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Volume 3

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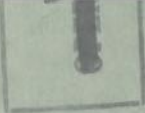
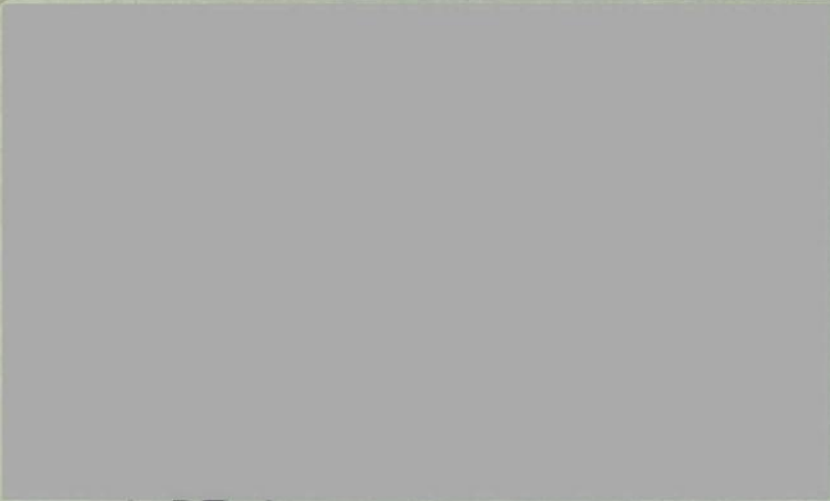
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Niger Dam Project - Kainji - Nigeria - Loan 0383 - P002007 - Negotiations - Volume 3

RETURN TO ARCHIVES IN HB1-001
ISN# 52074 ACC# A1995-062
BOX# 34
H LOCATION H-226-04-04
(3 of 4)

Dec. 1963
This file is closed as of January 30, 1964.

For further correspondence please see
NIGERIA - Niger Dam Project (IBRD) IV

Mr. A. Stevenson

December 30, 1963

J. Baneth *Baneth*

Comments on "Preliminary Appraisal of the Kainji
Multipurpose Project - The Niger Dams Authority - Nigeria"

The Bank has been asked to provide \$70 million towards the financing of the foreign exchange cost of the Kainji project, consisting of a dam on the Niger; a power station with an initial capacity of 320 MW, a system of locks and canals, and a transmission system. \$32.5 million additional foreign exchange costs are expected to be forthcoming from tied loans; \$86 million local costs will be met by the Nigerian Government. The borrower would be the Niger Dams Authority, an agency of the federal Nigerian Government.

This is a basically one-purpose multipurpose project. Benefits to transportation would be substantial, but their total present worth (capitalized at 7%) is valued at only \$12.5 million. Net benefits to agriculture and fisheries are imputed a present worth of \$11 million. It is a little doubtful how this estimate is reached, for one gathers the impression that agriculture would rather suffer from the scheme. To quote from the report: "The reservoir would inundate about 500 square miles including 36,000 acres currently under cultivation and productive grazing lands ... No increase in agricultural production can be foreseen over the mid-term following resettlement. Alternative upland areas for crop production and livestock grazing have not been delineated ... Rice and onions are at present being grown on the alluvial soils ... that would be inundated. Grains and groundnuts which would be grown on the upland soils would give a lower return per acre ... It will be difficult to obtain alternative areas for grazing as good as the present areas ... At best, the current level would be maintained only with the assistance of considerable technical training for the displaced persons." (Para 51). "There are no present plans for settlement or for irrigation development in the area ... There are no definite plans for any new estate development and if it were to occur the savings in cost attributable to the dam would be small." (Para 54).

The expectation of benefits to be derived from fisheries seems justified, but in this field too considerable assistance to the inhabitants will be necessary, for until now they, "have had no special interest in or aptitude for, fishing ..." (Para 56).

It is not clear whether the training and assistance costs of preventing a decline in agricultural production - and perhaps later inducing an increase - have been taken into account. Indeed, this does not seem to have been the case, except perhaps for the actual cost of resettling the existing population (\$7.8 million). In view of the evident misgivings expressed by the report, it is doubtful whether one can impute any positive agricultural benefits to the project with any degree of certainty.

The essential justification of the proposed works is the production and distribution of electric power. The four original generating units of Kainji, together with eight other units to be installed subsequently, are expected to satisfy Nigeria's power needs until 1982/83 (with excess capacity in the early years). Cost-benefit calculations have been made, comparing the Kainji project and the most reasonable alternative project, involving a large gas-turbine generating unit. The calculations were made to bear on a period of 60 years - the assumed life of the Kainji project; for the purposes of this calculation, the alternative project was assumed to have been entirely renewed at the end of its useful life of 30 years. The \$23 million assumed to represent the discounted present value agricultural fisheries and transportation benefits, were credited to the Kainji project. It was found that "the discount rate at which the total present worth of the annual investments and operating costs of the two alternatives became equal was 6.7/8%. This rate is in effect equivalent to the economic yield on the additional investment in the Kainji project as compared to the thermal alternative."

By any standards, such a rate of return, computed over the whole useful life of a sixty year project, is very low. Nigeria could do better by building only the alternative thermal project and using the remaining funds to buy some good long-term securities. Furthermore, we may want to take into account the factors discussed above, that is that the agricultural benefits may well have been over-estimated, and we may also want to make allowance for the cost of the additional uncertainty which is involved in choosing a 60-year project over a 30-year one (the cost of energy may have become much cheaper in 30 years; or capital may have become much more abundant in Nigeria, which would make it necessary to adopt a lower discount factor for the latter 30 years.) If these factors affected the economic yield over the additional investment by more than 1.3/8 per cent, this yield would be actually lower than the rate of interest charged by the Bank on its loan.

As compared to a feasible much less capital-intensive alternative, the Kainji scheme has a rate of return only slightly higher than the interest rate charged by the Bank. The net benefit Nigeria would derive from the project seems at best slight. It should be worthwhile to look for a better way of using up a no doubt considerable portion of Nigeria's debt service capacity.

JBaneth:pm

cc: Messrs. McDiarmid
Wright



Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos,
Nigeria.

XXXXXXXXXXXXX
CABINET OFFICE,

LAGOS,
NIGERIA.

Wm

Ref: ND/0058

27th December, 1963.

Dear Mr. McIvor,

Your note of December 20th was received here this morning and I hasten to reply as it seems our letters are crossing each other.

(s/only!)

The situation with regard to Mr. Foster is that we have written to him again and asked him to get in touch with Chief Adebo in either Washington or New York. In turn we have written to Chief Adebo outlining the requirements of the position and we have sent him a draft of the proposed agreement and further requested him to negotiate with Mr. Foster and to endeavour to pry him loose from T.V.A. as soon as he can. We do hope to hear from him very shortly.

In the meantime, best wishes for the New Year to yourself and others at the World Bank whom I have met.

Yours very truly,

Jasper H Ings
(J.H. Ings)
CHAIRMAN

Mr. S. Noel McIvor,
Dept. of Operations - Africa,
International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25, D.C.

RECEIVED
GENERAL FILES
CORRESPONDENCE

FEB 19 10 26 AM 1964

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Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos.

CABINET OFFICE,
LAGOS,
NIGERIA

Ref: ND/0010

27th December, 1963.

Mr. Noel McIvor,
International Bank for
Reconstruction and Development,
1818 H Street, N.W.
Washington 25, D.C.

Dear Mr. Noel McIvor,

I have pleasure in forwarding herewith two copies of the Consultants' Report on "Tender Analysis" for the Main Civil Contract KD4 as mentioned in my cable of 19th December, 1963. The Authority has been giving consideration to the report and our conclusion seem likely to be that we would advise the Federal Government to accept the recommendations of the Consultants and award the contract to Impregilo subject to certain conditions, the principal of which would be financing arrangements.

Impregilo as you know has itself made a short term loan offer which has now been formerly approved by the Italian Government. The terms of the offer are not acceptable to us and no doubt would not be accepted by the IBRD. There is room for negotiation here and we have told both Impregilo and the Italian Government so. If they move in the right direction by increasing the sum to at least cover the total Italian Lira content of the contract which is about 9.1 M pounds and extend the repayment time to be similar to those of the IBRD while at the same time keeping the rate of interest at 6%, then the Niger Dams Authority would make unconditional recommendation to the Federal Government to agree to the award of the contract to Impregilo. We are awaiting in the next few days an indication from the Italian Embassy of their re-action to this proposal. Please communicate to me any comment the Bank may have on the Consultants report and recommendation and on the preliminary views of the Authority regarding award.

I understand from the Ministry of Finance that the IBRD intends to call a meeting of the Consultative Group sometime in January in order to discuss the Niger Dams Project. We are wondering whether this would not be the appropriate time for us to come to Washington in order to meet and lobby further members of the Group and to hold preliminary negotiations with IBRD on the terms of their loan offer. If the IBRD considers that we should be present at the Consultative Group meeting it will be appreciated if we have this information at least ten days ahead of time.

Yours faithfully,

Yahaya Dikko
Y. A. Dikko,
Secretary,
Niger Dams Authority.

*cc Houma
Williams
Sheehan
Hornstein
Metherate
Horsley/dir. files.*

1963 DEC 31 10 31 AM

RECEIVED
DEC 31 1963

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GENERAL FILES
CORRESPONDENCE

1963 DEC 31 PM 3:33

WIKER BANK AUTHORITY
SECRETARY
A. V. DIKKO

YOUR LETTER OF

less than days ahead of time.
meeting it will be appreciated if we have this information at
least that we should be present at the Constitutive Group
with IBRD on the terms of their loan offer. If the IBRD con-
firms members of the Group and to hold preliminary negotiations
for us to come to Washington in order to meet and formally dis-
cuss the matter. We are wondering whether this would not be the appropriate time
in January in order to discuss the Wiker Bank Project. We
intend to call a meeting of the Constitutive Group sometime
I understand from the Ministry of Finance that the IBRD

and on the preliminary terms of the authority regarding award.
bank may have on the Constitutive Report and recommendation
to this project. Please communicate to me and comment the
days an indication from the Italian Embassy of their re-
sponse to the contract to implement. We are awaiting in the next few
months to the Federal Government to agree to the award of
then the Wiker Bank Authority would make unconditional recom-
mendations at the same time keeping the rate of interest at 6%
extending the repayment time to be similar to those of the IBRD
this content of the contract which is about \$4 million bonds and
from by increasing the sum to at least cover the total Italian
the Italian Government so. If they move in the right direc-
tion for negotiation here and we have to go back to implement and
and no doubt would not be accepted by the IBRD. There is
government. The terms of the offer are not acceptable to us
offer which has now been formally approved by the Italian
implement as you know has itself made a short term loan

arrangements.
terms conditions. The Ministry of Finance would be financing
arrangements and award the contract to implement subject to con-
federal government to accept the recommendations of the con-
stitutive group. It is to be that we would agree the
the authority has been giving consideration to the report and
contract and as mentioned in my letter of 14th December 1962.
Constitutive, Report on "Wiker Bank Project" for the main staff
I have pleasure in forwarding herewith two copies of the

Dear Mr. Josef Wicior.

Washington 22, D.C.
1918 N Street, N.W.
Reconstruction and Development
International Bank for
Mr. Josef Wicior.

WIKER BANK AUTHORITY

14th December 1962.



Repos.
P.M.B. 13502
Independence House
Wiker Bank Authority

RECEIVED
GENERAL
CRIMINAL OFFICE

iii-Dave

INCOMING WIRE

DATE OF WIRE: DECEMBER 26, 1963 0930

LOG NO.: ACR 7

TO: INTBAFRAD

FROM: LAGOS

TEXT:

ROUTING

ACTION COPY: MR. MCIVOR

INFORMATION COPY: MR. WILLIAMS

DECODED BY:

82

REURCAB 81 ADVISED MINFIN WHO RELAYED TO DAMS. DAMS INFORMED ME
THEY UNDERSTOOD FROM MCIVOR THAT THEY MIGHT BE INVITED AND WERE
IN FACT ANXIOUS TO PARTICIPATE, HAVING DISCUSSED THE NOW OFFICIAL
GOVERNMENT OFFER IN ROME ON THE WAY TO WASHINGTON. DAMS WRITING
YOU

FAJANS

*cc Sheehan
Hornstein
Horsley
Return to me*

ORIGINAL KS

OFFICE MEMORANDUM

TO: Files

DATE: December 26, 1963

FROM: S. Noel McIvor *SN*

SUBJECT: Niger Dam - Visit of Italian Representatives

1. Mr. Marini and Mr. Sogno visited Mr. Williams on December 20th. I was also present. They said that, according to their information, the Italian firm - Impregilo - was the lowest bidder for the Main Civil Works contract for the Kainji dam. The Nigerians had requested Italy to provide financing for part of the contract, suggesting \$10 to \$15 million on terms comparable to Bank terms. The Italians were proposing, subject to their government's approval, a loan of £7 million at 6% for a term of 8 to 10 years. (A message from Mr. Fajans had said that the Italians were considering a loan of £7 million at 6% to be disbursed 1964 to 1969 and to be repaid 1972 to 1977.) They said that the 6% rate involved a subsidy of 2-1/2% from the Italian Government, since the commercial rate was 8-1/2%.

2. They wished to know whether the Bank had received the report of the consultants and, if so, what the Bank's attitude was toward the bids. We said that we did not yet know whether the Bank had received the consultants' report but that it might have arrived in the Technical Operations Department. In any case, we would not expect the Bank to form an opinion until we had the Nigerians' decision based on the consultants' recommendation. Mr. Williams mentioned that Mr. Wilson had some discussion in Rome recently with Dr. Carli and he outlined the gist of Mr. Wilson's memorandum to Files of December 18.

cc: Mr. Horsley/div. files

SNMcIvor:mem

Mr. Mario Piccagli

December 26, 1963

H. H. Sheehan *for S*

Niger Dam Project - Cost Estimates

Attached is a Table showing a comparison of the cost estimate of the Project as agreed between the Consultants and Cooper Bros. in July 1963 with the latest estimate based upon the actual tenders received. Each estimate provides for the possible bonus payments of ^N£600,000 and each estimate includes EN1 million of contingencies in the civil works in addition to the amounts shown separately. Neither estimate includes customs duties which have been waived by the Government.

The two significant features of the comparison are: (1) the EN5.25 million increase in the overall cost of the Project and (2) the large increase in the foreign component and the corresponding decrease in the local component.

cc: Mr. J. Burke Knapp
cc: Mr. Alderfeld
Mr. McIvor
Mr. Williams
Mr. Rydell

TABLECOST ESTIMATE OF THE PROJECT

(in EM million)

	<u>JULY 1963</u>			<u>NOVEMBER 1963</u>		
	<u>Local Cost</u>	<u>Foreign Cost</u>	<u>Total</u>	<u>Local Cost</u>	<u>Foreign Cost</u>	<u>Total</u>
Civil Works	19.07	15.51	34.58	12.09	24.54	36.63
Electrical & Mechanical Equipment	0.41	6.67	7.08	0.43	6.99	7.42
Transmission	2.41	5.60	8.01	2.65	6.13	8.78
Resettlement & Reservoir Clearance	3.20	0.35	3.55	3.50	0.45	3.95
Engineering Fees	0.90	1.80	2.70	0.90	1.80	2.70
Contingencies	2.14	3.04	5.18	2.14	3.04	5.18
Administration	0.96	-	0.96	0.96	-	0.96
Interest during Construction (on foreign cost).	-	5.19	5.19	-	6.86	6.86
Total	29.09	38.16	67.25	22.67	49.83	72.50

STAFF LOAN COMMITTEE

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WBG ARCHIVES

MEMORANDUM TO THE STAFF LOAN COMMITTEE

Nigeria - Kainji Multipurpose Project

1. The attached Report TO-398, "Preliminary Appraisal of the Kainji Multipurpose Project, The Niger Dams Authority, Nigeria," is distributed for information.
2. Comments, if any, should be sent to reach Mr. Sheehan (ext. 2525) or Mr. Rydell (ext. 2843) by 12:00 noon on Friday, January 3, 1964.
3. It is planned then to distribute the Report for information to the Executive Directors and to the members of the Consultative Group for Nigeria, including Switzerland.

Henry G. Hilken
Secretary
Staff Loan Committee

December 26, 1963

DISTRIBUTION:

CHAIRMAN
DIRECTORS OF OPERATIONAL DEPARTMENTS
GENERAL COUNSEL
DIRECTOR, ECONOMIC STAFF
TREASURER
DIRECTOR, DEVELOPMENT SERVICES
DEPARTMENT

Copies for Information to:

President
Vice President
Secretary
Director of Information
Director, Economic Development Institute
Special Representative in Europe
Special Adviser to the President
Executive Vice President (IFC)

INCOMING WIRE

DATE OF
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FROM: **LAGOS**

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IN FACT ANXIOUS TO PARTICIPATE, HAVING DISCUSSED THE NOW OFFICIAL
GOVERNMENT OFFER IN ROME ON THE WAY TO WASHINGTON. DAMS WRITING
YOU

FAJANS

Mr. K. H. App.
I'd like to discuss
this with you.
GMR

Niger Dam
MEDIOBANCA
Banca di Credito Finanziario S.p.A.
CAPITALE LIRE 12 MILIARDI - RISERVA LIRE 4 MILIARDI

Milano, December 23, 1963
Via Roddrammatica 10.

Dear Mr. Wilson,

M. André Meyer of Lazard Frères has been kind enough to inform a few days ago Mr. Woods on our behalf that Mediobanca was negotiating a loan to the Central Bank of Nigeria in connection with the building of the Niger Dam and that - since we are aware that the World Bank is considering to participate in the financing of the said Dam - we should like very much that our negotiations with the Nigerian Authorities should be conducted in agreement with you. Mr. Woods has told Mr. Meyer that he was in favour of such a suggestion and that we should contact you in order to see whether there was any possibility of working together on this project.

I am therefore summarizing for your benefit the present state of the negotiations as seen by us:

- a) as you probably know, Impregilo - which is a company formed by IMPRESIT, a 100% controlled subsidiary of FIAT, and two other building contractors, GIROLA and LODIGIANI - has submitted the most favourable offer for the construction of the Dam, the cost of which is estimated around 35 million British pounds;
- b) the whole work - the Dam and the hydroelectric plant - will cost about 70 million pounds.

For all these figures we rely on the information received from IMPRESIT, which is the customer we are dealing with, also for the account of the other associates of IMPREGILO;

- c) we are told that of the 35 million pounds of the total cost of the Dam, about 14 million pounds would be supplied by a World Bank loan, about 14 million pounds by the Nigerian Government and about 7 million pounds by MEDIOBANCA. The MEDIOBANCA loan will be a lire loan for about 12 billion lire, corresponding roughly to 7 million pounds;
- d) MEDIOBANCA loan will be made under the form of a loan to the Central Bank of Nigeria granted under Art. 21 of the Italian Law n° 635 of July 5, 1961. I enclose herewith the translation (Encl. 1) of the said Law and a copy (Encl. 2)

cc
Donna Williams
Sheehan/Rydell
Donna
Max
Harold
du file
Fajans

of the letter we have addressed to the Central Bank of Nigeria. Our loan would benefit of a 100% guarantee of ISTITUTO NAZIONALE ASSICURAZIONI, given for account of the Italian Treasury, and of a contribution to the interests. We may add that we shall consider to enter in this deal through an agreement with IMPRESIT, the terms of which have already been outlined.

As we have told Mr. Meyer, we consider that, since every quota of the financing - yours, the Nigerian Government's and ours - will be useless without the other two, it would be wise to see whether there is a possibility of a common negotiation, also with the purpose of avoiding any misunderstanding between us as to the conditions and terms on which both our Institutions are prepared to grant the loan.

I am of course at your disposal for any further information you may need on this matter, and I remain,

Yours sincerely,

[Signature]

Cuccia

Encl. 2

Mr. GEOFFREY M. WILSON
Washington

By Air Mail

December 19, 1963

CENTRAL BANK OF NIGERIA

L A G O S

Tinubu Square

Private Mail Bag 2194

Dear Sirs,

Impresit Girola Lodigiani - IMPREGILO S.p.A. - Milan

IMPREGILO S.p.A., Milan, has told us that talks are actually held with the Niger Dam Authority for contracting the construction of the Kainji's dam and related works on the river Niger; in this respect, we have been invited by the said Company to examine the possibility of granting a credit facility to be utilized for the partial settlement of the amount which, according to its tender, should be paid to IMPREGILO in Italian Lire.

We have the pleasure of informing you that, subject to the finalisation of the negotiations between the Niger Dam Authority and IMPREGILO, we are in principle ready to study the granting of such credit up to a maximum amount of 12 billion Lire (roughly equivalent to 7 million Nigerian pounds) in the framework of the Italian laws governing this kind of transactions (namely pursuant to the provisions of art. 21 of the law N. 635 of July 5, 1961), i.e. provided that :

- a) your Bank, as banker to the Nigerian Federal Government, will act as beneficiary of our credit;
- b) the competent Italian Authorities will release all the necessary final authorisations and resolutions pursuant to the above mentioned law N. 635;
- c) you will obtain from the competent Nigerian Authorities all the authorisations enabling your Bank to validly undertake towards us the relevant engagements.

We have already obtained from the Italian Authorities an authorization to start conversations with your Bank and we are the refore ready to meet in Rome a representative of yours in order to discuss this matter.

Looking forward to your reply, we remain,

Yours faithfully,

M E D I O B A N C A

Sa/do

P.S.- We are sending you, under separate cover, copies of our Annual Report and Accounts for the last three years, a copy of our Articles of Association and our List of Authorized Signatures. We should be obliged if you would let us have a similar documentation on your Bank.

Mr. Knapp

TRANSLATION OF LAW No. 635 OF JULY 5, 1961

TITLE I

INSURANCE OF CREDITS RELATIVE TO THE EXPORT OF GOODS AND SERVICES AND
THE EXECUTION OF WORKS ABROAD.

Article 1

Istituto Nazionale delle Assicurazioni (I.N.A.) is authorized to underwrite and operate on behalf of the Government insurance or reinsurance from insurance companies authorized under Presidential Decree No. 449 of February 13, 1959, covering the following cases:

a) guarantee of principal and interest of credits granted by Italian enterprises :

- for the export of goods and services (against the risks indicated under article 3);
- for the execution of works abroad including studies and projects : { against the risks indicated under article 3, paragraphs 1), 2), 3), 5) and 6).
- for the sale of Italian goods deposited abroad (for subsequent sale);

b) guarantee covering :

- Italian products deposited abroad for (subsequent) sale against the risks indicated under 1) and 2) of article 3;
- the execution by national firms of works abroad in respect of obligations deriving from studies and projects, from equipment and machinery to outfit work yards, as well as from the work necessary to bring the project to the first stage of completion. { against the risks indicated under 1), 2) and 4) of article 3;

- c) guarantee covering the risk indicated under 7) of article 3 in cases where there is an agreement of "fixed price" in the contract underlying the supply.

For the purpose of the present law, firms having their headquarters abroad are also considered as Italian enterprises when, irrespective of their legal form, the direct or indirect participation of individuals or corporate bodies of Italian nationality is preponderant. In this case, insurance coverage is limited to the Italian share of the participation.

The duration of the guarantee under a) and b) of the preceding paragraph cannot exceed the period of :

- five years from date of shipment or delivery of the merchandise or of the execution of services,
- four years from the start of the works,
- two years from shipment or sale of products deposited abroad.

The duration of the guarantee under c) of the preceding paragraph cannot exceed the period extending from the date of the start to the date of completion of the supply.

Upon recommendation of the Committee as per article 9, the Ministry of the Treasury may allow the undertaking of government guarantees for periods exceeding those mentioned in the preceding paragraph.

I.N.A. will keep a separate accounting for the insurance covering the risks contemplated in the present law.

Article 2

Insurance and re-insurance premiums are established on an annual basis and with minimum and maximum limits, by decree of the Ministry of the Treasury, in concurrence with the Ministry of the Budget, the Ministry for Industry and Commerce and the Ministry of Foreign Trade.

The National Institute for Foreign Trade, in cooperation with I.N.A., attends to the examination of the applications for insurance and re-insurance. It also acts as secretariat for the Committee pursuant to Article 9.

Article 3

The insurance and re-insurance operations which I.N.A. is authorized to undertake as provided for by Article 1, concern the risks incurred by the Italian operator in respect of :

- 1) War (even if not declared), revolution, rebellion, popular riot,
- 2) Catastrophic events, such as earthquake, tidal wave, volcanic eruption, flood, cyclone,
- 3) General moratorium proclaimed by the Country or countries through which the payment is to take place,
- 4) Suspension or revocation of order as a result of any of the events under 1), 2), 3) above, or measures of a general nature adopted by the government of the importing country, or prohibition of execution following subsequent measures of a general nature adopted by the Italian government,
- 5) Currency transfer difficulties, involving exceptional delays in the collection in lire by the Italian exporter, of the amounts eventually paid by the foreign importer in pursuance of the terms of the contract,
- 6) Default, for any reason whatsoever, when the buyer is a foreign government or a foreign public body, or when the buyer is a non-government party but payment is guaranteed by a foreign government or a foreign public body authorized to guarantee,
- 7) increases in production costs derived from circumstances of a general nature occurring prior to completion of the order, within the limits indicated in the last paragraph of Article 5.

Coverage of the risk under 4) of the first paragraph may be granted even irrespective of deferment of payment, from the moment in which the exporter started to work on the execution of the order.

The compensation due for suspension or revocation of the order is limited to the credits accrued in relation to the progress of the work, due consideration being given to the products or merchandise remaining in the hands of the exporter, to the eventual advance payments received, exclusive in any case of unearned profit.

Article 4

The guarantee under a) of article 1 is granted in the same currency in which the credit is expressed.

The guarantee under b) and c) of article 1 is granted in Italian lire.

Premiums and compensations are settled and paid in Italian lire at the rate of exchange prevailing on the day of liquidation.

Article 5

The share of the guarantee relative to the export of merchandise and services insured and re-insured in pursuance of article 1 of the present law, by the government and by the authorized insurance companies, may not exceed 85 % of the value of the credits granted by the exporter, whereby in any event a share equal to at least 15 % for every risk and for each instalment of the credit insured is left for account of the exporter.

The share of the guarantee relative to Italian merchandise deposited abroad for subsequent sale cannot exceed 65 % of its value.

The share of the guarantee relative to the execution of works abroad by national firms in respect of the costs deriving from the study and the projects, from the equipment and machinery for the fitting out of working yards, as well as from the work necessary to bring the project to the first stage of completion, cannot exceed 30 % of the amount of the contract, the same limitation applying to the share of credits arising from the execution of works abroad.

In the event of contracts undertaken with a foreign government or a foreign public body involving only studies and projects, the shares that can be insured in respect of the guarantees under the preceding paragraphs may not exceed 65 % of the total amount of the contract.

As regards the guarantee relative to the "fixed price" clause, any loss due to increased costs not in excess of 5 % must be borne by the exporter. Larger increases fall within the guarantee granted, up to a maximum of 10 %.

Article 6

The loss arises from failure or delay in the collection of the credit, from suspension or revocation of order, or from an increased burden following increases in costs, resulting from the events provided for under article 3 after expiration of the time limits and with the occurrence of the conditions under the subsequent paragraphs.

The loss also arises from destruction of or damage to the Italian merchandise deposited abroad, as well as from destruction of or damage to the equipment and machinery in yards erected abroad, as well as from destruction of or damage to works carried out abroad, always provided the losses arise from the occurrence of the events indicated under article 3 and after 6 months have elapsed since destruction or damage have been ascertained, and subject to the conditions mentioned in the subsequent paragraphs.

In the cases under 1), 2) and 3) of article 3, delay in collecting the credit constitutes loss after 6 months from the due date of the credit.

In the cases under 4 of article 3 the loss is recognized after 6 months from the date of suspension or revocation of the order.

In the cases under 5) of article 3 delay in transfer is recognized as loss after 6 months from date of payment by the buyer.

In the cases under 6) of article 3 delay in collection of credit is recognized as loss after 6 months from the due date of the credit.

In the cases under 7) of article 3, increased costs are recognized as loss after completion and shipment or delivery of the supply.

Article 7

The losses pursuant to the preceding article are settled in the manner, form and within the limits set forth in the present law, in the implementing regulations and in the conditions of the (insurance) policy.

From the date of payment of the relative compensation, I.N.A. takes over from the insured all rights relative to the shares of the credit for which compensation has been granted. For each share, all amounts, however paid, by the foreign buyer after such date, and the sums recovered or transferred will be assigned by priority to I.N.A. and to any other authorized insurance company that might have entered into the transaction, in proportion to the share of the risk underwritten by each one.

Article 8

The Ministry of the Treasury is authorized to negotiate with I.N.A. and the Italian Institute for Foreign Trade special agreements for the regulation of their mutual relations.

The premiums collected are held in a special account with the State Treasury, in the name of I.N.A. To this account will be credited also premiums collected or to be collected in accordance with Law No. 955 of December 22, 1953, amended by Law No. 1198 of December 3, 1957.

Article 9

The administration by I.N.A. on behalf of the government, in pursuance of article 1, shall be controlled by a Committee formed by :

- a representative of the Ministry of Foreign Affairs;
- a representative of the Ministry of the Budget;
- a representative of the Ministry of the Treasury - State General Accounting Office;
- a representative of the Ministry of the Treasury - Direction General of the Treasury;
- a representative of the Ministry for Industry and Commerce - Direction General of industrial production;
- a representative of the Ministry of Industry and Commerce - Private Insurance Control Office;

- a representative of the Ministry of Foreign Trade - Direction General for trade agreements;
- a representative of the Ministry of Foreign Trade - Direction General for foreign exchange;
- a representative of the Ministry of Foreign Trade - Direction General for trade development;
- a representative of the Ministry of Agriculture and Forestry;
- a representative of the Ministry of Labor and Social Welfare;
- a representative of the Court of Accounts;
- a representative of the Italian Exchange Control Office;
- a representative of the Italian Institute for Foreign Trade;
- a representative of the Italian Association of Chambers of Commerce, Industry and Agriculture;
- a representative of the private insurance companies;
- a representative of I.N.A.

Experts in the various subjects may be elected as alternate committee members and called upon to participate in the discussion in a consultative capacity.

The Committee is elected by decree of the Ministry of Foreign Trade, with the concurrence of the Ministry of the Treasury and of the Ministry of Industry and Commerce.

The same regulations apply to the election of the Chairman and Vice Chairman of the Committee.

The Committee has the duty to provide whatever is deemed useful for the smooth operation of the administration, and particularly :

- a) fixing the conditions of the insurance;
- b) acceptance of the risks as per article 3;
- c) verification that the loss insured under article 3 has actually occurred.

The meetings of the Committee are valid when the majority of the members - regular or alternate - are in attendance, provided the Chairman, or Vice Chairman, a representative of the Ministry of Foreign Affairs, a representative of the Ministry of the Treasury, a representative of the Ministry of Industry and Commerce, and a representative of the Ministry of Foreign Trade, or their respective alternates, are present.

The Committee may examine the requisites of admissibility for insurance of transactions for which the relative contract has not yet been finalized. The decisions reached, even if made known to the exporter, do not bind the Committee to the subsequent acceptance of the risk.

The Committee may delegate to subcommittees appointed within itself, the examination of the requisites in pursuance of the preceding paragraph, as well as particular questions relative to the administration, verification of whether the policies issued by the administrative body conform with its decisions, and any other tasks that may be useful to the smooth operation of the administration.

The decisions of the Committee, after they become operative as per article 11, are final.

Article 10

The granting of the government guarantee may be subordinated by the Committee to the coverage of the ordinary credit risks.

Article 11

The decisions of the Committee are transmitted in copy to the Ministry of the Treasury and they become operative 12 days after deliberation, in the absence of any communication from said Ministry.

Article 12

The rights arising from insurance contracts may be transferred or assigned to third parties.

Such transfer or assignment become binding upon the insurer only in the event they have been notified to him.

FINANCING OF MEDIUM TERM CREDITS RELATIVE TO THE EXPORT OF
GOODS AND SERVICES AND THE EXECUTION OF WORKS ABROAD

Article 13

The Central Institute for Medium-Term Credit (Mediocredito) mentioned in article 17 of Law No. 949 of July 25, 1952, in addition to the transactions contemplated in the institutive law and subsequent amendments and addenda, is authorized, together with the institutions and banks indicated in article 19 of the said law:

- a) to rediscount bills covering medium-term credits, arising from:
 - exports of goods and services;
 - execution of works abroad;
 - studies and projects;
- b) to grant advances to the institutions and banks mentioned in article 19 of Law No. 949 of July 25, 1952, against pledge, in accordance with article 23 of the Bill of Exchange law, of the bills described under a) above.

As far as the above-mentioned transactions are concerned, the limitations set forth in the first and fourth paragraphs of article 18 of Law No. 949 of July 25, 1952, and subsequent amendments, do not apply to Mediocredito; moreover, the institutions and banks indicated in article 19 of the said law are authorized to enter into any kind of financial transactions, also in the form of discount involving bills covering the above exportations, even if such form is not contemplated in the respective legislative regulations and by-laws, subject to the limitations set forth in the same regulations in respect of the amounts that said institutions and banks are allowed to grant to each enterprise, and subject also to the limitations in respect of the dimensional features of the enterprises with which the institutions indicated in Law No. 445 of June 22, 1950, are authorized to deal.

Article 14

The transactions set forth in article 13 may be carried out only in connection with equal time terms granted by the national exporters to foreign importers and cannot exceed a period of 5 years, unless the credits are insured for a longer period under a guarantee underwritten (by institutes authorized to issue such guarantees) on behalf of the Italian government.

The duration of the deferred payment facilities granted by national exporters to foreign importers is calculated in the same manner as provided for in the third paragraph of article 1 of the present law for the duration of the guarantees.

Article 15

Rediscounts and advances according to a) and b) of article 14 cannot exceed 75 % of each financing granted by the institutions and banks mentioned in article 19 of Law No. 949 of July 25, 1952.

They are granted in lire; in the event the bills are expressed in a foreign currency, the rates of exchange to be applied are those indicated by the Italian Exchange Control Office, valid on the first day of the week in which the transaction is carried out. At maturity of the bills or even before in the event they are liquidated, in whole or in part, before maturity, the amount in lire due to Mediocredito is calculated in the same rates of exchange as those applied at the time of the rediscount or advance transactions.

- The transactions set forth in the present law are regulated
- for Mediocredito, by the second paragraph of article 18 of Law 949 of July 25, 1952,
 - for the institutions and banks listed in article 19 of the same Law, by the third paragraph of the said article 18.

Article 16

Mediocredito will handle the loans indicated in articles 13 and 24 of the present law within the limits of the funds assigned to it according to a) of article 20 of Law No. 949 of July 25, 1952; paragraph 2 of Law No. 54 of February 4, 1956; article 1 of Law No. 1087 of November 1, 1957; article 1 of Law No. 1196 of December 3, 1957.

Article 17

Pending receipt of the funds indicated in the preceding article, and within the limits of the said funds still to be received, Mediocre^{re}dito may borrow from the banks mentioned in article 5 of Decree-Law No. 375 of March 12, 1936, and subsequent amendments, and from their respective central Institutions, from Insurance and Social Security Institutions and from financial institutions abroad. To this effect, Mediocre^{re}dito may either assign to them through endorsement, the rediscounted bills, or pledge the bills as collateral.

The provisions of article 4 of Law No. 1196 of December 3, 1957, remain unchanged, as also remain unchanged the provisions of Decree-Law No. 375 of March 12, 1936 and subsequent amendments with respect to the banks.

Article 18

To cover the difference between the rate of interest applied on transactions effected by Mediocre^{re}dito in accordance with article 13, and the cost of the funds raised in accordance with article 17, the Treasury will pay to Mediocre^{re}dito as from July 1, 1962, a contribution equal to 1,50 % of the amount of the transactions contemplated by article 13, calculated annually on the outstanding balance based on the average for the previous 12 months, according to the figures furnished by Mediocre^{re}dito.

Article 19

The Ministry of the Treasury is authorized to reimburse to the Italian Exchange Control Office the amount of Lit. 85 billion as part payment for the countervalue of the pounds Sterling it had borrowed from the said office in pursuance of article 3 of Law No. 258 of April 18, 1950, reimbursement to be effected by means of 9-year Treasury bonds due in 1962 according to Law No. 2356 of December 19, 1952, to be issued in excess of the limit set forth by article 6 of the said law.

TITLE III

INSURANCE AND FINANCING OF LONG-TERM CREDITS RELATIVE TO THE EXPORT OF GOODS AND SERVICES AND THE EXECUTION OF WORKS ABROAD, AS WELL AS ASSISTANCE TO COUNTRIES IN THE PROCESS OF DEVELOPMENT.

Article 20

Italian enterprises may be authorized by the Ministry of Foreign Trade, and in the cases under b) and c) of the present article in concurrence with the Ministry of the Treasury, to receive in payment of exports of goods and services, as well as for the works executed abroad :

- a) bonds in Italian lire or in foreign currency issued by the government of the importing country or by public agencies of public enterprises of the importing country, or by non-government parties, of the importing country, provided they are covered by a guarantee issued by the Government or a public body authorized to guarantee payment, or by other appropriate guarantee; the bonds may be assigned to the institutions and Banks indicated in article 19 of Law No. 949 of July 25, 1952, which will undertake to buy them at a fixed price or to grant loans against them; they may also be assigned to third parties, subject to prior approval of the Ministry of Foreign Trade and, when assigned to commercial banks, in accordance with the regulations established by Banca d'Italia.
- b) securities in Italian Lire or in foreign currency, issued by the institutions, and banks listed in article 19 of Law No. 949 of July 25, 1952, representative of ownership of certain groups of securities, public or private, issued by the government of the importing country, or by a public or private enterprise of the importing country with the same guarantees as mentioned under a) above (provided such securities have been issued) against export of goods, services, the execution of works abroad as mentioned above, or to finance transactions contemplated in c) below.

- c) bonds in Italian lire or in foreign currency of special series, issued, even irrespective of the provisions of article 2410 of the Civil Code, by the institutions and banks mentioned in article 19 of Law No. 949 of July 25, 1952, against loans granted by the said institutions and banks to the government of the importing country or to a public or private enterprise of the same country, with guarantees similar to those under a), with the sole purpose of enabling such enterprises of the foreign country to purchase the aforesaid goods, services and works from the Italian enterprises.

The maturity of the securities under a), b) and c) above shall not exceed the period of ten years; this term, however, may be exceeded in the event the Ministry of Foreign Trade, in concurrence with the Ministry of the Treasury and after consultation with the Ministry of Foreign Affairs, specifically agrees that the authorized transaction is directly or indirectly of special interest.

The provisions of the last paragraph of article 13 apply also in paragraph a), b) and c) above.

Article 21

Under decree to be issued by the Ministry of foreign Trade, in concurrence with the Ministry of the Treasury and after consultation with the Ministry of Foreign Affairs, the institutions and banks indicated in article 19 of Law No. 949 of July 25, 1952, may be authorized to operate, singly or as a syndicate established among themselves or in conjunction with foreign institutions or foreign banks, in the forms contemplated under a), b) and c) of the preceding article 20, also for the granting of financial facilities to foreign government or central banks, aimed at the economic recovery of their respective countries or of their depressed areas.

For the purpose of the present law, the securities or instruments issued or purchased as set forth above, are considered fully equivalent to those contemplated in article 20.

Article 22

The institutions and banks indicated in article 19 of Law No. 949 of July 25, 1952, may sell the securities under paragraphs

a), b) and c) of article 20 and article 21, in the form and manner provided for by Decree-Law No. 375 of March 12, 1936, and subsequent amendments.

Article 23

Istituto Nazionale delle Assicurazioni is authorized to underwrite and operate on behalf of the government, in the form and manner contemplated in Title I of the present law, insurance and re-insurance from enterprises authorized to insure export credits according to Presidential Decree of February 13, 1959, No. 449, covering guarantees against the risks contemplated in article 3, in respect of

- 1) securities according to paragraph a) of article 20 of the present law, in favor of their holders;
- 2) securities according to paragraph b) of article 20 of the present law, in favor of the institutions and banks that issue the corresponding representative securities;
- 3) financing according to paragraph c) of said article 20, in favor of the institutions and banks granting the loan;

as well as in respect of any security, instrument or loan indicated in article 21.

