



TARBELA DEVELOPMENT FUND AGREEMENT

AGREEMENT, dated this 2nd day of May, 1968, between the Governments of CANADA (Canada), FRANCE (France), ITALY (Italy), PAKISTAN (Pakistan), the UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (United Kingdom), and the UNITED STATES OF AMERICA (United States), the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank), and the Bank, acting as Administrator under the Indus Basin Development Fund Agreement, 1960 (the 1960 Agreement),⁽¹⁾ as amended and supplemented by the Indus Basin Development Fund (Supplemental) Agreement, 1964 (the 1964 Agreement).⁽²⁾

WHEREAS in the 1960 Agreement the Parties thereto agreed, on the terms and conditions therein set forth, to make certain contributions to the Indus Basin Development Fund;

AND WHEREAS in the 1964 Agreement the Parties to the 1960 Agreement agreed to increase their contributions to the Indus Basin Development Fund, on the terms and conditions set forth in the 1964 Agreement;

AND WHEREAS the 1964 Agreement provided, *inter alia*, that after certain costs and expenses had been provided for, "any balance of the non-rupee assets remaining in or payable to the Fund, together with any uncalled amounts of the non-rupee contributions provided for in the 1960 Agreement, as augmented by this Agreement, will be disbursed, in accordance with procedures to be agreed between Pakistan and the Bank, to be used by Pakistan as required to meet non-rupee costs of the Tarbela project (if Pakistan and the Bank agree that Tarbela is justified on the basis of the report hereinafter referred to in Section 5.01 of this Agreement) . . .";

AND WHEREAS on the basis of the report referred to in said Section 5.01 of the 1964 Agreement, Pakistan and the Bank have agreed that the Tarbela project is justified and have further agreed that the procedures hereinafter in this Agreement set forth or provided for shall govern the disbursement of any Indus Basin Development Fund non-rupee balance;

AND WHEREAS certain Governments, and the Bank, Parties hereto, have agreed, upon the terms and conditions hereinafter in this Agreement set forth, to add to the amounts available to meet the costs of the Tarbela project;

AND WHEREAS the Bank has agreed to act as Administrator of the Tarbela Development Fund hereinafter provided for;

NOW THEREFORE the Parties hereto hereby agree as follows:

ARTICLE I

Establishment of the Tarbela Development Fund

SECTION 1.01. There is hereby established the Tarbela Development Fund (the Fund), constituted by the monies which shall from time to time be transferred to it by the Bank, as Administrator of the Indus Basin Development

⁽¹⁾ Canada Treaty Series 1961 No. 1

⁽²⁾ Canada Treaty Series 1964 No. 8