or requesting information, or requesting consultation or exchanges of views, on the matters referred to in said Section 4.01, shall be addressed by Mauritania simultaneously to both the Commission and the Association. Copies of any replies to such communications shall be promptly exchanged between the Commission and the Association.

Article V

TERMINATION OF OBLIGATIONS

Section 5.01. All rights and obligations of the Commission and all obligations of the Association and of Mauritania toward the Commission under this Agreement shall terminate upon any expiration, cancellation or termination of the Commission Agreement, and the Commission shall thereafter no longer be deemed a party to this Administration Agreement.

Article VI

MISCELLANEOUS PROVISIONS

Section 6.01. Any notice or request required or permitted to be given or made under this Agreement and any agreement contemplated by this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable or radiogram to the party to which it is required or permitted to be given or made at such party's address specified below, or at such other address as such party shall have designated by notice to the party giving such notice or making such request.

For Mauritania:

Minister of Finance Ministry of Finance Nouakchott, Mauritania

Alternative address for cablegrams and radiograms:

Ministre Finances Nouakchott, Mauritania

For the Commission:

European Development Fund 56, rue du Marais Brussels, Belgium

Alternative address for cablegrams and radiograms:

Marcomfed Brussels, Belgium For the Association:

International Development Association 1818 H Street, N.W. Washington, D.C. 20433 United States of America

Alternative address for cablegrams and radiograms:

Indevas Washington, D.C.

Section 6.02. Mauritania shall furnish to the Association and to the Commission sufficient evidence of the authority of the person or persons who will sign the applications provided for in Article II of this Agreement or who will, on behalf of Mauritania, take any other action or execute any other documents required or permitted to be taken or executed by Mauritania under this Agreement, and the authenticated specimen signature of each such person.

Section 6.03. Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Agreement on behalf of Mauritania may be taken or executed by the Minister of Finance of Mauritania (who is hereby designated as the representative of Mauritania for purposes of this Section) or by any person thereunto authorized in writing by him. Any modification or amplification of the provisions of this Agreement may be agreed to on behalf of Mauritania by written instrument executed on behalf of Mauritania by the representative so designated or any person thereunto authorized in writing by him; provided that, in the opinion of such representative, such modification or amplification is reasonable in the circumstances and will not substantially increase the obligations of Mauritania under this Agreement. The Association and the Commission may accept the execution by such representative or other person of any such instrument as conclusive evidence that in the opinion of such representative any modification or amplification of the provisions of this Agreement effected by such instrument is reasonable in the circumstances and will not substantially increase the obligations of Mauritania thereunder.

Section 6.04. This Agreement may be executed in several counterparts, each of which shall be an original. All such counterparts shall collectively be but one instrument.

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.

The Islamic Republic of Mauritania:

By Ahmed-Baba Miske Authorized Representative

European Economic Community:

By Henri Rochereau Authorized Representative

International Development Association:

By George D. Woods President

SCHEDULE

DESCRIPTION OF THE PROJECT

The Project comprises the following:

Part A

Final design, specifications, bidding and contract documents and analysis of bids, by a firm of consulting engineers, for the construction of an all-weather road about 200 km. long between Nouakchott and Rosso;

Part B

Supervision of the construction of such road and a study of general maintenance requirements for the roads of the Borrower by such consulting engineers;

Part C

The construction of the road described in Part A above.

* *

The Project is expected to be completed within three and one-half years from the start of Part A, scheduled for February, 1965.