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AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

Mr. Michel Palein
Acting Director
Occidental and Central Africa Department
Africa Region
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433

Ref: Document No.: AFR-0213-G-00-6150-00

Dear Mr. Palein:

I am pleased to inform you that, pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Government of the United States of America, acting through the Agency for International Development (hereinafter referred to as A.I.D.) hereby grants to the International Development Association (hereinafter referred to as the Association) the sum of Thirteen Million Seven Hundred Eighty Five Thousand United States Dollars (US\$13,785,000) (hereinafter referred to as the Grant), being the initial increment out of a planned life of project grant of Twenty Three Million Two Hundred Fifty Thousand United States Dollars (US\$23,250,000), to be administered as described in Attachment A. Subsequent increments will be subject to the availability of funds to A.I.D. for this purpose and to the mutual agreement of the parties, at the time of a subsequent increment, to proceed.

This Grant is effective as of the date of this letter and is applicable to commitments made by the Republic of Guinea in respect of the Fourth Highway Project referred to in Attachment A during the period August 30, 1988 through September 30, 1992. Funds disbursed by A.I.D. but uncommitted by the Association at the expiration of this period shall be refunded to A.I.D.

It is understood that financial records, including documentation to support entries on accounting records, shall be maintained in accordance with the Association's usual accounting procedures, which shall follow generally accepted accounting practices. All such financial records shall be maintained for at least three years after final disbursement of funds under this Grant.

The Association confirms that said financial records will be subject to an independent audit by the Association's outside certified or chartered public accountant and agrees to furnish copies of these audit reports to A.I.D., in accordance with the schedule set forth in Attachment A, along with such other related information as may be requested by A.I.D. with respect to questions arising from the audit report.

It is understood that the funds granted hereunder shall be disbursed as set forth in Attachment B hereto entitled: Payment Provisions: Periodic Advances. The Association may use up to Two Hundred Fifty Thousand United States Dollars (US\$250,000) of the Grant to cover the costs of administering the Grant as provided for in this Agreement.

The parties agree that this Grant shall be administered by the Association in accordance with its established policies and procedures.

If the use of the Grant funds results in the accrual of interest to the Association, the Association shall refund to A.I.D. any amount of interest earned. If the Association makes funds from this Grant available to the Republic of Guinea on an advance basis, the Association will require that such advance be deposited in a non-interest-bearing account.

The Association shall submit to A.I.D. the required technical reports in accordance with the schedule set forth in Attachment A.

This Agreement, in whole or in part, may be terminated by either party at any time upon 30 days written notice. This Agreement may be revised only by the written mutual consent of the parties thereto.

Please indicate your acceptance of this Grant by signing the two originals and five copies of this letter in the space provided below and returning one original and four copies to A.I.D. (AFR/PD/CCWAP, Room 2443 N.S., Washington, D.C. 20523-0011). One original and one copy may be retained for your files.

The A.I.D. Technical Office responsible for monitoring this Grant is USAID/Conakry.

The United States of America

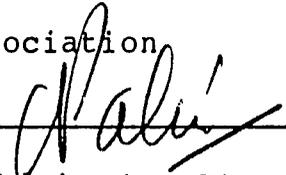
By: 

Title: AA/AFR

Date: 8-30-88

Accepted:

The International Development Association

By: 

Title: M. Palein, Act. Director, AFI

Date: August 31, 1988

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Fiscal Data

Obligation No. : 8616150
Appropriation : 72-1181014
Budget Plan Code : GSSA-88-31675-KG15(814-61-675-00-69-81)
Project Number : 675-0213
Total Estimated Amount : \$23,250,000
Total Obligated Amount : \$13,785,000
Paying Office : PFM/FM/PAFD

Attachments:

- A. Purpose, Implementation Plan, and Reporting Requirements
- B. Payment Provisions
- C. Road Rehabilitation Standards

FUNDS RESERVED BY

Gloria Craig

DATE 8/30/88

M/FM/PAFD

ATTACHMENT A

1. PURPOSE: The purpose of this Grant is for the Association to make a Grant to the Republic of Guinea (Guinea) to assist in the financing of the Fourth Highway Project as described in Staff Appraisal Report No. 7249-GUI, dated May 16, 1988. Under this project, Guinea will reconstruct or rehabilitate approximately 600 kilometers of priority road, including the rehabilitation of the Boffa-Kolaboui Road.

2. COVENANTS AND CONDITIONS: As a condition of this Grant, the Association shall require the Republic of Guinea to complete the rehabilitation of the Boffa-Kolaboui Road under the Fourth Highway Project. The rehabilitation standards will be those set forth in Attachment C.

3. IMPLEMENTATION PLAN: Following is the proposed schedule for implementation of the Boffa-Kolaboui Road Rehabilitation:

Tender Documents Preparation	8/88
Issuance of Tender Documents	12/88
Opening of Tender Documents	3/89
Award of Contract	7/89
Commencement of Rehabilitation of Boffa-Kolaboui Road	1/90
End of Rehabilitation of Boffa-Kolaboui Road	7/91

4. REPORT REQUIREMENTS:

A. Financial Reports: Financial records will be subject to an annual independent audit as of the Association's fiscal year end (June 30).

B. Technical Reports: The Association shall provide A.I.D. on a regular basis with reports on the progress of the rehabilitation of the Boffa-Kolaboui Road, including the supervising engineer's quarterly reports, as well as all inspection reports and the acceptance reports. These reports shall be submitted to USAID/Conakry and A.I.D./ Washington.

5. ENVIRONMENT: The Association shall ensure that adequate measures are taken by the Republic of Guinea to follow the recommendations contained in the Environmental Assessment prepared for the Guinea Agricultural Infrastructure Development Project, and in particular, measures to:

A. Avoid health hazards from borrow pits and quarry sites;

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B. Ensure that the Government of Guinea sets aside sufficient funds to secure access to rights of way and to compensate persons adversely affected by Project construction in accordance with Government of Guinea regulations; and

C. Mitigate negative social impacts.

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ATTACHMENT B

PAYMENT PROVISIONS: PERIODIC ADVANCES

1. Periodic Advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the Association as close as is administratively feasible to the actual disbursements by the Association for program costs. Cash advances made by the Association to the secondary recipient organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by A.I.D. to the Association.

2. The Association shall submit requests for advances quarterly to the office named below:

PFM/FM/PAFD
Room 700, SA-2
Agency for International Development
Washington, D.C. 20523-0209

Requests for advances shall state the estimated disbursements to be made during the period covered by the request, the estimated balance of cash on hand at the beginning of the period, the advance amount being requested, and the amount disbursed the previous quarter. At the expiration of the Grant, the Association will submit within 90 days a report showing total disbursements, total advances received, and any cash remaining on hand, which will be refunded to A.I.D.

3. If at any time, the A.I.D. Controller determines that the Association has demonstrated an unwillingness or inability to (a) establish procedures that will minimize the time elapsing between cash advances and the disbursements thereof, (b) timely report cash disbursements and balances as required by the terms of the Grant, and (c) impose the same standards of timing of advances and reporting on any subrecipient; the A.I.D. Controller shall advise the Grant Officer who may suspend or revoke the advance payment procedure.

ATTACHMENT C
TECHNICAL SPECIFICATIONS

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REPUBLIC OF GUINEA
FOURTH HIGHWAY PROJECT

Dubreka-Kolaboui Road

1. The 199-km coastal road from Dubreka to Kolaboui links the country's two principal ports and gives access to a rich hinterland. The road's area of influence, affecting 12% of the country, has significant economic development potential in the farming and mining sectors. The first part of the road, from Dubreka to Boffa, is the country's most heavily trafficked earth road.
2. On this 95-km section from Dubreka to Boffa, the present roadway, 7-10 meters wide, cuts a winding path across a relief of wooded hills; it is open to traffic all year long, but is difficult for vehicles to negotiate in the rainy season. The second part of the road, 4 meters wide, runs in a cutting for 104 km from Boffa to Kolaboui. It cuts straight across a flat savanna, and it is inaccessible to traffic for three months of the year during the rainy season. Rainfall in the region is intense (4 meters a year), the river network is dense, and the laterite soils are relatively plastic. The Fatala River, 1,000 meters wide, is crossed at Boffa by a ferry, reached by precarious access ramps.
3. Feasibility and technical studies have been performed by Louis Berger International (US). The final design, financed by the Kuwait Fund for Arab Economic Development, was completed in 1979. LBI is currently updating the project, financed by IDA credit No. 1457-GUI; the bidding documents, in two lots, are available, and require only a minimum of work to adapt them to the specific requirements of the donors.
4. The project provides for the construction, for a design speed of 100 km/hour, of a paved road 7 meters wide, bordered by two shoulders each 1.5 meters wide. The pavement is dimensioned from Dubreka to the Fria intersection for type T2 traffic (100,000 - 1,000,000 13-ton axle equivalents) and for type T1 traffic (lower than 100,000 axle equivalents over a 15-year period) for the rest of the route. In lot No. 1, from Dubreka to the Fatala river, the base course in crushed-run materials rests on a laterite foundation; in lot No. 2, the base course will be of lateritic material stabilized with cement. The double surface treatments could, as an alternative, be replaced by sand binder 4 cm thick. The shoulders are protected by a single surface treatment (lot 1) and a sand impregnation (lot 2).
5. The Guinean Government is considering the construction of a bridge over the Fatala river. A recognized northern alternative is in competition with a southern alternative following the old telephone route; a ferry crossing is possible by the southern alternative. The fork to the crossing on the left bank, at point A, is close to Soumbouyadi. The corresponding point B on the right bank is close to Domingya. The choice of place and type of crossing will need to be made before construction reaches points A and B.

6. If the proposal to bridge the river is rejected, the Fatala will be crossed by ferry by the southern alternative. The present ferry will be moved 3 km upstream, on the southern route. The repair and management of the ferry are already being financed by the CCCE as part of the River Crossings operation. In this case, and since the CCCE would also have to finance the execution of lot 1, this lot would run from Dubreka to point B (97.5 km), using the southern alternative, and would include upgrading of the ferry access ramps. Lot No. 2 would run from Kolaboui to point B (98 km), but, to keep future options open, the cost estimate of lot No. 2 assumes that the northern route is used (104 km).

7. Whichever lot is considered, the works can be carried out in 20 months for each lot, starting from Dubreka for lot No. 1 and from Kolaboui for lot No. 2. The execution timetable will be as follows, starting from the effective date of the financing:

	<u>Time needed</u> (months)
- Conclusion of supervision contract	2
- Prequalification, preparation of bidding documents	3
- Bidding	2
- Opening of bids	1
- Contract preparation and signature	2
- Contract notification	1
Subtotal	11
- Works execution	20
Total	31

8. For each lot, the supervision mission will participate in, or be responsible for: (i) prequalification (invitation, opening and analysis of responses, recommendations); (ii) preparation and publication of bidding documents; (iii) invitation to bid, opening and analysis of bids, recommendations; (iv) contract preparation; and (v) works supervision. The expatriate personnel on the supervision mission will comprise a mission chief (24 months), a geotechnician (18 months), a works foreman (20 months) and a bridge engineer (10 months). A single laboratory, belonging to the contractor, will be set up and made available to the supervision mission for purposes of comparative testing. The mission will also arrange for the training of four interns, in groups of two, over a 10-month period. The cost of supervision is estimated at around 3% of the cost of the works, for 71 manmonths.

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REPUBLIQUE DE GUINEE
QUATRIEME PROJET ROUTIER
DUBREKA - KOLABOUI

Fiche Technique/Technical Data

1. Caractéristiques/Characteristics

Vitesse de base/Design speed	100 km/h	
Chaussée/Pavement	7.0 m	
Accotement/Shoulders	1.5 m	
Trafic/Traffic		
Dubreka - bifurcation Fria	T2	
Bifurcation Fria - Kolaboui	T1	
Ponts Existants/Existing bridges	Réparés/Repaired	
	<u>Lot 1</u>	<u>Lot 2</u>
Revêtement/Surface dressing	ESC/DST	ESD/DST
Alternative	Sand Asphalt	Sand Asphalt
Base/Base	Concasses/ Crush run	Laterite/ ciment
Fondation/Sub-base	Laterite	Laterite
Accotement/Shoulders	ESS/SST	Sablage (priming + sand)
Longeur/Length		
Alternative nord/North (199 km)	95 (km)	104 (km)
Alternative sud/South (196.5 km)	97.5 (km)	99 (km)

REPUBLIQUE DE GUINEE
QUATRIEME PROJET ROUTIER
DUBREKA - KOLABOUI

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Fiche Technique/Technical Data

2. Volumes/Quantities

<u>U</u>	<u>Terrassements</u>	<u>Lot 1</u>	<u>Lot 2</u>	<u>Earthworks</u>
m3	Déblais en remblais	1,250,000	1,300,000	Cuts in fill
m3	Remblais d'emprunt	340,000	330,000	Borrow fill
m3	Déblais rocheux	130,000	41,000	Rock cuts
	<u>Chaussée</u>			<u>Pavement</u>
m3	Fondation	151,000	162,000	Sub-base
m3	Base	107,000	113,000	Base
t	Ciment	-	68,000	Cement
m3km	Transport	4,450,000	1,370,000	Hauling
t	Impregnation (o/i)	1,076	1,150	Priming
t	Bitume fluxé	2,100	1,900	Cutback
m3	Granulat	14,260	15,000	Aggregates
	<u>Drainage</u>			
m	Buses	1,870	3,100	Culverts
m3	Bétons	7,200	5,660	Concrete
t	Aciers	410	310	Steel
m1	Fosses	24,400	15,700	Ditches
	<u>Ponts</u>			<u>Bridges</u>
m3	Bétons	3,800	5,750	Concrete
t	Acier	210	520	Steel
m1	Garde-corps	424	946	Guardrail
u	Reparation	9	-	Repairs

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REPUBLIQUE DE GUINEE
QUATRIEME PROJET ROUTIER
DUBREKA - KOLABOUI

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Devis Estimatif/Cost Estimate

	<u>Lot 1</u>	<u>Lot 2</u>	<u>Total</u>	
Installation	1.916	1.561	3.477	Camp site
Terrassement	9.138	9.034	18.172	Earthworks
Chaussée	9.739	9.006	18.735	Pavement
Drainage	7.858	6.671	14.529	Drainage
Ouvrages	3.876	5.007	8.883	Bridges
Divers	0.410	0.404	0.814	Miscellaneous
Coût de Base (US\$ m)	32.927	31.683	64.610	Base Cost
Imprévus	1.543	1.417	2.960	Contingencies
Révision	3.500	3.900	7.400	Physical
				Financial
S/Total (US\$ m)	37.970	37.000	74.97	Sub-total
Contrôle	1.00	1.00	2.00	Supervision
Imprévus	0.05	0.05	0.10	Physical C.
Révision	0.13	0.15	0.28	Financial C
S/Total (US\$ m)	1.18	1.20	2.38	Sub-total
<u>Calendrier</u>				<u>Schedule</u>
1989 (Z)	31	4	18	1989 (Z)
1990 (Z)	69	62	66	1990 (Z)
1991 (Z)		34	16	1991 (Z)

Source: Consultant estimate - US\$1 = FF 5.7 = FG 456.

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REPUBLIQUE DE GUINEE
QUATRIEME PROJET ROUTIER
DUBREKA - KOLABOUI

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Calendrier/Implementation Schedule

	<u>Génie Civil</u> <u>Civil Work</u>	<u>Contrôle</u> <u>Supervision</u>	<u>Total</u>		
<u>Lot 1</u>				<u>Lot 1</u>	
1989	11.48	0.36	11.84	1989	
1990	26.49	0.82	27.31	1990	
1991				1991	
Total (US\$ m)	37.97	1.18	39.15	Total	
Base	32.92	1.00	33.92	Base cost	
Imprévis	1.54	0.05	1.59	Physical Cont.	
Inflation	3.50	0.13	3.63	Financial Cont.	
<u>Lot 2</u>				<u>Lot 2</u>	
1989	1.42	0.05	1.47	1989	
1990	22.87	0.74	23.61	1990	
1991	12.71	0.41	13.12	1991	
Total (US\$ m)	37.00	1.20	38.20	Total	
Base	31.68	1.00	32.68	Base cost	
Imprévis	1.42	0.05	1.47	Physical Cont.	
Inflation	3.90	0.15	4.05	Financial Cont.	
	- - - - Lot 1 - - - -			- - - - Lot 2 - - - -	
	<u>Local</u>	<u>Devises</u> <u>Foreign</u>	<u>Total</u> <u>US\$ m</u>	<u>Local</u>	<u>Devises</u> <u>Foreign</u> <u>Total</u> <u>US\$ m</u>
<u>Travaux/Civil Works</u>					
Coût de base	3.30	29.62	32.92	3.17	28.51 31.68
Imprévis	0.15	1.39	1.54	0.15	1.27 1.42
Révision	1.13	2.37	3.50	1.32	2.58 3.90
<u>Contrôle/Supervision</u>					
Coût de base	0.17	0.83	1.00	0.17	0.83 1.00
Imprévis	0.01	0.04	0.05	0.01	0.04 0.05
Révision	0.06	0.07	0.13	0.07	0.08 0.15

Source: Consultant, IDA Mission, Février 1988.

May 1988
AFIIN

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