The limitation contemplated in the third paragraph of the preceding article 1 does not apply to the guarantees pursuant to the present article. For the guarantee indicated under 3) above and for those covering the financing transactions contemplated in article 21, the share of the guarantee contemplated in the first paragraph of article 5 may be raised up to 100 % of the value of the credits granted.

For the purpose of the granting of the guarantee under 6) of article 3, default involves the government of the foreign public body that issued the securities or instruments according to a) and b) of article 20, or the borrower for the loan under c) of the same article 20, or the body or private enterprise of the foreign country that issued the securities or instruments or that owes the funds borrowed, provided in this latter case, that payment is guaranteed by a foreign government or by a foreign public body authorized to so guarantee.

Article 24

In addition to the provisions of article 13, Mediocredito is authorized to underwrite singly or in syndicate with the aforementioned institutions and banks, the securities according to articles 20 and 21 of the present law. Mediocredito may also advance money to the said institutions and banks against collateral, represented by the said securities, or buy from them the said securities under forward re-sale agreement.

In the case of the bonds under c) of the preceding article 20, and by virtue of the transactions contemplated in the preceding comma, Mediocredito has a privilege on the sums representing repayment of foreign loans underlying the issue of bonds; said privilege is limited to the amount of the said transactions.

In the case of advances or loans against securities expressed in foreign currency, granted by Mediocredito, the rules set forth in paragraph 2 of article 15 are applicable.

TITLE IV

ESTABLISHMENT OF AN AUTONOMOUS FUND WITH MEDIOCREDITO

Article 25

An autonomous Fund is established with Mediocredito to grant credit facilities required for the payment of compensations arising from the application of the provisions of Titles I and III of the present law.

The resources of the Fund will be provided through an assignment of Lit. 35 billion granted by the Government in annual quotas of Lit. 4,400 million for the financial year 1960-61, Lit. 5.600 million for the financial year 1961-62, and additional quotas commensurate with the available resources of the public budget for the financial years 1962-63 through 1966-67.

Article 26

At the request of the Ministry of the Treasury, resources of the Fund may be used for advances under the Government in surance scheme contemplated in article I of the present law for the payment of compensations on credits insured under the provisions of Title I and III of said law, and to be recouped in accordance with article 7.

Article 27

For the transactions indicated in the preceding article 25 and 26, the Fund may use, in addition to the amount of Lit. 35 billion:

- a) the sums derived from the transactions effected in accordance with the preceding article 26;
- b) the available balances resulting from the operation of the insurance scheme in pursuance of Titles I and III of the present law, to be determined annually by the Committee contemplated by article 9 of the said law;
- c) the advances which Mediocredito is authorized to make the Fund, in accordance with the present law;
- d) the proceeds of the bonded loans which Mediocredito is authorized to issue on the basis of the subsequent article 28.

Article 28

Whenever it is necessary to integrate the financial resources of the Fund, and those pursuant to paragraphs a), b) and c) of the preceding article 27 appear to be insufficient, Mediocredito may be authorized by decree of the Ministry of the Treasury, with the concurrence of the Interministerial Committee for Credit and Savings, to issue bonds in pursuance of paragraph d) of said article 27.

All expenses for the issuance of the bonded loans provided for by the present law and relative amortizations, shall be chargeable to the Fund.

Article 29

The bonds contemplated in article 28 are equivalent to the municipal and provincial credit certificates issued by Bassa Depositi e Prestiti, and are subject to income tax and to a 10 lire stamp for each certificate, but are exempt from any other tax, in post or charge in favor of the Treasury or of local authorities.

Article 30

The supervision of the administration of the Fund according to article 25 is the responsibility of the same Committee in dicated in article 9. However, the members of the Committee are reduced as indicated below, with the participation of a representative of Mediocredito:

- the Chairman and Vice Chairman of the Committee;
- a representative of the Ministry of the Treasury - General Accounting;
- a representative of the Ministry of the Treasury - Direction General of the Treasury;
- a representative of the Ministry of Foreign Trade - Direction General for Foreign Exchange;
- a representative of the Court of Accounts;
- a representative of I.N.A. (Istituto Nazionale delle Assicurazioni)
- a representative of the National Institute for Foreign Trade.

Article 31

Profits deriving from the transactions set forth in the present Title shall accrue to the Fund, and eventual losses shall be chargeable to the Fond.

Article 32

All fiscal exemptions contemplated in Articles 39 and 41 of the present law are extended to all deeds and transactions effected by Mediocredito in its capacity as administrator of the Fund.

Article 33

In order to regulate the relations arising from the transactions carried out by Mediocredito with regard to the activity of the Fund, special agreements may be made, upon request of the Committee contemplated in article 30, between the Fund and Mediocredito, to be submitted to the approval of the Ministry of the Treasury.

The administration's annual report shall be submitted to the approval of the Ministry of the Treasury.

TITLE V

FINAL AND TRANSITORY PROVISIONS

Article 34

The maximum amount of the guarantees to be underwritten by the Government, as provided for by Titles I and III of the present law, is determined on an annual basis by the same law approving the budget of the Ministry of the Treasury.

Article 35

In case of liquidation of the scheme according to article I of the present law, profits or losses will be transferred to the Treasury.

Article 36

The guarantee fund indicated in article 15 of Law No. 955 of December 22, 1953, is increased by Lit. 1 billion.

Article 37

The expenditure arising from the enforcement of the present law will be met as to the amount of Lit. 500 million with resources indicated in chapter 612 of the budget of the Ministry of the Treasury for the financial year 1959-1960, as to

Lit. 4,500 million with the resources indicated in chapter 585 of the said budget for the financial year 1960-1961, and as to Lit. 400 million out of the eventual provisional deposit of the same amount chargeable to a non-interest bearing current account relative to Government reinsurance of ordinary marine and mine risks, according to Law No. 102 of February 23, 1952.

Article 38

The Minister of the Treasury is authorized to make such changes in the budget as may be necessary, under his own decrees.

Article 39

The insurance and re-insurance premiums relative to the transactions eligible for the guarantee, are exempt from the tax on insurance laid down in Royal Decree of December 30, 1923, No. 3281, and subsequent provisions.

Also exempt from such taxes are the premiums collected by the insurance companies indicated in article 1, on the share of risk covered in excess of the percentage insured under the government insurance system, with the exclusion in any case of the share of risk left for account of the exporter as indicated in article 5, and with the provision that the insurance contract is stipulated on the policy forms approved by the Committee indicated in article 9.

Moreover, all insurance contracts, policies, receipts and other deeds drawn in connection with transactions reflecting risks covered by the Government guarantee are exempt from stamp and registration taxes and from registration formalities.

Article 40

The implementing regulations to this law are issued by decree of the President of the Republic upon request of the Ministry of Foreign Trade in concurrence with the Ministry of the Treasury and the Ministry for Industry and Commerce.

Article 41

The fiscal facilities in article 6 of Law No. 445 of June 22, 1950 are extended to Mediocredito and to the other institutions and banks indicated in article 19 of Law No. 949 of July 25, 1952:

- for the transactions carried out in pursuance of this law as well as for all measures, actions, contracts and formalities concerning said transactions, their execution and completion and
- for the bills indicated in the preceding article 13, made out to the order of the said institutions and banks or to the order of the Italian exporter, even when issued by the foreign importer.

The securities and bonds described in article 20 under paragraphs a), b) and c) and the obligations covered by article 21 are exempt from the stamp and income tax in respect of the collection system indicated in the third paragraph of article 6 of Law No. 445 of June 22, 1950.

Article 42

In accordance with the terms and conditions to be established by decree of the President of the Republic, at the request of the Ministry of the Treasury in concurrence with the Ministry of Foreign Trade and the Ministry for Foreign Affairs, Istituto Nazionale delle Assicurazioni (I.N.A.) may be authorized to negotiate, for account of the Government, re-insurance and co-insurance contracts with foreign institutions handling export credit insurance.

Article 43

By decree of the President of the Republic, upon request of the Ministry of the Treasury and the Ministry of Foreign Trade, and subject to the prior resolution of the Council of Ministers, the authorization granted to Mediocredito to effect the transactions indicated in articles 13 and 24, may be withdrawn in the event that similar export facilities granted by other governments should be suspended or revoked.

Article 44

The guarantees granted by resolutions of the Committee indicated in article 9 of Law No. 955 of December 22, 1953, and subsequent amendments and integrations, after becoming effective on the basis of article 11 of the said law, are governed by it.

All provisions in contrast with those of the present law are hereby declared void.

- - - - -

Receipt No. 5215

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY Int. Bank for Reconstruction & Development
U. S. A.

Date of issue

the following :-

20th December, 1963

Quantity	Particulars
1	Contract KF1 Contract KF2 Contract KF3 Contract KE1 Contract KE2
	Sup. Notice No. 7. Sup. Notice No. 6. Sup. Notice No. 4. Sup. Notice No. 5. Sup. Notice No. 3 & 4

JAN 6 1964

Date of Receipt



Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

CROSS REFERENCE SHEET

COMMUNICATION: Letter No. 51

DATED: December 21, 1963

TO: Messrs. Moussa, Williams, McIvor and Horsley

FROM: Joseph Fajans

FILED UNDER: Nigeria - General Negotiations

SUMMARY: Excerpts from above letter:

The Dam

10. With regard to Noel's doubts, I definitely understand that the U.S. contribution will be available for all purchases of U.S. goods needed in the project. The Chairman ~~for~~ of Eximbank told this to the Govt. during his visit here.

11. I also understand from NDA that the Govt. fully realize that local costs have to be met by Nigeria. The same opinion prevails at the Ministry of Economic Development, which would like to know what amounts will have to be mobilised annually. The Ministry of Finance appear to hedge still.

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

OUTGOING WIRE

TO: FAJANS
PALACE
LAGOS

DATE: DECEMBER 20, 1963

CLASS OF
SERVICE: IBF - GOVT.

COUNTRY: NIGERIA

TEXT:
Cable No.: 81

Run

REURCAB 79 WE EXPECT RECEIVE FROM DAMS AUTHORITY NEXT WEEK THEIR PROPOSALS
REGARDING AWARD MAIN CIVIL WORKS CONTRACT AND PROPOSE CALLING MEETING
CONSULTATIVE GROUP PROBABLY BY MID-JANUARY TO DISCUSS FINANCING FOR PROJECT
STOP PLEASE ADVISE MINFIN STOP GRATEFUL IF YOU WOULD KEEP US INFORMED
BUT TAKE NO FURTHER ACTION RELATING TO FINANCING

INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME S. Noel McIvor

DEPT. Operations - Africa

SIGNATURE *[Signature]*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Sheehan

SNMcIvor:mem

For Use by Archives Division

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

Checked for Dispatch: *18*

December 20, 1963

Mr. J. H. Ings
Chairman
Niger Dams Authority
Independence House
P.M. Bag 12605
Lagos, Nigeria

Dear Mr. Ings:

You will remember that when Mr. Sheehan and I saw you in Lagos last month you referred to the possibility of Mr. Foster being considered for the position of financial member of the Niger Dams Authority. You had heard that he would not be available until March and you suggested that we should look into this to see what the position was.

General Vogel has spoken to Mr. Foster and it appears that Mr. Foster is now waiting to hear from you. He would be available to go for interview to Nigeria at any time if you wished him to. He would not be available for appointment until March 1; however, if you were to interview him this is a point you could discuss with him to see whether he might be available somewhat earlier than that. I must say that considering the time it takes to make appointments of this kind I would think it most unlikely that any candidate considered from now on would be available much earlier than March.

I suggest that if you wish to pursue Mr. Foster's possibility you get in touch with him direct.

Best wishes for Christmas and the new year to Mallam Dikko and yourself.

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

cc: Messrs. Vogel, Sheehan, Eschenberg, Benjenk Fajans

SNMcIvor:mem

Nm

Mr. Mario Piccagli

December 20, 1963

R. H. Sheehan *RR for S*

Summary of Consultants Tender Analysis - Kainji Civil Works Contract

1. The Joint Consultants submitted their report on the assessment of tenders to the Niger Dams Authority (NDA) on December 13, 1963 and on the same date sent two copies to the Bank. We have since received a cable from NDA saying the Authority would send us a copy of the report together with its own recommendations on the proposed award.

2. Five consortia submitted tenders. Following is a list of bidders, identified by the name of the principal firm, with their tender prices:

Impregilo	--	EN35,728,151
Morrison-Knudson	--	EN36,031,529
Utah	--	EN37,209,037
Dumez	--	EN37,750,000
Holzmann	--	EN37,946,526

3. The Joint Consultants have checked the arithmetic of the tenders, made adjustments for the rate of currency exchange, allowed for differences in alternative means of transport, and have arrived at the following values:

Impregilo	--	EN35,579,000
Morrison-Knudson	--	EN36,075,000
Utah	--	EN37,157,000
Dumez	--	EN37,654,000
Holzmann	--	EN37,867,000

4. The report also investigated the effect of several factors which the consultants stated could be "assessed in principle but not accurately." The items included dayworks, nominated sub-contractors, interest on plant advances and payments during construction (@ 6%), and customs duties. Taking these into consideration and assuming that all local costs would be interest free, the potential costs for the three lowest bidders would be:

Impregilo	--	EN39,525,000
Morrison-Knudson	--	EN40,161,000
Utah	--	EN42,576,000

If the local costs are assumed to bear interest* the potential costs for the same tenderers would be:

Impregilo	--	EN41,131,000
Morrison-Knudson	--	EN42,152,000
Utah	--	EN43,926,000

6% per annum after 5 years is assumed

5. The two lowest tenderers have withdrawn all significant qualifications from their tenders and the consultants find that they are each capable with regard to financial resources and technical experience. They state that Impregilo proposes a more flexible program but that M-K's transport proposal balances this factor. The consultants conclude by recommending the Impregilo tender.

6. Listed below are the foreign currency requirements of Impregilo. The total amount is £111,316 higher than shown in paragraph 3 above which would cover the cost of development of Raba should river transport be used. Some portion of the prime costs and provisional sums would also be required in foreign currency.

<u>Currency</u>		<u>Exchange Rate</u>	<u>Nigerian £ Equivalent</u>
<u>Type</u>	<u>Amount</u>		
£ Nigerian	10,016,000	1.00	10,016,000
£ Sterling	4,527,162	1.00	4,527,162
U.S. Dollars	23,847,844	0.358	8,547,615
Italian Lire	15,960,265,000	0.000575	9,167,296
			32,258,073
Add P. C. and Prov. Sums			<u>3,432,243</u>
			<u>35,690,316</u>

cc: Mr. J. Burke Knapp
cc: Mr. Aldersfeld
Mr. McIvor

Mr. Williams
Mr. Rydell

INCOMING WIRE

DATE OF
WIRE: DECEMBER 19, 1963 1850

LOG NO.: RC 7

TO: INTBATRAD PICCAGLI

FROM: ROMA

TEXT:

ROUTING

ACTION COPY: TECHNICAL OPERATIONS

INFORMATION
COPY:

DECODED BY:

PREGOLA INFORMARMI CORTESEMENTE VIE BREVI EVENTUALMENTE TRAMITE MARINI
STATO ATTUALE NOTA PRATICA IMPREGILO NIGERIA ET IN PARTICOLARE SE SUO
ESITO PUO ESSERE PREGIUDICATO DA QUESTIONE RELATIVA FINANZIAMENTI

SERGIO SIGLIENTI

I N C O M I N G W I R E

DATE OF
WIRE: DECEMBER 19, 1963 1350

LOG NO.: RC 14

TO: INTBAFRAD

FROM: LAGOS

TEXT:

R O U T I N G

ACTION COPY: MR. MCIVOR

INFORMATION
COPY: MR. WILLIAMS

DECODED BY:

M900 FOR NOEL MCIVOR FROM DIKKO NIGERDAMS

BECAUSE MORE THAN ONE THIRD ELECTRICAL AND MECHANICAL EQUIPMENT TENDERERS ARE
REQUESTING EXTENSION OF TIME WE ARE EXTENDING TENDER CLOSING DATE TO JANUARY 28TH
TRUSTING THIS WILL NOT AFFECT DECISION ON EARLY AWARD OF CIVIL CONTRACT. CIVIL
CONTRACT REPORT AND OUR RECOMMENDATION WILL BE FORWARDED DECEMBER 24TH FOR YOUR COMMENTS
BY EARLY JANUARY

EXTERNAL

Copy Mr. Sheehan

ORIGINAL

SE

Receipt No. 5098

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY.....**International Bank for Reconstruction & Development,**
1818 H Street N. W.,
Washington 25, D. C.,
U. S. A......

Date of issue

the following :-

17th December, 1963.

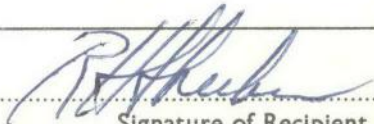
Quantity

Particulars

1

Contract KE1 - Supplementary Notice No. 4

12/23/63
Date of Receipt


Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

NETHERLANDS ENGINEERING CONSULTANTS.
JAVASTRAAT 48,
THE HAGUE.

Op Files
BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E.C. 4.

"N E D E C O"

*Recd 2 sets - 1/17/64 - Pub Util.
1 set + cov. ltr. to Sheehan*

Our ref. 606/8754/CLB.

16th December, 1963.

The Secretary,
Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos,
Nigeria.

Dear Sirs,

Niger Dams Project - Kainji Development
Contract KF6 - Lock Gates
Prequalification of Prospective Tenderers

We have completed our assessment of the information submitted by prospective tenderers for the above contract and enclose for your consideration our report and recommendations.

The subject has already been discussed with you during your visit to London in December 1963. As result we have included a separate sheet conditionally qualified for Metalna from Yugoslavia.

Although the sizes of the locks and of the gates may still be altered, we do not consider this will have influence on our assessments.

We shall be pleased to receive your approval.

Yours faithfully,
for JOINT ENGINEERING CONSULTANTS
for "N E D E C O"

C.L. Begemann

C.L. Begemann

Coll.AvdL/AA

cc.: Balfour Beatty and Co.Limited, London
Joint Consultants Office, Lagos

FEDERAL GOVERNMENT OF NIGERIA - NIGER DAMS AUTHORITY

NIGER DAMS PROJECT - KAINJI DEVELOPMENT

CONTRACT KF 6 - LOCK GATES

REPORT ON ASSESSMENT OF QUALIFICATIONS OF PROSPECTIVE TENDERS

1. An invitation to apply for prequalification for Contract KF 6 was advertised during September and applications have been received from 22 companies out of 10 countries. One company, De Vries & Robbé, out of Holland, has withdrawn his application, so that the application of 21 companies out of 10 countries has been assessed.
2. Assessment of the companies has been made on the basis of information received. In many instances additional information mainly regarding the technical experience was required, has been requested and received.
3. The rating notation for the technical experience has taken into account the overall experience in gate design of the manufacturer. It was impossible to apply as criterium for qualification that gates of the same type and size have been manufactured by the prospective tenderer since no company has constructed sector gates of the same size and very few companies have constructed mitre gates of the same dimensions and head as requested for the contract.
To supplement for the lack of experience in sector gates by prospective tenderers, a comparison has been drawn with the taintor gates manufactured.
4. A total of 14 companies have been recommended as qualified, nos 1-14 inclusive. All are considered to have adequate capability as regards financial status, technical experience, and manufacturing facilities. One company, Metalna - Yugoslavia, no. 15, has no adequate technical experience but has constructed larger sized gates in collaboration with other European firms. The condition under which this company has been recommended as qualified is that it will co-operate with one of the qualified companies for the design of the gates of the contract.
5. A total of 6 companies have been recommended as disqualified, nos. 16 to 21 inclusive. The reasons for disqualification are stated on the included lists. All of these companies have inadequate technical experience. In the case of Vickers Armstrong, United Kingdom, no. 16, who have reported very little technical experience, have stated that they intend to do the design at their own, and will not use the ample design experience of their Canadian subsidiary, Canadian Vickers.

6. Summary

companies qualified	14
companies conditionally qualified	1
companies disqualified	6
countries represented by applicants	10
countries represented by qualified applicants	8

December 16th, 1963.

Coll.: AvdL/AA

FEDERAL GOVERNMENT OF NIGERIA - NIGER DAMS AUTHORITY

NIGER DAMS PROJECT - KAINJI DEVELOPMENT

CONTRACT KF 6 - LOCK GATES

REPORT ON ASSESSMENT OF QUALIFICATIONS OF PROSPECTIVE TENDERS

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5. A total of 6 companies have been recommended as disqualified, nos. 16 to 21 inclusive. The reasons for disqualification are stated on the included lists. All of these companies have inadequate technical experience. In the case of Vickers Armstrong, United Kingdom, no. 16, who have reported very little technical experience, have stated that they intend to do the design at their own, and will not use the ample design experience of their Canadian subsidiary, Canadian Vickers.

6. Summary

companies qualified	14
companies conditionally qualified	1
companies disqualified	6
countries represented by applicants	10
countries represented by qualified applicants	8

December 16th, 1963.

Coll.: AvdL/AA

Receipt No. 5092

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction & Development,
1818 H Street N.W.,
Washington 25, D.C.,
U.S.A.
the following :-

Date of issue

16th December, 1963.

Quantity	Particulars
2	Contract Kf1 - Supplementary Notice No. 6

12/23/63

Date of Receipt

R. H. Khan

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

COPY OF MEMORANDUM FROM BALFOUR, BEATTY & CO., LIMITED.
BOW BELLS HOUSE, LONDON, E.C.4.

Joint Consultants' Office,
Lagos.

16th December, 1963.

ENCLOSE TO

IBRD

For Mr R.H. Sheehan

From BALFOUR, BEATTY & CO. Limited

Bow Bells House, Bread Street

London, E.C.4

Form 3

EXPRESS AIR MAIL

Niger Dams Project - Kainji Development
Main Civil Works - Contract KD4, Tender Assessment.

We enclose amended copy of our letter of the 13th December,
please destroy the original one.

202

To: OPR. files
R.H.

c.c. IBRD

Nedeco

J. van Hasselt en de Koning (2)

COPY OF LETTER FROM BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE, LONDON, E.C.4.

ENCLOSE TO For the attention of
IBRD. Mr. Sheehan
1818H Street N.W.
Washington 25. D.C. U.S.A.
From BALFOUR, BEATTY & CO. Limited
Bow Bells House, Bread Street
London, E.C.4
Form 3

9960.190k/RWAM/SMM

13th December, 1963.

The Chairman,
Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos,
Nigeria,

Dear Sir,

Niger Dams Project - Kainji Development.
Main Civil Works - Contract KD4, Tender Assessment.

As promised the Joint Consultants enclose herewith their Report on the Assessment of tenders submitted for the Main Civil Works of the Kainji Development.

They are at your disposal for any clarification required or to supply further information to help you in the selection of the Contractor for Contract KD4.

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED
for JOINT CONSULTANTS



c.c. IBRD
Nedeco
J. van Hasselt en de Koning (2)
Joint Consultants' Office Lagos

cc: Mr. Rydell
Mr. Sheehan
Mr. McIvor

December 16, 1963

Mr. Y. A. Dikko
Secretary
Niger Dams Authority
Independence House
Private Mail Bag 12605
Lagos, Nigeria

Kainji Cost Estimates

Dear Mr. Dikko:

As Mr. Sheehan promised during the recent discussions held in London, we are sending our latest figures for the interest during construction of the Kainji Project. Interest was computed on the foreign currency component of £42.95 million on the assumption that the IBRD loan would be at $5\frac{1}{2}\%$ plus $3/4\%$ commitment charge, the U.S. Government funds at $5-3/4\%$, and the other foreign loans at 6% .

The annual interest figures are listed below:

<u>Year</u>	<u>Amount (£1000)</u>
1964/65	435
1965/66	850
1966/67	1,327
1967/68	1,882
1968/69	<u>2,384</u>
Total	6,878

We have also deducted from the administration cost of the project, £460,000 of working capital. The direct cost therefore becomes £65.16 million plus interest of £6.878 million for a total of £72.038 million.

I am sending a copy of this letter to Balfour, Beatty & Co., Limited for their information.

Sincerely yours,

S. Noel McIvor
Department of Operations - Africa

RHS
RHSheehan:th

cc: Messrs Balfour, Beatty & Co., Ltd., London, England

INCOMING WIRE

DATE OF
WIRE: DECEMBER 11, 1963 1050

LOG NO.: RC 14

TO: INTBAFRAD

FROM: LAGOS

TEXT:

ROUTING

ACTION COPY: MR. MCIVOR

INFORMATION COPY: MR. WILLIAMS

DECODED BY:

79

REMYCAB 77 PENDING APPROVAL BY NEW GOVERNMENT IS PROPOSAL FOR SEVEN MILLION POUNDS LOAN AT SIX PERCENT TO BE DISBURSED 1964 1969 AND REPAID 1972 1977.

HAVE TOLD TWO PARTNERS IN THE GROUP THAT LONG TERM FINANCING WAS OF UTMOST IMPORTANCE AND ONE RETURNS HOME TODAY TO PRESS FOR EXTENSION TILL 1984.

PLEASE RAISE WITH ALTERNATE EXCDIR

FAJANS

13 yrs inc. 8 yrs grace.

ORIGINAL

KS

div. file

INCOMING WIRE

DATE OF
WIRE: DECEMBER 8, 1963 1110

LOG NO.: ACR 9

TO: INTBAFRAD

FROM: LAGOS

TEXT:

ROUTING	
ACTION COPY:	MR. HORSLEY <i>Jm</i>
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	

*Mr. McIvor
(for information)
div file*

78 FOR HORSLEY

AIRMAILING COMMENT

FAJANS

Receipt No. 4968

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction & Development,
1818 H Street N. W.,
Washington 25, D. C.,
U. S. A.

Date of issue

the following :-

4th December, 1963.

Quantity	Particulars
1	Contract KE2 - Supplementary Notice No. 2
1	" KE1 - " " 3

Dec. 11, 1963
Date of Receipt


Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Receipt No. 5031

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY.....~~International Bank for Reconstruction & Development~~
.....1818 H Street N.W.....
.....Washington 25, D.C. U.S.A.....

Date of issue

the following :-

6th December, 1963.

Quantity	Particulars
2	Contract KF2 - Supplementary Notice No. 5
2	" KF3 - " " No. 3

Dec. 11, 1963

Date of Receipt

R. H. Khan

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

OFFICE MEMORANDUM

TO: Mr. Geoffrey M. Wilson

DATE: December 2, 1963

FROM: J. H. Williams

SUBJECT: Nigeria - Kainji Dam Financing

1. You asked for a note on the present status of the Niger Dam financing.
2. The total cost of the Kainji Dam project is currently estimated at about \$189 million equivalent, of which about \$107 million is in foreign exchange costs and \$82 million in local costs. The foreign exchange figure includes an allowance for interest during construction; the local cost figure does not. The estimates will be revised as necessary over the next few weeks to take account of the results of bidding on major contracts.
3. We have told the Nigerians that we would be prepared to finance 60 percent of the foreign exchange costs provided Nigeria financed the whole of the local costs and the remaining funds required were assured on satisfactory terms. At an April 23, 1963 meeting of the Consultative Group for Nigeria we invited participation by other members on the following rough basis:

	<u>\$ millions</u>
Nigerian Government contribution (excluding interest)	80
I.B.R.D.	60-70
Other loans required	<u>50</u>
Total	<u>190-200</u>

It was suggested that loans from other members should be on terms at least as favorable as those of the Bank.

4. The response from members of the Group has so far been as follows:

U.S.A.: willing to finance at least 40 percent of U.S. procurement resulting from international bidding, with an upper limit of perhaps \$20 million: likely to be provided by EXIM rather than AID, on terms comparable to the Bank's. We suspect that the ceiling of \$20 million was to encourage other lenders and that it might be raised if there were substantial U.S. procurement.

U.K.: Up to £5 million (\$14 million), tied to procurement of British goods and services under direct major contracts with British suppliers, (i.e. the U.K. is not anxious to finance bits and pieces under sub-contracts). The terms would be 25 years, with 5 years grace, interest to be determined at the time of each drawing (probably around 6%).

Netherlands: Part, possibly all, of a long-term loan of 20 million guilders (\$5.5 million) to be made by the Netherlands to Nigeria for development purposes for the years 1963-65, the allocation to individual projects to be agreed. The loan would be untied, for 20-25 years with 5-7 years grace and at an interest rate comparable to the Bank's.

Canada: A special credit of Can\$ 5 million, tied to procurement in Canada, with possibility of an additional Can\$ 10 million to cover 50 percent of contracts placed in Canada in excess of Can\$ 5 million. The term for "a substantial contract" would be 25 years, with a five year grace period and interest at 6 percent.

Germany: Dr. Donner had indicated that his Government might consider arranging finance if a German firm submitted the lowest bid on an important contract.

Italy: The Government would consider aid if Italian contractors were successful tenderers: the terms would be "better than medium term". Italian contractors have in fact submitted the lowest bid on the main civil works contract and Mr. Fajans has cabled from Lagos that the Italian Ambassador is reported to be ready to announce some offer of aid.

Japan: Some possibility of loans "at better than 10 years" to finance the purchase of generating equipment in Japan.

5. In brief, there are more or less firm offers of up to \$5.5 million in untied aid and \$49 million in tied aid. At first sight, the total amount available appears sufficient. In fact we shall not know where we stand until major tenders have been analyzed. In any case, the present offers are very unequal in merit, e.g. the Canadian offer is almost certainly inflated beyond any possibility of its being taken up. The U.S. on the other hand might well go beyond \$20 million if there were heavy U.S. procurement. There are the possibilities of something from Germany, Japan and Italy, although we cannot assume that all offers are additive, since some must necessarily exclude others, to the extent they relate to a limited range of contracts, e.g. generating equipment.

6. The only tentative conclusion we can come to is that if there were no major procurement in the U.S. eligible for U.S. financing, it would be necessary to increase the Bank loan at least up to the \$75-\$80 million mentioned during Mr. Woods talk with Chief Festus after the Annual Meeting.

cc: Messrs. Knapp, Miller (Paris), Aldewereld/Piccagli, McIvor

JHWilliams:sma

Receipt No. 4910

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank For Reconstruction & Development,

1818 H Street, N.W.,

Washington 25, D.C. U.S.A.

Date of issue

28 NOV 1963

the following :-

Quantity	Particulars
1	K.F. 7 No 5
1	K.F. 2 No 4
1	K.F. 3 No 2

K.E., I
SUPPLEMENTARY
NOTICE
NO. 2

T.O.D. CORRES.
ANS'D. BY _____
DATE _____

Dec. 6 1963

Date of Receipt

R. H. H. H.

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

ENGLAND
LONDON
BREAD STREET
BOM BEGG HOUSE
BAGGOLV BEATTA
1963 DEC 2 AM 10 45

Please sign and return the red and blue copies of this receipt form to :-

Date of receipt

Signature of recipient

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the following :-

Date of issue 1963

By [Signature] [Name] [Address] [City] [Country]
[Signature] [Name] [Address] [City] [Country]

Medeco
BAGGOLV BEATTA & Co. Limited

ENGLAND DEPARTMENT
MICK DAVIS PROJECT

Receipt No. 7170

INCOMING WIRE

DATE OF
WIRE: **NOVEMBER 28, 1963**

LOG NO.: **WU 10**

TO: **INTBAFRAD**

FROM: **LONDON**

TEXT:

ROUTING

ACTION COPY: **TECHNICAL OPERATIONS**

INFORMATION
COPY:

DECODED BY:

**ARRIVED LONDON TODAY WILL VISIT MERZ MCLELLAN TOMORROW. NDA ALSO
HERE AND WILL REVIEW ANALYSIS OF TENDERS FOR DAM WITH BALFOUR.
EXPECT ARRIVE WASHINGTON WEDNESDAY**

SHEEHAN

NO FAMILY NOTIFICATION NECESSARY

ui-dan

INCOMING WIRE

DATE OF WIRE: NOVEMBER 27, 1963 0855

LOG NO.: RC 8

TO: INTBAFRAD

FROM: LAGOS

TEXT:

ROUTING	
ACTION COPY:	MR. MCIVOR <i>on return</i>
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	AB

Mr. Holtzman
dir files

77

ITALY OFFICIAL FINANCING FOR ITALY TENDER UNDER SERIOUS
CONSIDERATION. ITALIAN AMBASSADOR INFORMING FEDERAL MINISTER
OF FINANCE TODAY

FAJANS

RECEIVED IN CODE

Receipt No. 4866

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction and Development

1818 H Street, N.W.

Washington 25, D.C. U.S.A.

Date of issue

the following :-

21st Nov. 1963

Quantity	Particulars
2	Contract KF1 - Supplementary Notice No. 4.

Dec 6, 63
Date of Receipt

[Signature]
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Receipt No. 4846

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction & Development,

1818 H Street, N.W.

Washington 25, DC.

Date of issue

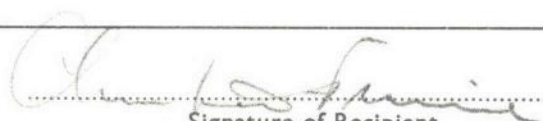
the following :-

U.S.A.

18th. Nov. 1963

Quantity	Particulars
1	K.E.1 SUPPLEMENTARY NOTICE No 1
1	K.E.2. " " "

November 21, 1963
Date of Receipt


Signature of Recipient

Asst. Chief,
Public Utilities Division, Dept. of Tech.Ops.

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

iii - Dated

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (22 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

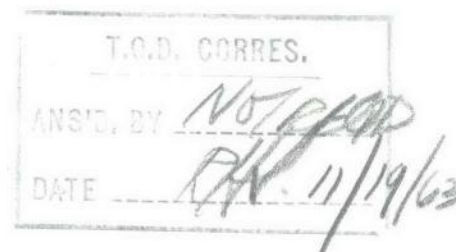
OUR REF. 9960/OOE/JDG/SMM

BY AIR MAIL

15th November, 1963.

International Bank for Reconstruction
& Development
1818 H Street N.W.,
Washington 25, D.C.
U.S.A.

For the attention of Mr. Mario Piccagli
Chief Public Utilities Division
Department of Technical Operations



Dear Sirs,

Niger Dams Project - Kainji Development
Prequalification for Plant Contracts.

Thank you for your letter of the 4th November explaining your views on prequalification and the reasons for them. We agree that rigid adherence to arbitrary criteria can produce illogical results and in general we try to take into account the manufacturers whole position, technical, financial and capacity. However, when decisions respecting a number of applicants are summarised in tabular form it is not so easy to give a comprehensive analysis of each case.

With regard to the remaining plant contracts our intention is to relax the application of the criteria still further and the Client is in full agreement. We believe that this should produce results which will not be either unfair to the applicants or embarrassing to you.

Yours faithfully,
BALFOUR, BEATTY & CO., LIMITED

c.c. Secretary, N.D.A.

Nedeco

J. van Hasselt en de Koning (2)

Joint Consultants' Office, Lagos

Joint Communications, Office, 17808
1. 4th March 1963 (S)
Medeco
C.C. Secretary, I.D.V.

RECEIVED
GENERAL FILES
1963 NOV 18 AM 10 36

BATLON, BEVILLY & CO., LIMITED
London, England

re either limit to the submission of simplifying to you.
agreement. We believe that this would produce results which will not
relax the submission of the criteria still further and the Client is in full
with regard to the remaining basic contracts and intention is to

comprehensive analysis of each case.
of submission are summarized in terms of form it is not so easy to give a
financial and capital. However, when decisions regarding a number
we will be able to take into account the individual's whole position, technical
experience to simplify criteria can produce practical results and in general
items on presentation and the reasons for them. We agree that this
Thank you for your letter of the 11th November expressing your

Predominant for Basic Contracts.
Under Basic Project - Katal Development

Best regards

Department of Technical Operations
Chief Basic Finance Division
For the attention of Mr. Mario Bisceglia

A.S.V.
Washington 25, D.C.
1818 H Street N.W.
& Development
International Bank for Reconstruction

12th November, 1963

OUR REF 8860/000/100/2000
YOUR REF

BY AIR MAIL

(EXTR)
CITY 5090 (55 LINE)
TELEPHONE 15

LONDON - E.C.4
BROAD STREET
BOM BEGG HOUSE

"BOM BEGG" LONDON - E.C.4
CABLE ADDRESS
"BOM BEGG" CENT. LONDON
TELEGRAPHIC ADDRESS

BATLON, BEVILLY & CO. LIMITED

Wai-Dam IBRD

Receipt No. 4800

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY International Bank for Reconstruction and Development,
1818 H Street N.W. Washington 25 D.C.
U.S.A.

Date of issue

14th November, 1963

the following :-

Quantity	Particulars
2. 1 to Files Bi	K.F, 2 SUPPLEMENTARY NOTICE NO. 3

NOV 19, 1963

Date of Receipt

Richard H. Beatty

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

ENGLAND
LONDON E.C.4
BROAD STREET
RECEIVED
GENERAL FILES
BALFOUR BEATTY & CO. LIMITED

Please sign and return this form and five copies of this receipt form to :-
1963 NOV 16 PM 2:46

Date of receipt

Signature of recipient

NOV 16 1963

[Signature]

NO. 3
MICEK
SUBJECT MATTER
K.E.S.

Quantity

Particulars

the following :-

1963 NOV 16 PM 2:46

Date of issue

BY THE NATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
received from the Joint Consultants

Medeco
Balfour Beatty & Co. Limited

KUWAIT DEVELOPMENT
MICEK DAMS PROJECT

Receipt No. 1800

November 14, 1963

Mr. Y. A. Dikko
Secretary
Niger Dams Authority
Independence House
Private Mail Bag 12605
Lagos, Nigeria

Dear Mr. Dikko:

Niger Dams Project

Further to my letter of November 7: your letter of November 1, which informed us of the tenders for the main civil works contract (KD4), asked for an indication of the next steps to be taken as seen from the Bank. The timing of the next steps from our point of view will depend a good deal on the outcome of the analysis by the Authority and the consulting engineers of the tenders for contract KD 4. We mentioned in our letter of May 24 that we would not reach the stage of inviting negotiators from Nigeria to work out with us detailed terms and conditions for a loan until satisfactory amounts of finance were in sight from other governments. The analysis of tenders for KD 4 should help to clarify the possible use of the tied finance which is expected to be available to you. You, and we, will then have to consider the recommendation for award of this contract and to its implications for completing a financing plan. When the recommendations are made, could you please inform us of them and give us an opportunity to comment before you take further action.

Our letter of May 24 set out some of the conditions that would have to be settled before we could recommend a loan to the Executive Directors of the Bank. We hope shortly to be able to circulate to member governments our preliminary appraisal report on the Kainji project and we intend at that time to draw the attention of the Nigerian Government to the main conditions which the report will indicate.

November 14, 1963

In the meantime we should appreciate news from you of progress with the appointment of a financial member to the Authority. As you know, much complicated work will lie ahead in meeting the requirements of the various lenders, both before loans could be signed and during their implementation.

The remarks on timing given in our letter of May 24 still broadly apply. We note your reference to the possibility of contractors moving into site in January. On this point, we should like to draw your attention to our earlier letter which said that if the financial plan were not completed by the time you were in a position to award the contract, you could possibly arrange an extension of the successful bidder's offer for whatever time were necessary. We added that we assumed you would not wish to award the contract unless the financial plan were firm.

We look forward to receiving the results of your analysis of the tenders for contract KD 4.

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

Cleared with and cc: Messrs. Moussa
Sheehan
Hornstein
Metherate
Horsley

cc: Mr. Fajans (Lagos)

SNMcIvor:mem



INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

OUTGOING WIRE

TO: FAJANS
PALACE
LAGOS

DATE: NOVEMBER 14, 1963

CLASS OF
SERVICE: IBF - GOVT.

COUNTRY: NIGERIA

TEXT:
Cable No.: 63

ALPHA REFERENCE DIKKO'S LETTER NOVEMBER 9 WOULD APPRECIATE HIS REACTION
MY LETTER TO INGS OCTOBER 18 GIVING PARTICULARS GRANT AND MEAD
BETA THANKS YOUR 72 STOP MY VISIT UNCERTAIN DEPENDING PARTLY ON
CONCLUSION ECN LOAN REGARDS

MCIVOR

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME S. Noel McIvor

DEPT. Operations - Africa

SIGNATURE *S. Noel McIvor*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:

SNMcIvor:mem

For Use by Archives Division

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

Checked for Dispatch: *[Signature]*

14th November, 1963.

9960.120q.KGA/PW

Agency for International Development,
Department of State,
Washington D.C. 20523,
U.S.A.

Dear Sirs,

Niger Dams Project - Kainji Development
Benefit/Cost Ratios

*Orig 4/ copy
report to
Mr. Sheehan
11/18
Ri*

Forwarded herewith are four copies of calculations giving benefit/cost ratios for the Kainji Development as requested by Mr. Feldt when he met the Consultants in London on November 6th to 8th.

*✓ LON 323041
Doc No. 8*

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED.

c. Secretary, Niger Dams Secretary. with 2 copies of calculations
Joint Consultants' Office, Lagos. " " " " "
Nedeco " 1 copy " "
J. van Hasselt en de Koning (2) " 2 copies " "

ENCL.

Receipt No. 4739

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY.....~~International Bank for Reconstruction~~
~~and Development,~~.....

.....1818 H Street, N.W.

.....Washington 25, D.C. U.S.A.

Date of issue

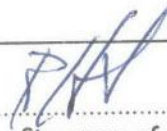
11th November, 1963

the following :-

Quantity	Particulars
2	K. F. 2 SUP NOTICE NO. 2

11/15/63

Date of Receipt



Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

CROSS REFERENCE SHEET

COMMUNICATION: Letter No. 45

DATED: November 10, 1963

TO: Mr. Moussa

FROM: Mr. Fajans
Resident Representative
Lagos, Nigeria

FILED UNDER: NIGERIA - General Negotiations

SUMMARY:

Letter Dam

1. I had a talk with the new Japanese Ambassador, Mr. Futamata. He was quite interested in all aspects of our activity here and consistently reverted to the Dam. He will report to Tokyo but left no doubt that his principals move slowly, if at all.
2. Futamata saw the P.M. on the previous day. In spite of the briefing, the P.M. did not mention the Dam. Ingo, whom I met later, felt discouraged.
3. The new Swedish Ambassador arrived yesterday.
4. Mr. Lodigiani of Iregile is due in Lagos soon and the Ambassador has asked me to meet him.



Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

CABINET OFFICE,
LAGOS,
NIGERIA

Ref: ND/0058

9th November, 1963.

Mr. Noel McIvor,
International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25 D.C.

Dear Mr. McIvor,

Last week we had information from our Washington Office which was later confirmed that Dr. Foster was declining the offer for the post of Finance Officer on the grounds that the job specification requires legal and accounting knowledge outside his field of competence.

2. As a result of this information, I wrote back to Dr. Foster explaining that it was possible he might have interpreted the work to involve detailed knowledge of law and accountancy. I then further explained to him that what was required is a person with sound knowledge of, and experience in, the economics of multi-purpose ~~hydro~~ hydro-electric plants, its financing methods and repayment procedures. The person is to be responsible to the Authority, of which he is a member, for its financial policies which among other things involve international borrowings and repayments and in addition he will be responsible for the activities of the Accounting Division, though we expect that suitably qualified specialist personnel required to look after the routine and day to day operation of the Department will be employed.

3. I have asked him in the light of above explanation to reconsider the matter and let me know if he wishes to accept the appointment.

4. However, as it is possible Dr. Foster may have other reasons for not wishing to accept the appointment, we would now like to ensure that we have a second and third choice. In this respect we would welcome from the Bank further suggestion of two or three other candidates in order of preference. The Bank should however bear in mind that we already have Mr. Ings from Canada and it is likely that we would also have the Chief Engineer from the same country. Under the circumstances, consideration should be given to candidates of other nationality than Canadian. We have of course, no objection in principle to having a Canadian as such, though this would make the entire executive members of the Authority Canadians and Mr. Ings appreciates that this may not be in the best interest of both countries.

Yours sincerely,

Y. A. Dikko

Y. A. Dikko,
Secretary,
Niger Dams Authority.

*Letter sent
Oct 18 re
Grant &
Mead.*

*Re information
Gen Vogel
w. Shahan
Choleray
Banyan
Hofstet
(return to me)*

2. 5. ДИЖНО:

INVEST
TUCOS'
CIVIL OFFICE

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

CONTRACT KF2 - INTAKE GATES

JOINT ENGINEERING CONSULTANTS

BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E. C. 4

NEDECO
JAVASTRAAT 48,
THE HAGUE.

SUPPLEMENTARY NOTICE NUMBER 2

5. ERRATA VOLUME 1

(i) Specification clause 3\02 Loads - Line 6 add 'draft tube gate' after 'Powerhouse'

(ii) Specification clause 8.08 Loading - Paragraph headed Cantilever Lift, 3rd line, delete 'a single hoist' and substitute 'both hoists'

6. ANSWERS TO TENDERERS QUESTIONS

The following written questions have been received and the answers to each are given below:

A1 Question: Specification clause 8.08. Can it be assumed that the crane will only lift the gate under balanced conditions and that the friction load referred to in this clause is only nominal?

Answer: The crane will lift the gate only under balanced water pressure conditions, with appropriate friction load.

A2 Question: Specification clause 8.07. As the crane is designed to B.S. 2573 which class would be applicable?

Answer: B.S. 2573, Class II

A3 Question: Specification Clause 3.01 states that the Intake Gantry Crane should be capable of lifting one Spillway stoplog which with its lifting beam would not exceed 70 tons. Should this load be considered in the design of the Intake Gantry Crane?

Answer: Yes, in conjunction with loads specified elsewhere in the Specification, including clauses 8.07 and 8.08.

A4 Question: Specification clause 3.02 states that the Intake Screens should be capable of withstanding a vertical force equal to twice their weight. Should this load be considered in the design of the Intake Gantry Crane?

Answer: No. The loads specified in clause 3.02 are to be used for the design of the Works listed in the clause. Loading for the Gantry Cranes are given in sections 8 and 9 of the Specification.

for JOINT ENGINEERING CONSULTANTS

for allent

8th November, 1963.

Mr. Dan
of J. Edgar
1840 Terrace Avenue
Knoxville 16, Tennessee
November 7, 1963

Mr. Noel MacIver, Chief
African Division
International Bank for Reconstruction & Development
1818 H Street, N. W.
Washington 25, D. C.

Dear Mr. MacIver:

Mr. M. I. Foster of the Tennessee Valley Authority has furnished me with a brief description booklet of the Niger Dams Project and other data pertaining to an opening for the position of Controller. Inasmuch as I have held a similar position in an under-developed country, I am presenting below a brief resume of my experience.

I was Controller of a \$170 million Iranian contract for Development & Resources Corporation, One Whitehall Street, New York City; while in Iran for a period of forty months, I performed most of the duties listed in your job description for the Controller-Treasurer position.

I developed and implemented the accounting and reporting system (based on the FPC Classification for hydro construction), the property-records control system, and the internal audit system. I was responsible for all local currency in five or six depositories and issued instructions from Iran for foreign exchange payments in various world currencies or through letters of credit.

I handled all local insurance matters and I believe I wrote the first automotive fleet policy in Iran. I wrote the procurement policy for our company and for our Iranian successor, The Khuzestan Water and Power Authority, as well as policies relating to internal control, allocation of multiple-use investment, depreciation, etc.

I assisted in the preparation of funds requests to the Government and coordinated foreign financial relationships with the World Bank. I also coordinated financial matters with the Plan Organization of Iran and their representatives and with local banks.

I handled financial and auditing arrangements with NEDECO, Heidemy, MKI, Impresit, Parsons, and others; and assisted in drafting and interpreting contracts. We were, in effect, the prime contractor for a dam, a sugar mill and refinery, an irrigation project, municipal electric distribution systems rehabilitation, extension, and expansion, etc., and had control of the entire project funds which we received in advance in semi-annual installments.

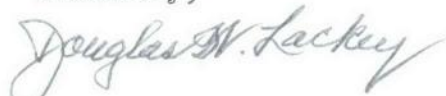
cc *Gen Vogel*
Mr. Sheehan
Chatenoy - for information
Benjamin

Since 1962, I have been associated with The University of Tennessee as Assistant to the Director of Physical Plant. My duties have included: coordinating an \$11 million Urban Renewal Program, forecasting space and capital requirements to 1980, preparation of HHFA loan agreements and bond amortization schedules, preparation of capital outlay requirements in detail and in summary for presentation to the Board and to the General Assembly, project expenditure and control analyses, etc.

Prior to my job in the Middle East with the "Lilienthal and Clapp" company, I was with the Tennessee Valley Authority for twenty-three years in various accounting capacities, and was the General Accountant for the last twelve years.

If the position with your organization is still open, or if I may be considered for other employment with the IBRD, I will be glad to submit a complete resume. Quick references are: John Oliver, Executive Vice President of D & R Corporation, Whitehall 4-4521, New York City; Gifford Cruze, Comptroller of TVA, 522-7181, Knoxville; and Donald Chilvers or Francis Shearer, Partners, Coopers and Lybrand, cable address--Coopers, London. My number is 524-2981 extension 377, or 525-4997 at home.

Sincerely,



Douglas W. Lackey

A.R. Jones
Director TVA

November 7, 1963

Mallam Y. A. Dikko
Secretary
Niger Dams Authority
Independence House
P. M. Bag 12605
Lagos, Nigeria

Dear Mallam Dikko:

Niger Dams Project - Main Civil Works Tenders

Thank you for your letter of November 1 reference ND/0032/ giving the tender prices for the Main Civil Works Contract for the Kainji Dam. We shall be sending you a reply to your inquiry in paragraph 6 as soon as possible.

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

cc: Messrs. Sheehan, Hornstein, Metherate, Horsley, Fajans (Lagos)

SNMcIvor:mem

mm

Receipt No. 4694

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY International Bank for Reconstruction
and Development,
1818 H Street N.W., Washington 25, D.C.

Date of issue
-5 NOV 1963

the following :-

Quantity	Particulars
2	K. F. 3 SUP NOTICE NO. 1

11/8/63
Date of Receipt

[Signature]
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Receipt No. 4643

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY.....International Bank for Reconstruction.....
.....& Development,
.....Public Utilities Division,
.....1818 H Street N.W.,
.....Washington 25, D. C., U.S.A.

Date of issue

4 NOV 1963

the following :-

Quantity	Particulars
4	K.F.I SUP NOTICE NO 3

Date of Receipt

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Receipt No. 4638

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction,
and Development,
1818 H Street N. W.,
Washington 25 D. C.,
U. S. A.
the following :-

Date of issue

4th November, 1963.

Quantity	Particulars
2	Contract KF2 - Supplementary Notice No. 1

.....
Date of Receipt

.....
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

November 4, 1963

Balfour, Beatty & Company Limited
Bow Bells House
Bread Street
London E.C.4, England

Re: Nigeria - Kainji Development, Generators
and Generator Transformers

Gentlemen:

This is to acknowledge receipt of your letter dated October 10, 1963 in which you invite more specific comments about our different views on pre-qualifications. ✓

Mr. Sheehan has reported having discussed this with you some months back when he suggested strongly that it would be better not to have pre-qualification in connection with large equipment contracts for this project.

This is a case where the questions about the criteria used arise from viewing the results reached by their use rather than by an abstract examination of the criteria themselves. We were surprised to find that some manufacturers were listed as "not qualified" who have ranked for decades in the forefront of the industry. We realize that this results from using as a test of qualification the previous manufacture of equipment almost equal to that now required.

There have been previous instances in other Bank projects where it was similarly demanded as a condition of qualification that equipment very close in size and specifications should have been built before by the firm and should have, in fact, been installed and operated for some time. This concept has been attacked, and reasonably so, particularly when the equipment in question has to be tailor-designed. For example, a firm that has successfully dealt for a long time with the design and construction of large high voltage transformers, say 130 kv and 220 kv, cannot in our opinion reasonably be considered not qualified to bid on 330 kv transformers until they have actually built some. As in a great many other things, the criterion stated in the abstract may sound reasonable enough but when it is applied as narrowly as it was in the recent instances, its validity, we feel, is open to question.

November 4, 1963

You must realize, of course, that our comments and views take account of the Bank's responsibility for assuring fair participation in bidding on Bank-financed contracts on the part of interested and qualified manufacturers in member countries. In view of this, our position is bound to be appreciably different from that of a borrower or an engineer who may wish to keep down the number of bids to a conveniently small optimum. It was indeed after considering these different angles and the number of manufacturers remaining even after the application of your tests and the further reductions requested by the Board, that we agreed with the proposal.

I hope this answers your questions. I should be glad to discuss this further if you wish.

Sincerely yours,

Mario Piccagli
Chief, Public Utilities Division
Department of Technical Operations

cc: Messrs. McIvor, Sheehan, Hornstein, Metherate
Spottswood

MP/bli

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

CONTRACT ____KEL____

JOINT ENGINEERING CONSULTANTS

BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E. C. 4

NEDECO
JAVASTRAAT 48,
THE HAGUE.

SUPPLEMENTARY NOTICE NUMBER 3

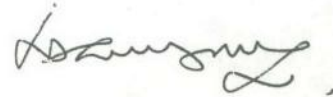
*Recd 4 copies 11/7
3 c. to Mr Sheehan
Bi 11/7*

11. SUBMISSION OF TENDER

The original Tender Date of the 16th December, 1963, stipulated in Supplementary Notice No. 1 to this Contract, will be extended to the 7th January, 1964 and Tenders, submitted in accordance with the conditions of Clause 10 of the Instructions to Tenderers, must be received before 12 o'clock noon on that date by

The Secretary,
Niger Dams Authority,
Independence House,
P. M. B. 12605,
Lagos, Nigeria.

for JOINT ENGINEERING CONSULTANTS



4th November 1963

CROSS REFERENCE SHEET

COMMUNICATION: Letter No. 44

DATED: November 3, 1963

TO: Messrs. Moussa, Williams, McIvor and Horsley

FROM: Mr. Fajans
Resident Representative
Lagos, Nigeria

FILED UNDER: NIGERIA - General Negotiations

SUMMARY:

The Dam
S. By now, you have probably received the clippings and Dikko's letter on the tenders. Dymond, the British Senior Trade Commissioner, and I (we sat together) were both struck by the closeness of the US-UK (Morrison-Knudsen) price to that of Impregilo. I also had the feeling that the Germans had not tried as hard as they might have if they were more interested. I shall see the Italian Ambassador shortly; and please keep me informed of your thinking.

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

CONTRACT KF2 - INTAKE GATES

JOINT ENGINEERING CONSULTANTS

BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E. C. 4

NEDECO
JAVASTRAAT 48,
THE HAGUE.

SUPPLEMENTARY NOTICE NUMBER 1

1. SUBMISSION OF TENDER

Conditions for submission of tenders are laid down in clause 10 of Instructions to Tenderers.

The Tender Date is 7th January 1964 and tenders must be submitted prior to 12 o'clock noon on that date to

The Secretary,
Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos, Nigeria.

2. TENDER BOND

The amount of the Tender Bond, referred to in clause 8 of Instructions to Tenderers, will be £50,000 (fifty thousand Nigerian pounds). This figure must be entered in the Form of Tender Bond.

3. ERRATA - Volume 1

(i) Instructions to Tenderers

Clause 8 Add 'Tender Bond' as marginal heading to clause.

Clause 13 Delete 'Drawings shall be dimensioned in English units with metric equivalents' and substitute 'Drawings and information shall be dimensioned in the English foot pound second system, metric equivalents being included, if desired, within brackets.'

SUPPLEMENTARY NOTICE NO. 1 (Continued)

<u>Clause 16</u>	Line 1	Delete Tenderers and substitute Tenderer
	Line 5	Insert, Conditions of Contract, after
Clause 52 (ii)		
<u>Clause 21</u>	Line 1	Delete Contractor and substitute Tenderer
	Line 4	Insert Performance before Bond

(ii) Conditions of Contract, Part II

Clause 28	Line 1	Delete (vi) and substitute (v)
	Line 4	Delete (vii) and substitute (vi)

(iii) Specification Section 1 - General

Clause 1.01	Line 3	Delete
(a)	Twelve intake screens and guides and substitute	
(a)	Twelve intake screens and twenty four sets of guides	
	Line 7	Delete
(e)	Eighteen powerhouse draft tube gates and guides and substitute	
(e)	Eighteen powerhouse draft tube gates and twenty four sets of guides	

(iv) Specification Section 3 - Design Requirements

Clause 3.01

In last section headed spillway stop logs, length of stop log should read 53 feet.

(v) Specification Section 6 - Intake Gates, Frames, Guides & Hoists

Clause 6.02 3rd Paragraph, line 6 delete 5 ft. and substitute 8 ft.

Clause 6.03 sub-section (3) Hoists and hydraulic control system

(ii) Delete last paragraph beginning 'The Contractor shall also supply all equipment bases and substitute 'The Contractor shall also supply all equipment bases, control cabinets and anchors for attachment to concrete foundations, floors and walls'.

(iv) 2nd paragraph - change second sentence to "They should be totally enclosed and fan cooled". Add (Class B) at end of paragraph.

sub-section (4) Control equipment

In Delete all references to 230-volt in this sub-section and substitute 110 volt
(ii) Local control system delete Miscellaneous item 17 and substitute

17. A "direct-on" motor starter, 3-pole, 400-volt, 50 cycle a.c. shall be provided with holding coils, thermal overload relay with single phasing protection, no volt release and lockable (in open position only) isolators, to B.S. 587 - "Motor starters and controllers".

(ii) Local control system, Miscellaneous item 18 delete thermal and substitute terminal.

SUPPLEMENTARY NOTICE NO. 1 (Continued)

sub-section (5) Wiring & cabling

(ii) External cabling - item (c) add 'for' after 660 volt grade

(vi) Specification Section 8 Intake Gantry Crane

Clause 8.08 Static hoisting paragraph (i) line 5 should read the 'full rated load'), together with accelerating forces and a windload of
paragraph (ii) line 2 delete develop and substitute develop.

Clause 8.11 Hoists 4th paragraph line 8 Insert 'at least' after 'The end fastening shall be ----'

Clause 8.24 Controllers 1st paragraph line 2 Delete '230 volt' and substitute 110 volt

Clause 8.27 Emergency Stop Push Button line 2 Delete acceptable and substitute accessible

Clause 8.29 Transformers, Hand Lamps, Lighting & Heating 2nd paragraph line 6 Delete 230 volt and substitute 110 volt

Clause 8.34 Tests at Works and Site 3rd paragraph Delete sentence beginning "Following the above tests -----" and substitute.

Following the above tests, the crane shall lift a load equal to 125% of the full rated load (as specified in Clause 8.08) and shall manoeuvre this load in each direction for all motions.

Clause 8.35 Miscellaneous Equipment & Fittings Delete 2nd paragraph and substitute.

The crane shall be provided with an electrical vibratory type weatherproof heavy duty acoustic warning horn for signalling in both directions of travel. This horn shall be operated by a pedal switch in the driver's cab, or automatically when the crane travels with a cut out switch capable of operation by the driver.

(vii) Specification Section 9 Draft tube gantry crane

Clause 9.05 Static hoisting, paragraph (i) line 4 should read 'impact factor (the foregoing shall be referred to as the "full rated load").'

Clause 9.08 Hoists 4th paragraph, line 8, insert 'at least' after 'The end fastenings shall be -----'

Clause 9.21 Controllers 1st paragraph, line 1. Delete 230 volt and substitute 110 volt.

Clause 9.26 Transformers, Hand Lamps, Lighting & Heating 2nd paragraph line 6 Delete 230 volt and substitute 110 volt.

Clause 9.29 Cables & wiring 4th paragraph line 6 Delete 'affected' and substitute 'effected'.

SUPPLEMENTARY NOTICE NO. 1 (Continued)

Clause 9.31 Tests at Works and Site 4th paragraph. Delete and substitute

Following the above tests, the crane shall lift a load equal to 125% of the full rated load (as specified in clause 9.05) and shall manoeuvre this load in each direction for all motions.

Clause 9.32 Miscellaneous Equipment & Fittings Delete 4th paragraph and substitute

The crane shall be provided with an electrical vibratory type weather-proof heavy duty acoustic warning horn for signalling in both directions of travel. This horn shall be operated by a pedal switch in the driver's cab, or automatically when the crane travels with a cut out switch capable of operation by the driver.

(viii) Drawings

Drawing No. KF2-5. Delete '120 TON' from title to upstream elevation of intake gantry crane.

4 ERRATA - Volume 2

(i) Appendix to Form of Tender

Minimum Amount of Third Party Insurance, Clause reference, delete 24(v) and substitute 23(vi).

(ii) Appendix A to Bill of Quantities

Delete the present definitions of M1, S1 and the text of note (ii) and substitute the following:-

M1 = mean (i) of the prices (or price indices) applicable at the end of the first three-fifths of the delivery period (ii) for the materials used in the manufacture of the plant and delivery free on board at the port of origin.

S1 = mean (i) of the wage indices (including social charges (iii)) applicable over the last two-thirds of the delivery period (ii) in respect of the labour employed in the manufacture of the plant and delivery free on board at the point of origin.

Note (ii) For the purpose of the determination of M1 & S1 the delivery period of the contract in respect of any portion of plant shall be deemed to be the period between the date of Contract award for such portion and the date when such portion is ready for despatch from the manufacturers works to the port of shipment.

SUPPLEMENTARY NOTICE NO. 1 (Continued)

(iii) Appendix B to Bill of Quantities

Paragraph 2.2 Delete catagories and substitute categories.

for JOINT ENGINEERING CONSULTANTS

for wellco's

1st November 1963



Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

CABINET OFFICE,
LAGOS,
NIGERIA

Ref: ND/0032/

1st November, 1963.

Mr. Noel McIvor,
International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25, D.C.

Dear Noel McIvor,

Niger Dams Project - Main Civil Works Tenders

You will recall that tenders for the Main Civil Works Contract i.e. the Kainji Dam Construction were invited at the end of June this year from 13 pre-qualified companies and consortia.

2. Of the 13 companies that were invited to tender, 7 have dropped out, two, the Utah and the Societ Francaise d'Entreprises de Dragages et de Travaux Publics groups, have merged into a single consortium, thus only five consortia were able to tender.

3. All tender documents were received on the 31st of October 1963 before mid-day, the closing time. The tenders were opened 1 hour later in the Senate Chamber. Those present at the opening were:-

- | | |
|--------------------------|--------------------------------------|
| 1. Mr. J. H. Ings | Chairman, Niger Dams Authority |
| 2. Mr. S. O. Wey | Member, Niger Dams Authority |
| 3. Alhaji Ahmadu Danbaba | Member, Niger Dams Authority |
| 4. Mr. MacKichan | Joint Consultants Representative and |
| 5. Y. A. Dikko | Secretary, Niger Dams Authority. |

Representatives of the tenderers, the representative of the IBRD, representatives of the embassies, whose countries are in one way or another assisting in the realisation of the project were also invited. In addition members of the press and radio were likewise invited.

4. The Table below gives the names of the tenderers, country of origin and Tender prices.

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15..

country of origin and danger areas.

1. The large region areas the names of the countries.

names of the areas and regions were likewise included.
from of the project were also included. In addition
there are in one way or another appearing in the list.
the 1962 representatives of the countries, whose com-
representatives of the countries, the representatives of

2. A. V. DUKHO

Secretary, Niger State

3. M. K. K. K. K.

Chief and
Joint Consultants Represent-

4. M. K. K. K. K.

Represent, Niger State, Niger State

5. M. K. K. K. K.

Represent, Niger State, Niger State

6. M. K. K. K. K.

Secretary, Niger State, Niger State

General. Those present at the meeting were:-
The meeting was opened at 10.15 in the morning
of October 1963 before mid-day, the closing time.
2. All foreign documents were received on the day

from which the documents were sent to the
Secretary. Those who were present at the meeting
discussed the documents of the Niger State of the Niger State
I have discussed one, two, the Niger State and the Niger State
3. Of the 12 companies that were included to the Niger State

On 11th October 1963, the documents
included at the end of the Niger State 12 Niger State
documents 1.6. The Niger State documents were
don't will accept that documents for the Niger State

Niger State Project - Niger State Documents

Dear Mr. K. K. K.

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1st November 1963



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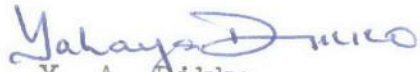
<u>Consortium</u>	<u>Country</u>	<u>Tender Price</u>
1. Phillip Holzmann A.G. sponsor of consortium with -	Germany	£37,946,526.836
(a) Hochtief A.G.	Germany	
(b) Strabag-Bau A.G.	Germany	
2. Utah Construction & Mining Co. sponsor of consortium with -	U.S.A.	£37,209,037
(a) Compagnie Industrielle de Travaux (CITRA)	France	
(b) Construzioni Generali Farsura (COGEFAR)	Italy	
(c) Foundation Overseas) Ltd.	Belgium	
(d) Puget Sound Bridge & Dry Dock Co.	Canada	
(e) Societe Francaise d'Entreprises de Dragages at de Travaux Publics	U.S.A.	
(f) Entreprises Campenon Bernard	France	
(g) Societe General d'Entreprises	France	
(h) Societe de Grande Travaux de Marseilles	France	
3. Dumez (Nigeria) Ltd., sponsor of the consortium with -		£37,750,000
(a) Societe Dumez	France	
(b) Societe d'Entreprises de Travaux Publics Andrie Borie	France	
(c) Entreprises Razel Freres	France	
(d) John Mowlem & Co., Ltd.	U.K.	
(e) Sir Alfred McAlpine & Son Ltd.	U.K.	
(f) Dr. Ing. Guiseppe Torno & Co.	Italy	
4. Impregilo	Italy	£35,728,151.292
5. Morrison Knudsen of Africa Ltd. sponsor of consortium with -	U.S.A.	£36,031,529
(a) Raymond International (U.K.) Ltd.	U.S.A.	
(b) John Laing Construction Ltd.	U.K.	
(c) J. A. Jones Construction Co.	U.S.A.	
(d) George Wimpey & Co. Ltd.	U.K.	

5. It is however to be noted that these tender prices are preliminary only, and the Authority with the assistance of the Consulting Engineers would now embark on a careful check item by item of the bills of quantities to correct any arithmetical errors on the part of the tenderers as well as the consequence of any stipulations regarding the conditions of contract which the tenderers may have made in their letters of submission. In addition the legal standing of each consortium and the validity of its tender bond would be carefully checked.

6. It is hoped that the Authority would be in position to report the results of its assessment to you early in December.

For our part we would appreciate an indication of the next steps to be taken as seen from the Bank. It might be of interest to mention here that a cursory look at the time tables proposed by tenderers assumed moving into site in January.

Yours sincerely,


Y. A. Dikko,
Secretary,
Niger Dams Authority.

cc. Messrs. Moussa
Sheehan
Hornstein
Metherate
Hawley
Fajans

W.D.

OUTGOING WIRE

TO: EXTERNAL
LAGOS

DATE: NOVEMBER 1, 1963

CLASS OF
SERVICE: IBF - GOVT.

COUNTRY: NIGERIA

Rem

TEXT:
Cable No.:

✓
YOUR CABLE M810 FROM NIGERDAMS WE AGREE TO EXTENSION TURBINES TO JANUARY
SEVENTH

MCIVOR
INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME S. Noel McIvor
DEPT. Operations - Africa
SIGNATURE *S. Noel McIvor*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:

cc: Messrs. Sheehan
Fajans (Lagos)

SNMcIvor:mem

For Use by Archives Division

Checked for Dispatch: *[Signature]*

ORIGINAL (SEE COPY)

DATE: 10/10/80

For use by Archives Division

(Signature of individual authorized to approve)

RE: [illegible]

SIGNATURE

DATE

Observations - [illegible]

10/16/80

NAME

2. [illegible]

RE: [illegible]

cc: [illegible]

RE: [illegible]

CONFIDENTIAL AND SECURITY INFORMATION

CONFIDENTIAL AND SECURITY INFORMATION

RE: [illegible]

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CONFIDENTIAL AND SECURITY INFORMATION

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CONFIDENTIAL AND SECURITY INFORMATION

RE: [illegible]

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RE: [illegible]

RE: [illegible]

RE: [illegible]

RE: [illegible]

RE: [illegible]

INCOMING WIRE

DATE OF
WIRE: NOVEMBER 1, 1963 1448

LOG NO.: ACR 9

TO: INTBAFRAD

FROM: LAGOS

TEXT:

ROUTING

ACTION COPY: MR. MCIVOR

INFORMATION
COPY: MR. WILLIAMS

DECODED BY:

CORRECTED COPY

M810 FOR NOEL MCIVOR FROM NIGERDAMS LAGOS

HAVE RECEIVED REQUESTS FROM 8 OUT OF 18 TURBINE TENDERS FOR EXTENSION OF TIME INTO JANUARY IN VIEW OF IMPORTANCE OF CONTRACT. PRESENT DATE OF MID DECEMBER WAS SET LAST SUMMER IN VIEW YOUR REQUEST TO TIE DOWN SOURCES OF SUPPLY FOR MAJOR ITEMS. IN VIEW OF BANK TIME TABLE SHOULD WE HOLD TO PRESENT TIMING FOR TURBINES OR COULD DATE BE EXTENDED TO JANUARY 7TH WHEN GENERATORS AND TRANSFORMERS COME IN. CABLE REPLY APPRECIATED

EXTERNAL

ORIGINAL

KS

INCOMING WIRE

DATE OF
WIRE: NOVEMBER 1, 1963 1448

LOG NO.: ACR 9

TO: INTBAFRAD

FROM: LAGOS

ROUTING	
ACTION COPY:	MR. McIVOR
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	

TEXT:

MS10 FOR NOEL McIVOR EERUISDXERDAMS LAGOS. HAVE RECEIVED REQUESTS FROM EIGHT OUT OF EIGHTEEN TURBINE TENDERERS FOR EXTENSION OF TIME INTO JANUARY IN VIEW OF IMPORTANCE OF CONTRACT. PRESENT DATE OF MID DECEMBER WAS SET LAST SUMMER IN VIEW YOUR REQUEST TO TIE DOWN SOURCES OF SUPPLY FOR MAJOR ITEMS. IN VIEW OF BANK TIME TABLE SHOULD WE HOLD TO PRESENT TIMING FOR TURBINES OR COULD DATE BE EXTENDED TO JANUARY 7TH WHEN GENERATORS AND TRANSFORMERS COME IN. CABLE REPLY APPRECIATED

EXTERNAL

UNDERLINED AS RECEIVED BEING SERVICED

cc Mr. Sheehan
Fajans (Lagos)

ORIGINAL
LB

[Handwritten signature]

INCOMING WIRE

DATE OF WIRE: OCTOBER 31, 1963 1346

LOG NO.: RC 16

TO: INTBAFRAD

FROM: LAGOS

TEXT:

ROUTING	
ACTION COPY:	MR. MCIVOR
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	

66

IMPREGILO THIRTYFIVEPOINTSEVEN MORRISON KNUDSEN THIRTY SIX UTAH DUMEZ
HOLZMANN IN THIRTY SEVEN MILLION BRACKET. CONFIRM RECEIPT ✓

FAJANS

TEXT INCOMPLETE. BEING SERVICED

*cc. Sheehan
Russell
Hornstein
Honolulu/dw/ptc.*

6 1/8

35

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1008

32.57
28 *91*
84
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56
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OFFICE MEMORANDUM

TO: Files

DATE: October 30, 1963

FROM: S. Noel McIvor 

SUBJECT: NIGERIA - Niger Dam: Finance Officer

In response to their request we wrote to the Niger Dam Authority on October 3 suggesting Mr. M. I. Foster as a candidate for the position of financial member of the Authority. Mr. Garba told me today that the Authority had invited Mr. Foster to visit Nigeria for an interview but had not yet received a reply. I passed this information on to General Vogel who telephoned Mr. Foster and learned that Mr. Foster had written to the Authority explaining that he felt he did not fit the description of the position supplied him by the Authority. He felt that the Authority's description called for more expertise in the field of accounting than he possessed and also indicated that they wished to have a man with more legal background than he possessed.

We have had no communication from the Authority on this subject since we suggested Mr. Foster. In our letter of October 18 we sent the Authority two more names, Messrs. Grant and Mead, and no doubt the Authority will now turn to consider these possibilities.

cc: Messrs. Sheehan
Hornstein
Chatenay
Benjenk
Fajans

SNMcIvor:mem

To: OP. FILES

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"
CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/490g(KF1)/MGO/PW

29th October, 1963.

International Bank for Reconstruction
and Development
Public Utilities Division
1818 H Street N.W.,
Washington 25, D.C., U.S.A.

SPECIAL DELIVERY

Dear Sirs,

Niger Dams Project - Kainji Development
Main Turbines - Contract KF1

When we recently sent to you copies of the above Contract Documents, the letter which accompanied them stated that certain sections which had been omitted would be forwarded about the end of October. Accordingly, we now enclose the following information:-

- .. *2* . copies - Section 3 - Governor Specification (Clauses 3.1 - *1 to OP Files*
3.19 incl.)
.. *2* . copies - Appendices D8, D9 & D10

Please acknowledge receipt by means of the enclosed forms. *OK [Signature]*

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED.

Michael O'Neil

c.c. Joint Consultants' Office, Lagos.

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 OCT 31 AM 8:11

THE FOLLOWING INFORMATION IS FOR YOUR INFORMATION

DATE: 10/31/63

RE: [Illegible]

TO: [Illegible]

FROM: [Illegible]

SUBJECT: [Illegible]

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SPECIFICATION

SECTION 3 - GOVERNOR SPECIFICATION

3.1 Scope

This section covers the requirements for the control and performance, and the specification for the design, manufacture and testing of the governing equipment which is to be supplied and installed, in accordance with the requirements of these Contract Documents, for the control of the turbines specified in Section 2.

3.2 Governor Type

Each governor shall be of the electrohydraulic actuator type, operating in conjunction with proportional or alternative action, pressure operated servomotor systems, for the correlated control of the guide vanes and runner blades of its associated Kaplan turbine. Stabilisation of the regulating action of the governor actuator shall be effected by accelerometric and/or temporary speed droop feedback means.

The governors shall be designed and equipped for joint as well as individual control so that any combination of the units to be installed in the station can, when required, be operated as a single unit. The governors shall also be designed for, if required, connection with and stable response to other input signals in place of, or in addition to, the primary frequency deviation signal.

3.3 System Characteristics

The design of the governors and the guarantees for their performance shall be based on the following requirements or presumptions as to the characteristics of the controlled system.

- 3.3.1 The turbines shall be operated either singly or in combination at any required loading over the full range of the outputs and net heads specified for the turbines.
- 3.3.2 The load on the network may be an isolated load having -/ self regulation that is, the power absorbed by the system will be independent of frequency.
- 3.3.3 The frequency of the network may require to be varied between maximum limits of 94 and 104 per cent of the rated frequency of 50 cycles per second and the machines may be operated at full load over this range.

- 3.3.4 The minimum flywheel effect provisionally specified for each generator (WR^2) will be 82×10^6 lbs. ft² (corresponding to a generator inertia constant (H) of 3 KW secs/KVA) and the acceleration time constant of the complete turbine generator unit shall include for this figure. Should however the tenderer require a higher generator inertia to undertake the governing guarantees, this inertia shall be stated in the tender and the extra cost to be incurred for its provision will be taken into account during the evaluation of the tenders.
- 3.3.5 The water time constant of the turbines shall be derived by including for a penstock with an effective length of 110' feet and a diameter not less than 28'. The evaluation to be put against increased penstock diameter and on the other proportions of the turbine which influence the whole water time constant are given in Section 2.9.
- 3.3.6 The maximum rate of closing of the governor servomotors shall be determined as that which restricts the maximum instantaneous pressure in the spiral casings at the most severe condition of operation within the range given in Section 2.3.3., to 90 lbs/sq.in.

3.4 Performance Guarantees

The governor system shall be guaranteed to control with an adequate margin of stability the speed and power output of the turbine, over the full frequency range of the system specified in Section 3.3.3 and from no load up to the maximum outputs, and corresponding net heads specified in Sections 2.3.3 and 2.4 and whilst the units are operating either on isolated load, or in parallel with the other units in the station. In particular the governed system shall be guaranteed to meet the following minimum requirements.

- 3.4.1 The amplitude of the sustained speed oscillation under governor control shall not exceed ± 0.15 percent of the rated speed of the units with the generator operating at rated speed with no-load and, at rated speed with sustained isolated load when the governor speed droop is set at 2 percent and the dead band width is set at ± 0.05 per cent rated speed.
- 3.4.2 The amplitude of the sustained power output oscillation under governor control shall not exceed ± 1.5 per cent of the rated capacity of the turbine with the generator

- 3.5.7 Governor Time - The closing time for the guide vane servomotors shall be adjustable from the minimum value corresponding to the maximum rate of closing specified in Section 3.3.6 to a maximum time of at least 10 seconds.

3.6 Extent of Supply

The governing equipment to be supplied in accordance with these Specifications shall include all parts and accessories required to constitute a complete assembly for automatically or manually regulating the speed and output and controlling the guide vanes and runner blades of each turbine, with the exception of any equipment explicitly excluded from the supply by this Specification. The equipment shall comprise the following principle parts, detailed later in the Specification, which may be expected to be arranged in the station in the fashion described.

- 3.6.1 The turbine unit operation control and indication equipment mounted on each unit control desk in the station control room.
- 3.6.2 The turbine joint operation control and indication equipment mounted on the common joint control desk in the station control room.
- 3.6.3 The turbine control and indication equipment mounted with turbine gauge equipment on the turbine control panel on the generator floor at the downstream wall of the turbine hall.
- 3.6.4 The turbine and governor auxiliaries gauge and control equipment mounted on a turbine and governor auxiliaries control panel arranged alongside the turbine control panel on the generator floor at the downstream wall of the turbine hall.
- 3.6.5 The actuator unit with electrohydraulic transducer and auxiliary servomotors mounted along with the main guide vane and runner blade servomotor distribution valves on the turbine floor adjacent to the turbine pit.

- 3.6.6 The governor cubicle, including the governor electrical resolving and amplifying equipment, mounted on the generator floor alongside the turbine control panel at the downstream wall of the turbine hall.
- 3.6.7 The oil pressure operating equipment including pressure vessels, sump tank, oil pumps etc. mounted on the generator floor on the upstream side of the turbine hall.
- 3.6.8 The distributing pressure oil pipework, compensating and restoring mechanisms connecting the actuators, distribution valves and servomotors arranged in an approved fashion mainly beneath the generator floor the upstream side of the turbine hall.

3.7 Control and Indication System

It is intended that the following main turbine, governor and governor auxiliary control and indication facilities should be included in the supply and disposed as indicated. This system of control and the schedule of control equipment required is not necessarily complete and the Tenderer shall furnish in Appendix C of his offer a supplementary list, or a list of particular amendments, with price variations for additional or alternative control equipment, should he consider this to be necessary or desirable in the Employer's interest or to suit the design of the particular turbines, governors, and their auxiliaries, which he offers.

3.7.1 Unit control desk

- 3.7.1.1 Automatic run up, and normal and emergency shut down control and indication
- 3.7.1.2 Combined speed and load adjustment controls, with speed level setting indication.
- 3.7.1.3 Guide vane limit adjustment control and guide vane limit setting indication.
- 3.7.1.4 Permanent speed droop adjustment control with droop setting indication.
- 3.7.1.5 Damping selection control with damping setting indication.
- 3.7.1.6 Speed indicating instrument
- 3.7.1.7 Guide vane position indicating instrument combined with guide vane limit setting indication.

- 3.7.1.8 Unit automatic to manual control changeover switch and/or switch position indication.
- 3.7.1.9 Unit individual to joint control changeover switch position indication.
- 3.7.2 Joint Control Desk
 - 3.7.2.1 Joint load adjustment control with setting indication.
 - 3.7.2.2 Joint permanent speed droop adjustment control with droop setting indication.
 - 3.7.2.3 Joint dead band width adjustment with band width setting indication.
 - 3.7.2.4 Joint to individual unit control changeover switch with position indication
- 3.7.3 Turbine Control Panel
 - 3.7.3.1 to 3.7.3.8 Duplicate controls and indication of 3.7.1.1 to 3.7.1.8
 - 3.7.3.8 to 3.7.3.13 Include instruments of 2.42.1 to 2.42.6
 - 3.7.3.14 Runner blade position indicating instrument
- 3.7.4 Turbine and Governors Auxiliaries Control Panel
 - 3.7.4.1 to 3.7.4.8 Include instruments of 2.43.1 to 2.43.8
 - 3.7.4.9 to 3.7.4.11 Include instruments and controls of 3.11.1.1 to 3.11.1.3
- 3.7.5 Actuator Unit
 - 3.7.5.1 Guide vane position and limit indicating dial
 - 3.7.5.2 Runner blade position indicating dial
 - 3.7.5.3 Guide vane limit control handle
 - 3.7.5.4 Guide vane lock valve
 - 3.7.5.5 Governor timing control valves
 - 3.7.5.6 Tachometer

3.7.6 Governor Cubicle

- 3.7.6.1 Temporary speed droop magnitude or derivative gain selection for all damping control positions
- 3.7.6.2 Temporary speed droop or derivative time constant selection for all damping control positions
- 3.7.6.3 Monitoring instruments for voltage and frequency of permanent magnet generator.
- 3.7.6.4 Instrument for monitoring response of speed sensing circuits.
- 3.7.6.5 Instruments for monitoring response of temporary speed droop or accelerometric stabilisation circuits.

3.8 Electrohydraulic Actuator and Distribution Valve Unit

The actuator shall be mounted along with the main distribution valves for the guide vane and runner blade servomotors as a combined sheet steel enclosed cubical unit on the turbine floor in the neighbourhood of the servomotor pit. The cubicle shall be dustproof with all electrical equipment isolated in an oil free compartment. The equipment shall include the electrohydraulic transducer unit, the pilot valve, the integrating auxiliary servomotor for operating, through short linkages and suitably shaped correlation, the distribution valves of the main servomotors, and the /cams control and indication equipment listed in Section 3.7.5. Suitable diaphragms or throttle valves shall be included in the oil control system to adjust, down to the positive minimum value of closing time specified in Section 3.5.7, the opening and closing times of the guide vane and runner blade servomotors. Mechanical devices with Selsyn or similar type transmitters shall be included to record at the actuator and remotely on the turbine control panel, the position of the guide vanes and the runner blades and to adjust and record the setting of the limit of travel of the guide vanes. It shall be possible to manually control the turbine guide vanes completely at the actuator by use of the guide vane limit or other mechanical device. The pressure oil for operating the actuator will be drawn as for the main distribution valves from the main oil pressure supply equipment of the governor but actuator oil circuits shall be provided with supplementary oil strainers which may be cleaned whilst the unit is in operation.

3.9 Turbine Control Panel, Turbine and Governor Auxiliaries Control Panel, and Control Desk

The turbine control panel and turbine and governor auxiliaries panel supporting the equipment specified in section 3.7.3 and 3.7.4 will

be mounted adjacently or as a combined panel at generator floor level alongside the unit generator and transformer control panels. The panels will be of sheet steel construction and will be supplied by the Employer to suit mounting the control equipment and indicators provided under this Contract. The Employer will also arrange for the supply of all annunciator facia panels necessary for turbine and generator alarm signals, the initiating devices of which are to be provided under this Contract.

Similarly the unit and joint control desks for mounting the main turbine control equipment in the station control room will be supplied by the Employer together with the necessary annunciator panels for general monitoring of the units from alarm signals initiated by the turbine and governor.

All instruments and control devices included in the Contract for mounting on the panels and desks shall be of a design, specifically approved by the Engineer, as matching that selected the instruments to be installed for the station as a whole they shall be conveniently and attractively arranged for mounting flush with the face of the panels. for

The damping control selector provided on the turbine control panel and duplicated on the unit control desk shall provide for the adjustment of the promptitude of the governor stabilisation in 10 steps. Each step shall therefore represent a certain combination of the magnitude and the time constant of the temporary speed droop and/or derivative action of the governor stabilisation circuits, the combination for each step being preselectable as required anywhere within the range specified for these damping parameters in Sections 3.5.5 and 3.5.6, by controls on the governor cubicle.

3.10 Governor Cubicle

The governor cubicle shall be supplied complete with a dust proof enclosure of rigid steel plate construction arranged with hinged doors to provide ready access to all apparatus, wiring and terminal blocks without the use of plug and socket connectors. The cubicle shall contain the speed sensing unit, the temporary speed droop and/or accelerometric stabilisation unit, the amplifying unit, the joint control unit, the dead band adjustment unit, the external signal injection unit, the separate frequency sensitive relays for automatically controlling the runup, and the normal and the emergency shut down of the units, together with the grouped relay systems for switching between automatic and manual control or between joint or individual control of the turbines.

The governor cubicle shall include the control and indication equipment listed in section 3.7.6. It shall include equipment for the preselection at each of the 10 damping setting controls included on the turbine control panel and on the control desk, of any combination of the magnitude and time constant of the temporary speed drop or derivative action of the governor within the ranges specified in section 3.5.5 and

devices.

- 3.11.1.1 Two sight gauges with isolating valves for indicating the oil levels.
- 3.11.1.2 Float switches with high and low level alarm contacts and transmitters for remotely recording the oil level with the pressure vessel at the turbine auxiliary gauge panel.
- 3.11.1.3 Gauges for indication of the pressure of the governing oil on the vessel and remotely on the turbine auxiliary gauge panel.

3.11.2 Sump Tank

The oil pressure supply system shall be provided with a sump tank which shall form the base of the pressure vessel. The capacity of the sump tank shall be not less than the full quantity of oil in the entire governor system. The interior of the sump tank shall be smoothly formed and the surfaces shall be shot blasted and painted on an approved fashion to facilitate cleaning and prevent deterioration of the tank materials. Access manholes and readily removable, and servicable, oil filtration strainers shall be included. The tank shall be provided with connections for coupling to the station oil drainage and purification plant which will be supplied by the Employer. The sump tank shall embody suitable sight gauges and float type indicators for remotely indicating the oil levels in the sump.

3.11.3 Oil Pumps and Valves

The pressure of the oil in the pressure vessel shall be maintained between prescribed limits by two motor driven oil pumps arranged to operate independently or in conjunction with one pump acting as standby in the event of failure of the other main pump. The capacity of the pumps shall be such as to allow either pump, acting alone, to raise the pressure of the vessel over its normal working range in about 30 seconds. The pumps and motors shall be designed for silent operation. It is preferred that the pumps shall be designed for continuous running in conjunction with smoothly operating unloader valves. Relief valves shall be included to protect the system. Each pump shall be of the I. M. O. screw, or other approved type, and shall be driven by a direct on line started motor of the squirrel cage induction type conforming to BS. 2613, or other approved equivalent specification, and with ball or roller bearings. The motors shall be continuously rated for a 400 volt 3 phase supply with the starting current of the motors limited to 4 times full load current. Adequate coolers shall be provided in the oil sump to restrict the rise in temperature of the oil to safe limits when both pumps are operating continuously. An automatic pressure control system, which shall be detailed in the tender, shall be provided to operate the unloader valves

and start and stop the main and standby pump motors at prescribed pressures and in appropriate sequence. The main contactors for the pump motors will be provided by the Employer for operation in conjunction with the control and indication equipment under this Contract.

3.12 Restoring Mechanism

The restoring mechanism connecting the main distribution valves and the turbine gate and the runner blade servomotors shall be as short as possible consistent with the layout of the equipment in the powerhouse. These connections shall comprise aeroplane type, weight, or spring - loaded flexible steel cables operating over sheaves and enclosed in metal conduit with grease packed ball or roller bearings. Provision shall be made to compensate for lost motion. The turbine end of the restoring mechanisms shall be connected, one to the piston of one of the guide vane servomotors and one to the piston of the runner blade servomotors. The arrangement of the restoring connections shall be such that the machine will shut down on failure of the restoring connection. All necessary supports, wall brackets, pipe clamps, and other devices required to support the restoring mechanism shall be provided.

3.13 Main Distributing Oil Pipework

The Supplier shall furnish and install all interconnecting piping between the oil pumps; the sump tanks, the pressure vessel, the servomotors, and the actuators together with all required pipe supports and valves. Standard pipe sizes shall be used and the pipe sizes shall be proportioned to limit the velocity of oil in the pipes to not more than the maximum value stated in Appendix D.10. Valves shall be provided to isolate all major pieces of equipment. The governor oil pressure system of each pair of units shall be arranged to permit the operation of both or either actuator from the oil supply system of either unit. The Supplier shall provide all interconnecting piping and valves necessary to accomplish this purpose. The welding of branch pipes, headers, bends etc., shall be done in the shops insofar as is possible consistent with the requirements for shipping and assembly. All couplings shall be of the bolted flange or other approved type. All necessary studs, bolts, nuts, washers, gaskets, packing etc., required in connection with field assembly of the governor oil piping system shall be furnished by the Contractor.

3.14 Spanners and Tools

One complete set of case hardened wrenches and special tools, which may be necessary or convenient for assembly and dismantling the governor, shall be furnished. All bolts, studs, lubricating devices, packings, and other accessories required to make the governor complete units ready for operation shall be included.

3.15 Testing

The Tenderer shall outline in his bid a comprehensive series of tests to be undertaken for proving, to the satisfaction of the Engineer, that all performance characteristics of the governors and the performance guarantees of the whole system under control, as specified in these Documents, have been complied with. It is also required that, in addition to these tests, the Contractor shall undertake, during the initial design period and within one year of placing the order, to carry out simulated tests of the response of the whole controlled system including the turbine and governor on an analogue or digital computer, to check that the margins of stability are adequate.

3.16 Shop Assembly

The entire equipment shall be completely assembled in the shop and tested. The pressure tank shall be tested in the shop under a hydrostatic pressure 50 per cent greater than maximum working pressure. Operational tests shall be made in the shop on controls and instruments to demonstrate that the Specification requirements have been met. All devices requiring adjustment shall be checked for range of adjustment and the final adjustment so that a minimum of further adjustment will be required after assembly at site. Various parts shall be properly match marked and dowelled to ensure correct assembly at site. The governors shall be shipped with principal parts complete and ready for operation. The Engineer will, at his option, inspect the entire equipment during fabrication and before shipment, and witness the all shop tests after final assembly.

3.17 Spare Parts

The following minimum list of spare parts, covering all governors, shall be included in the offer. The Tenderers shall detail these, and also, list and price as an extra in Appendix C, the additional spares which he would recommend for the governors of his own design.

- 3.17.1 One electro-hydraulic transducer.
- 3.17.2 One complete sub-assembly of each component unit included in the supply for the governor cubicle
- 3.17.3 One complete set of restoring cables
- 3.17.4 One spare motor of every type to be supplied with the governing equipped.
- 3.17.5 One complete set of packings and gaskets.

3.18 Wiring

All wiring interconnecting the principal parts of the governor and for the equipment mounted on the turbine and turbine governor auxiliary panels will be supplied by the Employer. The Contractor will however be responsible for the correctness of the connections executed by the Employer to the diagrams to be supplied by the Contractor. All wiring internal to the equipment supplied by the Contractor shall be not less than 7/.029 inch or .0045 inch section insulated with 600 v oil and fire resistant insulation and ferruled at both ends of each wire. Wiring shall be neatly and accessibly arranged in properly cleated and supported groups. It shall withstand an insulation test to earth of 2000 v and 50c/s for 1 minute. There shall be separate terminals for outgoing and incoming wires. Terminal boards shall preferably be of stud type which are locked to prevent turning and complete with adequate barriers between terminals and covers and labels.

Adequate space shall be available for making off cables.

3.19 Information and Drawings

The tenderer shall illustrate his tender with the following information and drawings

- 3.19.1 A comprehensive schematic diagram illustrating the whole electrical and hydraulic control system of the governor system.
- 3.19.2 A block diagram collating the transfer functions, and the associated parameters, of the complete governed system including governor, pipeline and turbine.
- 3.19.3 General assembly drawings illustrating the arrangement of the principal parts of the governor equipment and a proposed layout of the equipment in the station.

APPENDIX D8

GOVERNOR GUARANTEES

1. Amplitude, as per cent of rated speed, of speed oscillation under no load conditions specified in Section 3.4.1 +
- _____ per cent
2. Amplitude, as per cent of rated speed, of sustained power output oscillation under parallel operation at the full load conditions specified in Section 3.4.2 +
- _____ per cent
3. Minimum Generator flywheel effect (WR^2) guaranteed to satisfy governing stability guarantees. _____ lbs.ft².

4. Governor Dead Time (exceeding minimum requirements of Section 3.5.1) _____ per cent
5. Governor Dead Band Adjustment Range (exceeding requirements of Section 3.5.2) _____ to _____ per cent
6. Governor Speed Adjustment Range (exceeding requirements specified in 3.5.3) _____ to _____ per cent
7. Governor Permanent Speed Droop Adjustment Range (exceeding requirements of Section 3.5.4) _____ to _____ per cent
8. Governor Temporary Speed Droop Adjustment (exceeding minimum requirements of Section 3.5.5) _____ to _____ per cent
9. Governor Temporary Droop Time Constant Adjustment (exceeding minimum requirements of Section 3.5.5) _____ to _____ per cent
10. Minimum Governor Closing Time (to meet guarantees of Section 3.3.6) _____ secs.
11. Maximum Governor Closing Time (exceeding requirements of Section 3.5.6) _____ secs.

APPENDIX D9GOVERNING PERFORMANCE DATA

Net Head (feet)	135	97	89	77.5
Turbine Full Load Output (BHP)	110,000	110,000	101,000	86,000
Tailwater Level	330	344	345	344.5
Water time constant				
Machine time constant				
Governor closing time from full load to speed no-load				
Governor closing time from half full load to speed no-load				
Pressure rise in spiral casing for full load rejection				
Absolute pressure in draft tube on full load rejection				
Speed rise of unit on full load rejection				
Maximum speed rise of unit on 100% to 90% full load rejection				
Optimum temporary speed droop at full load				
Optimum temporary speed droop time constant at full load				

APPENDIX D10

GOVERNOR AND AUXILIARIES DESIGN DATA

- | | | | |
|----|--|----------------|-----------------------|
| 1. | Temporary speed droop and/or
accelerometric type governor
actuator | | type |
| 2. | Range of working pressure of
governor oil system | | atms. |
| 3. | Quantity of oil contained in entire
governing system including pipes
and servomotors | | gallons |
| 4. | Capacity of each governor oil pump | | gallons
per minute |
| 5. | Horsepower rating of each governor oil
pump motor | | BHP |
| 6. | Maximum starting current of oil
pump motor (not to exceed 4 times
full load current) | | amps |
| 7. | Rating of required permanent magnet
generator |
..... | KVA
Power Factor |
| 8. | Maximum velocity of oil in
distributing pipework | | ft/sec. |

Receipt No. 4490

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco


BY ~~International Bank for Reconstruction & Development,~~
~~Public Utilities Division,~~
~~1818, H Street, WASHINGTON, D.C., USA.~~

Date of issue

the following :-

Quantity	Particulars
4	SETS 11m & 12m. KF..I SUPPLEMENTARY NOTICE NO 2

10/29
Date of Receipt


Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

CONTRACT ~~KF1~~-----

JOINT ENGINEERING CONSULTANTS

BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E. C. 4

NEDECO
JAVASTRAAT 48,
THE HAGUE.

SUPPLEMENTARY NOTICE NUMBER 2-----

10. COST PRICE ADJUSTMENT

In Appendix A to the Bill of Quantities delete the present definitions of M1 and S1 and the text of Note (ii), and replace by the following:-

"MI = mean (i) of the prices (or price indices) applicable at the end of the first three-fifths of the delivery period (ii) for the materials used in the manufacture of the plant and delivery free on board at the port of origin.

SI = mean (i) of the wage indices (including social charges)(iii) applicable over the last two-thirds of the delivery period (ii) in respect of the labour employed in the manufacture of the plant and delivery free on board at the port of origin.

(ii) For the purpose of the determination of M1 and S1 the delivery period of the contract in respect of any portion of plant shall be deemed to be the period between the date of contract award for such portion and the date when such portion is ready for despatch from the manufacturers works to the port of shipment."

for JOINT ENGINEERING CONSULTANTS



24th October 1963

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

CONTRACT ~~KF1~~-----

JOINT ENGINEERING CONSULTANTS

BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E. C. 4

NEDECO
JAVASTRAAT 48,
THE HAGUE.

SUPPLEMENTARY NOTICE NUMBER 2-----

10. COST PRICE ADJUSTMENT

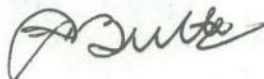
In Appendix A to the Bill of Quantities delete the present definitions of M1 and S1 and the text of Note (ii), and replace by the following:-

"MI = mean (i) of the prices (or price indices) applicable at the end of the first three-fifths of the delivery period (ii) for the materials used in the manufacture of the plant and delivery free on board at the port of origin.

SI = mean (i) of the wage indices (including social charges)(iii) applicable over the last two-thirds of the delivery period (ii) in respect of the labour employed in the manufacture of the plant and delivery free on board at the port of origin.

(ii) For the purpose of the determination of M1 and S1 the delivery period of the contract in respect of any portion of plant shall be deemed to be the period between the date of contract award for such portion and the date when such portion is ready for despatch from the manufacturers works to the port of shipment. "

for JOINT ENGINEERING CONSULTANTS



24th October 1963

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

CONTRACT ~~KFI~~-----

JOINT ENGINEERING CONSULTANTS

BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E. C. 4

NEDECO
JAVASTRAAT 48,
THE HAGUE.

SUPPLEMENTARY NOTICE NUMBER 2-----

10. COST PRICE ADJUSTMENT

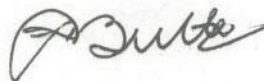
In Appendix A to the Bill of Quantities delete the present definitions of M1 and S1 and the text of Note (ii), and replace by the following:-

"MI = mean (i) of the prices (or price indices) applicable at the end of the first three-fifths of the delivery period (ii) for the materials used in the manufacture of the plant and delivery free on board at the port of origin.

SI = mean (i) of the wage indices (including social charges)(iii) applicable over the last two-thirds of the delivery period (ii) in respect of the labour employed in the manufacture of the plant and delivery free on board at the port of origin.

(ii) For the purpose of the determination of M1 and S1 the delivery period of the contract in respect of any portion of plant shall be deemed to be the period between the date of contract award for such portion and the date when such portion is ready for despatch from the manufacturers works to the port of shipment."

for JOINT ENGINEERING CONSULTANTS



24th October 1963

Receipt No. 4517

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY ~~International Bank for Reconstruction~~
~~and Development, Washington, U.S.A.~~

Date of issue
28 OCT 1963

the following :-

Quantity	Particulars
2	SECTION 3 GOVERNORS SPECIFICATION
2	APPENDICES D.C. 10

Oct 31, 63

Date of Receipt



Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.



**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

1818 H STREET, N. W.

WASHINGTON 25, D.C.

Lagos, Nigeria

TELEPHONE EXECUTIVE 3-6360

CABLE ADDRESS-INTBAFRAD

October 26, 1963

No. 41

Dear Pierre:

You will want to read the attached two clippings carefully. I am cabling you about the matter covered by the West-African Pilot. The article in the Daily Times exemplifies the atmosphere mentioned in my letter 39 (particularly paragraph 5) and in the post-script to my letter 40.

Best regards,

Yours sincerely,

Joseph
Joseph Fajans

RECEIVED
GENERAL FILES
CONFIDENTIAL

1963 OCT 28 PM 3:25

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL



Ueli - Niger Dam

OFFICE MEMORANDUM

TO: Files

DATE: October 25, 1963

FROM: S. Noel McIvor 

SUBJECT: NIGERIA - Niger Dam

On October 21 Ralph Fisher of the Nigerian Desk, AID, telephoned me to say that they had received a message from their mission in Lagos reporting that the three largest American consortia, headed by Kaiser, Morrison Knudsen and Utah respectively, had withdrawn from the bidding for the Niger Dam main civil works contract apparently due to uncertainty about the financing of the dam. Fisher said that he would be making inquiries in the U.S. from these firms and would let us know what he learned from them. Tenders close October 31.

On October 22 Messrs. Wedeman (Director of Capital Development Investment and Finance in the AID Bureau for African and European Affairs) and Fisher came to see me and reported that their inquiries showed a rather different state of affairs from that reported by their Lagos mission. The Kaiser consortium (including also Taylor Woodrow, Christiani & Nielsen and Perini) had withdrawn. The reasons they gave were some difficulties with specifications and insufficient time to prepare their bids (in fact, I am inclined to think that Kaisers may have withdrawn because they have so much work of this nature on their hands at present. They head the consortium awarded the Guri Dam in Venezuela and are in the group constructing the Wells project in Washington state. Morrison Knudsen and Utah are also in the Wells group.) Kaisers made it clear to AID that their withdrawal was not because of any uncertainty in the financing of the project. Morrison Knudsen (who are with Raymond, Laing, Jones and Wimpey) reported that they were definitely going to bid. AID had not been able to contact Utah (who are with Compagnie Industrielle de Travaux, Farsura, Foundation and Puget Sound) but they thought Utah would bid.

A cable from our resident representative received October 23 reported that six groups were expected to tender for the Dam. Thirteen groups had been pre-qualified.

cc: Messrs. Moussa
Sheehan
Hornstein
Fajans
Horsley/Div. files

SNMcIvor:mem

CROSS REFERENCE SHEET

COMMUNICATION: Letter No. 39

DATED: October 20, 1963

TO: Messrs. Moussa, Williams, McIvor and Horsley

FROM: Mr. Fajans
Resident Representative
Lagos, Nigeria

FILED UNDER: NIGERIA - General Negotiations

SUMMARY:

The Dam

4. Thank you for the minutes of October 5 meeting. Is \$75-80 million our present figure?
5. You presumably know that Kaiser are not tendering. Rumor has it that the other two US groups have also withdrawn; either because "the financing is not yet assured" or because "the Italians are bound to win". The Embassy people are a little upset.
6. Before leaving, Edilsson circulated a memorandum on ECN-NDA relationship. In it, he apparently suggested that NDA should be wound up after having executed the project. Ego takes a very different view and is unhappy that the matter has been brought into the open prematurely.
7. Hashimoto of the Bank of Tokyo (see par.11 of my no.14) came to see me yesterday. The suspension of the open general licence for Japanese textile imports has made it clear to the Japanese Government that they have to take steps to reduce their payments surplus with Nigeria. Hashimoto felt that joining the Bank in helping to finance the Dam would provide a welcome solution. I hope that the P.M. will raise the matter with the new Ambassador, Mr. Fukumata (see par. 14 of my no.38).

INTERNATIONAL FINANCE
CORPORATION

Chen - Duan

INCOMING WIRE

DATE OF
WIRE: OCTOBER 20, 1963 1250

LOG NO.: RC 3

TO: INTBAFRAD

FROM: LAGOS

TEXT:

ROUTING	
ACTION COPY:	MR. MCIVOR
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	AB

✓
60

ENCOURAGING TALK ON PARTICIPATION WITH JAPANESE AMBASSADOR'S COLLEAGUE

FAJANS

RECEIVED IN CODE

KS

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (22 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/390g(KE1)(KE2)MGO/JMM

International Bank for Reconstruction &
Development

18th October, 1963

1818 H Street N.W.
Washington 25 D.C.
U.S.A.

BY AIR MAIL

Dear Sirs,

Loan 383 UNZ
Doc No
34 + 34A

Loan 383 UNZ
Doc No. 35 + 35A

Niger Dams Project - Kainji Development
Contracts KE1 & KE2

1 set to R. B. Sheehan

We enclose, for your retention, 2 copies each of volumes 1 & 2 of each of the above contracts.

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED.

W
Co

RECEIVED
GENERAL
1963 OCT 22 PM 1:14

MB

101 BURGON, BEVILL & CO., LIMITED,
London (continued)

Each of the above contracts.

Enclosed for each contract, 2 copies each of Articles 1 & 2

Contracts KE1 & KE2
Inter-Division Project - Kinship Development

Dear Sirs,

D.G.A.
Washington 25 D.C.
1818 H Street N.W.

BY AIR MAIL

Development
Inter-Division Project for Development &

18th October, 1963

OUR REF: 1000/3008(KE1)(KE2)WCO/1111
YOUR REF:

(EX-111)
CITY 5042 (35 lines)
TELEPHONE 10

LONDON - E.C.4
BROAD STREET
BOM BEGG'S HOUSE

"BURLING" LONDON-E.C.4
CABLE ADDRESS
"BURLING" CABLE LONDON
TELEGRAPHIC ADDRESS

BURGON, BEVILL & CO. LIMITED

Uui - Dams

October 18, 1963

Mr. J. H. Ings
Chairman
Niger Dams Authority
Independence House
P.M. Bag 12605
Lagos, Nigeria

Dear Mr. Ings:

In my letter of October 3 which enclosed particulars of Mr. Foster as a possible candidate for the position of financial member of the Niger Dams Authority I mentioned that we had been promised another candidate from Canada. We have now been supplied with some names of possible Canadian candidates and on the basis of the particulars sent us have selected two: Messrs. Grant and Mead whose particulars we enclose. I must emphasize that we have not interviewed these two gentlemen and are passing their particulars to you simply to put you in touch with them so that you may follow up their candidature if you wish.

We are informing Messrs. Grant and Mead that we have sent their particulars to you and we suggest that, if you wish, you get in touch direct with one or both at his private address.

Yours sincerely,

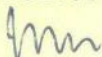
S. Noel McIvor
Department of Operations - Africa

Enclosures

cc: General Vogel, Messrs. Sheehan, Chatenay, Bejenk, Fajans

cc: Mr. Hollist (for Chief Adebo)

SNMcIvor:mem



October 18, 1963

Mr. David H. Mead
1916 Georgia Street
S. W. Calgary
Alberta, Canada

Dear Mr. Mead:

Thank you for your letter of September 20. We have now received from the Canadian External Aid Office a copy of their letter of September 10 together with the particulars that you supplied Price Waterhouse with your letter of July 6. We are passing your name, together with your particulars, to the Chairman of the Niger Dams project, Mr. J. H. Ings whose address is:

Niger Dams Authority
Independence House
P.M. Bag 12605
Lagos, Nigeria

We have suggested to Mr. Ings that if he wishes to follow up your candidature he should get in touch with you directly at your home address.

I enclose a pamphlet which you may find of interest giving some particulars of the Niger Dams project. If there is any further information that you would like to have from us, we should be glad to do our best to supply it.

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

Enclosure

cc: Messrs. Sheehan, Benjenk, Chatenay

SNMcIvor:mem



October 18, 1963

Mr. George M. Grant
2070 Peel Street
Montreal, Que.
Canada

Dear Mr. Grant:

As you know from the letter of September 9 from the Canadian External Aid Office, your name was sent to us as a possible candidate for the position of financial member of the Niger Dams Authority. We have passed your name, together with the particulars which were enclosed with your letter of October 14 to the External Aid Office, to the Chairman of the Niger Dams Authority, Mr. J. H. Ings. His address is:

Niger Dams Authority
Independence House
P.M. Bag 12605
Lagos, Nigeria

We have suggested to Mr. Ings that if he wishes to follow up your candidature he should get in touch with you directly at your home address.

I enclose a pamphlet which you may find of interest giving some particulars of the Niger Dams project. If there is any further information that you would like to have from us we should be glad to do our best to supply it.

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

Enclosure

cc: Messrs. Sheehan, Benjenk, Chatenay

SNMcIvor:mem

mm

Uui - Dam

Mr. Denis L. Hudon

October 18, 1963

S. Noel McIvor

Niger Dams Authority

Thank you for your memorandum of October 8 with its enclosures. We are sending two names with their particulars to Mr. Ings, the Chairman of the Niger Dams Authority. The names are those of Mr. Grant and Mr. Mead and we are suggesting that Mr. Ings should get in touch with them directly if he wishes to follow up their candidature.

SNMcIvor:mem

mm

4407

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY.....~~International Bank for Reconstruction and Development~~

.....~~1818 H. Street N. W.~~.....

.....~~Washington 25, D.C. U.S.A.~~.....

Date of issue

the following :-

16 October, 1963

Quantity	Particulars
2	Sets 20, 21 Supplementary Notice No. 14.

10/21/63
Date of Receipt

(M. P.)
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

CONTRACT KD4

JOINT ENGINEERING CONSULTANTS

BALFOUR, BEATTY & CO., LIMITED
BOW BELLS HOUSE,
LONDON, E. C. 4

NEDECO
JAVASTRAAT 48,
THE HAGUE.

SUPPLEMENTARY NOTICE NUMBER 14

52 PERFORMANCE BOND

The amount of Performance Bond is reduced from 50 per cent of the Tender Price to 30 per cent of the Tender Price. The consequent alterations to the documents are.

- (i) Conditions of Contract, Part I, Clause 10: Alter "50 per cent" in line 5 to "30 per cent".
- (ii) Conditions of Contract, Part II, Clause 10: Alter "50 % (fifty per cent)" in lines 1 and 2 to "30% (thirty per cent)".
- (iii) Form of Tender : Alter "50 per cent" in line 4 of Paragraph 3 to "30 per cent".

for JOINT ENGINEERING CONSULTANTS.


16th October, 1963

UNI - Dam

INCOMING WIRE

DATE OF
WIRE: **OCTOBER 16, 1963 1250**

LOG NO.: **RC 19**

TO: **INTBAFRAD ALDEWERELD**

FROM: **LONDON**

TEXT:

ROUTING	
ACTION COPY:	TECHNICAL OPERATIONS
INFORMATION COPY:	
DECODED BY:	

CLIENTS APPROVAL RECEIVED AND FOLLOWING CABLE SENT TO ALL TENDERS

"ADD FOLLOWING SUPPLEMENTARY NOTICE NUMBER 14 TO KAINJI DEVELOPMENT

CONTRACT KD4 DOCUMENTS. REDUCE PERFORMANCE BOND FROM 50% OF TENDER PRICE

TO 30% OF TENDER PRICE. CONFIRMATION FOLLOWS"

WILKINSON RUOFLAB

W.D. - Dave

October 15, 1963

Mallam Y. A. Dikko
Secretary
Niger Dams Authority
Independence House
P.M. Bag 12605
Lagos, Nigeria

Dear Mallam Dikko:

I am writing to thank you for your letter of September 20 with its enclosures concerning the question that arose in connection with the Paul Hardeman consortium. We have no comments to offer about this matter which seems to have come to a satisfactory conclusion. I should like to explain, however, that the inquiries we made by cable to the consultants were simply to clarify points that we felt we should know in case there were inquiries put to us by representatives of any of the firms affected by changes in consortium membership, or by representatives of the countries to which those firms belonged.

With best wishes,

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

cc: Mr. Sheehan

SNMcIvor:mem



BALFOUR, BEATTY & CO., LIMITED

TELEGRAPHIC ADDRESS
RUOFLAB, CENT, LONDON

CABLE ADDRESS
RUOFLAB, LONDON

BOW BELLS HOUSE
BREAD STREET
(CHEAPSIDE)
LONDON · E·C·4

TELEPHONE N°
CITY 2046 (20 LINES)

BY AIR MAIL

EDINBURGH OFFICE:
10, MELVILLE STREET.

TELEPHONE
CALEDONIAN 4554-8

OUR REF. ERW/FC.

YOUR REF.

14th October, 1963.

Mr. S. Aldewereld,
International Bank for Reconstruction and Development,
1818 H Street, N.W.,
WASHINGTON 25, D.C.,
U.S.A.

Dear Siem,

I gathered from our telephone conversation today that Sheehan is away and that you did not have before you the cablegram which I sent to him on Friday afternoon. I am accordingly enclosing a copy of that cablegram which I read over to you.

In the meantime we have had our further telephone conversation wherein you informed me that, after discussion with Burke Knapp, the Bank now felt that the performance bond required for the Niger Contract could be reduced from 50% to 30%, and that we should obtain the approval of the Niger Dams Authority with a view to notifying the tenderers immediately. I have accordingly cabled the Authority and enclose a copy for your records.

Yours sincerely,

Edgar R. Wilkinson

P.S. Since dictating the above I have received your cable reading as follows:-

"REFERRING TO OUR TELEPHONE CONVERSATIONS OF TODAY I HEREBY CONFIRM THAT WE AGREED TO THE REDUCTION OF THE PERFORMANCE BOND FROM FIFTY TO THIRTY PER CENT"

RECEIVED
GENERAL FILES
CORRESPONDENCE

THE PERFORMANCE BOND FROM LIRA TO LIRA PER CENT.
I HEREBY ADVISE YOU THAT I HAVE AGREED TO THE REDUCTION OF
REFERRING TO OUR TELEPHONE CONVERSATIONS OF TODAY
AS TOPICS:-

P.S. Since dictating the above I have received your cable regarding

John F. Morrison

Yours sincerely,

Dear Sir,

I have accordingly copied the agreement and enclose a copy for
your information with a view to notifying the tenderers immediately.
20% and that we should obtain the approval of the Niger Bank
required for the Niger Contract could be reduced from 20% to
10% and the Bank now tell that the performance bond
conversation wherein you informed me that, after discussion with
in the meantime we have had our further telephone

over to you.

Accordingly enclosing a copy of that agreement which I sent
earlier which I sent to you on Friday afternoon. I am
that Graham is away and that you did not have before you the
I gathered from our telephone conversation today

Dear Sir,

P.S.V.

WASHINGTON 25, D.C.

1918 H Street, N.W.

International Bank for Reconstruction and Development

Mr. S. A. [unclear]

YOUR FILE

OUR FILE ERM/100

BY AIR MAIL

CITY 5040 (COPIES)
TELEPHONE NO

LONDON E.C.4
(CHEAPSIDE)

BROAD STREET
BOM BEGS HOUSE

14th October, 1943.

STOCK EXCHANGE LONDON
CABLE ADDRESS

STOCK EXCHANGE LONDON
TELEGRAPHIC ADDRESS

CYBERNETIC 4224-0
TELEPHONE

10 REGENT STREET
EDINBURGH OFFICE

BALFOUR BEATTY & CO LIMITED

COPY

11th October, 1963.

1720 hrs.

FULL RATE CABLE

SHEEHAN INTBAFRAD WASHINGTON

REGRET UNABLE TO PHONE STOP EXPECT TENDERS FROM
ONE UTAH TWO KNUDSON THREE IMPREGILO FOUR HOLZMANN
FIVE DUMEZ SIX POSSIBLY DRAGAGE STOP HOLZMANN HAVE
SAID BOND DIFFICULT AND COSTLY TO RAISE STOP SIMILAR
REPRESENTATION BY CITRA OF UTAH CONSORTIUM STOP
NEITHER HAS INDICATED THAT THIS WOULD PREVENT THEIR
TENDERING

WILKINSON RUOFLAB

COPY

14th October, 1963.

1615 hrs.

RUOFLAB LAGOS

WORLD BANK INFORM US THAT HAVING REGARD TO REPRESENTATIONS TO THEM BY TENDERERS THEY ARE AGREEABLE TO PERFORMANCE BOND BEING REDUCED FROM FIFTY TO THIRTY PER CENT STOP IF CLIENT AGREES PLEASE CABLE US SO THAT WE MAY ADVISE ALL TENDERERS IMMEDIATELY AS FOLLOWS BY CABLE QUOTE ADD FOLLOWING SUPPLEMENTARY NOTICE NUMBER 14 TO KAINJI DEVELOPMENT CONTRACT KD4 DOCUMENTS STOP REDUCE PERFORMANCE BOND FROM FIFTY PERCENT OF TENDER PRICE TO THIRTY PERCENT OF TENDER PRICE IN FOLLOWING PLACES IN DOCUMENTS STOP ONE LINE FIVE OF CLAUSE TEN CONDITIONS OF CONTRACT PART ONE STOP TWO LINE ONE OF CLAUSE TEN CONDITIONS OF CONTRACT PART TWO STOP THREE LINE FOUR OF PARAGRAPH THREE OF FORM OF TENDER UNQUOTE

RUOFLAB

OFFICE MEMORANDUM

TO: Mr. O. Donner

FROM: J. Burke Knapp *JBK*

SUBJECT: Performance Guarantees for Niger Dam

DATE: October 14, 1963

We have been giving the most earnest consideration to your memorandum to me dated September 26 on the above subject.

As you know, this issue presents us with very great difficulties. Our first obligation in a matter like this is to our borrowers and we want to see that their interests are reasonably and adequately protected. I am not persuaded by your arguments that it is not feasible for European contractors to post performance bonds up to at least 50% on major contracts.

On the other hand, we are anxious to meet the wishes of European contractors so far as possible and to encourage the maximum degree of participation in the bidding on major contracts financed by the Bank. We have therefore examined the Niger Dam case once more with great care and have come to the conclusion that in this case a reduction in the performance bond from 50% to 30% would not impose undue risks upon the Nigerian Government. This change in the conditions of bidding is being communicated to prospective bidders by the consulting engineering firm which has charge of the contract procedures.

cc: Mr. Larre

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

OUTGOING WIRE

TO: EDGAR WILKINSON
RUOFLAB
LONDON EC 4

DATE: OCTOBER 14, 1963

CLASS OF
SERVICE: FULL RATE

MRT

COUNTRY: ENGLAND

TEXT:
Cable No.:

REFERRING TO OUR TELEPHONE CONVERSATIONS OF TODAY I HEREBY CONFIRM
THAT WE AGREED TO THE REDUCTION OF THE PERFORMANCE BOND FROM FIFTY
TO THIRTY PERCENT REGARDS

ALDEWERELD

CC: Messrs. Knapp, Moussa, General Vogel, Spottswood, Piccagli and
Sheehan

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME S. ALDEWERELD

DEPT. TECHNICAL OPERATIONS


SIGNATURE 
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

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(IMPORTANT: See guide for preparing form)

Checked for Dispatch: 

LONDON EC 2A

OCTOBER 11th 1893

Uni-Dam

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/490f/490g/(KF2)(KF3)/RMW/HNT

11th October, 1963.

The Secretary,
Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos,
Nigeria.

T.O.D. CORRES.	
ANS'D. BY	<i>NOT READ</i>
DATE	<i>PH 10/29/63</i>

Dear Sir,

Niger Dams Project - Kainji Development
Qualification & Invitation to Tender for
Contracts KF2 - Intake Gates, KF3 - Spillway Gates

The Companies who qualified to tender for the above Contracts have today been notified by cable and letter. Copies of the letters of notification are attached, together with a list of companies and their addresses.

Yours faithfully,
for Joint Consultants
for BALFOUR, BEATTY & CO., LIMITED

Rus Maclean

c. c. I.B.R.D. (2)
Nedeco
J. van Hasselt en de Koning (2)
Joint Consultants' Office, Lagos.

Qualified Tenderers - Contracts KF2 and KF3 - List of Addresses

<u>Company</u>	<u>Address</u>	<u>Reference</u>	<u>Telegraphic Address</u>
1. Neyrpic	Av. de Beauvert Grenoble France	DGM-VAN - FHM/SC	Neyrpic Grenoble France
2. Glenfield & Kennedy	Kilmarnock Scotland	DASM/MH	-
3. Dominion Bridge Co. L td.	P.O. Box 280 Lachine (Montreal) Quebec, Canada.	Colin T . Gray/IL	Dominion Montreal Canada
4. Sir William Arrol & Co. Ltd.	85, Dunn Street, Bridgeton, Glasgow.	Est/APBS/EH	-
5. Maschinenfabrik- Augsburg-Nurnburg A. G.	Gustavsburg Works 6095 Gustavsburg Hessen West Germany	B. W.	Manwerk Gustavsburg- hessen W. Germany
6. Wagner-Biro A. G.	Margaretenstrasse 70 Vienne V, Austria	Lv-br-eh	Waagnerag Vienne Austria
7. Vereingte Osterr- eichische Eisen-und Stahlwerke A. G.	Dept KV/82 Linz/ Donau Postfach 2, Austria	2028/KV-823 /Wa/IK	V. O. E. S. T. Linzdonau Austria
8. Rheinstahl Union Bruckenbau	Aktiengesellschaft Dortmund West Germany	C/fb	Rheinstahl Dortmund W. Germany
9. Dinglerwerke Aktiengesellschaft	Zweibrucken West Germany	V5/Kn/sr	Dingler Zweibrucken W. Germany
10. Kinoshita and Co. Ltd.	No. 5-2-chome Takaracho, Chuo-Ku Tokyo Japan	MCAF-124	Metalsk Tokyo Japan
11. Vickers-Armstrong (Engineers) Ltd.	Vickers Hous e, Millbank Tower, Millbank, London S . W. l.	ESD/NL/401	-

12. Buss Ltd. Basle	Basle-Pratteln Switzerland	13.0738 RWM/MA	Bussag Basle Switzerland
13. Ransome & Rapier & Co. Ltd	P. O. Box No. 1 Waterside Works Ipswich	22534	-
14. Canadian Vickers Ltd	4970 Notre Dame St. E P. O. Box 550 Place d'Armes Montreal, Canada	SD. 3020	Vickers Montreal Canada
15. Acciaieria e Tubificio di Brescia	L. A. Poole & Co. 17, Surrey Street, Strand, London W. C. 2.	LAP/VG	-
16. Mitsubishi Shoji Kaisha Ltd.	20 Marunouchi 2 - chome Chiyoda - Ku Tokyo Japan	MAQ-F 822-B	Mitsubishi- shoji Tokyo Japan
17. Metalna	Maribor Yugoslavia	3000	Metalna Maribor Yugoslavia
18. Marubeni-Lida Co. Ltd.	Moor House London Wall London E. C. 2	SPE-23/2632	-

Qualified Tenderers - Contract KF3 only - List of Addresses

<u>Company</u>	<u>Address</u>	<u>Reference</u>	<u>Telegraphic Address</u>
1. A.S. Kvaerner Brug	Postboks 3610 Kvaernerveien 10 Oslo Norway	NAS/ra J. 4253	Kvaerner Oslo Norway
2. Allis Chalmers International	Allis Chalmers International West Allis, Wisconsin U.S.A.	JBD/fdk	Allis Chalmers International West Allis, Wisconsin U.S.A.

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO.
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/490f/KF2/RWAM/PW

10th October, 1963.

Dear Sirs,

Niger Dams Project - Kainji Development Contract KF2 - Intake Gates

The examination of the information which you have submitted for consideration of your capability to supply Intake Gates for Contract KF2 has been completed and we are instructed to advise you as follows:

1. You have been found to qualify to tender for the execution of the work covered by Contract KF2. It may be necessary before the final decision on Tenders is taken for visits to be made to the works of applicants to verify the quality of manufacture and that no changes adversely affecting the information submitted for prequalification have occurred since.

2. The Contract Documents for this equipment will be available on the 9th October, 1963 and from this date copies may be obtained by you on application to the Joint Consultants' Office, P.O. Box 1288, Lagos, Nigeria. The Documents will also be open for inspection by appointment at the addresses listed on the appended sheets.

3. Applications for the Contract Documents should include an undertaking that the applicant will submit a bona fide tender and should be accompanied by a non-returnable remittance as required below to the order of the Federal Government of Nigeria (Niger Dams Authority).

4. The documents issued to Tenderers comprise two volumes as below:-

Volume 1	Information & Instructions to Tenderers, Conditions of Contract, Specification & Drawings
Volume 2	Form of Tender, Form of Tender Bond, Bill of Quantities & Appendices to Bill of Quantities

Tenderers will be required to complete and submit with their Tenders four copies of Volume 2. The charge for a set of documents comprising two copies of Volume 1 and five copies of Volume 2 is twenty-five pounds Nigerian. Additional copies of either volume can be obtained on request at an extra charge of five pounds Nigerian per volume.

5, The closing date for the Tenders will be 7th January, 1964 This will be confirmed officially by a Supplementary Notice to the Tender Documents.

Yours faithfully,
for Joint Consultants,
for BALFOUR, BEATTY & CO., LIMITED



c.c. The Secretary, Niger Dams Authority
Nedeco
J. van Hasselt en de Koning (2)
Joint Consultants' Office, Lagos.

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/490f/KF3/RWAM/PW

10th October, 1963.

Dear Sirs,

Niger Dams Project - Kainji Development Contract KF3 - Spillway Gates

The examination of the information which you have submitted for consideration of your capability to supply Spillway Gates for Contract KF3 has been completed and we are instructed to advise you as follows:

1. You have been found to qualify to tender for the execution of the work covered by Contract KF3. It may be necessary before the final decision on Tenders is taken for visits to be made to the works of applicants to verify the quality of manufacture and that no changes adversely affecting the information submitted for prequalification have occurred since.

2. The Contract Documents for this equipment will be available on the 9th October, 1963 and from this date copies may be obtained by you on application to the Joint Consultants' Office, P.O. Box 1288, Lagos, Nigeria. The Documents will also be open for inspection by appointment at the address listed on the appended sheets.

3. Applications for the Contract Documents should include an undertaking that the applicant will submit a bona fide tender and should be accompanied by a non-returnable remittance as required below to the order of the Federal Government of Nigeria (Niger Dams Authority).

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5. The closing date for the Tenders will be 7th January, 1964 This will be confirmed officially by a Supplementary Notice to the Tender Documents.

Yours faithfully,
for Joint Consultants,
for BALFOUR, BEATTY & CO., LIMITED



c.c. The Secretary, Niger Dams Authority
Nedeco
J. van Hasselt en de Koning (2)
Joint Consultants' Office, Lagos.

Balfour, Beatty & Co., Ltd. & Nedeco,
Consultants' Office,
Investment House,
Broad Street,
Lagos,
Nigeria.

The High Commissioner for Nigeria,
Nigeria House,
9, Northumberland Avenue,
London, W.C.2.
England.

The Embassy of Nigeria,
500 Dupont Circle Building,
Washington 6 D.C.
U.S.A.

The Embassy of Nigeria,
Via Giacinta Pezzana, 66,
Rome,
Italy.

The Embassy of Nigeria,
Bad Godesburg,
Rheinallee, 20,
Western Germany.

Centre National du Commerce Extérieur,
Services des Adjudications,
No. 10 Avenue d'Iena,
Paris 16,
France.

Office Suisse d'Expansion Commerciale,
8, Drei König Strasse,
Zurich,
Switzerland.

Engineering & Equipment Division,
Department of Trade & Commerce,
Wellington Street,
Ottawa,
Canada.

Nedeco,
Javastraat 48,
The Hague,
Holland.

Balfour, Beatty & Co. Ltd.,
Bow Bells House,
Bread Street,
London, E.C.4.
England.

Ueli - Dan

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

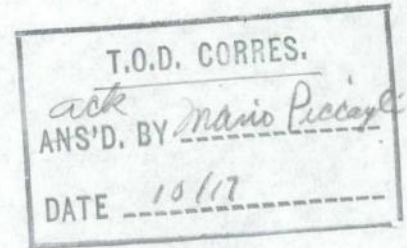
YOUR REF.

OUR REF. 9960/490g/KF2/MGO/SMM
KF3

BY AIR MAIL

11th October, 1963.

International Bank for Reconstruction
and Development,
1818 H Street N.W.,
Washington 25, D.C.
U.S.A.



Dear Sirs,

Loan 383 UNT
Doc. No. 31 + 31A

Loan 383 UNT
Doc. No. 32 + 32A

Niger Dams Project - Kainji Development
Contracts KF2 & KF3 - Documents.

On instructions from the Niger Dams Authority we enclose two sets, comprising one copy each of Vols. I and II, of each of the above contract documents. These are numbered 24 & 25. The Niger Dams Authority wishes these to be available for inspection by prospective suppliers of equipment.

Please acknowledge receipt of these documents so that we are aware they have reached you.

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED

Michael O'Hart

ENC.

(24)
1 set sent
to Op Files
10/16 - Bi

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 OCT 16 AM 11:26

UNRECORDED

BAFFLOON BEVILIA & CO LIMITED

TO THE DIRECTOR

FROM THE DIRECTOR

RE: [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

BAFFLOON BEVILIA & CO LIMITED

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

ONE HUNDRED AND FIFTY

AND FIVE

(EXH)

THE DIRECTOR

LONDON E.C. 4
BURY STREET
BOX 1000

BURY STREET LONDON
E.C. 4
BOX 1000

BAFFLOON BEVILIA & CO LIMITED

Receipt No. 4389

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY.....International Bank for Reconstruction.....
.....and Development.....
.....1818 H Street N.W., Washington 25, D.C.

Date of issue

14 October, 1963

the following :-

Quantity	Particulars
24, 25	
2	Contract Documents KF2 " " KF3

October 16/63

Date of Receipt

Mario Piccagli

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

INCOMING WIRE

DATE OF
WIRE: **OCTOBER 11, 1963 1812**

LOG NO.: **RC 23**

TO: **INTBAFRAD SHEEHAN**

FROM: **LONDON**

TEXT:

ROUTING

ACTION COPY: **TECHNICAL OPERATIONS**

INFORMATION
COPY:
DECODED BY:

figure
REGRET UNABLE TO PHONE. EXPECT TENDERS FROM

1 UTAH

2 KNUDSON

3 IMPREGILO

4 HOLZMANN

5 DUMEZ

6 POSSIBLY DRAGAGE.

HOLZMANN HAVE SAID BOND DIFFICULT AND COSTLY TO RAISE. SIMILAR
REPRESENTATION BY CITRA OF UTAH CONSORTIUM. NEITHER HAS INDICATED
THAT THIS WOULD PREVENT THEIR TENDERING

WILKINSON RUOFLAB

Mr. S. N. McIvor

October 11, 1963

H. D. Vogel

Niger Dam Authority - Candidates

Of the candidates included here, it would appear that Grant, Mead, Winters, Williams and Cooke are all well qualified for the job on the basis of accounting ability. There is not much to go on as to administrative ability but, again, all seem to be qualified. In this respect, Winters would appear to stand out though, of all the candidates, he has had least to do with governmental undertakings and power projects.

Grant and Mead have had most of that kind of experience, but we have more facts on Mead as to family, etc.; also, Mead is younger by ten years. Williams has been with a technical organization in a position to qualify him, and Cooke also looks O.K.

I think, though, I would favor Mead and Grant for first consideration in the order given. A personal interview might of course change my opinion.

HDV/agk

uni dam

687/5

COPY

Op files

mm

October 10, 1963

The Permanent Secretary
Federal Ministry of Finance
Mosaic House - Tinubu Sq.
Lagos

Attention: Mr. Akinrele

Dear Sir:

In July 1963, the Niger Dams Authority authorized release of the Kainji Dam contract documents and the Cooper Brothers and Balfour Beatty/NADECO studies to AID for preliminary review. This AID review was undertaken in order to identify any special provisions or additional information needed if AID were to participate in the financing of the project.

Washington has now informed us of the results of this preliminary review and this letter is for the purpose of conveying this information to your government.

1. U.S. administrative and statutory clauses which would need to be included in the Conditions of Contract if AID financed:

- a) Ocean Shipping. This clause will instruct the contractor that at least 50 percent of all AID-financed commodities and equipment would have to be shipped on U.S. flag vessels. (Export-Import Bank financing would require 100 percent U.S. flag shipping.) No commodities or equipment may be financed by AID which are transported on any ocean vessel which AID has designated as ineligible.
- b) Source/Origin Requirements for Procurement. This clause will instruct the contractor as to the approved source and origin of AID-financed commodities to be incorporated in the project or consumed in the performance of the project, and the approved source and origin of AID-financed services to be employed by the Contractor. It would specify the documentation required to establish source and origin.

cc Mr. Sheehan
Hornstein
Methergate
Horsley/div files

- c) Marking. This clause will instruct the contractor as to the requirements for marking AID-financed commodities, and also prescribe the sign or signs which will be erected and maintained at the project site.
- d) Security Clearance for U.S. Personnel. This clause will require that any AID-financed contractor not send any U.S. citizen overseas to perform any work under the contract until after receiving written notice of security clearance by AID.
- e) Code 899 Limitation. This clause will require that all goods and services incorporated in the project or consumed in the performance of the project (however financed) be of free world source and origin. Code 899 includes all countries of the free world.
- f) Marine Insurance. This clause would state the right to instruct the contractor that insurance must be obtained in the U.S. but would apply only if the Government of Nigeria discriminated against any marine insurance company authorized to do business in the U.S.
- g) Non-Discrimination in Employment. This clause would require that the contractor not discriminate in employment on grounds of race, creed or color.

2. Additional information which would need to be obtained if AID were to participate in financing the project:

- a) Separation of costs and benefits of non-power aspects of the project such as navigation locks. (We believe this information is available with the joint consultants and would send an AID/Washington engineer to London to obtain the necessary data.)

3. In addition, there are a number of clauses in the proposed Kainji Development Contract, KD4, on which AID/Washington has raised comments or questions and on which clarification or explanation is desired:

- a) Clause 70.(1)(a) - Escalation for materials based on increased prices paid by the contractor over price cited at "Basic Price" in bid.

The Permanent Secretary
Federal Ministry of Finance
October 10, 1963
Page 3.

- b) Clause 119 - Words "or for such other periods as are specified" makes contract open ended for contractors maintenance of Engineer's Accomodations.
- c) Clause 120 - Same issue as for 119. Pertains to maintenance of Engineer's Offices.
- d) Clause 136 - Provides for Contractor to pay accounts for miscellaneous expenses incurred by the Engineer for Site Supervision of the Works. The desirability of this is questioned.
- e) Clause 201 - Standards - Materials and workmanship to comply with standards described in British Standards Yearbook of 1962. Other equivalent standards may be used if approved by the Engineer. This clause may place bidders proposing to furnish U.S. materials in an inferior position.
- f) Maintenance - Appendix to Form of Tender gives 365 days as maintenance period in accordance with Conditions of Contract, Clause 49. This could result in Contractor being required to maintain the entire works for one year after receipt of Certification of Completion.
- g) Vehicles - Bill No. 1, items 3, 4, and 5, provides for Contractor to furnish 3 sedans, 50-4WD pickups. Of these Sec. 2810 of the Specifications provides that 3 sedans, 20 station wagons and 20 pickups are for assistance to Engineer. This seems to be an excessive amount of transportation for Engineers. Who is to use the remaining 30 station wagons and 10 pickups?

The foregoing comments are provided for information purposes and to elicit clarification from your government of the questions raised, in the event that the U.S. is requested to provide financing for some part of the project. The Niger Dams Authority may wish to inform tenderers that if the project should be financed in part by the U.S. Government, additional provisions may be inserted in the ultimate contracts.

We have not yet received copies of the bid invitations for electrical and mechanical equipment. It would expedite possible U.S. consideration of these items for financing if three copies could be made available as follows:

The Permanent Secretary
Federal Ministry of Finance
October 10, 1963
Page 4.

- 1) U.S. AID Lagos
- 2) Agency for International Development, AFE/CDF
Department of State
Washington 25, . C.
U. S. A.
- 3) Export-Import Bank of Washington
Attention: Mr. Forrest Warren
Washington 25, D. C.
U. S. A.

In accordance with your telephone discussion with Mr. Gould on October 2, copies of this letter have been sent to the Permanent Secretary, Ministry of Economic Development and the Chairman, Niger Dams Authority.

Sincerely yours,

Joel Bernstein
Director

Drafted: BMGould:srw:Program
10/9/63

Cleared in Draft:

JBernstein, DIR
GDolgin, EMB
RRParker, LEGAL
JMoller, ENGR

Copies to:

Chairman, Niger Dams Authority
Permanent Secretary, Ministry of Economic Development
GDolgin, EMB
BGould, PROG
JMoller, ENGR
BTGalvin, AFE/CDF (2)
RCashin, AFE/CA

Dam - Umi
original 9. neas

OFFICE MEMORANDUM

TO: Files

DATE: October 10, 1963

FROM: Norman Horsley *X*SUBJECT: Annual Meeting - Management Interview with
Nigerian Delegation

1. The Nigerian delegation to the Annual Meeting of the Bank and Fund met with Mr. Woods in his office at the Bank on Saturday, October 5, 1963.

2. The Nigerian delegation comprised: Chief Festus Okotie-Eboh, Federal Minister of Finance, Mallam Aliyu Mai-Bornu, Governor, Central Bank of Nigeria, Mr. E. Ogbu, Permanent Secretary, Federal Ministry of Finance, Mr. R. A. Clarke, Permanent Secretary (Special Duties), Federal Ministry of Finance, Mr. J. M. Garba, Office of the Commissioner General for Economic Affairs, Mr. J. A. Adeyeye, Federal Ministry of Finance, Mr. B. A. Ehizuenlen, Federal Ministry of Finance.

For the Bank: Messrs. Woods, Knapp, Moussa, Williams, McIvor and Horsley were present.

3. After greetings and reference to the happy relationship existing between Nigeria and the Bank, the Minister spoke of the protracted feasibility studies which seemed necessary to secure finance. He hoped that the better knowledge of Nigeria which the Bank had now accumulated would help to quicken the pace of financing Nigerian projects. He also hoped that Mr. Garba's presence as an Executive Director would ensure speedier replies from Nigeria. Mr. Woods replied that whilst it was true that the Bank was increasing its knowledge of Nigerian affairs, it was also true that Nigerian functionaries were learning their jobs.

4. Mr. Woods referred to the Niger Dam project which he thought could be very important for Nigeria. Mr. Knapp and Mr. McIvor outlined the present position on offers of finance for the dam. The total cost would be about \$200 million, of which \$80 million represented local costs to be met by Nigeria; the Bank might lend \$75-80 million and offers (mostly tied) by the U.S., U.K., Canada and the Netherlands amounted to a potential maximum of \$52 million. Mr. Woods expressed the view that external finance offers well in excess of \$120 million were necessary to ensure that sufficient tied aid could be used to finance the project. Although the offers now amounted to a possible maximum of \$132 million, this was not enough.

October 10, 1963

5. Mr. Knapp pointed out that some of the offers might be increased if the countries concerned received large orders in connection with the Dam. He thought the most disappointing feature of the financing picture was the failure of France, Germany and Italy to join in. Mr. Woods suggested that Nigeria should approach Japan.

6. Mr. McIvor said that tenders for the main civil works contract would be under review in November, and Mr. Woods suggested that the project might be active in the second quarter of 1964.

7. The Minister mentioned the possibility of the Niger Dam supplying power to the neighboring Francophonic countries. Mr. Moussa thought this idea useful and reported that Dahomey and Togo had asked UNSF to finance studies of their future power needs.

8. The Minister expressed his great regret at the loss of Mr. R. A. Clarke's services, and it was mutually agreed that Nigeria's loss was the Bank's gain. He said that he was very anxious to have a financial-economic adviser for the new Mid-West Region and had asked the Bank to send Mr. Clarke, but Mr. Knapp had rejected his request for policy reasons which were understood and appreciated. However, Chief Okotie-Eboh wanted to present a very strong request for the Bank to recruit someone to fill this post with all possible speed. He said that the Prime Minister was in favor of such an appointment, which would be for one or two years with a possibility of extension. It was agreed that the matter would be further discussed at a meeting in Mr. Knapp's office at the conclusion of the meeting with Mr. Woods.

9. In the course of his request, the Minister mentioned that the first elections in Mid-Western Nigeria would be held in February 1964.

10. Chief Okotie-Eboh reported that a recent conference of the Nigerian Ministers of Economic Development had passed a resolution on the importance of peasant farming; he asked if the Bank could assist in promoting this vital sector of the economy. Mr. McIvor pointed out that this was exactly what the Bank's agricultural mission this month would be concerned with doing.

cc: Mr. Fajans

NHorsley:cp

OFFICE MEMORANDUM

TO: Files

DATE: October 10, 1963

FROM: Mario Piccagli

SUBJECT: Prequalification of Equipment Suppliers - Niger Dam

1. Further to my memorandum dated October 3, 1963, and after consultation with the Director, TOD, it had been tentatively decided that we should request the Nigerians to request bids of all manufacturers who had applied for pre-qualification, indicating that a review of qualifications would be made after the bids were in.
2. This proposal was discussed with the Working Party and in these discussions it was pointed out that it is desirable for the Bank not to substitute its judgment for that of the Borrower and its consultants even if we do not agree with some of their decisions, provided that these are not so unreasonable as to compromise the proper handling of the project.
3. In this case it is obvious that while we disagree with the Borrower and its consultants on whether some specific suppliers are qualified, the list they have submitted still represents an ample access to international bidding and there is no reason to consider that the proposed limitations in the list of qualified suppliers would conflict with a sound approach to taking bids for the equipment in question.
4. After reviewing these considerations, Mr. Aldewereld instructed me to notify the Niger Dams Authority that we would not object to their proceeding in the manner proposed even though we were not entirely in agreement with the validity of the method they had followed for pre-qualification. A cable to this effect was sent on October 9.

cc: Messrs. Aldewereld
McIvor
Hornstein
Sheehan

MP/bli

Mr. S. N. McIvor

October 10, 1963

H. D. Vogel

Niger Dam Authority

The job description for Finance and Administrative Adviser to the Niger Dam Authority would fit any number of rather minor administrative people. To keep records on receipts and expenditures of projects during the period of construction is relatively simple, and could be done by anyone who has had a course in accounting. The administrative end is generally that of an office manager.

I have noted the description in Mr. Larsen's letter of the job that was set up for the Volta River Authority, and this is more nearly what they should be looking for in Nigeria if they plan to continue the set up into the period following construction.

If the Dam Authority will disappear, giving way to ECN, then ECN should be prepared with the kind of an organization to run a growing power system.

The financial handling of this will require quite a different man, one who has had experience with an electrical system, who understands costs of generation and distribution, and knows about rate-making. He must also know where and how to get money by borrowing on the market, how to invest surplus funds, how to plan for expansion, etc. As to rates, he must know how to determine that they will be high enough to prevent insolvency, but low enough to encourage high usage and system growth.

In order that you may see how involved such things can get, I am attaching an annual report of the TVA.

Attachment



HDV/agk

UNU-Dam
To: OP. FILES.

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/390f(KE1/KE2/AD

10th October, 1963.

Secretary,
Niger Dams Authority,
Independence House,
P. M. B. 12605.
Lagos,
Nigeria.

T.O.D. CORRES.	
ANS'D. BY	NOT RECD
DATE	RM 10/29/63

Dear Sirs,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT
PRE-QUALIFICATION ASSESSMENT FOR:
KE1 - MAIN GENERATORS
AND
KE2 - GENERATOR TRANSFORMERS

The Companies who applied for permission to Tender for the above Contracts have been notified today of the result of the assessment of their qualifications.

A copy of the letters to qualified and to rejected companies is attached.

The letters of acceptance or rejection have been sent in accordance with the attached list.

Yours faithfully,
for JOINT CONSULTANTS.
for BALFOUR BEATTY & CO., LIMITED.

c. c. Client (via Lagos Office) (4),
I. B. R. D. (1)
NEDECO - (Hague) (3)
J. Van Hasselt en de Konig, Nijmegen. (2)
Lagos Office. (1)
Internal (3)

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 OCT 14 AM 11:32

REPORT

10/14/63

(3)

10/14/63

(1)

10/14/63

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RESULTS OF PRE-TENDER ASSESSMENT FOR: CONTRACT KE1 -

MAIN GENERATORS AND CONTRACT KE2 - GENERATOR TRANSFORMERS.

All 33 applicants are listed in alphabetical order.

Q Indicates Qualified.

R Indicates Rejected.



Indicates Applied and Qualified.

Indicates Applied and Rejected.

COMPANY	Country of Origin.	Applied for Contract.		Qualified or Rejected.	
		KE1	KE2	KE1	KE2
A. C. E. C.	Belgium			R	Q
A. E. G.	Germany			Q	R
Alsthom	France			Q	Q
Allis Chambers Man. Co. Ltd.	U. S. A.			Q	Q
A/S Akers Meck.	Norway			R	R
A. S. E. A.	Sweden			Q	Q
Associated Elect. Ind. Ltd.	U. K.			Q	Q
Ateliers de Secheron S. A.	Switzerland			R	Q
Breda Electro Meccanica S. P. A.	Italy			R	R
Brown Boveri Ltd.	Switzerland			Q	Q
Bruce Peebles & Co. Ltd.	U. K.				Q
Canadian General Elect. Co. Ltd.	Canada			Q	Q
Canadian Westinghouse Int. Co.	Canada			Q	Q
Crompton Parkinson	U. K.				Q
English Electric Co. Ltd.	U. K.			Q	Q
Elin-Union	Austria			R	R
Ferranti Ltd.	U. K.				Q
Fuller Electric Ltd.	U. K.				Q
General Electric Co. International.	U. S. A.			Q	Q
General Electric Co. Ltd.	U. K.				Q
G. E. E.	Italy.			R	R
Hackbridge & Hewittic Electric Co. Ltd.	U. K.				Q
Ingram	Yugoslavia			R	R
Le Marériel Electrique	France			R	R
Marubeni Ltd.	Japan			Q	Q
Mitsubishi Shoji Kaisha Ltd.	Japan			Q	Q
Mitsui and Co. Ltd.	Japan			Q	Q
Oerlikon.	Switzerland			R	Q
C. A. Parsons.	U. K.				Q
Savoisienne S. A.	France.				Q
Siemens.	Germany			Q	Q
Westinghouse Electric Co. Ltd.	U. S. A.			Q	Q
Willen Smit & Co.	Holland.				R

Contract KE1

- 24 Companies from 13 Countries Applied.
- 15 Companies from 8 Countries Qualified.

Contract KE2

- 33 Companies from 14 Countries Applied.
- 25 Companies from 9 Countries Qualified.

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/340b/KE1/FAD/AD/DM.

10th October, 1963.

Dear Sirs,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT
CONTRACT KE1 - MAIN GENERATORS.

The examination of the information which you have submitted for consideration of your capability to supply Vertical Hydro Generators has been completed. We have been requested by our client, the Niger Dams Authority, to advise you as follows:-

1. You have been found to qualify to tender for the execution of the work covered by Contract KE1 - Main Generators. It may be necessary for visits to be made to the works of applicants, before the decision on tenders is taken, to verify the quality of manufacture and to verify that no changes adversely affecting the information submitted for prequalification have occurred.
2. The Contract Documents for this equipment will be available on the 15th October, 1963 and from this date copies may be obtained by you on application to the Joint Consultants Office, P.O. Box 1288, Lagos, Nigeria. The Documents will also be open for inspection at the addresses listed on the attached sheet.
3. Application for the Contract Documents should include an undertaking that the applicant will submit a bona fide tender and should be accompanied by a non-returnable remittance as required below to the order of the Federal Government of Nigeria (Niger Dams Authority).

4. The Documents issued to tenderers comprise two volumes as below:-

Volume 1. Information for Tenderers.
Instructions to Tenderers.
Conditions of Contract.
Form of Agreement and Specification.
Drawings.

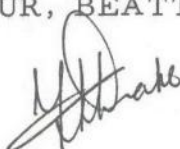
Volume 2. Form of Tender.
Form of Tender Bond.
Bill of Quantities and Appendices.

Tenderers will be required to complete and Submit with their tender four copies of Volume 2..

The charge for a set of documents comprising two copies of Volume 1 and five copies of Volume 2 is twenty five pounds Nigerian. Additional copies of either volume can be obtained on request at an extra charge of five pounds Nigerian.

5. The closing date for the Tenders will be early in January, 1964. The date will be confirmed officially by a Supplementary Notice to the Tender Documents.

Yours faithfully,
for JOINT CONSULTANTS,
for BALFOUR, BEATTY & CO., LTD.



c. c. The Secretary N. D. A.
Lagos Office,
NEDECO.
J. Van Hasselt en de Koning (2)

NIGER DAMS PROJECT - KAINJI DEVELOPMENT.

The Contract Documents may be inspected by appointment at the following addresses:-

Balfour, Beatty & Co. Limited, and Nedeco,
Consultant's Office,
Investment House,
Broad Street,
Lagos,
Nigeria.

The High Commissioner for Nigeria,
Nigeria House,
9, Northumberland Avenue,
London, W.C.2.
England.

The Embassy of Nigeria,
500, Dupont Circle Building,
Washington 6 D.C.
U.S.A.

The Embassy of Nigeria,
Via Giacinta Pezzana, 66,
Rome,
Italy.

The Embassy of Nigeria,
Bad Godesburg,
Rheinallee, 20,
Western Germany.

Balfour, Beatty & Co. Limited,
Bow Bells House,
Bread Street,
London, E.C.4.
England.

Nedeco,
Javastraat 48,
The Hague,
Holland.

Engineering and Equipment Division,
Department of Trade and Commerce,
Wellington Street,
Ottawa,
Canada.

Office Suisse D'Expansion Commerciale
8 Drei Konig Strasse,
Zurich,
Switzerland.

Centre National du Commerce Exterieur,
Servis des Adjudications,
No. 10 Avenue D'Iena,
Paris 16,
France.

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/340b/KE2/FAD/AD/DM.

10th October, 1963.

Dear Sirs,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT CONTRACT KE2 - GENERATOR TRANSFORMERS

The examination of the information which you have submitted for consideration of your capability to supply large Generator Transformers has been completed. We have been requested by our client, the Niger Dams Authority, to advise you as follows:-

1. You have been found to qualify to tender for the execution of the work covered by Contract KE2 - Generator Transformers. It may be necessary for visits to be made to the works of applicants, before the decision on tenders is taken, to verify the quality of manufacturer and to verify that no changes adversely affecting the information submitted for prequalification have occurred.
2. The Contract Documents for this equipment will be available on the 15th October, 1963 and from this date copies may be obtained by you on application to the Joint Consultants Office, P.O. Box 1288, Lagos, Nigeria. The Documents will also be open for inspection at the addresses listed on the attached sheet.
3. Application for the Contract Documents should include an undertaking that the applicant intends to submit a bona fide tender and should be accompanied by a non-returnable remittance as required below to the order of the Federal Government of Nigeria (Niger Dams Authority).

4. The Documents issued to tenderers comprise two volumes as below:-

Volume 1. Information for Tenderers.
Instructions to Tenderers.
Conditions of Contract.
Form of Agreement and Specification.
Drawings.

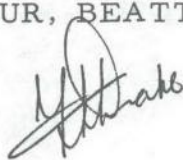
Volume 2. Form of Tender.
Form of Tender Bond.
Bill of Quantities and Appendices.

Tenderers will be required to complete and
Submit with their tender four copies of Volume 2..

The charge for a set of documents comprising
two copies of Volume 1 and five copies of Volume 2
is twenty five pounds Nigerian. Additional copies
of either volume can be obtained on request at an
extra charge of five pounds Nigerian.

5. The closing date for the Tenders will be
early in January, 1964. The date will be confirmed
officially by a Supplementary Notice to the
Tender Documents.

Yours faithfully,
for JOINT CONSULTANTS,
for BALFOUR, BEATTY & CO., LTD.



c. c. The Secretary N. D. A.
Lagos Office,
NEDECO.
J. Van Hasselt en de Koning (2)

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/340b/KE1/FAD/AD/DM.

Dear Sirs,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT
CONTRACT KE1 - MAIN GENERATORS

The assessment, on behalf of the Niger Dams Authority, of the data submitted by the large number of applicants for prequalification in response to the advertisement recently published, has now been completed.

The data and information submitted by you with your application has been considered carefully. We regret to inform you that your firm has not been included in the list of the firms who will be invited to tender.

Thanking you for the interest you have shown in the above Contract.

Yours faithfully,
for JOINT CONSULTANTS,
for BALFOUR, BEATTY & CO., LIMITED.



c. c. The Secretary N. D. A.
Lagos Office.
NEDECO.
J. Van Hasselt en de Koning (2)

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/340b/KE2/FAD/AD/DM.

Dear Sirs,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT
CONTRACT KE2 - GENERATOR TRANSFORMERS

The assessment, on behalf of the Niger Dams Authority, of the data submitted by the large number of applicants for prequalification in response to the advertisement recently published, has now been completed.

The data and information submitted by you with your application has been considered carefully. We regret to inform you that your firm has not been included in the list of the firms who will be invited to tender.

Thanking you for the interest you have shown in the above Contracts.

Yours faithfully,
for JOINT CONSULTANTS,
for BALFOUR, BEATTY & CO., LIMITED.



c. c. The Secretary N. D. A.
Lagos Office.
NEDECO
J. Van Hasselt en de Koning(2).

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/390F/KE1/KE2/
100E/JDG/AB

T.O.D. CORRES.
ANS'D. BY <i>utna</i>
DATE _____

Internationnal Bank for Reconstruction & Development,
1818H Street N.W.
Washington 25 D.C.
U.S.A.

10th October, 1963

Dear Sirs,

We acknowledge receipt of your cable of 10th October 1963
reading as follows:-

FURTHER OUR CABLE SEPTEMBER THIRTY WE HAVE NOW
REVIEWED PROPOSED PREQUALIFICATION GENERATOR AND
TRANSFORMER SUPPLIERS STOP WE QUESTION OBJECTIVE
VALIDITY CONCLUSIONS REACHED YOUR CONSULTANTS AND
YOURSELVES MAINLY IN VIEW CRITERIA USED STOP HOWEVER
SINCE NUMBER AND ORIGIN SUPPLIERS YOU QUALIFY STILL
REPRESENTS REASONABLE BIDDING REPRESENTATION WILL
NOT OBJECT YOUR PROCEEDING ON BASIS PROPOSED

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED

c.c. Nedeco
J. van Hasselt en de Koning (2)

CD Hampton

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 OCT 14 AM 10:36

[Faint signature and stamp]

[Faint, mostly illegible text block]

1963 OCT 14 1963

[Faint text block, possibly a list or address details]

[Faint rectangular stamp or box]

CLIX 5048 (60 PAGES)
1963 OCT 14

LONDON E.C.4
21 BEDFORD SQUARE
WOM. BEGGIE HORSE

WOM. BEGGIE HORSE
21 BEDFORD SQUARE
LONDON E.C.4

BEVILL & CO. LIMITED

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (22 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

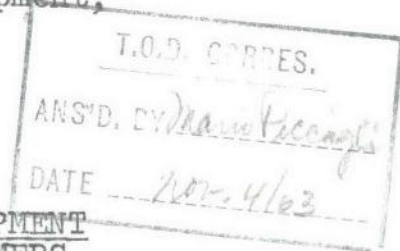
CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. EE/9960/39b/(KE1/KE2)/DB/PER.

10th October, 1963.

International Bank for Reconstruction & Development,
1818 - H. Street N.W.,
WASHINGTON, 25 D.C.
U. S. A.



Dear Sirs,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT
GENERATORS AND GENERATOR TRANSFORMERS

Pre-Qualification of Prospective Tenderers:

We refer to your cablegram received on the 10th October, 1963, in which you say that the objective validity of our conclusions regarding the pre-qualification of prospective tenderers is in question. You further state that this is mainly in view of the criteria used. Perhaps you would be good enough to enlarge on this so that we may make future pre-qualification reports of a nature more satisfactory to you.

It would be particularly valuable if suitable criteria could be suggested.

Yours faithfully,
for JOINT CONSULTANTS,
for BALFOUR, BEATTY & CO., LIMITED.

Donald Bann

c.c. Nedeco, The Hague.
J. van Hasselt en de Koning, Nijmegen (2)
Joint Consultants' Office, Lagos.
Niger Dams Authority.
File.

1963 OCT 14 AM 10:39

101 BULLOCK, BEVELLA & CO., PRINTED.
101 JOHN CONSUMMANTS,
101 JOHN CONSUMMANTS,

GENERALISTS AND GENERALIST LEADERSHIP
HIGH DANCE MOLECULE - KINETIC DEFORMATION

ԵՐԿՐ ՕՇԲՈՐԵԼ՝ ԻԾՐԶ՝

"BULGARIAN" SENT LONDON,
TELEGRAPHIC ADDRESS

BAGLEON, BEATTY & CO. LIMITED

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (22 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

DUPLICATE.

YOUR REF.

OUR REF. EE/9960/39b/(KEL/KE2)/DB/PER.

10th October, 1963.

International Bank for Reconstruction & Development,
1818 - H. Street N.W.,
WASHINGTON, 25 D.C.
U. S. A.

Dear Sirs,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT
GENERATORS AND GENERATOR TRANSFORMERS

Pre-Qualification of Prospective Tenderers:

We refer to your cablegram received on the 10th October, 1963, in which you say that the objective validity of our conclusions regarding the pre-qualification of prospective tenderers is in question. You further state that this is mainly in view of the criteria used. Perhaps you would be good enough to enlarge on this so that we may make future pre-qualification reports of a nature more satisfactory to you.

It would be particularly valuable if suitable criteria could be suggested.

Yours faithfully,
for JOINT CONSULTANTS,
for BALFOUR, BEATTY & CO., LIMITED.



c.c. Nedeco, The Hague.
J. van Hasselt en de Koning, Nijmegen (2)
Joint Consultants' Office, Lagos.
Niger Dams Authority.
File.

BOOK OF TWO CABLES **OUTGOING WIRE**

TO: DIKKO
NIGER DAMS AUTHORITY
LAGOS

DATE: OCTOBER 9, 1963

CLASS OF
SERVICE: LT + IBF GOVT

R CN

COUNTRY: NIGERIA
TEXT: IBF GOVT

BOOK OF TWO ~~XXX~~ RUOFLAB
LONDON E.C.4., ENGLAND - LT

Cable No.:

FURTHER OURCABLE SEPTEMBER THIRTY WE HAVE NOW REVIEWED PROPOSED
PREQUALIFICATION GENERATOR AND TRANSFORMER SUPPLIERS STOP WE
QUESTION OBJECTIVE VALIDITY CONCLUSIONS REACHED YOUR CONSULTANTS
AND YOURSELVES MAINLY IN VIEW CRITERIA USED STOP HOWEVER SINCE
NUMBER AND ORIGIN SUPPLIERS YOU QUALIFY STILL REPRESENTS REASONABLE
BIDDING REPRESENTATION WILL NOT OBJECT YOUR PROCEEDING ON BASIS
PROPOSED

INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME Mario Piccagli

DEPT. Public Utilities

SIGNATURE *[Signature]*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

MP/bli

CLEARANCES AND COPY DISTRIBUTION:

Cleared with & cc: Messrs. McIvor, Hornstein
cc: Mr. Sheehan

For Use by Archives Division

ORIGINAL (File Copy)

(IMPORTANT: See guide for preparing form)

Checked for Dispatch: *[Signature]*

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Receipt No. **4353**

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY ~~International Bank for Reconstruction~~
~~and development,~~
~~1818 H Street N. W.,~~
~~Washington 25,~~
~~D. C., U. S. A.~~

Date of issue

the following :-

9th October, 1963.

Quantity	Particulars
2	Sets 20, 21 Supplementary Notice No. 13

.....
Date of Receipt

.....
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

Receipt No.

4270

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction
and Development,

1818 H Street, M.W.

Washington 25, D.C. U.S.A.

the following :-

Date of issue

8 October, 1963

Quantity	Particulars
2	Sets 20,21 Supplementary Notice No. 12.

RA 10/10
Date of Receipt

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Receipt No. 4176

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction and Development,
1818H Street N.W., Washington 25, D.C.
U.S.A.

Date of issue

7. October, 1963.

the following :-

Quantity	Particulars
2	Sets 20, 21
2	Supplementary Notice No. 11
2	Appendix J Customs Duties
2	Supplementary Notice No. 12

10/10/63 R.H.
Date of Receipt

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Mr. S. Aldewereld

October 4, 1963

A. D. Spottswood ~~A. D. SPOTTSWOOD~~

Prequalification of Equipment Suppliers for Niger Dam

I have read Mr. Piccagli's memo of October 3 and the attached memo from Mr. Sheehan of October 2 on the subject of prequalification of electrical equipment manufacturers. I agree with Mr. Piccagli that the Niger Dam authorities should be requested to allow all of the suppliers listed to bid. The qualifications of bidders who submit sufficiently low bids to be considered could be investigated by the engineers after bids have been received.

ADSpottswood:pgn

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Receipt No. 4252

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction and
Development,
Public Utilities Division,
1818 H Street N.W.,
Washington 25, D.C., U.S.A.

Date of issue

the following :-

3rd October, 1963.

Quantity	Particulars
4	Sets 11M, 12M Supplementary Notice No. 1

12/8/63
Date of Receipt

[Signature]
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Mr. S. Aldewereld

October 3, 1963

Mario Piccagli

Prequalification of Equipment Suppliers for Niger Dam

1. There is attached a memorandum by Dick Sheehan which sets forth the problem we have in replying to the proposed prequalification of bidders on a number of contracts on this project. Invitations to bid were to be sent out to those qualified on October 1. We asked by cable that this be postponed while the Bank was considering this matter. The request has been accepted but we are told, in effect, to make up our mind so that specifications can be sent out by October 15.
2. In essence, the question here is one where the consultants have appraised the capabilities of would-be suppliers on the basis of rules established by themselves. As a result, the consultants disqualified some suppliers which, in our collective opinion, would be qualified to participate in the bidding. There might be some difference of opinion in the Bank as to which of those disqualified would or would not be capable, but the fact remains that at least some would be generally agreed to be qualified. The problem has been compounded when the Niger Dam Authority in turn has decided to rule out of the competition some of the firms which the consultants had qualified.
3. Sheehan puts forth three alternative courses of action on our part. While he does not indicate it, he personally would favor alternative one, namely that we send a 'no comment' reply and let things go the way it is proposed. His preference is based on the consideration that this would be the simplest of possible actions on our part.
4. I do not think the solution is feasible. It may be the simplest at this particular time but I suspect we might pretty soon become involved in arguments arising from those would-be suppliers who have not been qualified sending complaints to the Bank. I also feel that in letting things go as proposed, we would fail to discharge what is generally construed as our role in regard to assuring significant international bidding with participation of member countries.
5. If my views as expressed above are right, then I do not think we have any alternative other than that spelled out in para.10 of Sheehan's memo - that is we should request the Niger Dam Authority and the consultants to allow all of the suppliers to present a bid with the understanding that there would be post-qualification of the low bidders (i.e. the low bidder would not be awarded the contract if it can be shown that he lacks proper qualification to assure that the specifications would be met).
6. May I invite your attention to this matter, as a decision is required urgently.

cc: Messrs. Spottswood

Vogel

McGuire
Hornstein

MP/bl1

Mr. Mario Piccagli

October 2, 1963

R. H. Sheehan

Kainji Development - Nigeria

Prequalification of Electrical Equipment Manufacturers

1. The consultants, Balfour, Beatty have submitted to the Bank presumably for our comments summary reports on the prequalification of tenderers for the generators and transformers. They have adopted what I believe to be a reasonable though stringent basis for determining the qualifications of the prospective bidders including: for the generators, satisfactory operation of actual installations of large slow speed vertical units; and for the transformers, actual operation of 275 kv or higher units rated at 100 MVA or more.
2. For the generator contract, the consultants disqualified Ateliers (ACEC) of Belgium, Breda of Italy, and INGRA of Yugoslavia mainly because their experience was limited to smaller units. Gruppo (G.I.E.) of Italy was also disqualified on this basis even though it now has on order twelve large similar type generators for the Jupia project in Brasil. Incidentally, the Bank also permitted Gruppo to bid on the Guri project which has even larger generators than Kainji.
3. For the transformer contract the consultants disqualified Willen Smit of Holland, A/S Akers Mek. of Norway plus Breda, Ingra, and Gruppo because of limited experience with large transformers.
4. The Niger Dam Authority (NDA) reviewed the summaries and rejected, because of their "marginal technical ability or barely adequate manufacturing capacity", some additional firms who had already been approved by the consultants. The four generator manufacturers rejected were Elin-Union of Austria (also permitted by the Bank to bid on Guri), Ateliersde Secheron and Oerlikon of Switzerland and Le Materiel Electrique of France. The five transformer manufacturers rejected were A.E.G. of Germany, Elin-Union, La Materiel Electrique, Fuller Electric of the U.K., and Hackbridge & Hewittic of the U.K.
5. The generator list now includes fifteen companies from eight countries; and the transformer list now has twenty-three companies from nine countries.
6. The tender documents were to be issued the first of October but we sent a cable on September 30th to both the NDA and the consultants requesting more time for our comments.
7. During the visit Mr. McIvor and I made to London in July, I suggested to both parties that tendering for all the mechanical and electrical contracts be accomplished without prequalification, on the assumption that very few, if any, tenders would be received from suppliers with questionable capabilities and that it would only be necessary to "post-qualify" the lowest bidders. Neither group wished to follow my suggestion and I did not make an issue of it.

October 2, 1963

8. The immediate question is -- should the Bank insist that some or all of the not-qualified prospective tenderers be allowed to submit bids and if so how can this be done? There are at least three alternative solutions to the problem.

9. First, we could allow the tendering to proceed based on the present list which would tacitly assume that the client and his consultants are justified in limiting proposals only from manufacturers who have proven themselves beyond question. This would still be "international bidding" in a sense because so many different countries are represented.

10. Second, we could insist that the prequalification procedure be abandoned and that the documents be sent to all the suppliers who had requested to be prequalified. Final evaluation of the qualifications of the successful tenders could then be made after the bids are opened.

11. Third, and least practical, would be for the Bank to over-rule the NDA and restore the rejected firms to the consultants' original list and perhaps, in addition, to reinstate some of the firms that the consultants themselves had disqualified.

cc: Messrs. Aldewereld
Spottswood
Vogel

RH

RHSheehan:th

October 3, 1963

Mr. J. H. Ings
Chairman
Niger Dams Authority
Lagos, Nigeria

Dear Mr. Ings:

We are now able to send you particulars of a candidate for the position of financial member of the Niger Dams Authority. He is Mr. Minard Irwin Foster whose name was mentioned to you by General Vogel during his recent visit. We think Mr. Foster has the qualifications and background for this position and we know that he would be interested in considering the position although naturally he would wish to have fuller information about the terms and conditions of appointment before he could make a definite decision.

We attach a brief resume of Mr. Foster's qualifications and experience and would suggest that if you feel he would be a suitable candidate you get in touch direct with him at his private address. Could you please at this stage avoid getting in contact with his employers until he has agreed that you should do so.

We have been promised another candidate from Canada but his particulars have not yet come to hand. If he appears to be a suitable candidate, we shall send his name and details of his background to you when we receive them.

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

Attachment

Cleared with and copy to General Vogel, Mr. Sheehan
cc: Messrs. Chatenay, Benjenk, Fajans, Garba (for Chief Adebo)



Record Removal Notice



File Title Niger Dam Project - Kainji - Nigeria - Loan 0383 - P002007 - Negotiations - Volume 3		Barcode No. 1703331		
Document Date 03 October, 1963	Document Type CV / Resumé			
Correspondents / Participants				
Subject / Title Ninard Irwin Foster				
Exception(s) Personal Information				
Additional Comments		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.</p> <table border="1"><tr><td>Withdrawn by Sherrine M. Thompson</td><td>Date December 22, 2017</td></tr></table>	Withdrawn by Sherrine M. Thompson	Date December 22, 2017
Withdrawn by Sherrine M. Thompson	Date December 22, 2017			

INCOMING WIRE

DATE OF
WIPE: **OCTOBER 2, 1963 1404**

LOG NO.: **RC 17**

TO: **INTBAFRAD**

FROM: **LAGOS**

TEXT:

ROUTING	
ACTION COPY:	MR. MCIVOR
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	

736 FOR NOEL MCIVOR FROM DIKKO NIGERDAMS

REURCAB 1ST OCTOBER TENDER FOR GENERATORS AND TRANSFORMERS NOW

EXPECTED TO ISSUE BY MID OCTOBER. MAY WE HAVE YOUR COMMENTS AND

CONCURRENCE TO MEET THAT DATE. CONSULTANTS COPIED

EXTERNAL

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (22 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

1st October, 1963.

OUR REF. 9960/390b(KE1/KE2/FWB/PW)

BY AIR MAIL

International Bank for Reconstruction
& Development,
1818 H Street N.W.
Washington 25 D.C.
U.S.A.

Dear Sirs,

T.O.D. CORRES.	
ANS'D. BY	NOT READ
DATE	10/2/63

We acknowledge receipt of your cable dated 1st October, 1963,
reading as follows:

"FOLLOWING CABLE SENT DIKKO NIGER DAMS AUTHORITY LAGOS
TODAY REUR CABLE SEPTEMBER 24 BANK REQUIRES MORE TIME
TO CONSIDER PREQUALIFICATION PROCEDURE STOP REQUEST YOU
POSTPONE INVITATIONS TO TENDER FOR GENERATORS AND
TRANSFORMERS UNTIL WE SEND OUR COMMENTS BY LETTER STOP
COPYING THIS CABLE TO CONSULTANTS

INTBAFRAD"

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED.

Rushworth

c.c. Nedeco
J. van Hasselt en de Koning (2)

1003 66-1 112.32

RECEIVED
GENERAL FILES
OCT 10 1963

1963 OCT -4 AM 9:39

C.C.C. 1. Ann Hasselt en de Rouing (5)
Medeco

[Handwritten signature]

101 BAYFORD, BEVILL & CO., LIMITED.
London E.C.4

INTERVIEWED

COPIING THIS CABLE TO CONSULANTS
LAWYERS/MEKS UNTIL WE SEND OUR COMMENTS BY LETTER STOP
POSTHUMOUS INSTRUCTIONS TO LENDER FOR CANCELLATIONS AND
TO CONSIDER RECONSTRUCTION PROCEDURE STOP REQUEST YOU
TODAY REUR CABLE SEPTEMBER 24 BANK REQUESTS MORE TIME
FOLLOWING CABLE SENT DIKKO NICEK DAVIS AUTHORITY TACOS

ending as follows:

We acknowledge receipt of your cable dated 1st October, 1963.

Best Sirs,

U.S.A.
Washington 22 D.C.
1818 H Street N.W.
& Development
International Bank for Reconstruction



BY AIR MAIL

OUR REF 0000/300P(KEI/RES/EMR/BW

YOUR REF

1st October, 1963.

(EXH)

CITY 5040 (33 LINES)
TELEPHONE NO

LONDON - E.C.4
BREAD STREET
BOM BELLS HOUSE

"BOMBELLS" LONDON - E.C.4
CABLE ADDRESS
"BOMBELLS" CENT LONDON
TELEGRAPHIC ADDRESS

BAYFORD, BEVILL & CO., LIMITED

Receipt No. 3944

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY.....~~International Bank for Reconstruction~~.....
 and Development,
 1818 H Street N. W.,
 Washington 25, D. C.,
 U. S. A.

Date of issue

the following :-

30 September 1963.

Quantity	Particulars
	Sets 20, 21
2	Supplementary Notice No. 10
2	Supplement S. 10
2	Supplementary Information dated 25/9/63

10/4/63
Date of Receipt


Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Dan

Form No. 27
(7-61)

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

OUTGOING WIRE

TO: DIKKO
① NIGER DAMS AUTHORITY
IBFJON LAGOS

RCA

DATE: SEPTEMBER 30, 1963

CLASS OF
SERVICE: ~~TELETYPE~~

COUNTRY: NIGERIA

BOOK OF TWO ② LT RUOFLAB

LONDON E.C.4., ENGLAND

TEXT:
Cable No.:

(ADD AT BEGINNING OF TEXT "following cable sent
DIKKO NIGER DAMS AUTHORITY LAG OS today")

REUR CABLE SPETEMBER 24 BANK REQUIRES MORE TIME TO CONSIDER
PREQUALIFICATION PROCEDURE STOP REQUEST YOU POSTPONE INVITATIONS
TO TENDER FOR GENERATORS AND TRANSFORMERS UNTIL WE SEND OUR
COMMENTS BY LETTER STOP COPYING THIS CABLE TO CONSULTANTS

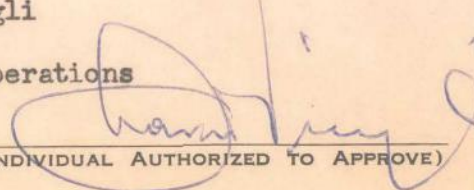
INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME Mario Piccagli

DEPT. Technical Operations

SIGNATURE 
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

RHSheehan:cpr


ORIGINAL (File Copy)

(IMPORTANT: See guide for preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc: MrMcIvor

For Use by Archives Division

Checked for Dispatch: 

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (22 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E·C·4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/440a/AOM/AB

Attention of Public Utilities Division

Mr. M. Piccagli

International Bank for Reconstruction
& Development,
1818 H Street, N.W.
Washington 25, D.C.
U.S.A.

T.O.D. CORRES.

ANS'D BY *NOT RECD*

DATE *RH 10/1/63*

27th September, 1963

Dear Sirs,

Niger Dams Project - Kainji Development
Electrical and Mechanical Contracts - Performance Bond

✓
Thank you for your letter of 19th September 1963 in which you point out that the International Bank for Reconstruction and Development does not require the performance bond for the electrical and mechanical contracts to be 50% of the Contract Price. With the approval of the Chairman, Niger Dams Authority, the figure is being reduced to 20%.

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED

RWA MacKenna

c.c. Secretary, Niger Dams Authority
Joint Consultants' Office, Lagos
Nedeco
J. van Hasselt en de Koning (2)

1963 SEP 27 4 13 PM

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP 30 AM 10:24

1. Asst Manager en de Konink (5)
Medeco
Joint Consultants, Office, Lagos
C.C. Secretary, Niger Delta Authority

for BATHOUN, BEAULT & CO., LIMITED
Lagos, Nigeria

Chairman, Niger Delta Authority, the title is being reduced to 50% contracts to be 50% of the contract price. With the approval of the does not require the performance bond for the electrical and mechanical work but that the International Bank for Reconstruction and Development thank you for your letter of 18th September 1963 in which you

Electrical and Mechanical Contracts - Performance Bond
Niger Delta Project - Rural Development

Dear Sirs,

P.S.A.
Washington 22, D.C.
1818 H Street, N.W.
R Development
International Bank for Reconstruction

21st September, 1963

Mr. M. Piccardi

Attention of Public Relations Division

OUR REF 6620/4402/VOM/AB

YOUR REF

(EXH)

CITY 5049 (22 LINES)
TELEPHONE NO

LONDON - E.C.4
BREAD STREET
BOM BEGG HOUSE

"BUOLIVB" LONDON - E.C.4
CABLE ADDRESS
"BUOLIVB" CENT LONDON
TELEGRAPHIC ADDRESS

BATHOUN, BEAULT & CO., LIMITED

BALFOUR, BEATTY & CO., LIMITED *Op. files*

TELEPHONE NO.
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"
CABLE ADDRESS
"RUOFLAB, LONDON-E C 4" *mm*

YOUR REF.

OUR REF. 9960/490b/(KF2)(KF3)/RMW/SMM

BY AIR MAIL

26th September, 1963.

International Bank for Reconstruction
and Development,
1818 H Street N.W.,
Washington 25, D.C.
U.S.A.

For the attention of Mr. Noel McIver.

Dear Sirs,

Niger Dams Project - Kainji Development
Contracts KF2 & KF3 Intake & Spillway Gates.
Prequalification of Prospective Tenderers.

We have completed our assessment of the information submitted by prospective tenderers for the above contracts and enclose 2 copies of our report and recommendations as sent to the Secretary, Niger Dams Authority.

Form 3830/VI
Doc No. 328

Yours faithfully,
for Joint Consultants
for BALFOUR, BEATTY & CO., LIMITED

Smillans

ENC.

1 Copy sent Mr. Stuba

1963 SEP 30 AM 10:14

EUGENE B. BEYLL & CO LIMITED

OFFICE MEMORANDUM

TO: Mr. J. Burke Knapp

FROM: Otto Donner

SUBJECT: Performance Guarantees for Niger Dam

DATE: September 26, 1963

The bids which have been invited for the Niger Dam provide for a performance guarantee of 50 %. The firms of my country believe that this request will significantly lessen the competition for the orders in question. I suggest that the Bank reappraise its position with a view to either eliminate, or at any rate greatly reduce, the performance guarantee.

To explain this suggestion I submit the following:

1. On a previous occasion, for the Guri project, the Bank established contacts between European contractors and American Bonds Companies. These good offices of the Bank are very much appreciated, but they have not solved the problem: The American Bonds Companies request information from the applicants far beyond what European firms are accustomed to and consider to be appropriate. The European firms, afraid that supplying such information would put them at a competitive disadvantage, hesitate to avail themselves of the services of those Bonds Companies.

2. Performance guarantees by European banks eat into the credit ceilings of the contractors. They diminish the financial range left to the contractor for other operations and thus impose a severe burden on him.

3. Performance guarantees are an American custom. They have come into the specifications of contracts financed by the Bank through US and UK consultants. In Europe this technique is seldom - if ever - used; the owner himself carries the risk or takes up some insurance against the risk. This has worked in a perfectly satisfactory manner. Thus, there seems to exist no need for the Bank to follow the American practice and to disregard the European experience.

Cc: Mr. S. Aldewereld
Mr. Pierre L. Moussa

Dam

Mr. S. Aldewereld

September 25, 1963

A. D. A. SPOTTSWOOD and H. D. Vogel

Performance Bonds - Niger Dam

The specifications recently issued for the Niger Dam require that contractors post a 50% performance bond. The amount of the bond was discussed with the Bank mission which appraised the project. 50% was suggested as a reasonable figure and the Nigerian Government accepted this amount for the performance bond.

The question has been raised as to the justification for a 50% bond in this instance.

The Bank's primary interest is to make certain that its borrowers protect themselves against risks that the contractor will fail to perform in accordance with conditions of the contract and, in a case of default, to protect the borrower against loss up to the amount of the bond. The amount of the bond, therefore, should be large enough to discourage a contractor from leaving the job before it is completed. It is important to note that the bond does not necessarily relieve the contractor of his obligations to finish his contract. The bonding or surety company has the legal right to obtain from any defaulting contractor, through the courts or otherwise, an amount up to the value of the assets of the contractor. Even a large contractor has very little fixed plant and equipment and relatively small stock or materials. He mobilizes men, material, equipment and sub-contractors for each job. His assets are his "know-how," his credit and his reputation or record of performance. In very few instances would the assets of the contractor be large enough to enable the owner to recover losses which he might incur from the contractor's default if a large job were not completed.

A risk of a kind is involved in every large undertaking: foundation conditions may be found different than anticipated, the vagaries of weather may produce serious adverse effects, floods may ensue to damage work in progress, the contractor himself may make a series of mistakes; in short, any number of misfortunes are possible, and these are compounded and magnified by the remoteness of the work.

But aside from the occurrence of untoward events the contractor may find simply that he underbid the job; that he would stand to lose more by completing the project than by abandoning it. The net effect may be to make it desirable for him to walk away, leaving plant and equipment behind, in which case the owner would bear the brunt of financial loss if not insured.

September 25, 1963

Taking into consideration all of the above factors and the fact that no large hydroelectric project has heretofore been constructed in Nigeria, it is considered prudent that a performance bond in the order of 50% of the contract price be required.

It should be borne in mind that only a reputable, financially strong and able contractor should compete for a large construction project such as building a dam. Usually a joint venture is indicated. The effect, therefore, of eliminating small contractors by requiring a large bond is not one to be decried.

While it is true that the cost of such a bond to some European contractors may be higher than to U.S. contractors, it is extremely unlikely that the cost of the performance bonds will be the deciding factor in the award of any contract. This was demonstrated rather clearly in the case of the award contract for the Guri hydroelectric project in Venezuela where the amount of the bond was shown separately from the cost of the construction work. A performance bond of 50% was required for the Volta project next door in Africa and there was no complaint. There is no reason why a 50% bond should not be required in this instance.



cc: Mr. Piccagli

ADS/HDV:mc

Receipt No.

3911

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY International Bank for Reconstruction.....
and development,

1818 H Street N. W.,

Washington 25, D. C.,

U. S. A.

the following :-

Date of issue

24th September, 1963.

Quantity	Particulars
2	Sets 20, 21 Supplementary Notice Number 9

Date of Receipt

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

ENGLAND
LONDON E.C.4
RECEIVED
GENERAL FILES
BOM BEGGS & CO. LTD
BAGGOTT, BEATTY & CO. LIMITED

1963 SEP 26 PM 3:00

Please sign and return the red and blue copies of this receipt form to :-

Date of Receipt

Signature of Recipient

[Signature]

5

Supplementary Notice Number 3

2013 50' 31

Quantity

Particulars

the following :-
U.S.A.

Washington 22, D.C.

1313 N. 24th St. N.W.

and development

BY International Bank for Reconstruction

Received from the Joint Consortium

September 1963

Date of issue

Medeco

Baggott, Beatty & Co. Limited

MINI DEVELOPMENT
NICEB DAMS PROJECT

Receipt No

3041

Uli -dani

INCOMING WIRE

DATE OF
WIPE: **SEPTEMBER 24, 1963 1715**

LOG NO.: **ACR 21**

TO: **INTBAFRAD**

FROM: **LAGOS**

ROUTING	
ACTION COPY:	MR. MCIVOR
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	

TEXT:

K729 FOR NOEL MCIVOR FROM DIKKO NIGERDAMS
COMPANIES LISTED IN MY LETTER OF 18TH INCLUDING MITSUI WOULD BE INVITED
TO TENDER FOR GENERATORS AND TRANSFORMERS

EXTERNAL

September 20, 1963

Mr. C. O. Hollist
First Secretary
Embassy of Nigeria
500 Dupont Circle Building
1346 Connecticut Avenue, N.W.
Washington, D.C.

Dear Mr. Hollist:

This is to acknowledge and thank you for your letter F/CG/2 of August 30, 1963, requesting the Bank for assistance in the nomination of candidates for the position of Finance Officer as a member of the Niger Dam Authority.

We are looking into this and hope to have some news for you before long.

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

SNMcIvor:mem

SN

September 19, 1963

Balfour, Beatty & Company Limited
Bow Bells House
Bread Street
London E.C.4, England

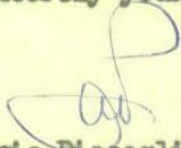
Re: Kainji Development, Nigeria

Dear Sirs:

We have reviewed the draft contract documents which you sent to us for the Main Generators (KE 1), Intake Gates (KF 2) and Spillway Gates (KF 3).

I should like to take this opportunity to make it clear that, while the Bank does not object to a 50% Performance Bond being invited for this type contract, the Bank does not itself require that it be so. The Bank's requirement of a 50% Performance Bond applies only to large Civil Works contracts.

Sincerely yours,


Mario Piccagli
Chief, Public Utilities Division
Department of Technical Operations

MP/bli

cc: Mr. Sheehan *ap.*
inc sent to Files

Enclosures:

Receipts No's. 3763, 3800, 3837 & 4023.



Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

CABINET OFFICE,
LAGOS,
NIGERIA.

Ref: ND/0032/

20th September, 1963.

file

Dear Noel McIvor,

With reference to your cable to the Consultants enquiring about the current status of the consortium of Dumez and to my cabled reply of the 19th September, I would like to add the following further explanation to my letter to you of the 9th of September 1963.

In paragraph 4 of that letter, I did state that John Mowlem has withdrawn though in-fact the letter from Dumez, merely informed us that John Mowlem wishes to withdraw due to unexpected heavy commitment, and that they wish to take up Messrs. Sentab in Mowlem's place. As you would see in our reply rejecting substitution of Sentab in Mowlem's place and reserving our right to re-assess the pre-qualification in the event of Mowlem's withdrawal, we did inform Dumez that they are to let us know if, in-fact Messrs. Mowlem have withdrawn so that their case could be reviewed. We had no reply so far, and we assume that Mowlem is still a member of the consortium.

Nevertheless, from the heavy commitments mentioned in the letter from Dumez, you will agree it is right to presume that even if Mowlem does not formally withdraw, he would only be a dormant member of the consortium. For that reason, we asked for a re-assessment of the consortium of Dumez without Mowlem, were re-assured by our Consultants that Dumez alone have sufficient financial and technical standing to carry-out the works.

The withdrawal of John Mowlem is therefore to us a matter of legal interest only and the position will be clear when the tenders are opened.

Historically, the case of Paul Hardeman Group began with a letter from Hardeman dated August 14th 1963 advising us that they have taken on Messrs. Richard Costain (Civil Engineering) Ltd. into the consortium. On August the 27th, they wrote another letter asking for an extension of time.

On the 2nd of September, I replied to their letter of August 27th, advising them that they will hear in due course whether or not any extension of time will be allowed. This reply was copied to IBRD and so were other letters on the subject.

In a letter dated the 3rd of September, Paul Hardeman was advised of our decision regarding changes by way of addition or substitution.

1963 SEP 24 AM 9:09

MEMORANDUM FOR THE DIRECTOR
SUBJECT: [Illegible]

1. [Illegible]

2. [Illegible]

3. [Illegible]

4. [Illegible]

5. [Illegible]

6. [Illegible]

7. [Illegible]

8. [Illegible]

9. [Illegible]


10. [Illegible]

In yet another letter of August 27th, Paul Hardeman advised us of the withdrawal of Cubiertas and again proposed Messrs. Costain his replacement. This letter was actually received on the 4th of September, that is a day after the dispatch of reply advising them of our decision regarding changes.

Finally, on the 10th of September, Paul Hardeman cabled his withdrawal which was later confirmed by a letter of the same date. The consortium has not by then been advised of whether or not any extension of time will be granted, because the subject was then under discussion between the Authority and the Consultants.

--- I enclose copies of all relevant correspondence on the two consortia and trust that they will give you a complete picture of the situation.

Yours sincerely,


Y. A. Dikko,
Secretary,
Niger Dams Authority.

Mr. Noel McIvor,
International Bank for
Reconstruction & Development,
1818 H Street, N.W.,
Washington 25, D.C.

copy

DUMEX NIGERIA LIMITED

39 Campbell Street,
P. O. BOX 2352,
Lagos.

RAX/jb/4982/N

Lagos, 16th August, 1963

The Secretary
NIGER DAMS PROJECT
82/86, Broad Street
L A G O S

Dear Sir,

Re : Niger Dams Project
Kainji Development - Contract KD 4

We regret to have to inform you that Messrs. John Mowlem & Sons Ltd wish to withdraw from our consortium due to unexpected heavy commitments.

We are writing to seek your approval on the substitution of Messrs. SENTAB of Stockolm for Messrs. John Mowlem & Sons.

Messrs. Sentab, who are the leading Swidish Civil Engineering Contractors on overseas projects, would have the same participation as Messrs. John Mowlem.

We attach herewith particulars of Sentab and are at your disposal for any further information you may require.

Yours faithfully,

Signed by R. Audoux.-

Copy

Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

ND/0070/C.57/

30th August, 1963.

Dumez Nigeria Limited,
39 Campbell Street,
Lagos.

I thank you for your letter No. RAZ/jb/4982/N of 16th of August 1963 informing us of the wish of Messrs. John Mowlem and Sons Ltd. to withdraw from your consortium and of your proposal to substitute Messrs. Sentab in Mowlem's place. I regret to inform you that after due consideration of your proposal, the Authority is unable to approve changes in consortia by way of addition or substitution.

Any member of a consortium is of course free to withdraw but in such a case, the Authority reserves the right to re-assess the prequalification of the reduced consortium.

Would you please inform me if infact Messrs. John Mowlem and Sons Ltd. have now withdrawn and whether the remaining consortium without the addition of Sentab still wish to tender, so that your case could be reviewed.

Y. A. Dikko,
Secretary,
Niger Dams Authority.

PAUL HARDEMAN INC., 10579 DALE AVENUE, STANTON, CALIFORNIA

14 August 1963

Secretary Niger Dams Project
Private Mail Bag 12605
82/86 Broad Street
Lagos, Nigeria

Subject: Niger Dams Project - Kainji Development

Gentlemen:

We wish to advise you that the following firm has joined the Hardeman consortium for the purpose of submitting a tender for the Kainji Dam Main Works on the Niger River:

Richard Costain (Civil Engineering) Ltd.
111 Wesminster Bridge Road
London S.E. 1

We respectfully request that plans and specifications for subject project be forwarded to the above firm, to the attention of Mr. R. H. Reason, Director, at our expense and at your earliest convenience.

Very truly yours,

PAUL HARDEMAN, INC.

Signed by W. H. Lee

PAUL HARDEMAN, INC., 10579 DALE AVENUE, STANTON, CALIFORNIA

27th August, 1963

Secretary, Niger Dams Project
Independence Building
82/86 Broad Street
Private Mail Bag 12605
Lagos, Nigeria

Attention: Mr. J. H. Ings
Chairman, Niger Dams Project

Subject: Niger Dams Project - Kainji Development
Main Civil Works - Contract KD 4

Gentlemen:

We wish to take this opportunity to request from your authority an extension of the bid opening date from October 31, 1963 until November 15, 1963. The reasons that we request this extension are based on the assumption that most consortiums participating on the Niger Dams Project also have additional interests on other major constructions projects that will accumulate on bid dates at the end of October.

It is also our feeling that this contract extension would enable each consortium to more fully gather information relative to the actual bid presentation and to have more time to evaluate the construction activity, programing and schedules for this most important project.

We would greatly appreciate your advising us as soon as possible if this contract extension is possible and to what means we could further encourage postponing the bid date until November 15, 1963.

Very truly yours,
Paul Hardeman, Inc.

R. P. West
Vice President

Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos,
Nigeria.

ND/0070/C70/31.

3rd September, 1963.

Paul Hardeman Incorporated,
10579 Dale Avenue,
Stanton,
California.

I thank you for your letter dated the 14th of August requesting permission for the addition of the firm of Richard Costain (Civil Engineering) Limited to your consortium. I regret to inform you that after due consideration of your request, the Authority is unable to approve changes in Consortia by way of addition or substitution.

You may of course, in accordance with the Condition of Contract, propose Messrs. Richard Costain as a nominated sub-contractor for our consideration.

Y. A. Dikko,
Secretary,
Niger Dams Authority.

COPY:

1190

63 SE 11 09 12

11 SEP 1963

TAWL503 GWB1314 GBW W2563 JT ANA400 WUX
ANAHEIM CALIF 77 10 1636

LT

SECRETARY NIGER DAMS PROJECT ATTN MR J H INGS CHAIRMAN
NIGER DAMS PROJECT INDEPENDENCE BLDG 82/86 BROAD STREET
LAGOS

REGRET TO INFORM YOUR AUTHORITY THAT DUE TO A
CULMINATION OF UNEXPECTED CIRCUMSTANCES
THE CONSORTIUM AS SPONSORED BY PAUL HARDEMAN INC
FOR THE CONSTRUCTION OF CONTRACT KD4 MAIN CIVIL
WORKS NIGER DAMS PROJECT MUST WITHDRAW FRBM AND
WILL NOT TENDER ON THIS PROJECT DETAILED
CONFIRMATION OF THIS NOTIFICATION IS BEING AIRMAILED
THIS DATE

R P WEST PALHARD

COL LT 82/86 KD4

PAUL HARDEMAN, INC., 10579 DALE AVENUE, STANTON, CALIFORNIA

September 10, 1963.

Secretary, Niger Dams Project
Independence Building
82/86 Broad Street
Private Mail Bag 12605
Lagos, Nigeria

Attention: Mr. J. H. Ings
Chairman, Niger Dams Project

Subject: Niger Dams Project - Kainji Development
Main Civil Works - Contract KD4

Gentlemen:

In recent consultations with members of the consortium as sponsored by ourselves for the construction of the Niger Dams Project, Contract KD4, Main Civil Works, we regret that we must inform your office of the untimely and unexpected circumstances warranting the complete withdrawal of this consortium from actively participating in the construction of this most important dams project. These circumstances are based on your letter of September 3, 1963 in which you informed our office that after consideration of our request for a change in the original consortium as presented to you, your authority was unable to approve the new consortium. In addition, and in relation to your memo of September 2, 1963 regarding the extension of tender presentation, in which you expressed that such an extension if allowed would be sent to us in due course, has prompted us to commit our interest in areas of construction of which prior interest has been established.

We greatly appreciate all the courtesies that your authority has extended to us in the preliminaries involved in the tendering activities for this project, and it is not without undue consideration and consultation that we have been forced to advise your authority of our withdrawal.

We are presently preparing all documents transmitted to us by your office for return to your authority.

Although our withdrawal is based on the above circumstances and prior commitments, should your authority elect to either extend the contract bid date or to reconsider the new consortium as submitted to you in our letter of August 27, 1963, we would, at that time, be in a better position to re-evaluate the participating of this consortium on the Niger Dams Project.

Again, we wish to express our sincere appreciation for all the cooperation that you have extended to us and in the future if your authority requires the services of a prime international engineering construction firm, we would be most pleased to consider the proposed project involved.

Very truly yours,

PAUL HARDEMAN, INC.

Signed: R. P. West
Vice President

I N C O M I N G W I R E

DATE OF
WIRE: **SEPTEMBER 19, 1963** **1414**

LOG NO.: **RC 20**

TO: **INTBAFRAD**

FROM: **LAGOS**

TEXT:

R O U T I N G

ACTION COPY: **MR. McIVOR**

INFORMATION
COPY: **MR. WILLIAMS**

DECODED BY:

M721 FOR NOEL MCIVOR FROM DIKKO NIGERDAMS.

REFYOURCABLE TO CONSULTANTS ABOUT HARDEMAN GROUP.

ONE HARDEMAN HAS WITHDRAWN BECAUSE OF REFUSAL TO EXTEND TIME AND
TO ALLOW SUBSTITUTION CONSORTIUM COMPOSITION.

TWO DUMEZ MERELY EXPRESSED A WISH FOR SUBSTITUTION AND WAS REFUSED.

NO CONFIRMATION OF WITHDRAWAL THOUGH WITHDRAWAL IMMATERIAL TO
CONSORTIUM STANDING. LETTER FOLLOWS

EXTERNAL



Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

CABINET OFFICE,
LAGOS,
NIGERIA.

Ref: ND/0022/

18th September, 1963.

Mr. Noel McIvor,
International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25, D.C.

Dear Noel McIvor,

Niger Dams Project - Pre-qualification for
tenderers.

We have examined the Consultants' recommendations regarding the pre-qualification of prospective tenderers for generators and generator transformers and propose to invite the following to tender:-

1. In respect of generators, the companies numbered 1 - 13 inclusive and the company numbered 24. In addition we have asked the Consultants to investigate further about the standing of the company listed 23, little seems to be known about that company.


2. In respect of transformers, we propose to invite companies listed 1 - 6 inclusive, 9 - 23 inclusive and number 33. We have again asked for further investigation about company number 32 which is the same company as that numbered 24 in the schedule of generator manufacturers.

The reference numbers given refer to the numbers in the schedule attached to the Consultants's letter of recommendation dated the 13th of September 1963 which was copied to you.

In selecting the tenderers, the criteria have been to reject those with marginal technical ability or barely adequate manufacturing capability.

Tender documents for both generators and generator transformers will be issued on the first of October.

Yours sincerely,


Y. A. Dikko,
Secretary,
Niger Dams Authority.

unl - Dam

TO OPER. FILES
K/H

ANSWERED BY
CABLES {9/30
 {10/9

Not
received
mm

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP 23 AM 10:39

TO: DIRECTOR, FBI

FROM: SAC, NEW YORK

SUBJECT: [Illegible]

RE: [Illegible]

On September 19, 1963, [Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963.

[Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963. [Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963.

[Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963. [Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963.

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[Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963. [Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963.

[Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963. [Illegible] advised that [Illegible] had been [Illegible] by [Illegible] on September 18, 1963.

[Illegible]

[Illegible]

[Illegible]

[Illegible]

[Illegible]

[Illegible]

[Illegible]

[Illegible]

[Illegible]

[Illegible]

[Illegible]

OUTGOING WIRE

TO: RUOFLAB
LONDON

DATE: SEPTEMBER 17, 1963

CLASS OF
SERVICE: NLT

MRT

COUNTRY: (ENGLAND)

TEXT:
Cable No.:

IN ORDER TO FULLY UNDERSTAND REASON FOR PROPOSED DISQUALIFICATION
OF HARDEMAN GROUP AS BIDDER ON NIGER DAM CONTRACT PLEASE INFORM
WHETHER MOWLEM STILL IN DUMEZ CONSORTIUM

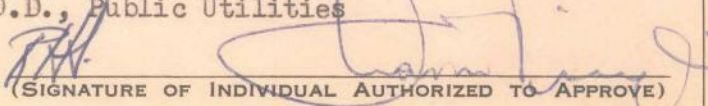
INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME Mr. Mario Piccagli, Chief

DEPT. T.O.D., Public Utilities

SIGNATURE 
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:

Mr. McIvor
Mr. Sheehan

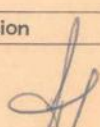
cc: Division file

RHSheehan:th

For Use by Archives Division

ORIGINAL (File Copy)

(IMPORTANT: See guide for preparing form)

Checked for Dispatch: 

OUTGOING WIRE

TO: INGS
NIGER DAMS AUTHORITY
INDEPENDENCE HOUSE
LAGOS

DATE: SEPTEMBER 17, 1963

CLASS OF
SERVICE: IBF - GOVT.

RCH

COUNTRY: NIGERIA

TEXT:
Cable No.:

REURLETTER SEPTEMBER 5 BANK WISHES RESERVE ITS POSITION ON SIZE OF
LOCKS IN ACCORDANCE WITH SPOTTSWOOD'S LETTER OF AUGUST 29/
MCIVOR

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME S. Noel McIvor

DEPT. Operations - Africa

SIGNATURE *[Signature]*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:

Cleared with and cc: Mr. Sheehan
cc: Mr. Fajans
Mr. Hornstein

SNMcIvor:mem

For Use by Archives Division

ORIGINAL (RIP COPY)

DISPATCHED

Let (25) BY AIRMAIL Division

(Signature of individual authorized to approve) GENERAL: NEW

SIGNATURE

DEPT

Operations - Africa

SEP 17 5 26 PM 1963

NAME

E. Noel McLaughlin

cc: Mr. Hollister
cc: Mr. Evans
cc: Mr. Green

REFERENCE AUTHORIZED BY:

Classified with and cc: Mr. Green
Security and copy distribution

NOT TO BE REPRODUCED

NOTATION

TOOKS IN ACCORDANCE WITH PROCEEDINGS 2 JULY OF AUGUST 22
RECENTLY SEPTEMBER 2 BANK NIGHTS RESERVE THE POSITION ON LINE OF

Copy 1st
Text:

COMMITTEE: MISCENT

19602
INDEPENDENCE HOUSE
HIGH DUNE VERNONIA
1962

SERVICE: IRL - GOAL
CLASS OF

DATE: SEPTEMBER 17, 1963

OUTGOING WIRE

ASSOCIATION

INTERNATIONAL DEPARTMENT

RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL BANK FOR

COOPERATION

INTERNATIONAL FINANCE

See Niger Doc D/V. FILES

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (22 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4
BY AIR MAIL

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

13th September, 1963.

OUR REF. 9960/490F(KF1)/100E/JDG/PW

International Bank for Reconstruction and Development,
1818 H Street N.W.,
Washington 25 D.C.
U.S.A.

Dear Sirs,

We acknowledge receipt of your cable dated 12th September, 1963, reading as follows:

REUR CABLE SEPTEMBER NINE HAVE NO OBJECTION TO TURBINE
TENDERERS LISTED ONE TO EIGHTEEN INCLUSIVE STOP ALSO
HAVE NO COMMENT ON CONTRACT DOCUMENTS STOP AS WE
WROTE YOU ON SEPTEMBER ELEVEN BANK DOES NOT REQUIRE
BOND TO BE AS HIGH AS FIFTY PERCENT FOR THIS TYPE
CONTRACT SENDING COPY THIS CABLE JOINT CONSULTANTS"

Yours faithfully,
for BALFOUR, BEATTY & CO., LIMITED.

c.c. Nedeco

J. van Hasselt en de Koning (2)

NIGERIA

1963 SEP 18 11 21 AM

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP 16 AM 10 20

1. VAN HANSELT en de Koning (S)
C.C. Medeco



FOR BATELON, BEATLY & CO., LIMITED.
LONDON

CONTRACT SENDING COPY THIS CABLE TO THE CONSULTANTS
BOND TO BE AS HIGH AS FIFTY PERCENT FOR THIS LATE
WHOLE LOT ON SEPTEMBER ELEVEN BANK DOES NOT REQUIRE
HAVE NO COMMENT ON CONTRACT DOCUMENTS STOP AS WE
LENDERERS LISTED ONE TO EIGHTEEN INCLUSIVE STOP ALSO
BANK CABLE SEPTEMBER NINE HAVE NO OBJECTION TO TAKING

1963, reading as follows:

We acknowledge receipt of your cable dated 13th September,

Dear Sirs,

P.S.V.
Washington 22 D.C.
1818 H Street N.W.
International Bank for Reconstruction and Development,

OUR REF 0000\400E(KEL)\100E\1DC\PM

YOUR REF

13th September, 1963.

(EXTR)

CITY 5040 (35 LINES)
TELEPHONE NO

BA VIB MAIL
LONDON - E.C. 4
BROAD STREET
BOM BEGS HOUSE

"BATELON" LONDON - E.C. 4
CABLE ADDRESS
"BATELON" CENT. LONDON
TELEGRAPHIC ADDRESS

BATELON, BEATLY & CO. LIMITED



Receipt No. 3837

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25, D.C.,
U.S.A.
the following :-

SPECIAL DELIVERY

Date of issue

13 September, 1963.

Quantity	Particulars
	Sets 20, 21
2	Contract KD4 - Supplementary Notice No. 6
2	Contract KD4 - Supplementary Notice No. 8
2	Drawing KD4 - 159
2	Drawing KD4 - 160

.....
Date of Receipt

.....
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

1963 SEP 16 AM 8:17

3839

Receipt No.

3800

NIGER DAMS PROJECT

KAINJI DEVELOPMENT

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY International Bank for Reconstruction and Development,
1818 H Street N.W., Washington 25, D.C.
U.S.A.

Date of issue

12th September, 1963.

the following :-

Quantity	Particulars
	Sets 20, 21
2	Supplementary Information dated 6th September, 1963.
2	Drawings KD4 - X18
2	" KD4 - X26
2	Table of Niger River water analysis
2	Table of silt measurements
2	Report on Mokwa-Kainji access road materials

Date of Receipt

Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET
LONDON, E.C.4,
ENGLAND.

ENGLAND
LONDON, E.C.4
BREAD STREET
BOM BEGS HOME
BAGGON, BEATTY & CO. LIMITED

RECEIVED
GENERAL FILES
CORRESPONDENCE
1963 SEP 13 PM 12:47

Please sign and return the red and blue copies of this receipt form to :-

Date of Receipt

Signature of Recipient

3	Report on Morkwa-Katuli access road materials
3	Table of air measurements
3	Table of water river water samples
3	" KD4 - X30
3	Drawings KD4 - X18
3	Supplementary information dated 8th September, 1963.
	Page 30, 31

Company

Particulars

the following:-

17th September, 1963.

D.S.V.

Date of issue

1818 H Street N.W., Washington 25, D.C.

BY International Bank for Reconstruction and Development

received from the Joint Comptroller

Address

Baggon, Beatty & Co. Limited

KATULI DEVELOPMENT
NICEK DAMS PROJECT

Receipt No.

3800



Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos,
Nigeria.

Dear
CABINET OFFICE
LAGOS,
NIGERIA.
Central files

Ref: ND/0058

September 12, 1963.

Dear Mr. McIvor,

Finance Officer: Niger Dams Authority

This morning General H.D. Vogel paid a short visit to our office and gave me three names that might be possibilities for the Finance Officer position in the Authority. I gather from the way he spoke that these names were given to him just before he left and that you would probably not be aware of this fact. The three names were recommended by Mr. A.R. Jones a Director of T.V.A.

Of the three the one given as Mike Foster is personally known to General Vogel and he speaks very highly of him. He might be a little expensive for our requirements but probably all three are worth investigating. The other two names were not known to General Vogel personally. The list is given below.

Ray Shapiro

Controller Division Administration in Kansas
C.P.A. and Accountant. Present salary \$10,000

Mike Foster - M.I. Foster

TVA - Chief of Navigation Division Branch

D.W. Lackey

TVA 3½ years
Central Accounting Office
3½ years Iran
University of Tennessee (Working on Development Program)

Wife - one son and daughter

The conditions of employment are at present getting clearance from the Government and I hope to send you these in a day or two.

Yours very truly,

Jasper H Ings
(J.H. Ings)
CHAIRMAN

Mr. S. Noel McIvor,
International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25, D.C.

*cc Mem Moussa Williams
Sheehan
Benjenk
Chatenay*

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP 16 PM 3:27

BOOK OF TWO CABLES OUTGOING WIRE

TO: DIKKO
NIGER DAMS AUTHORITY
LAGOS

RWA

DATE: SEPTEMBER 12, 1963

CLASS OF
SERVICE: N L T AND IBF GOVT

COUNTRY: NIGERIA

BOOK OF TWO

RUOFLAB
LONDON E.C.4, ENGLAND

TEXT:
Cable No.:

REUR CABLE SEPTEMBER NINE HAVE NO OBJECTION TO TURBINE TENDERERS
LISTED ONE TO EIGHTEEN INCLUSIVE STOP ALSO HAVE NO COMMENT ON
CONTRACT DOCUMENTS STOP AS WE WROTE YOU ON SEPTEMBER ELEVEN BANK
DOES NOT REQUIRE BOND TO BE AS HIGH AS FIFTY PERCENT FOR THIS TYPE
CONTRACT SENDING COPY THIS CABLE JOINT CONSULTANTS

INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME Mario Piccagli

DEPT. Technical Operations

RHS: SIGNATURE
MP/bli (SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. McIvor

For Use by Archives Division

ORIGINAL (File Copy)

(IMPORTANT: See guide for preparing form)

Checked for Dispatch:

ORIGINAL (File Copy)

For Use by Archive Division

REPORT
SIGNATURE

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO SIGN)

RECEIVED

DEPT. Technical Operations

GENERAL FILES
CORRESPONDENCE

NAME: Walter B. Scott

SEP 12 5 51 PM 1963

cc: Mr. McLaughlin

MESSAGE AUTHORIZED BY:

STANDARDIZATION AND COPY DISTRIBUTION

NOT TO BE TRANSMITTED

IMMEDIATE

CONVULSED. SENDING COPY THIS CASE TO THE CONGRESSIONAL
DOES NOT REQUIRE BOND TO BE AS HIGH AS BILLY BUSHNELL FOR THIS CASE
CONVULSED DOCUMENTS SHOW. AS HE SHOWS A LOT ON SEPTEMBER EIGHTH BANK
FILED ONE TO EIGHTEEN INCREASE SHOW. ALSO HAVE NO COMMENT ON
BANK CASE SEPTEMBER NINE HAVE NO OBJECTION TO LONGER LENDING

CONFIDENTIAL
SECRET

COMMUNIST HIGHLY

BOOK OF TWO

FOR THE E.C.P. EXHIBIT
RECEIVED

THREE
HIGH DUNE VALUATION
TO: DIRECT

Handwritten signature

RECEIVED: H. T. I. and 126 207
CLASS OF

DATE: SEPTEMBER 15, 1963

BOOK OF TWO after ongoing work

ASSOCIATION
INTERNATIONAL RELATIONS

RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL BANK FOR

CONFESSION
INTERNATIONAL FINANCE

Uw- Niger Dam

September 11, 1963

Mr. Y. A. Dikko
Secretary
Niger Dams Authority
Independence House
P. M. Bag 12605
Lagos, Nigeria

Dear Mr. Dikko:

✓
Thank you for your letter of September 5, 1963 regarding performance bonds. The Bank's requirements of a fifty percent performance bond applies only to large civil works contracts. The risks inherent in this type of work makes it prudent, in our view, for our borrowers to have this protection. With regard to electrical and mechanical equipments, the risks are obviously much smaller and I agree with you that a fifty percent bond would be excessive.

The Bank has no firm view about the level of performance bonds for these types of contracts. In general, we have found most consultants follow a generally accepted commercial practice which is fully satisfactory.

Sincerely yours,



Christian Finne
Assistant Chief, Public Utilities Division
Department of Technical Operations

CF:mg

cc: Mr. Sheehan *w/incoming*
Operational Files
Div. File

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/440a/RMW/PWF

10th September, 1963.

The Secretary,
Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos,
Nigeria.

Dear Sir,

Niger Dams Project - Kainji Development
Contract Documents, Contract KF3 - Spillway Gates

*Destroyed per Mr. Sheehan 8/19/64
✓ See Doc. No. 32 & 32A for Final*

We enclose copies of our draft contract documents for Contract KF3 - Spillway Gates, for your approval.

We have omitted the Conditions of Contract from the draft documents as these will be exactly as for Contract KF2 - Intake Gates, in the final documents.

For the final documents, which will be bound in two volumes, we shall insert the necessary dividing cards as an aid to easy reference. With the draft copies we are sending full-size prints of the drawings in preliminary form; for the final documents we propose to include reduced size drawings in volume 1.

Yours faithfully,
for Joint Consultants,
for BALFOUR, BEATTY & CO. LIMITED.

R. W. Maclean

c.c. Nedeco

J. van Hasselt en de Koning (2)
I.B.R.D. Washington (2)
Joint Consultants' Office, Lagos.

1963 SEP 11 PM 1:02

SPECIAL DELIVERY

Receipt No.

4023

**NIGER DAMS PROJECT
KAINJI DEVELOPMENT**

Balfour, Beatty & Co., Limited
Nedeco

Received from the Joint Consultants

BY International Bank for Reconstruction
and Development

1818 H. Street
N.W. Washington D.C. U.S.A.

Date of issue

the following :-

10.9.1963

Quantity	Particulars
2 sets	Supplementary Notice No.7, dated 10.9.1963 with attached Drawings KD 4-230 and KD 4-231

.....
Date of Receipt


.....
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

CROSS REFERENCE SHEET

NIGERIA Ben
Dam
Ports
Railways

COMMUNICATION: Letter No. 33

DATED: September 9, 1963

TO: Messrs. Moussa, Williams, McIvor and Horsely

FROM: Mr. Fajans
Resident Representative
Lagos, Nigeria

FILED UNDER: NIGERIA - General Negotiations

SUMMARY:

Dam Financing

10. I understand from the Swedish Charge that the question of joining the Cons. Group is still under consideration in Stockholm. May be you should approach the delegation to the Annual Meeting.

11. Prof. Carlson of Uppsala (see par. 6 of my letter 7) visited here again and I used the opportunity to reiterate my argument.

12. The Danish Ambassador (see my cable 46) was to report to Copenhagen. I stressed the fact that Miss Bruhn should be the channel for further exchanges, if any.

13. I had a talk with Ings and Dikko. They are delighted with the appointments to the Authority. Wey is close to the P.M. and the Marafa to his father-in-law. This would seem to put the Dam outside the influence of the Ministry of Finance.

14. I read to Ings and Dikko the statement on the Dam in Nig63-22. We discussed what

might still be done here. They will write a memo to Wey asking for the P.M. to raise the matter with the new Japanese and Swedish Ambassadors on the occasion of their courtesy calls. Unfortunately, I now understand that the Swede may not be coming for a few months.

15. The British Trade Commissioner called on me today with several questions. One of these was as follows:

"Have IBRD, in their preliminary thinking, taken account of the local costs which may be incurred by foreign contractors belonging to countries making tied bilateral loans for the project?"

After contributing some general comment, I asked him to raise this question, through channels, with you in Washington.

West-Niger Dam

INCOMING WIRE

DATE OF
WIRE: **SEPTEMBER 9, 1963** **1426**

LOG NO.: **RC 39**

TO: **INTBAFRAD**

FROM: **LAGOS**

TEXT:

ROUTING

ACTION COPY: **MR. MCIVOR**

INFORMATION
COPY: **MR. WILLIAMS**

DECODED BY:

M702 FOR NOEL MCIVOR FROM DIKKO NIGERDAMS.

REFERENCE CONSULTANTS LETTER 9960/490B/KFL/JWP/HNT DATED 6TH SEPTEMBER

ON TURBINE PREQUALIFICATION RECOMMENDATION. WE PROPOSE TO INVITE COMPANIES

LISTED ONE TO EIGHTEEN INCLUSIVE. TENDER DOCUMENTS TO BE ISSUED 16TH

EXTERNAL



Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

CABINET OFFICE,
LAGOS,
NIGERIA.

Ref: ND/0032/458.

9th September, 1963.

Central file

Dear Noel McIvor,

Niger Dams Project - Main Civil Works - Contract KD4
Alteration of the Composition of the Consortium.

I attach herewith copy of the letter received from Paul Hardeman, the sponsor of one of the consortia tendering for the Main Civil Works Contract. You will note in paragraph two of this letter that Cubiertas y Tejados are no longer in position to participate actively in the Paul Hardeman group and have in effect withdrawn. Paul Hardeman asked that he should be allowed to substitute Costain Civil Engineering Limited in place of Cubiertas.

2. Our attitude from the beginning has been that no changes by way of substitution or addition should be allowed at this stage. We do appreciate of course that we cannot prevent any member of a consortium from withdrawing, but under such circumstances, we do reserve the right to re-assess the standing of the consortium, and either qualify or dis-qualify them for the purpose of tendering.

3. Two previous instances have so far occurred. The first was the Consortium led by Hochtief, who asked to be allowed to add to their consortium three other German firms namely:- Beton and Monierbau AG, Grun and Bilfinger AG, and Ed-Zublin AG, all of whom were previously disqualified on their own individual merits.

4. The second was the consortium led by Dumez from which John Mowlem withdrew and Dumez sought permission to substitute Sentab in place of Mowlem. In both these cases, their requests were turned down for the following reasons:-

(a) All consortia were asked to state that the composition of their consortium remains un-changed, before tender documents were issued to them.

(b) We were of the opinion that qualified consortia cannot in fairness be allowed changes by way of addition or substitution without according the same privilege to those consortia who have previously expressed interest but failed to qualify.

(c) The taking up and dropping out the members of a consortium can conceivably result in consortium which is totally different in composition from the original one, and whose strength can be one of those boarder line cases which would not have qualified under normal circumstances.

(d) We also consider that where a substantial portion of a consortium consists of new members then they would have a valid case for asking for an extension of time before submitting their tenders; an undesirable source of delay.

cc Mr. Graham

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP 12 AM 10:20

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A further source of delay would be the time taken in the appraisal of the new members by both yourselves and the Niger Dams Authority.

5. It was under these circumstances that we refused the request of both Dumez and Hochtief but in their case, our decision was of no consequence to their standing, and they accepted it.

6. In the case of Paul Hardeman, however, a totally different picture emerges with the withdrawal of Cubiertas. Our Consultants have advised that the withdrawal of Cubiertas has so weakened the Paul Hardeman group that they should be dis-qualified from tendering.

7. As we have already given two previous ruling on the issue, we do strongly feel that we should not apply a different yard-stick to the consortium led by Paul Hardeman. Consequently we propose to seek the Federal Government's approval to advise the consortium that under the present circumstances it have been dis-qualified.

Yours faithfully,


Y. A. Dikko,
Secretary,
Niger Dams Authority.

Mr. Noel McIvor,
International Bank for
Reconstruction & Development,
1818 H Street, N.W.,
Washington 25, D.C.

PAUL HARDEMAN, INC., 10579 DALE AVENUE, STANTON, CALIFORNIA

August 27, 1963

Secretary, Niger Dams Project
Independence Building
82/86 Broad Street
Private Mail Bag 12605
Lagos, Nigeria

Attention: Mr. J. H. Ings
Chairman, Niger Dams Project

Subject: Niger Dams Project - Kainji Development
Main Civil Works - Contract KD4

Gentlemen:

As sponsors of the consortium originally acknowledged prequalified for the construction of the Niger Dams Project, Main Civil Works - Contract KD4, by the Joint Consultants' Representative, Mr. M. J. P. Warham, in their letter dated June 12, 1963, reference number 9960/190f/190g/MJPW, we wish to take this opportunity to advise your office of a change that has imposed itself upon this consortium and to request your direction regarding the extent to which it will effect our current prequalification status.

Cubiertas y Tejados as one of the original members of our consortium, has requested their complete withdrawal from actively participating on this project. This withdrawal is predicated on their present committed construction volume, and it is their expressed conviction that these commitments would prohibit their allocating their full interest to the Niger Dams Project.

In consultation with other members of our consortium, and in consideration of the eventual bid presentation that would require the full interest and participation of each member, we advised Cubiertas y Tejados that their withdrawal would be accepted by our consortium.

Although we are aware that our consortium has changed, we are in a better position to realize that a full time participating interest of each member of the consortium would be required for a bid and construction presentation that would realize for the customer both a timely construction schedule and a cost proposal that would be well within the customer's allocated budget.

File Niger Dams

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/190j/190h/FWB/JMM

9th September, 1963

International Bank for Reconstruction
and Development,

1818 H Street, N.W.
Washington 25, D.C.
U.S.A.

Attention : Public Utilities Division

Dear Sirs,

T.O.D. CORRES.	
ANS'D. BY	<i>NOT RECD.</i>
DATE	<i>9/13/63</i>

BY AIR MAIL

Niger Dams Project - Kainji Development
Contract KD4 - Request for Extension of Time.

As requested by the Niger Dams Authority in letter ND/0070/C70/30 dated 2nd September, 1963 addressed to the Joint Consultants - copy to you - we enclose herewith copy of memorandum sent to the Joint Consultants' Representative, Lagos for the Niger Dams Authority on 6th September.

Yours faithfully,
for JOINT CONSULTANTS
for BALFOUR, BEATTY & CO., LIMITED.

Rus Mackerras

c.c. Secretary, Niger Dams Authority
Nedeco
J. van Hasselt en de Koning (2)
Joint Consultants' Representative Lagos.

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP 12 PM 12:59

TO: THE DIRECTOR, GENERAL INVESTIGATIVE DIVISION

FROM: THE DIRECTOR, NEW YORK OFFICE (100-100000)

SUBJECT: [REDACTED]

RE: [REDACTED]

[REDACTED]

TO: THE DIRECTOR, NEW YORK OFFICE
FROM: THE DIRECTOR, NEW YORK OFFICE
SUBJECT: [REDACTED]

Reference is made to the letter from the New York Office dated September 10, 1963, captioned as above, and to the letter from the New York Office dated September 11, 1963, captioned as above, and to the letter from the New York Office dated September 12, 1963, captioned as above.

Enclosed for the New York Office are two copies of a letter from the New York Office dated September 10, 1963, captioned as above, and one copy of a letter from the New York Office dated September 11, 1963, captioned as above.

Very truly yours,
[REDACTED]

[REDACTED]

Very truly yours,
[REDACTED]

Very truly yours,
[REDACTED]

(Encl.)
CITY 100-100000
TELEPHONE 100-100000

LONDON, E.C. 4.
BROAD STREET
BOM BEGG'S HOUSE

WOLFELOW, LONDON, E.C. 4.
CIVIC HOUSE
LONDON, E.C. 4.
TELEPHONE 100-100000

WOLFELOW, LONDON, E.C. 4.

COPY

Joint Consultants' Representative,
Lagos.

6th September, 1963

9960.190h/RWAM/SMM

BY AIR MAIL

Niger Dams Project - Kainji Development
Supplementary Notices.

We have received a copy of a letter sent by Messrs. Paul Hardeman Inc. to the Niger Dams Authority requesting two weeks delay in the tender date from October 31st to November 15th.

This was requested verbally during the visit of representatives of this consortium to London and no hope was then held out that we could agree to an extension of the tender period. We have considered the matter further and, in view of the tight schedule for consideration of tenders, opening up of works and start of construction, we do not consider that there should be any extension allowed for tendering beyond 31st October. It is unfortunate that tenders are also being submitted on other Projects on the same day and we suggested to the above named consortium that they approach the Consultants on these Projects requesting an extension of time rather than delay the job with which we are concerned.



c.c. Nedeco

J. van Hasselt en de Koning (2)
Secretary Niger Dams Authority.



Record Removal Notice



File Title Niger Dam Project - Kainji - Nigeria - Loan 0383 - P002007 - Negotiations - Volume 3		Barcode No. 1703331		
Document Date 03 October, 1963	Document Type Letter			
Correspondents / Participants To: S. Noel McIvor From J. H. Ings				
Subject / Title Kainji Hydro-Electric Development				
Exception(s) Information Provided by Member Countries or Third Parties in Confidence				
Additional Comments		<p>The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.</p> <table border="1"><tr><td>Withdrawn by Sherrine M. Thompson</td><td>Date December 22, 2017</td></tr></table>	Withdrawn by Sherrine M. Thompson	Date December 22, 2017
Withdrawn by Sherrine M. Thompson	Date December 22, 2017			

Receipt No. 3763

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction & Development

1818 H Street N.W.,

Washington 25, D.C. U.S.A.

Date of issue

the following :-

5th September 1963.

Quantity	Particulars
	Sets 20, 21
2	Contract KD4 - Supplementary Notice No. 5.

.....
Date of Receipt

.....
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

TO OPER. FILES
RAH

ND/0010/218

5th September, 1963.

ACK Sept 11

Mario Piccagli,
Chief, Public Utilities Division,
Department of Technical Operations,
International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25, D.C.

Dear Mr. Piccagli,

You will recall that towards the end of May, you wrote to me suggesting certain modifications to certain clauses in the tender document for Main Civil Works. In particular, you mentioned that the Bank requires a 50 per cent performance bond for that type of contract. Does the Bank require this percentage in relation to Contracts for Electrical and Mechanical Equipment? I ask this question because as you are aware the contract documents for the turbines are now ready for issue, and those for generators, generator transformers and other Electrical and Mechanical Equipment are in the course of preparation.

You will note that in the turbines contract documents, the figure of 50 per cent was again mentioned for the performance bond. No doubt, the Consultants consider the ruling in the case of Civil Work to be one of the general application.

It would seem to us however, for a supply and erection contract of Electrical and Mechanical Equipment, this figure is some-what high, even by general American practice.

I should be grateful if you would let me have the Bank's views on this question.

Yours faithfully,

Yahaya Dikko
Y. A. Dikko,
Secretary,
Niger Dams Authority.

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP 11 AM 8:34

Minister of Works and
Secretary,
A. V. Dikko

Minister of Works and

items on this question.

I should be grateful if you would let me have the Bank's
is some-what high, even by General American practice.
contract of Electrical and Mechanical Engineering, this figure
it would seem to be however, for a similar and election

of staff work to be one of the General application.
being. No doubt, the Committee consider the matter in the case
figure of 20 per cent was again mentioned for the performance
You will note that in the further contract documents, the

preparation.

Electrical and Mechanical Engineering are in the course of
and those for Generators, Generator transformers and other
contract documents for the further are now ready for issue.
Engineering. I ask this ^{First fold here} because as you are aware the
take in relation to contracts for Electrical and Mechanical
for that type of contract. Does the Bank require this per-
centage that the Bank requires a 20 per cent performance
tender document for main staff works. In particular, if
certain modifications to certain standards

Sender's name and address:

Secretary, Niger Dams

Authority, P.M. Bag 12605,

Lagos, Nigeria.

1818 H Street, N.W.,
and Development

International Bank for Reconstruction &
Department of Technical Operations
Office, Public Utilities Division
Mario Piccagli

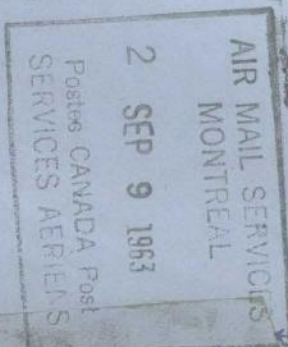
First fold here
Second fold here

Dev. 1818 H Street, N.W.,
Washington 25, D.C.

Int. Bank for Reconstruction &
Dept. of Technical Operations,

Mr. Mario Piccagli,

BY AIR MAIL
AIR LETTER
IF ANYTHING IS EN-
CLOSED, THIS LETTER
WILL BE SENT BY
ORDINARY MAIL.



FORM No. 75
(2-60)

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

INTERNATIONAL DEVELOPMENT
ASSOCIATION

ROUTING SLIP

Date

Sept 9/63

NAME

ROOM NO.

~~Mr. Sheehan~~

Op. Files

To Handle

Note and File

Appropriate Disposition

Note and Return

Approval

Prepare Reply

Comment

Per Our Conversation

Full Report

Recommendation

Information

Signature

Initial

Send On

REMARKS

2525

From

CHRISTIAN FINNE

* BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"

CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

T.O.D. CORRES.

ANS'D, BY -----

DATE -----

SPECIAL DELIVERY

YOUR REF.

OUR REF. 9960/357g/DB/ME.

The Secretary,
Niger Dams Authority,
Independence House,
P. M. B. 12605,
Lagos,
Nigeria.

4th September, 1963.

Dear Sir,

NIGER DAMS PROJECT - KAINJI DEVELOPMENT
CONTRACT DOCUMENTS, CONTRACT KEI - GENERATORS

*These destroyed per Mr. Sheahan 8/19/64
✓ See Doc. 34 + 34 A for Final*

We enclose copies of our draft specification for Contract KEI - Generators, for your approval. We have not included the Conditions of Contract which are standard for the Electrical and Mechanical Contracts and are already in your possession.

We also attach copies of the draft contract drawings which will be reduced to form part of the final documents.

The parameters of the generators are preliminary only and await confirmation from Preece, Cardew and Rider who have not yet reported on the results of their system studies. This has meant a number of alternatives have been included in the Appendix C - Schedule of Supply Variation which may be omitted in the final documents.

We shall be following established practice in the form of the final documents which are due to be issued to the pre-qualified Tenderers at the end of September.

Yours faithfully,
for Joint Consultants,
for Balfour, Beatty & Co., Limited.

C. C. Nedeco.

J. van Hasselt en de Koning. (2)

✓ I. B. R. D. Washington. (2)

Joint Consultants' Office, Lagos.

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP -9 AM 8:09

[Handwritten signature]

TO: DIRECTOR, FBI
FROM: SAC, NEW YORK
SUBJECT: [Illegible]
[Illegible text block containing several lines of typed correspondence]

ADMINISTRATIVE COMMENTS: [Illegible]
[Illegible text block]

RE: [Illegible]
[Illegible text block containing several lines of typed correspondence]

100-100000-100000
[Illegible text block containing administrative markings and stamps]

September 3, 1963

Mr. J. H. Ings
Chairman
Niger Dams Authority
Lagos, Nigeria

Dear Mr. Ings:

✓ This is to acknowledge your letters of August 6 and 16 about the financial member of the Dams Authority. We are giving this consideration in the Bank and will be in touch with you again as soon as we have some news.

With best wishes,

Yours sincerely,

S. Noel McIvor
Department of Operations - Africa

cc: Mr. Fajans

SNMcIvor:mem

Min

W. H. H. H. H.

OFFICE MEMORANDUM

TO: Files

DATE: September 3, 1963

FROM: Norman Horsley

SUBJECT: Niger Dams Authority - Technical Members

Mr. Wilson of Mr. Hudon's office telephoned today to inform me that he had received cabled information from Lagos, confirmed by Ottawa, that the Nigerian Government had definitely decided to approach the Bank for recruitment of a financial member of NDA: the Canadian offer to provide financial and engineering members would not be accepted. Instructions to present the request to the Bank had been sent to Chief Adebo by his Government.

The Canadian Government would make available to the Bank within the next few days all the information it had concerning these posts, including job descriptions and names and qualifications of the candidates under review.

Mr. Wilson also said that the Indian High Commissioner in Lagos had sent a further urgent plea to Delhi for recruitment of the engineering member. Results of his plea were expected shortly.

cc: Messrs. McIvor
Sheehan

NHorsley:mem

Uue - Niger Dam

Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.

ND/0070/G70/30.


2nd September, 1963.

The Joint Consultants.

Niger Dams Project - Contract KD4 -
Request for Extension of Time.

I enclose herewith copy of a letter from Paul Hardeman Inc., making a formal request for an extension of time for the bid opening date. The Authority does not at this stage consider this extension of time possible in the light of the current programme, but would nevertheless wish to have your advice on the issue. Two other tenderers that have made verbal mention of possible request for an extension of time are the Morrison Knudsen of United States and Hochtief of Germany, but neither Consortia has so far put the request on a formal basis.

This letter has been copied to the IBRD and we would appreciate, if you would copy your reply directly to keep them informed.


Y. A. Dikko,
Secretary,
Niger Dams Authority.

cc. I.B.R.D.

CC: I.B.B.D.

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP -6 PM 1:20

MITTEL RANG VATERLAND
GEGENSTAND
A. V. DIKHO

[Handwritten signature]

to keep them informed.
should be kept in mind that the letter has been copied to the I.B.B.D. and is

on a letter from
Germany, but neither committee has so far but the latest
mission knowledge of United States and history of
committee history for an extension of time and the
two other committees that have made a report mention of
some headquarters after to have some advice on the issue.
committee in the light of the current developments, but
not at this stage consider this extension of time
of time for the big objecting date. The committee does
not seem to be making a formal request for an extension
I enclose herewith copy of a letter from Paul

request for extension of time.
MITTEL RANG VATERLAND - committee for -

The other committee

XXXXXXXXXXXXXX

2nd September 1963

action
A. V. DIKHO
independence policy
MITTEL RANG VATERLAND

COPY:

PAUL HARDEMAN, INC., 10579 DALE AVENUE, SANTON, CALIFORNIA
CABLE ADDRESS: PALHARD, LOS ANGELES
ENGINEERS CONSTRUCTORS

August 27, 1963

Secretary, Niger Dams Project
Independence Building
82/86 Broad Street
Private Mail Bag 12605
Lagos, Nigeria

Attention: Mr. J. H. Ings
Chairman, Niger Dams Project

Subject: Niger Dams Project - Kainji Development
Main Civil Works - Contract KD4

Gentlemen:

We wish to take this opportunity to request from your authority an extension of the bid opening date from October 31, 1963 until November 15, 1963. The reasons that we request this extension are based on the assumption that most consortiums participating on the Niger Dams Project also have additional interests on other major constructions projects that will accumulate on bid dates at the end of October.

It is also our feeling that this contract extension would enable each consortium to more fully gather information relative to the actual bid presentation and to have more time to evaluate the construction activity, programing and schedules for this most important project.

We would greatly appreciate your advising us as soon as possible if this contract extension is possible and to what means we could further encourage postponing the bid date until November 15, 1963.

Very truly yours,

PAUL HARDEMAN, INC.

(Sgd) R. P. West
Vice President

RPW/JRW/t
cc: Niger Dams Project
Joint Consultants' Office
Lagos, Nigeria

Balfour Beatty & Co. Ltd.
NEDECO, The Hague

Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos.


ND/0070/C70/28.

2nd September, 1963.

Paul Hardeman Incorporated,
10579 Dale Avenue,
Stanton,
California.

Niger Dams Project - Contract KD4 Extension
of Time.

I acknowledge with thanks the receipt of your letter dated the 27th of August 1963 making a formal request for a 15 day extension of time, and would inform you that a formal reply as to whether or not such extension would be allowed will be sent to you in due course.


Y. A. Dikko,
Secretary,
Niger Dams Authority.

cc. The Joint Consultants.

The I.B.R.D. ✓

Uni-Dam

CROSS REFERENCE SHEET

COMMUNICATION: Letter No. 31

DATED: September 1, 1963

TO: Mr. McIvor

FROM: Mr. Fajans
Lagos, Nigeria

FILED UNDER: Nigeria * ECN

SUMMARY:

Dam Financing

4. I would not want to commit to paper my understanding of the circumstances, which eventually lead to the June 3 meeting. Some comment on this subject was contained in par.6 of my letter 10, par.5 of my letter 11 and ~~par.6~~ the P.S. to my letter 20. Some day, I might elaborate orally, if you were still interested.

5. As to "missing the boat", I did not use the verb "to feel" but "to wonder". With this qualification, and since you insist, I shall say that I had Germany in mind.

NDA financial member

6. I trust that Ings' letter of August 16 has clarified this point.



EMBASSY OF NIGERIA

OFFICE OF THE COMMISSIONER GENERAL FOR ECONOMIC AFFAIRS

500 DUPONT CIRCLE BUILDING WASHINGTON 6, D. C.

TELEPHONE NO
TELEGRAMS

OUR REFERENCE F/CG/2
YOUR REFERENCE

August 30, 1963

Dear Mr. McIvor,

I am writing to confirm our conversation of yesterday concerning the appointment of a Finance Officer as a member of the Niger Dam Authority.

You will recall that during the discussions recently held in London on the Niger Dam project, you and your colleague, Mr. Sheehan stressed to the Nigerian delegation the importance of appointing the 'Finance' member of the Niger Dam Authority as early as possible. The matter has been placed before the Nigerian government and they are in full agreement that the immediate appointment of a Finance officer versed not only in accounting but essentially in international finance is vital to the whole Niger Dam project.

I am, on instruction, hereby submitting a formal request to the Bank for assistance in the nomination of suitable candidates with a view to employing a competent Finance officer as a member of the Niger Dam Authority.

I shall be glad to learn in due course the reaction of the Bank to the above request

Yours sincerely,

C. O. Hollist
for Commissioner General
for Economic Affairs

Mr. N. McIvor,
International Bank for Reconstruction
and Development,
1818 H Street,
Washington 25, D.C.

cc. Moussa Williams
Chatenoy
Sheehan
Benjamin

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 SEP -4 AM 10:03

Mr. McFarr
Mr. McFarr
BALFOUR, BEATTY & CO., LIMITED *SHEEHAN*

TELEPHONE NO.
CITY 2046 (20 LINES)

(EXTN)

BOW BELLS HOUSE
BREAD STREET
LONDON · E.C.4

TELEGRAPHIC ADDRESS
"RUOFLAB, CENT, LONDON"
CABLE ADDRESS
"RUOFLAB, LONDON-E C 4"

YOUR REF.

OUR REF. 9960/440a/JWP/HNT

30th August, 1963.

The Secretary,
Niger Dams Authority,
P. M. B. 12605,
Lagos,
Nigeria.

SPECIAL DELIVERY

Dear Sir,

Niger Dams Project - Kainji Development
Contract Documents, Contract Kf1 - Turbines

We are sending copies of the above Contract documents contained in two volumes.

As discussed with you during the July meeting we have reaffirmed with manufacturers that Section 3 - the Governor Specification - is not required at this stage. It will be issued separately during the tender period in time to allow completion before the tender date.

Please note that in these copies of the documents the list of places where they can be inspected does not include the addresses given in our memo 1110 reference 9960/440a/AOM/SMM dated 14th August, 1963, of which your confirmation is awaited.

Further copies of the contract documents are available here for later distribution as required.

Yours faithfully,
for Joint Consultants
for BALFOUR, BEATTY & CO., LIMITED

Looney

c. c. Nedeco
J. van Hasselt en de Koning (2)
✓ IBRD Washington (2)
Joint Consultants' Office, Lagos(10)

- with 1 copy of documents
- with 4 copies of documents 30,30A
- with 2 copies of documents ✓
- with 10 copies of documents for
Client and Joint Consultants

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1963 SEP -2 PM 12:20

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**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

1818 H STREET, N. W.

WASHINGTON 25, D.C.

Lagos, Nigeria

CABLE ADDRESS-INTBAFRAD

No. 28

August 29, 1963

Dear Pierre and John,
and Noel and Norman:

1. This letter summarizes my conversation on August 26 with the Netherlands Ambassador, who had just returned from The Hague and Paris.
2. First of all, and in reference to par. 5 of my letter 27, Dr. Noe felt that Quai d'Orsay expects an early resumption of diplomatic relations, which could possibly be followed by some economic aid. To what extent this expectation reflects the attitude of the Government in its entirety, I do not know.
3. What part of the Herstelbank's proposed fl. 20 million loan to Nigeria would be used for the Dam, will be decided at a later stage, in the light of the evolution of the Dam financing scheme. While this loan is untied in principle, I understand that it should, to the extent possible, pay for Dutch supplies. An exchange of letters, dealing with the entire fl. 40 million, between the two Govts. might take place at the Hague, where Chief Festus intends to go in October.
4. The Dutch are about to provide a good man to manage the Inland Waterways' Dept. Dr. Noe was very interested in management problems of ECN and expressed the belief that management contracts, also providing for training local personnel, had passed a test in Netherlands East Indies.
5. We both thought that the best efforts of the members of the Consultative Group should be applied to the development of Nigerian agriculture. The Ambassador would welcome cooperation between the Bank and various Dutch institutes specializing in tropical agriculture. I suppose that contacts of this nature already exist.

Best regards,

Yours sincerely,

Joseph Pajans

P.S. I trust that we still hold firmly to the proposition that the entire local cost of the Dam should be financed by Nigeria. At a luncheon, given on August 24 by Bernstein for Wedeman of AID Washington, at which the U.K., Canada and Germany were also represented, I stated strongly that I knew of no change in the Bank's original decision in this matter. Eventually, Wedeman said that since no other contributor would finance local costs, AID have pretty much given up pressing.

RECEIVED
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CORRESPONDENCE

1963 SEP -4 AM 8:33



INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

Mr. Wedeman is Director of the Office of
Capital Development and Finance
for Africa and Europe for AID.

(Miles G. Wedeman)

*changed
00930*

-Niger Dam

C
O
P
Y

August 29, 1963

Mr. Myer Cohen
Director
Bureau of Operations
United Nations Special Fund
New York 17, New York

Dear Mr. Cohen:

We refer to our letter dated April 12, 1963, our follow-up letter dated June 24, and our second follow-up letter dated July 25.

The following summarizes their content:

Your authorization is required to reduce the U.S. dollar equivalent of the Canadian dollar remittances made by you for the Project Costs of the Surinam Mineral Survey Project and the Guatemala Power and Irrigation Study Project. This authorization is required in connection with the loss which resulted from the revaluation of Canadian dollars on hand on May 2, 1962.

These projects are now nearing completion and your advice is awaited in order that the U.S. dollar equivalent of the undisbursed funds may be determined.

Your authorization is also requested to cancel the unencumbered amount of the Niger Dam Survey Project.

Please let us have your reply to this long overdue matter.

Very truly yours,

cc: Mr. B.R. Turner
Controller
United Nations
New York 17, New York

Francis R. Poore
Assistant Treasurer

cc: Mr. Twining
Mr. Mitchell
Mr. Rutland
Mr. V. Chang
Mr. Gray

DWGray/tp
FILE: UN Special Fund - General
Awaiting reply 15th. September

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INCOMING WIRE

INTERNATIONAL FINANCE
CORPORATION

DATE OF
WIRE: AUGUST 29, 1963 1115

LOG NO.: RC 13

TO: INTBAFRAD

FROM: LAGOS

C O P Y

R O U T I N G

ACTION COPY: MR. MCIVOR

INFORMATION COPY: MR. WILLIAMS

DECODED BY: AB

TEXT:

46

ALPHA ESSENTIAL THAT EDUCATIONAL MISSION ARRIVE LATEST OCTOBER 1
WRITING

BETA HAVE SOME HOPE THAT DENMARK MIGHT CONSIDER HELPING NIGER DAM

GAMMA FEDERAL PRIME MINISTER HAS NOW DECIDED THAT NAVIGATION WORKS
ARE TO BE BUILT IN CONFORMITY WITH ORIGINAL DESIGN CONTAINED IN TENDER
DOCUMENTS FOR MAIN CIVIL CONTRACT. LETTER FROM AUTHORITY FOLLOWS

FAJANS

UNDERLINED WORDS RECEIVED IN CODE

Original filed in UNI Loan 326
Copy in UNI Education
✓ UNI Niger Dam (IBRD)

DUPLICATE
AB

August 29, 1963

Mr. Jasper H. Ings, Chairman
Niger Dams Authority
Independence House
P.M. Box 12605
Lagos, Nigeria

Dear Mr. Ings:

Our Public Utilities Division has reviewed the report on insurance for the Kainji Project which you handed to Mr. Sheehan last month in London.

Although there are certainly some advantages to a "blanket" policy, in this particular case we cannot see that the Authority would receive sufficient benefit to justify a change in the arrangements now included in the contract documents. We assume that you will, at any event, obtain proper coverage for the Authority's personnel.

In regard to the proposed size of the locks for the dam, we are still awaiting the supplementary report that was to be prepared by the Joint Consultants. Because of the capital savings which can be effected from a reduction in size, we are most anxious that a final decision be reached as soon as possible. We would hope that the change could be issued as a supplement to the tender documents so that the reduction would be reflected by competitive bidding, otherwise the reduction would have to be negotiated with the successful bidder at a possible lesser saving.

Our preference for the locks is alternative III which, it seems would provide adequate capacity for a very long period, beyond which it is difficult to assume significant increases in traffic on the river above the dam.

Sincerely yours,

A. D. SPOTTSWOOD

A. D. Spottswood
Assistant Director
Department of Technical Operations

cc: Mr. McIvor
Mr. Sheehan
Div. file

RHSheehan:th

S. Alderwereld

August 28, 1963

V. Hogg

Niger River Transport Companies

1. You asked for some personal observations as to the possible effect on the organization of river transport in Nigeria as a result of:

a. The withdrawal of the two main expatriate owned river fleet operators from produce buying,

b. their apparent efforts to dispose of a part or the whole of their investment in river transport,

c. the impact of the proposed Niger Dam.

2. I think it may be helpful first if I sketch briefly some of the marketing mechanism as a background to these belated comments, before making some personal speculations.

3. Until the last groundnut crop season, the two firms bought annually about 40 percent of the total groundnut crop (U.A.C. - the parent Company of Niger River Transport, Ltd. - 30% and John Holt, Ltd., 10%). As official Licensed Buying Agents (L.B.A.) they were responsible for the produce bought on behalf of the Northern Nigeria Marketing Board until it was delivered to a port of overseas shipment. They received each week instructions from the Board as to what amounts of produce to send forward, by what means of transport and to which port. The Board, in issuing these instructions was guided by information given by the Nigeria Produce Marketing Company (a selling agency wholly owned by the three Regional Marketing Boards) as to the shipping space available, its port location and the commodity mix it could take. In other words, the transport market is not free.

4. After buying the groundnuts at an up-country officially gazetted buying station, the LBA makes a "declaration" to the Board of the tonnages bought each week. On the strength of this, the Board pays about two-thirds of the port delivered price for groundnuts immediately. The balance, together with an officially fixed transport allowance and a buying allowance (i.e. overhead cost plus profit element) per ton, is paid to the LBA when the produce is finally delivered to the port of overseas shipment.

5. In one sense, therefore, the LBA is relatively indifferent as to the means of transport used to evacuate the produce since he is fully reimbursed whatever the means. However, the longer the time of delivery to port, the longer he has to wait bearing interest and carrying charges for warehousing, prevention of damage, insurance, etc., therefore, the speed of delivery is of interest to the LBAs. Also the longer the delay, the greater the risk of the free fatty acid content rising and, therefore, the risk of increased spoilage.

6. The U.A.C. by reason of its size and complex of business operations bear the costs involved in this integrated business of buying, financing and transporting, plus the fact that its parents in Europe were large consumers of the groundnuts and could

schedule sailings with production schedules in Europe, etc. It is questionable whether the new, smaller indigenous buying agents will either be able to achieve the economies of scale involved or be so enthusiastic for river transport as presently organized. The payment delays involved for even one third of the final price, etc. mean either a slower turnover of capital and/or a greater volume of capital, both of which may limit their rate of business growth. As a result they may use their political lobby powers to pressure the Marketing Board to send more by other means.

7. The UAC was also interested in produce buying so that it could provide business to truck operators moving produce which they had bought either to the rail heads or to the inland river ports by trucks which they had sold to them on internally financed hire purchase arrangements. The appearance in this of new competitors offering better terms is perhaps an additional incentive for the UAC to move out of produce buying now that they have lost their once dominant position in this vehicle market.

8. A new development which, I think, is of immediate relevance is that last year the Marketing Board removed the premium which used to be paid on groundnuts bought in the River Benue area. The object of this was two-fold - partly to stimulate agricultural development in the area and partly to compensate the produce buyers who because of the short navigation season on the river, might have to carry stocks for six months before they could be evacuated. The opening of new and improved roads connecting with the Bornu railway extension can be expected to affect down-river traffic. The premium also acted an incentive for the river companies to buy produce in the Benue area since the more they bought the more their total profit and the lower their ton-mile transport costs downstream, and, indirectly, on imports moving upstream. Since they also owned the imports, the larger their produce purchases the more the income available for spending on imports in the areas, etc.

9. I think the possibility has to be seriously considered, in view of the elimination of this premium and the fact that most inbound traffic now moves by road, whether total purchases will decline (in 1961/62 crop season which was fairly good this happened) or whether traffic will be diverted to the railway under pressure from the LBAs. Because of the improvement of surface transport I visualize a situation where the Benue River would have practically no traffic. If this happens, river transport ton-mile operating costs will be affected and the existing surplus fleet capacity will be accentuated unless either positive measures are taken to route traffic to the river or it grows sufficiently on the Niger River to absorb capacity.

10. So long as it was the UAC's policy to keep the up-river stations supplied with imports, it needed a river fleet until the arrival of road transport in the past five years reduced distribution costs. Now that the UAC is moving out of produce buying and selling imports direct to the public, it can be seriously questioned whether the third leg of the integrated buying, selling and transporting business is of interest to them. According to SRI only a 1% or so return on the capital invested is earned by the UAC's river fleet. It is of interest that earlier the UAC used to run their own road services in the North as part of this integrated business complex until they came under pressure from Nigerian road transporters, etc.

11. My own feeling is that they would like to get out of river transport if they could. The question is how, to whom, when and at what selling price. As early as 1947 when they were hesitant about renewing and expanding the fleet they sought a government assurance of adequate revenue by a favorable tariff adjustment on the Minna-Baro rail

section. At the same time they suggested that either the Government should advance the capital required at a low interest rate or that the river fleets should be run as public services under government, mixed or even private ownership. The Government considered this latter possibility and asked a firm of accountants to value the fleet assets, which was done (Gardiner Report, 1949). Nothing came of the proposal, however.

12. In 1961 they approached the Nigerian Ports Authority to see whether the NPA was interested in taking over Burutu and Warri. I do not know if this included the actual fleets, or whether it was a first stage of a planned withdrawal. The NPA appointed a senior officer to investigate the traffic position, the condition of the ports, etc. He concluded that the time was not right for the Authority to take over the ports. How far this was considered at higher levels of government I do not know.

13. There is no evidence that any private firm in Nigeria is willing to take over the fleets. The government could either wait, let the fleet be run down, buy it cheaply and then rehabilitate it - perhaps with a Bank loan - or step in now while it is a marginal going concern and run the business either completely itself or as a joint partnership under a management contract with the present owners or individual contracts with expatriates. This, I think, could be an acceptable and workable solution. The Government is in financial partnership with the UAC in a number other lines of business already. It is little more than a sleeping partner and allows them managerial freedom. Whether the UAC would be willing to do so now that it stands to gain "windfall profits" from traffic necessary for the construction of the Niger Dam, is uncertain.

14. A Take-over or a partnership would be a good thing politically, but I doubt if it is possible during the life of the present Parliament which ends next year. The government has too many other prior commitments for its available funds that it is unlikely to do anything about river transport other than as a pure political maneuver.

15. So long as the Northern Peoples Congress (NPC) dominates the Federal coalition it is reasonable to assume, I think, that it will show an interest in the development of river transport. The railway mainly serves the North, but the NPC is suspicious of it because it is operated mainly by southerners who form opposition nuclei at the northern railheads. The NPC, I think, is naturally unwilling to deliberately encourage these centers of discontent and criticism of the northern political and social structure. I think, too, that the North wants an assured outlet to the sea. Should internal political frictions develop in Nigeria and rail access made difficult or costly by strikes, tariff policy, etc. the river is an alternative route available which cannot be restricted because of the international character of the river. In my own mind this is one factor for the North's support of the creation of a mid-West State which embraces the areas of the river ports of Burutu and Warri (there are others which are not relevant here, of course).

16. However, if the new Mid-West State, together with the redistribution of parliamentary constituencies based on new census data, was to weaken the political power of the North and result in a coalition of southern parties an interesting position would arise. If these southern parties were to dominate the Federal Government, river transport would probably be of lesser interest to them since they receive little service from it. In fact, they could operate as viable economic units without it. Paradoxically, however, the southern parties are more nationalistic and quasi-socialistic in their outlook than the NPC. They may be prepared, therefore, to take over these

expatriate controlled activities, through some suitable arrangement, for demonstration reasons. Although the Government made a policy statement to the effect that the three Delta ports (Burutu, Warri and the timber port of Sapele - another UAC activity) would not be taken over by the NPA for 25 years this does not prevent a "voluntary" forced-sale.

17. While the southerners may not be prepared to go so far as this, they are firm advocates of "Nigerianisation". To what extent, therefore, they would acquiesce in trade union pressures on the companies with effects on managerial outlook and operation is uncertain. If experience both elsewhere and in another transport sector in Nigeria (the railway) is any guide then the question has to be faced.

18. My own view of the situation is:

a. it is unlikely that either the UAC and John Holt or the Government will take any action during the life of the present parliament to alter the situation,

b. it is unlikely the companies will sell voluntarily until the dam is completed, unless a very attractive offer is made for say a 51%:49% partnership,

c. the companies will want to see whether the improvements to navigation expected from the dam, etc. significantly affect traffic. If not they will run down the fleets and increase their efforts to sell out,

d. the Marketing Boards could arrange river traffic, but at what real cost to the company has not yet been satisfactorily proven,

e. the foregoing is pure speculation and personal interpretation. The decisions of the UAC are based more on long run "politico-economic" decisions rather than on a minutiae of calculations of the counting-house.

VWH:ej

BALFOUR, BEATTY & CO., LIMITED

TELEPHONE NO.
CITY 2046 (20 LINES)

(EXTN)

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YOUR REF.

OUR REF. 9960/440a/RMW/HNT

27th August, 1963.

The Secretary,
Niger Dams Authority,
Independence House,
P.M.B. 12605,
Lagos,
Nigeria.

Dear Sir,

Niger Dams Project - Kainji Development
Contract Documents, Contract KF2 - Intake Gates

We enclose copies of our draft contract documents for Contract KF2 - Intake Gates, for your approval. *8/19/64
Destroyed per Mr. Sheehan
See Doc. No. 31 & 31A for final*

Except for necessary modifications, the Information, Instructions to Tenderers and Conditions of Contract are as agreed for Contract KF1 - Main Turbines.

For the final documents, which will be bound in two volumes, we shall insert the necessary dividing cards as an aid to easy reference. With the draft copies we are sending full-size prints of the drawings; for the final documents we propose to include reduced size drawings in volume 1.

Draft copies of the contract documents for Contracts KF3 - Spillway Gates, KE1 - Generators and KE2 - Transformers will be forwarded as complete. It is hoped to follow the same layout as for KF2, so that these four Electrical & Mechanical Equipment Contracts will differ only in their Specifications, Drawings and Bills of Quantities.

Yours faithfully,
for JOINT CONSULTANTS,
for BALFOUR, BEATTY & CO., LIMITED

c. c. Nedeco
J. van Hasselt en de Koning (2)
I.B.R.D. Washington (2)
Joint Consultants' Office, Lagos.



**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

1818 H STREET, N.W.

WASHINGTON 25, D.C.

Lagos, Nigeria

CABLE ADDRESS-INTBAFRAO

TELEPHONE EXECUTIVE 3-6360

August 24, 1963

No. 27

Dear Pierre and John,
and Noel and Norman:
Apapa Wharf Project

1. Following your letter no. 45, I called yesterday on the new General Manager of NPA, Mr. McEwen. I did not mention your exchanges with Coode & Partners but referred to local rumors about progress at the extension.
 2. According to McEwen (who stressed that he was not a civil engineer), some of the contractor's difficulties were due to the fact that he had to adhere to an old design; some other difficulties arose ~~from the~~ because the contractor was committed to operate the quarry himself, which proved impossible.
 3. There appears to be friction between Coode and Farsura. NPA was dissatisfied with both of them and, at the end of June, called them to a meeting. They started criticizing each other and were eventually told by the Chairman of NPA to draw up a report, which would show completion dates for the various sections of the extension. This report is now being examined and NPA would not comment on the situation until the examination has been completed.
 4. Prior to my talk with McEwen, I heard from a local banker that Farsura should be able to complete the work but only with some delay and at a loss. They apparently never expected a profit anyhow.
- The French and the Dam
5. I understand that French bankers and businessmen consider Nigeria a promising field for investment and would like to expand operations here, possibly at the expense of Senegal and Ivory Coast. The political situation, which is not likely to improve in the near future, makes this difficult.
 6. Festus had no contact with French officials in Paris last June, but met with a number of leading bankers. He was alone, sober and serious, and made a very good impression.
 7. Despite some moves by the business community, there is no chance for a long term loan to Nigeria for the Dam. The best that could happen, if a large contract or order were placed in France, would be seven-to-ten years' accommodation by big banks to the contractor or supplier.
 8. The French group interested in the civil contract realize that they are at a disadvantage in competing with bidders from some other countries.

Best regards,

Yours sincerely,

Joseph Fajans

P.S. I shall book General Vogel at the Federal Palace and meet him at the airport.

cc Van Helden / Helein
Sheehan
Horsley

Umu - niger dam

Letter No. 48

August 21, 1963

Mr. Joseph Fajans
Federal Palace Hotel
Lagos, Nigeria

Dear Joe,

This is to answer a number of points you raised in your very interesting letter No. 23. To answer your questions first:

Agricultural Project Evaluator for the Eastern Region

The whole subject of technical assistance for agriculture is being treated in the agricultural section of the plan appraisal report. This section (now in draft) carries quite far reaching recommendations for all Regions. I think it unlikely that we can move on this front before the whole appraisal report has been considered and cleared through the Bank. Oti did not discuss any request for an agricultural project evaluator with us in June.

Northern Roads

Bergan's visit is expected in October. Besides the Northern roads, he will discuss also Eastern, Western and, I hope, Federal. However, the timing depends mainly on receipt of the consultants' report from the North, promised in August. TOD have cabled the consultants on August 15 asking when the report will be ready. You ask when we decided that IDA, and not the Bank, would consider Northern roads for financing. Ever since this project has been before us there has been a possibility that it would be IDA, depending on the amount of Bank lending to Nigeria by the time this project is ready for financing, and depending upon the proportions considered reasonable between Bank and IDA money for Nigeria. You will understand that we cannot count on IDA for this project even though we regard it at the present time as a possible IDA project. We would not, therefore, wish to give the Nigerians the idea that they can rely on IDA money for this.

We shall gather together the papers requested in your paragraphs 28 and 29 and send them on as soon as possible.

It was interesting to read that Dr. Okigbo has succeeded Prasad. (Incidentally, you spell it Okibwe -- has there been a change in spelling

his name or is this not really the man I think it is?) I hope that his dual role as Ambassador to EEC and Economic Adviser to the Government does not mean, as in Chief Adebo's case, that he will have no time for economic and financial matters.

Your paragraphs 5 and 6: I am sure that if you were invited to attend a meeting of the proposed committee of officials, you would decide to participate unless you felt that there was some good reason against your participation. I was interested to read that there is a fuller story to the background outlined in paragraph 10 of my memorandum about our discussions in London. I am sure we would be interested to learn the full story and hope that there is nothing about it that would prevent your putting it to paper for our enlightenment. It would be interesting also if you could tell us of the case in which you feel the Government missed the boat.

On the "weighting proposal" referred to in your paragraph 12, I think the line for us to take is that we would consider any proposals that the Nigerians might make which were designed to allow them to use tied capital on offer to them, but that we could not give a definite Bank view on any such proposal until it were put to us in a more definite form, not on a merely hypothetical basis. One of the reasons why the Nigerians will want to give the impression that they will take financing into account (apart from the very natural desire to use finance available to them) is, no doubt, to provide some incentive for offers of capital by the countries such as Italy and Japan who may bid low but are not yet offering any capital. We should not do anything to reduce the impact of the Nigerians efforts in this direction. We should be interested in any further background you may have on the Swiss attitude toward the Brown-Boveri possible contract for Ughelli. I note from your paragraph 15 that Boucher gave you further information. We are getting some rather confused opinions on this subject from the group at present here for negotiations. We get the impression from the ECN side that Brown-Boveri will be given the contract, but we get the impression from the Government side that there may be difficulty in arranging financing. So, at the moment, the situation is not very clear to us.

We have sent the usual memorandum to George Martin about the ECN loan and mentioned the likely interest of the Bank of America, among others.

Harold Graves has no definite plans about his visit to Nigeria at present, so I am afraid I cannot give you even the tentative time yet.

We are getting near the end of negotiations with ECN and Government representatives for the ECN loan, and so far things have gone quite well. Of course, the Nigerian team will have to clear the papers with the ECN and Government so that we cannot count on having negotiations completed until we get confirmation after their return home. We shall tell you exactly how we stand when negotiations here are finished.

Our exchange of cables regarding a financial member of the Niger Dams Authority, and the letter from Ings of August 6, leave us puzzled, and at the moment we have asked the Canadian representatives who have been

talking to us here to straighten things out. They have been informing us that the Canadian Government's offer still stands. On the other hand, it is quite clear from your cable of today and from Ings' letter that, seen from your end, the Canadian offer has been withdrawn. I would think that the Bank would be ready to help find a man, but we must first have a clear understanding with the Canadian representatives in Washington. I shall keep you informed.

With best wishes,

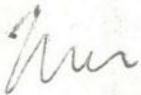
Yours sincerely,

S. Noel McIvor

P.S. Anything you can send us on the new Constitution would be eagerly read: is the White Paper available?

N.

SNMcIvor:scp

A handwritten signature, possibly "Nur", in dark ink.

Mr. S. Aldewereld

August 21, 1963

J.A. McCunniff and J. Gabriel

Niger Dam Project
Transportation Benefits

This memorandum replaces that of August 12, 1963, and sets forth, as a result of further study, revised estimates of transportation benefits which could result from the Niger Dam Project.

A. Navigation Benefits

Memoranda of J. McCunniff of November 9, 1962, June 20, 1963 and July 2, 1963 have studied the various aspects of present and future navigation on the Niger, resulting from the construction of the Kainji dam. The problem was discussed in several meetings attended at various times in August by Messrs. Aldewereld, Ripman, Gabriel, Sadove, Hogg and McCunniff. As a result of this we have attempted to make specific measurements of the incremental benefits which could reasonably accrue after construction of the dam in spite of the fact that the Project is essentially a power project. The following conclusions are the result of these meetings:

i) Traffic above the Dam

Should a ^{medium} ~~minimum~~-size lock be built with the dam, an annual above-the-dam traffic of say, 40,000 T may be expected by 1968 increasing thereafter by 4%; the resulting benefits discounted at 6-3/4% per annum for 50 years would amount to about \$1.4 million.

ii) Traffic below the Dam

The construction of the dam will result in a) increasing the useful draft; and b) permitting all-year navigation. On a 6-3/4% - 50-year discount basis, the 1968 value of the resulting savings would be about \$2.7 million, based on the following traffic forecast.

All river traffic, including the Benue, has been re-estimated as shown below:

	<u>Million ton-miles</u>
1968-69	185
1972-73	207
1977-78	242
1982-83	282
1987-88	331
1992-93	390
1997-98	462
2002-03	550
2007-08	657
2012-13	787
2017-18	945

This traffic forecast is based on an annual traffic, in the initial year 1962/63, estimated at an average of the 1958-62 period, and increased later by 4% annually for 50 years; in addition to this annual increase it assumes the construction of a steel plant at Onitsha which would come into full production and add about 57 million ton-miles of river traffic in 1968/69.

This global traffic estimate has been used as a base for applying the Consultants' estimated average savings in river transport costs amounting to 0.16 pence per ton-mile. This savings factor gives effect to a) the improved Niger river depths; and b) the extended Niger navigation season. This factor has been adopted from the Consultants who calculated it after other improvements which would reduce river operating costs to 0.999 pence per ton-mile (page 9 - 48 of the Consultants' report), and may be conservative in this respect.

B. Roads Savings

Included in the Project, as a part of the Dam, is a two-lane bridge joining the two banks of the river to the island where generating and electric installations will be located. The only crossing of the river between Niamey and Onitsha, a 763 m. stretch, is today a one-lane railway bridge at Jebba, with a daily traffic of about 100 vehicles in addition to the railway traffic. The new road-bridge in Kainji will result immediately in time saving for vehicles because the traffic is frequently interrupted on the railway bridge, by trains and repair work. There would be no savings in distance for the bulk of the traffic. On the basis of a very rough calculation, the elimination of say 25 to 30 vehicle/hour delays per day can be expected as an average, which would result in a total benefit of about £100,000 over a ten-year period. After these ten years it can be reasonably assessed that should the bridge in Kainji not be built, a new road bridge would have to be constructed at Jebba to carry the traffic of 300 - 400 vehicles/day which can be expected at that time. If the Kainji bridge is built as planned, a benefit of about £600,000 would result. This amount represents the approximate cost of a new Jebba bridge, which would otherwise be needed in about ten years, discounted at a rate of 6-3/4% for that period of time.

Conclusions

The development of traffic as assumed by the consultants is considered to be optimistic in the main. The general conclusion remains that the navigation works as proposed by the consultants would not appear to be economically justified as separate items and that the Kainji dam per se, based on projected traffic would result in navigation benefits of small magnitude in relation to costs.

It is clear that because of the lack of economic and detailed traffic data and the uncertainty of long-range forecasts, no accurate evaluation can be made of the likely transportation benefits to be attributable to the construction of specific

items such as navigation works, the bridge or the Dam itself. We have therefore done our best to estimate what would be the possible benefits in the transport sector which would result from construction of the Dam, together with a medium-size lock (as insurance against possibility of obstructing upstream navigation in the long-range future) and with a road bridge, very valuable, presently to give access to the generating plant and in the longer run for general road traffic.

The economic justification of transport facilities, due partly to inherent uncertainties of forecasting in this field, is rarely carried over such a long period as 50 years and the estimated benefits shown below should be considered as an incremental result of the construction of the Dam rather than a justification of specific transportation works. Furthermore, these benefits as presently estimated will be attained only if other improvements materialize at the same time. These include agricultural and fisheries development; improvement in conditions and facilities of the railways, delta and river ports, and river operations; and the substantial attainment of transport coordination in general.

The benefits so estimated are summarized below:

Summary of Estimated Transportation Benefits

(Millions)

I. River Traffic Savings

a) Traffic above the Dam	£	1.4
b) Traffic below the Dam		<u>2.7</u>
Total Navigation Savings	£	4.1

II. Road Savings:

a) Vehicle Delays	£	0.1
b) Substitute for New Jebba Bridge		<u>0.6</u>
Total Road Savings	£	<u>0.7</u>

III. Total Estimated Transport Benefits

£ 4.8

The benefits listed in I-b above include £0.5 million in respect of the projected steel mill at Onitsha. Were this not to materialize, the river traffic would be lower and the total benefits would be reduced to about £4.3 million.

cc: Messrs. Ripman, Sadove, Sheehan, Hogg, McCunniff

INCOMING WIRE

DATE OF WIRE: **AUGUST 21, 1963 1200**
LOG NO.: **RC 5**
TO: **INTBAFRAD**
FROM: **LAGOS**

ROUTING	
ACTION COPY:	MR. MCIVOR
INFORMATION COPY:	MR. WILLIAMS
DECODED BY:	

TEXT:

44

INGS WROTE YOU AGAIN AUGUST 16 EXPLAINING SITUATION. HIS
GOVERNMENT HAS WITHDRAWN OFFER TO SUPPLY FINANCIAL AND ENGINEERING
MEMBERS, AND ADEBO HAS BEEN INSTRUCTED TO APPROACH YOU FORMALLY.
HIGH COMMISSIONER TOLD ME YESTERDAY HE FELT EMBARRASSED AND UPSET THAT
THIS MIGHT AFFECT BORROWER. SUGGEST WE TAKE CALM VIEW AND START
SEEKING FINANCIAL MEMBER IMMEDIATELY

FAJANS

TYPED
GENERAL FILES
CORRESPONDENCE

AUG 21 9 20 AM 1963

THESE ALLEGATIONS WERE SUBMITTED
BY THE BUREAU OF INVESTIGATION
ON AUGUST 14, 1963, IN A LETTER
TO THE DIRECTOR OF THE FBI.
THE ALLEGATIONS WERE BASED ON
INFORMATION RECEIVED FROM
A SOURCE WHOSE CREDIBILITY
HAS NOT BEEN ESTABLISHED.
THE SOURCE STATED THAT
HE HAD BEEN CONTACTED BY
AN INDIVIDUAL WHO OFFERED
HIM A LARGE SUM OF MONEY
TO ASSIST IN THE ATTEMPT
TO OBTAIN THE PASSPORTS
OF SEVERAL INDIVIDUALS
WHO WERE BELIEVED TO BE
IN THE POSSESSION OF
VALUABLE INFORMATION.

TO: DIRECTOR
FROM: SAC, NEW YORK
SUBJECT: [REDACTED]
RE: [REDACTED]
DATE: 8/21/63

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 21 1963	
FBI - NEW YORK	

Receipt No. 3668

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY..... International Bank for Reconstruction and Development,
..... 1818 H Street, N.W.,
..... Washington 25, D.C. U.S.A.

Date of issue

the following :-

20th August, 1963

Quantity	Particulars
2	Sets 20, 21 Contract KD4 - Supplementary Notice No. 2
2	" " " No. 3
2	" " " No. 4

.....
Date of Receipt

.....
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO. LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

RECEIVED
GENERAL LIT. 2
JUL 10 1963

charts in envelope

ENGLAND
 LONDON E.C.4
 BREAD STREET
 BOM BEGS HONGKONG
 BAYBANK BEATTY & CO
 RECEIVED
 GENERAL FILES
 CORRESPONDENCE
 1963 AUG 23 AM 10:27

Please sign and return the red and blue copies of this form to :-

Date of receipt

Signature of Recipient

S	"	"	"	№ 7
S	"	"	"	№ 3
S	Contract KD4 - supplementary No. 3			№ 3
Date 30. 51				
Copy to	Signature			

the following :-

30th August, 1963

Washington 22, D.C. U.S.A.

Date of issue

1012 H Street, N.W.

By International Bank for Reconstruction and Development

Received from the Joint Commission

Indeco

Baybank Beatty & Co. Limited

KALAM DEVELOPMENT
 NISER DAMS PROJECT

Receipt No 3008

OUTGOING WIRE

TO: FAJANS
PALACE
LAGOS

DATE: AUGUST 20, 1963

CLASS OF SERVICE: IBF GOVT.

COUNTRY: NIGERIA

RCA

TEXT:

Cable No.: 33

REURGAB 42 OUR UNDERSTANDING IN LONDON DISCUSSIONS WAS THAT CANADIAN
GOVERNMENT WERE SEEKING FINANCIAL MEMBER OF AUTHORITY STOP LETTER FROM
INGS OF AUGUST 6 SAYS CANADIANS HAVE WITHDRAWN THEIR OFFER AND CONSEQUENTLY
HE IS REQUESTING BANK TO HELP FIND FINANCIAL MEMBER STOP WE FEEL INGS HAS
BEEN MISINFORMED ABOUT OR HAS MISUNDERSTOOD CANADIAN POSITION AS WE BELIEVE
CANADIAN GOVERNMENT STILL PREPARED FIND FINANCIAL MEMBER IF NIGERIANS WILLING
TO ACCEPT CANADIAN STOP WE WOULD NOT WISH TO CONSIDER FINDING CANDIDATE SO
LONG AS CANADIAN GOVERNMENT WILLING TO DO SO STOP FURTHER COMMA SINCE
CANADIANS HAVE BEGUN SEARCH THEY ARE LIKELY TO PRODUCE CANDIDATE BEFORE WE
COULD STOP PLEASE DISCUSS WITH INGS AND CANADIAN HIGH COMMISSIONER AND
INFORM US

INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME S. Noel McIvor

DEPT. Operations - Africa

SIGNATURE NSM:sep
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

SNM:sep

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Cleared with: Mr. Moussa
cc: Mr. Sheehan

For Use by Archives Division

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(IMPORTANT: See guide for preparing form)

Checked for Dispatch: H

31W:scb

SIGNATURE (SIGNATURE OF INDIVIDUAL AUTHORIZED TO SPOKE)

DEPT: Operations - 4-1200

NAME: S. Most McLaughlin

MESSAGE AUTHORIZED BY:

DISPATCHED

121 110 11 110000 110000

GENERAL FILES
CORRESPONDENCE

AUG 20 5 49 PM 1963

Created by: Mr. Mostess

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INTERVIEW

INTERVIEW

COULD STOP BEFORE DISCUSS WITH INFO AND CANADIAN HIGH COMMISSIONER AND
 CANADIAN HAVE BEEN SEASON LONG THE TICKET TO PRODUCE CANDIDATE BEFORE ME
 LONG VS CANADIAN GOVERNMENT MITTING TO DO SO STOP EARLIER COMIN SINCE
 TO VOWELL CANADIAN STOP ME WOULD NOT WISH TO CONSIDER FINDING CANDIDATE SO
 CANADIAN GOVERNMENT SPLIT BETWEEN AND CANADIAN MEMBER IS HIGHLY MITTING
 BEEN MISUNDERSTOOD VOWELL ON HAS MISUNDERSTOOD CANADIAN POSITION VS ME BELIEVE
 HE IS RECALCULATING BACK TO HELP AND CANADIAN MEMBER STOP ME LEFT INFO HAS
 INFO OF VOWELL & GIVE CANADIAN HAVE MISUNDERSTOOD THEIR OFFER AND CONSEQUENTLY
 GOVERNMENT WERE SEEKING CANADIAN MEMBER OF PARLIAMENT STOP TELLER FROM
 BELIEVE VS ONE UNDERSTANDING IN LONDON DISCUSSIONS HAS THAT CANADIAN

DATE: 10/1/63

TEXT:

COPIES: 110000

BCU

110000
 110000
 10/1 110000

REDACTED:
 CLASS OF 110000

DATE: 110000 10/1/63

OUTGOING MIKE

ASSOCIATION INTERNATIONAL DELEGATION	RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL BANK FOR	COOPERATION INTERNATIONAL UNION
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**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

1818 H STREET, N. W.

WASHINGTON 25, D.C.

Lagos, Nigeria

TELEPHONE EXECUTIVE 3-6360

CABLE ADDRESS-INTBAFRAD

No. 24

August 17, 1963

Dear Pierre and John,
and Noel and Norman:

1. Just a few points. I returned from Kaduna last night and shall write more extensively in a few days.
2. I understand from Ings that discussions in Washington on the Dam might be held in October. I would suggest that firm arrangements for a meeting on this subject be made only after October 1.
3. Attached are clippings about Festus' and Emole's trips. Ings told me today that the Germans would not discuss the Dam with Festus because he had no authority from the Prime Minister.
4. I saw the German Economic Secretary, Herr Adam, on the 14th, and asked about Festus' visit. He said that his Ambassador knew of it when he talked with me (my letter 23) but was satisfied that his Govt. would not change its position on the Dam. Adam added that the Germans "could bid under the Bank's loan" and, if Germany got a contract involving a sum larger than our loan, Kreditanstalt fuer Wiederaufbau might guarantee for 12 years export credits covering the excess amount. I replied that (a) our loan hinged on complete financing being assured, which was not yet the case, and (b) 12-year money was not what Nigeria was seeking for the Dam.
5. The Germans continue examining the steel project and seem to be more preoccupied with this possible "turn-key job" than with the Dam which is not surprising in view of the amount involved. I slipped in my letter 23, when I wrote that this project was included among the 16 industries for which the Germans might put up £15 million.
6. Four or five Impresit men are at Kainji now. One of them, Dr. Lazzarino, asst. director for finance, called on me on the 14th. He wanted to know where the Bank stood and what were Impresit's chances, if the Italian Govt. did not assist the project financially. I made two points: (a) bids from any member country of the Bank would be treated equally and considered by the consultants on their technical and financial merits; (b) terms of financing available to Nigeria for a given contract would reflect in the cost of the offer. I further stressed that more money was needed and that relations between the two countries would benefit, if Italy participated in the financing of a prestige project; Impresit was in a good position to exert some pressure in Govt. circles. Lazzarino reacted promptly, promising to raise this point with his management immediately.

Best regards,

Yours sincerely,
Joseph Fajans
Joseph Fajans

P.S. Would you, please, ask Mr. Reamy to transfer to my account at Chase, Lagos, my August post allowance and £1,000.

1963 AUG 25 6 43 PM

cc. Sheehan
and file

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 AUG 21 PM 3:17

RECOGNITION OF THE DEPARTMENTAL
INVESTIGATION UNIT





Niger Dams Authority,
Independence House,
P. M. Bag 12605,
Lagos,
Nigeria.

CABINET OFFICE,
LAGOS,
NIGERIA.

Ref: ND/0058/

16th August, 1963.

Dear Mr. McIvor,

Financial Officer

As a result of a talk yesterday with Mr. T. LeM Carter, the Canadian High Commissioner, I understand that the External Aid Office in Ottawa has confused the issue of the finance officer recruitment. The purpose of this letter is to clarify the situation. To do this requires a little past history.

Last winter, before leaving Canada, I was told in Ottawa, that Canada had offered to supply both the Chief Engineer and the Finance Officer, under the External Aid Office. In fact I understand the actual offer was made at about the time I was being considered for the chairmanship.

Subsequently, after my arrival in Lagos, when it was apparently that these two officers were not forth-coming from India or Australia, I sent in through the Canadian High Commission formal applications for both of these officers to be supplied, as offered, under External Aid.

The applications were accompanied by full job descriptions setting out both the executive duties and the Authority membership. These applications were backed up by correspondence between the Prime Minister and Mr. Pearson the Canadian Prime Minister. The two applications were forwarded about Mid-May.

Nothing further was heard until upon my return from London we pressed for an answer due to the rising urgency of the situation. We then heard that Ottawa was withdrawing the offer to supply these officers, but did say they would recruit if requested.

This resulted in my letter to you of August 6th requesting your assistance, as I understood they did have a possible acceptable candidate for the Chief Engineer, but none for the finance man, who should be really first class in view of the possible complicated loans.

Yesterday word came in that they did not wish to recruit the Chief Engineer. Giving some very thin excuse, but no real reasons, particularly so as they no longer were financially committed.

The main reason for this letter is, therefore, to re-iterate our request for the Bank's assistance in recruiting the finance officer. This is now being backed up by an instruction from the Prime Minister's Office to Chief Adebo in New York to formally put forward the same request.

cc. Mr. Shukan

/2..

arr. sept 3/63

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CORRESPONDENCE

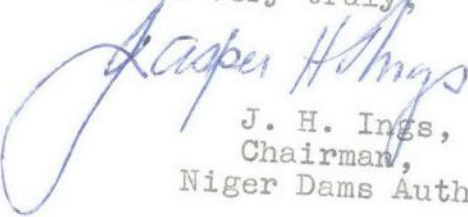
1963 AUG 21 PM 3:18

I shall forward "conditions of employment" as soon as I can get them cleared.

In so far as the Chief Engineer is concerned we will now endeavour to recruit ourselves, either from Canada or India for direct engagement. The need is a little less urgent at the moment as I can carry at least part of that load myself until details get too many and too involved.

I hope this rather long-winded letter clears up the situation, and again I assure you that the Bank's assistance will be appreciated.

Yours very truly,

A large, stylized handwritten signature in blue ink, appearing to read "Jasper H Ings".

J. H. Ings,
Chairman,
Niger Dams Authority.

Mr. S. Noel McIvor,
Dept. of Operations - Africa,
International Bank for Reconstruction
and Development,
1818 H Street, N.W.,
Washington 25, D.C.

SPECIAL DELIVER

Receipt No. 3625

NIGER DAMS PROJECT
KAINJI DEVELOPMENT

Received from the Joint Consultants

Balfour, Beatty & Co., Limited
Nedeco

BY International Bank for Reconstruction and Development,

1818H Street, N.W.,

Washington 25, D.C. U.S.A.

Date of issue

the following :-

15th August, 1963.

Quantity	Particulars
	Sets 20, 21
2	Contract KD4 - Supplementary Information dated 14th August, 1963
2	Drawing No. KD4 - x 16
2	Drawing No. KD4 - x 17

in envelope

T.O.D. CORRES.
ANS'D. BY _____
DATE _____

.....
Date of Receipt

.....
Signature of Recipient

Please sign and return the red and blue copies of this receipt form to :-

BALFOUR, BEATTY & CO., LIMITED,
BOW BELLS HOUSE,
BREAD STREET,
LONDON, E.C.4,
ENGLAND.

ENGLAND

LONDON E.C.4

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CORRESPONDENCE

BOM

RAYMOND BEATTY & CO LIMITED

1963 AUG 17 PM 12:06

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Date of receipt

Signature of recipient

<p>3</p> <p>3</p> <p>3</p>	<p>DRAWING NO. KDT - X 1A</p> <p>DRAWING NO. KDT - X 1B</p> <p>14th August, 1963</p> <p>CONTRACT KDT - supplementary information dated</p> <p>26th 50' 51</p>
Quantity	Particulars

the following:-

14th August, 1963

Washington 22, D.C. U.S.A.

Date of issue

18th Street, N.W.

BY International Bank for Reconstruction and Development

Received from the Joint Undertaking

Medeco

Raymond Beatty & Co Limited

WORLD DEVELOPMENT

NISER DAMS PROJECT

Receipt No. 3052

RECEIVED

Files

August 14, 1963

S. Noel McIvor

NIGERIA - ECN and Niger Dams Authority

1. There was a meeting in Mr. Knapp's room on August 14 to consider the relation between the Electricity Corporation of Nigeria and the Niger Dams Authority. Present: Messrs. Knapp, Aldersfeld, Moussa, Clark, Williams, Sheehan and McIvor. Discussion dealt mainly with the question whether the eventual relationship between the ECN and the Niger Dams Authority should be settled before the proposed loan to the ECN was made. While it seemed to be generally agreed that there should be consolidation of the two organizations at some stage before the Niger Dam was completed it was concluded that it would be probably undesirable to try to force a decision in detail at this point since both ECN on the one hand and the Authority on the other had major tasks ahead of them in the immediate future and a consolidation was not really necessary until Niger Dam power became available. At the same time it was necessary to be sure that nothing in the loan agreements with the ECN should prejudice the eventual solution of the question of organization.

2. Consideration was given also to a letter of August 6 from the Chairman of ECN to the Bank inviting the Bank to send a representative to Lagos between 6 and 12 September to assist in screening applications for the position of General Manager and in preparing a short list of candidates for interviews. It was agreed that the Bank should send such a representative but perhaps after ECN had been given time to screen the applications themselves.

3. Mr. Knapp suggested that satisfactory arrangements for the appointment of a General Manager should be made a condition of effectiveness of the ECN loan.

Cleared with and copy to Mr. Sheehan

cc: Messrs. Rydell
Hornstein
Metherate
Horsley

SNMcIvor:mas

Mr. Donald W. Wilson

August 12, 1963

S. Noel McIvor

NIGERIA - FINANCIAL MEMBER FOR NIGER DAMS AUTHORITY

1. Following is the relevant extract from Mr. Ings' letter to me of August 6.

"In a recent communication received in Lagos by the Canadian High Commissioner, we were informed that the Canadian External Aid Office has withdrawn its offer to supply and pay for the Chief Engineer and the Chief Finance Officer required by the Niger Dams Authority. The reason given being that they have just realised that these two officers are also on the Authority Board."

Mr. Ings goes on to request us to help in recruiting for the position of Financial Member of the Authority. As I mentioned on the telephone, we do not propose to take action on this request until you have been able to check with the Canadian Government to see how the matter now stands.

cc: Mr. Sheehan

SNMcIvor:scp



Mr. S. Aldewereld

August 12, 1963

J. Gabriel

Niger Dam Project
Transportation Benefits

A. Navigation Benefits

Memoranda of J. McCunniff, dated November 9, 1962, June 20, 1963 and July 2, 1963, have studied the various aspects of present and future navigation on the Niger, resulting from the construction of the Kainji dam. Their general conclusion is that the navigation works, as proposed by the consultants Balfour Beatty - NEDECO do not appear economically justified as separate items, and that the Kainji dam, per se, would result in little economic benefit to river navigation below the dam.

The development and traffic forecasts as presented by the consultants are considered very optimistic, even unrealistic in many aspects. However, as discussed in meetings attended at various times by Messrs. Aldewereld, Sadove, Gabriel, Hogg and McCunniff, we have attempted to make a specific measurement of the minimum benefits which could reasonably accrue after the construction of the dam. The following conclusions are the result of these meetings:

i) Traffic above the Dam

Should a minimum-size lock be built with the dam, an annual above the dam traffic of say 40,000 T may be expected by 1968, increasing thereafter by 4%; the resulting benefits discounted at 7% per annum for 50 years would amount to £ 1.4 m.

ii) Traffic below the Dam

The construction of the dam will result in - a) increasing the useful draft by about one foot on average; b) permitting an all-year-round navigation.

In recent years the river traffic has shown a declining trend but subject to some technical and organizational improvements as suggested by the consultants further increases may be expected in the future. As a rough estimate the traffic benefiting from these improvements has been limited to Baro traffic. On a 7% - 50-year discount basis, the resulting savings on this traffic would amount to about £ 1,900,000.

B. