

No. 8468

**INTERNATIONAL DEVELOPMENT ASSOCIATION
and
PAKISTAN**

Development Credit Agreement—*Second East Pakistan Education Project* (with related letter, annexed Development Credit Regulations No. 1 and Project Agreement between the Association and the Province of East Pakistan). Signed at Washington, on 17 June 1966

Official text: English.

Registered by the International Development Association on 14 December 1966.

**ASSOCIATION INTERNATIONALE
DE DÉVELOPPEMENT
et
PAKISTAN**

Contrat de crédit de développement — *Deuxième projet relatif à l'enseignement au Pakistan oriental* (avec lettre y relative et, en annexe, le Règlement n° 1 sur les crédits de développement et le Contrat relatif au Projet entre l'Association et la province du Pakistan oriental). Signé à Washington, le 17 juin 1966

Texte officiel anglais.

Enregistré par l'Association internationale de développement le 14 décembre 1966.

No. 8468. DEVELOPMENT CREDIT AGREEMENT¹ (*SECOND EAST PAKISTAN EDUCATION PROJECT*) BETWEEN THE ISLAMIC REPUBLIC OF PAKISTAN AND THE INTERNATIONAL DEVELOPMENT ASSOCIATION. SIGNED AT WASHINGTON, ON 17 JUNE 1966

AGREEMENT, dated June 17, 1966, between the ISLAMIC REPUBLIC OF PAKISTAN, acting by its President, (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

WHEREAS the Borrower has requested the Association to assist in the financing of a project for the improvement and expansion of the East Pakistan Agricultural University at Mymensingh and five technical institutes in the Province of East Pakistan;

WHEREAS the Province of East Pakistan will, with the Borrower's assistance, carry out or cause to be carried out the said project and, as part of such assistance, the Borrower will make available to the Province of East Pakistan the proceeds of the development credit provided for herein; and

WHEREAS the Association is willing to make a development credit available on the terms and conditions provided herein and in a project agreement of even date herewith² between the Association and the Province of East Pakistan;

NOW THEREFORE the parties hereto hereby agree as follows :

Article I

CREDIT REGULATIONS; SPECIAL DEFINITIONS

Section 1.01. The parties to this Agreement accept all the provisions of Development Credit Regulations No. 1 of the Association dated June 1, 1961² with the same force and effect as if they were fully set forth herein subject, however, to the following modifications thereof (said Development Credit Regulations No. 1 as so modified being hereinafter called the Regulations) :

¹ Came into force on 28 July 1966, upon notification by the Association to the Government of Pakistan.

² See p. 316 of this volume.

(a) The second sentence of Section 2.02 is amended by deleting the words “ at the same rate ” and substituting therefor the words “ at the rate of one-half of one per cent ($\frac{1}{2}$ of 1%) per annum ”.

(b) Section 3.01 is deleted and the following new Section is substituted therefor :

“ SECTION 3.01. *Currencies in which Cost of Goods is to be Paid and Proceeds of the Credit are to be Withdrawn.* (a) Except as the Borrower and the Association shall otherwise agree, the cost of goods financed out of the proceeds of the Credit shall be paid in the respective currencies of the countries from which such goods are required.

(b) The proceeds of the Credit shall be withdrawn from the Credit Account :

(i) on account of expenditures in currency of the Borrower or for goods produced in (including services supplied from) the territories of the Borrower, in such currency or currencies as the Association shall from time to time reasonably select;

(ii) in all other cases, in the currency in which the cost of the goods financed out of such proceeds has been paid or is payable.

(c) The Borrower and the Association may from time to time agree on any other currency in which withdrawals shall be made. ”

(c) A new Section 3.04 is inserted after Section 3.03 as follows :

“ SECTION 3.04 *Purchase of Currency of Withdrawal with Other Currency.* If withdrawal shall be made in any currency which the Association shall have purchased with another currency for the purpose of such withdrawal, the portion of the Credit so withdrawn shall be deemed to have been withdrawn from the Credit Account in such other currency for the purposes of Section 3.03. ”

(d) Section 3.04 is renumbered as Section 3.05.

(e) Section 6.02 is amended by inserting the words “ or the Project Agreement ” after the words “ the Development Credit Agreement ”.

(f) Section 8.04 is deleted.

(g) Paragraph 5 of Section 9.01 is amended to read as follows :

“ 5. The term ‘ Borrower ’ means the Islamic Republic of Pakistan, acting by its President. ”

Section 1.02. Wherever used in this Development Credit Agreement, unless the context otherwise requires, the following terms have the following meanings :

(a) The term "Province" means the Province of East Pakistan, a political subdivision of the Borrower.

(b) The term "Project Agreement" means the agreement between the Association and the Province of even date herewith, providing for the carrying out of the Project, and shall include any amendments thereof made by agreement between the Association and the Province.

(c) The term "University" means the East Pakistan Agricultural University at Mymensingh in the Province.

(d) The term "Technical Institutes" means the five technical institutes at Barisal, Bogra, Pabna, Rangpur and Sylhet all in the Province.

(e) The term "Third Five Year Plan" means the national plan of development of the Borrower, as described in a document entitled *The Third Five Year Plan (1965-70)* dated June, 1965 and as it shall be modified from time to time.

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 thirteen million dollars (\$13,000,000).

Section 2.02. The Association shall open a Credit Account 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, the Development Credit Agreement.

Section 2.03. Except as the Association shall otherwise agree, the Borrower shall be entitled, subject to the provisions of the Development Credit Agreement, to withdraw from the Credit Account :

- (a) such amounts as shall have been expended for the reasonable foreign currency cost of goods required for carrying out the Project;
- (b) the equivalent of a percentage or percentages to be established from time to time by agreement between the Borrower and the Association of such amounts as shall have been expended for the reasonable cost of goods required for carrying out Parts (A) (1) and (B) (1) of the Project and not included in the foregoing subsection (a); and
- (c) if the Association shall so agree, such amounts as shall be required by the Borrower to meet payments under each of the foregoing subsections;

Provided however, that withdrawals shall not be made on account of expenditures prior to the date of this Development Credit Agreement.

Section 2.04. The Borrower shall pay to the Association a service charge at the rate of three-fourth 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 2.05. Service charges shall be payable semiannually on April 15 and October 15 in each year.

Section 2.06. The Borrower shall repay the principal of the Credit withdrawn from the Credit Account in semiannual installments payable on each April 15 and October 15 commencing October 15, 1976 and ending April 15, 2016, each installment to and including the installment payable on April 15, 1986 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 THE PROCEEDS OF THE CREDIT

Section 3.01. The Borrower shall cause the proceeds of the Credit to be applied exclusively to financing the cost of goods required to carry out the Project described in the Schedule to this Agreement. The specific goods to which the proceeds of the Credit are to be applied and the methods and procedures for procurement of such goods shall be determined by agreement between the Borrower and the Association, subject to modification by further agreement between them.

Section 3.02. 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 territory of the Borrower exclusively in the carrying out of the Project.

Article IV

PARTICULAR COVENANTS

Section 4.01. (a) The Borrower shall cause the Project to be carried out with due diligence and efficiency and in conformity with sound technical, administrative and financial practices and shall cause the University and the Technical Institutes to be operated so as to promote the educational objectives of the Third Five Year Plan.

(b) The Borrower shall take all action which shall be necessary on its part to enable the Province to perform all its obligations under the Project Agreement and shall not take any action that would interfere with the performance of such obligations by the Province.

Section 4.02. (a) The Borrower shall re-lend the proceeds of the Credit or the equivalent thereof to the Province on terms and conditions satisfactory to the Association.

(b) The Borrower shall at all times make or cause to be made available to the Province, promptly as needed, all funds, facilities, services and other resources required for the carrying out of the Project.

Section 4.03. (a) The Borrower and the Association shall cooperate fully to assure that the purposes of the Credit 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 Credit. 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 Association shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Credit and the maintenance of the service thereof. The Borrower shall promptly inform the Association of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Credit to the maintenance of the service thereof.

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

Section 4.04. The principal of, and service charges on, the Credit shall be paid without deduction for, and free from, any taxes, and free from all restrictions, imposed under the laws of the Borrower or laws in effect in its territories.

Section 4.05. This Development Credit Agreement and the Project Agreement shall be free from any taxes that shall be imposed under the laws of the Borrower or laws in effect in its territories on or in connection with the execution, delivery or registration thereof.

Article V

REMEDIES OF THE ASSOCIATION

Section 5.01. (i) If any event specified in paragraph (a) or paragraph (c) of Section 5.02 of the Regulations shall occur and shall continue for a period of thirty days, or (ii) if any event specified in paragraph (b) of Section 5.02 of the Regulations or in Section 5.02 of this Agreement shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Association to the Borrower, then at any subsequent time the Association, at its

option, may declare the principal of the Credit then outstanding to be due and payable immediately, and upon any such declaration such principal shall become due and payable, anything in this Development Credit Agreement to the contrary notwithstanding.

Section 5.02. Pursuant to paragraph (j) of Section 5.02 of the Regulations, the following are specified as additional events for the purpose of said Section :

(a) A default has occurred in the performance of any covenant or agreement on the part of the Province under the Project Agreement; and

(b) A default has occurred in the performance of any covenant or agreement on the part of the Borrower or the Province under the Development Credit Agreement (*East Pakistan Education Project*) dated March 25, 1964,¹ between the Borrower and the Association or the Project Agreement (*East Pakistan Education Project*) of even date therewith between the Province and the Association.

Article VI

EFFECTIVE DATE; TERMINATION

Section 6.01. The following event is specified as an additional condition to the effectiveness of this Development Credit Agreement within the meaning of Section 8.01 (b) of the Regulations : namely, the execution and delivery of the Project Agreement on behalf of the Province have been duly authorized or ratified by all necessary governmental action.

Section 6.02. The following is specified as an additional matter within the meaning of Section 8.02 (b) of the Regulations, to be included in the opinion or opinions to be furnished to the Association : namely, that the Project Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the Province and constitutes a valid and binding obligation of the Province in accordance with its terms.

Section 6.03. If this Development Credit Agreement shall not have come into force and effect by September 1, 1966, this Development Credit Agreement and all obligations of the parties hereunder shall terminate, unless the Association, after consideration of the reasons for the delay, establishes a later date for purposes of this Section. The Association shall promptly notify the Borrower and the Province of such later date.

Section 6.04. Upon termination of the Project Agreement in accordance with its terms, the obligations of the Borrower with respect to the Project shall forthwith terminate.

¹ United Nations, *Treaty Series*, Vol. 535, p. 43.

Article VII

MISCELLANEOUS

Section 7.01. The Closing Date shall be June 30, 1972, or such other date or dates as may from time to time be agreed between the Borrower and the Association.

Section 7.02. The following addresses are specified for the purposes of Section 7.01 of the Regulations :

For the Borrower :

The Secretary to the Government of Pakistan
Economic Affairs Division
Rawalpindi, Pakistan

Alternative address for cablegrams and radiograms :

Economic
Rawalpindi

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 7.03. The Secretary to the Government of Pakistan, Economic Affairs Division, is designated for the purposes of Section 7.03 of the Regulations.

IN WITNESS WHEREOF, the parties hereto acting through their representatives thereunto duly authorized, have caused this Development Credit 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.

Islamic Republic of Pakistan :

By S. M. SULAIMAN
Authorized Representative

International Development Association :

By George D. WOODS
President

SCHEDULE

DESCRIPTION OF THE PROJECT

The purpose of the Project is to improve and expand institutions in East Pakistan for education and training in technical and agricultural subjects. The Project includes :

- (A) At the East Pakistan Agricultural University at Mymensingh :
- (1) The design and construction of : (a) facilities for faculties of animal husbandry, agricultural engineering, agricultural economics and rural sociology, fisheries (first stage), a veterinary clinic, a department of agricultural extension and teacher training and physical education; (b) an infirmary, central stores, university engineer's office, hostels for 1140 students, housing for 144 staff; (c) an access road connecting the campus with the proposed Dacca-Mymensingh highway, and (d) related site development;
 - (2) the procurement and installation of instructional equipment, books and furniture for the facilities listed above; and
 - (3) the provision of teacher fellowships for the training abroad of selected personnel;
- (B) At five technical institutes at Barisal, Bogra, Pabna, Rangpur and Sylhet :
- (1) the design and construction of academic and common facilities, students hostels, staff housing and related site development; and
 - (2) the procurement and installation of instructional equipment, books and furniture for the facilities listed above.

It is expected that the Project will be completed by December 31, 1971.

LETTER RELATING TO THE DEVELOPMENT CREDIT AGREEMENT

ISLAMIC REPUBLIC OF PAKISTAN

June 17, 1966

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433

Re : *Credit No. 87-PAK (Second East Pakistan Education Project)*
Currency of Payment

Gentlemen :

We refer to the Development Credit Agreement (*Second East Pakistan Education Project*) of even date between us and to Section 3.02 of the Regulations referred to therein. Pursuant to such Section, we hereby request your agreement as follows :

- (i) Except as hereinafter provided, the principal amount of, and service charges on the Credit provided for in such Agreement shall be payable in the currency of the United Kingdom of Great Britain and Northern Ireland.

- (ii) If at any time we shall desire that, commencing with a given future payment date, such principal and service charges shall be payable in an eligible currency other than that specified in (i) or other than one designated under this clause (ii) or selected pursuant to clause (iv), we shall deliver to the Association, not less than three nor more than five months prior to such payment date, a notice in writing to that effect and designating such other eligible currency, whereupon the currency so designated shall, commencing with such payment date, be the currency in which such principal and service charges shall be payable.
- (iii) If at any time the Association shall determine that a currency payable pursuant to the provisions of this letter is not an eligible currency, the Association shall so notify us in writing and furnish us with a list of eligible currencies.
- (iv) Within thirty days from the date of such notice we shall notify the Association in writing of our selection of a currency from such list in which payment shall be made, failing which the Association shall select a currency for such purpose from such list, whereupon, in either case, such principal and service charges shall, commencing with the payment date next succeeding such thirty-day period, be payable in the currency so selected.
- (v) Any designation or selection of a currency pursuant to the foregoing provisions shall be subject, in turn, to the provisions of this letter.
- (vi) For the purposes of this letter, "eligible currency" means any currency of a member of the Association which the Association at the relevant time determines to be freely convertible or freely exchangeable by it for currencies of other members of the Association for the purposes of its operations.

Please indicate your agreement with the foregoing by signing the form of confirmation on the enclosed copy of this letter and returning it to us.

Very truly yours,

Islamic Republic of Pakistan :

By S. M. SULAIMAN
Authorized Representative

Confirmed:

International Development
Association :

By Alexander STEVENSON

INTERNATIONAL DEVELOPMENT ASSOCIATION

DEVELOPMENT CREDIT REGULATIONS No. 1, DATED 1 JUNE 1961

REGULATIONS APPLICABLE TO DEVELOPMENT CREDIT AGREEMENTS WITH
MEMBER GOVERNMENTS

[Not published herein. See *United Nations, Treaty Series, Vol. 415, p. 68.*]

PROJECT AGREEMENT

(SECOND EAST PAKISTAN EDUCATION PROJECT)

AGREEMENT, dated June 17, 1966, between INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association) and the PROVINCE OF EAST PAKISTAN, acting by its Governor (hereinafter called the Province).

WHEREAS by a development credit agreement of even date herewith (hereinafter called the Development Credit Agreement)¹ between the Islamic Republic of Pakistan (hereinafter called the Borrower) and the Association, the Association has agreed to assist in the financing of a project for the improvement and expansion of the East Pakistan Agricultural University at Mymensingh and five technical institutes in the Province of East Pakistan by making available to the Borrower a development credit in various currencies equivalent to thirteen million dollars (\$13,000,000), on the terms and conditions set forth in the Development Credit Agreement, but only on condition that the Province agree to undertake certain obligations to the Association as hereinafter in this Project Agreement set forth; and

WHEREAS the Province in consideration of the Association's entering into the Development Credit Agreement with the Borrower, has agreed to undertake the obligations hereinafter set forth;

NOW THEREFORE the parties hereto hereby agree as follows :

Article I

DEFINITIONS

Section 1.01. Wherever used in this Project Agreement, unless the context shall otherwise require, the several terms defined in the Development Credit Agreement and in the Regulations (as so defined) shall have the respective meanings therein set forth.

¹ See p. 298 of this volume.

Article II

PARTICULAR COVENANTS OF THE PROVINCE

Section 2.01. (a) The Province shall carry out the Project, or shall cause the same to be carried out, with due diligence and efficiency and in conformity with sound technical, administrative and financial practices and shall cause the University and the Technical Institutes to be operated so as to promote the educational objectives of the Third Five Year Plan.

(b) The Province shall cause the physical plant and equipment of the University and the Technical Institutes to be adequately maintained and shall cause from time to time all necessary renewals and repairs to be made thereto.

(c) In the carrying out of the Project, the Province shall appoint two full-time Project Directors acceptable to the Association, responsible for Part A and Part B of the Project respectively.

(d) The Province shall employ, or cause to be employed, qualified and experienced architects, engineers, consultants and specialists, upon terms and conditions satisfactory to the Association, to assist in the carrying out of the Project.

(e) The Province shall furnish or, cause to be furnished, to the Association promptly upon their preparation, the architect's reports, designs, specifications, contracts, work schedules and master lists of instructional equipment, furniture, imported building materials and plant for the Project and any material modifications subsequently made therein, in such detail as the Association shall request; said data shall be satisfactory to the Association.

(f) Except as the Association shall otherwise agree, the Province shall cause the construction for the Project to be carried out by contractors satisfactory to the Association and employed under contracts satisfactory to the Association.

(g) The Province shall maintain or cause to be maintained records adequate to identify the goods financed out of the proceeds of the Credit, to disclose the use thereof in the Project, to record the progress of the Project (including the cost thereof) and to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of the University and the Technical Institutes; shall enable the Association's representatives to inspect the Project, the goods and any relevant records and documents; and shall furnish or cause to be furnished to the Association all such information as the Association shall reasonably request concerning the expenditure of the proceeds of the Credit, the Project, the goods and the operations and financial condition with respect to the Project of the University and the Technical Institutes.

Section 2.02. The Province shall at all times make or cause to be made available, promptly as needed, all funds, facilities, services, land and other resources required for the carrying out of the Project and for the operation of the University and the Technical Institutes.

Section 2.03. (a) The Province shall furnish or cause to be furnished to the Association all such information as the Association shall reasonably request with regard to

its programs for educational development and with regard to the operation of the University and the Technical Institutes.

(b) Upon request the Province shall furnish or cause to be furnished to the Association, from time to time upon their preparation, its general programs for the construction of new, and the expansion of existing, educational institutions and shall afford the Association an opportunity to exchange views with respect thereto.

Section 2.04. (a) The Province and the Association shall cooperate fully to assure that the purposes of the Credit 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 Credit.

(b) The Province and the Association shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Credit and the maintenance of the service thereof. The Province shall promptly inform the Association of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Credit or the maintenance of the service thereof, or the performance by the Province of its obligations under this Agreement or which shall increase or threaten to increase materially the estimated cost of the Project.

Section 2.05. (a) The Province shall take out and maintain with responsible insurers, or make other provision satisfactory to the Association for, insurance against such risks and in such amount as shall be consistent with sound practice.

(b) Without limiting the generality of the foregoing, the Province undertakes to insure the imported goods to be financed out of the proceeds of the Credit against marine, transit and other hazards incident to acquisition, transportation and delivery thereof to the place of use or installation and for such insurance any indemnity shall be payable in a currency freely usable by the Province to replace or repair such goods.

Section 2.06. Except as shall be otherwise agreed by the Province and the Association :

(a) the Province 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; and

(b) the Province shall cause title to all such goods to be obtained free and clear of all encumbrances. Goods, the cost of which is financed out of the proceeds of the Credit, shall not be sold or otherwise disposed of without the prior consent of the Association.

Section 2.07. The Province shall pay or cause to be paid all taxes, if any, imposed under the laws of the Borrower or laws in effect in the territories of the Borrower on or in connection with the execution, delivery or registration of this Agreement or the Development Credit Agreement or the payment of principal and service charges thereunder.

Article III

EFFECTIVE DATE; TERMINATION

Section 3.01. (a) This Agreement shall come into force and effect on the Effective Date.

(b) If, pursuant to Section 6.03 of the Development Credit Agreement, the Development Credit Agreement shall be terminated, this Project Agreement and all obligations of the parties hereunder shall also terminate and the Association shall promptly notify the Province thereof.

Section 3.02. This Agreement shall terminate and the obligations of the parties hereunder shall cease and determine when the entire principal amount of the Credit shall have been repaid by the Province to the Borrower in accordance with the agreement entered into between them pursuant to Section 4.02 (a) of the Development Credit Agreement.

Article IV

MISCELLANEOUS PROVISIONS

Section 4.01. Any notice or request required or permitted to be given or made under this Project Agreement and any agreement between the parties contemplated by this Project 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 its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are :

For the Province :

Chief Secretary
Government of East Pakistan
Dacca, Pakistan

Alternative address for cablegrams and radiograms :

East Pakistan
Dacca

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 4.02. Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Project Agreement on behalf of the Province may be taken or executed by the Chief Secretary to the Government of East Pakistan or such other person or persons as the Province shall designate in writing.

Section 4.03. The Province shall furnish to the Association sufficient evidence of the authority of the person or persons who will, on behalf of the Province, take any action or execute any documents required or permitted to be taken or executed by the Province pursuant to any of the provisions of this Project Agreement and the authenticated specimen signature of each such person.

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

International Development Association :

By George D. WOODS
President

Province of East Pakistan :

By S. M. SULAIMAN
Authorized Representative

LETTER RELATING TO THE PROJECT AGREEMENT

PROVINCE OF EAST PAKISTAN

June 17, 1966

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433

Re : *Credit No. 87-PAK (Second East Pakistan Education Project)*
Execution of Project

Gentlemen :

We refer to the Project Agreement (*Second East Pakistan Education Project*) of even date herewith between the International Development Association and the Province of East Pakistan and wish to record below the understanding reached with you regarding several aspects of the execution of the Project.

1. *Appointment and Responsibilities of Project Directors*

In furtherance of sub-Section 2.01 (c) of the Project Agreement we agree that the two full-time Project Directors, who shall be responsible for Part A and Part B of the Project respectively, shall be appointed by September 30, 1966. The Project Director

of Part A of the Project shall be responsible directly to the Vice-Chancellor of the University and the Project Director of Part B of the Project shall be responsible directly to the Director of Technical Education, East Pakistan. Specifically, each Project Director shall be responsible for :

- (i) arrangements for architectural and engineering briefings,
- (ii) arrangements for approval of architectural and engineering plans, specifications and other submitted data,
- (iii) supervision of the procurement of instructional equipment, furniture, books, imported building materials and plant,
- (iv) supervision of Project accounts,
- (v) preparation of quarterly progress reports,
- (vi) preparation of withdrawal applications, and
- (vii) over-all supervision of the Project.

Each of the two Project Directors will be in charge of a Project Office consisting of the following main sections :

- (i) architectural/engineering,
- (ii) procurement, and
- (iii) Project accounts.

Each of the above sections will be headed by a full-time qualified specialist and will be adequately staffed.

2. *Strengthening of the Directorate of Technical Education*

In accordance with Section 2.01 (a) of the Project Agreement and in order to ensure the successful expansion of the technical education system in East Pakistan, as envisioned in the Third Five Year Plan (an increase in annual intake capacity from 1,900 in 1965 to 7,000 in 1970), of which Part B of the Project is an integral part, we propose to strengthen the Directorate of Technical Education, East Pakistan, by the addition to its staff of two qualified and experienced technical educators who will assist the Director of Technical Education in preparing and co-ordinating plans required for achieving the Plan target.

In furtherance of Section 2.03 of the Project Agreement, we shall inform the Association of the composition of the Directorate of Technical Education when fully staffed and of the program for the expansion of the technical education system in East Pakistan, as it develops.

3. *Master Lists of Instructional Equipment*

With reference to Section 2.01 (e) of the Project Agreement, we agree to submit any modifications of the Master List of instructional equipment for the Technical Institutes to the Association for approval and any modifications of the Master List of instructional equipment for the University to the Association for information, except that any item the unit cost of which exceeds \$10,000 will be submitted to the Association for approval.

4. *Acquisition of Land for the University*

With reference to Section 2.02 of the Project Agreement, the Province shall cause the University to acquire all land necessary for the construction of a road to connect the campus of the East Pakistan Agricultural University with the new Dacca-Mymensingh highway. This land will be acquired at a date which will enable the construction of the connecting road to be completed within the construction period of the Project.

5. *Development of the Proposed Faculties at the University*

The first stage of the Faculty of Fisheries will be restricted to the development of a suitable academic program in no more than three departments to be constructed and equipped with the proceeds of this Credit. Initial efforts will be concentrated upon recruiting a highly qualified nucleus of a teaching staff capable of planning in detail the five-year curriculum and further staff development; this nucleus will consist of at least one professor and one reader. Instruction in fisheries courses will commence upon recruitment of adequate teaching staff, and will be expanded slowly. Total admissions to the Faculty of Fisheries shall not exceed 60 per year during the period of the execution of the Project.

The Faculty of Forestries and the Faculty of Basic Science and Arts will not be initiated during the period of the execution of the Project without prior consultation with the Association.

Please confirm your agreement with the foregoing by signing the form of confirmation on the enclosed copy of this letter and returning it to us.

Very truly yours,

Province of East Pakistan :

By S. M. SULAIMAN
Authorized Representative

Confirmed:

International Development
Association :

By Alexander STEVENSON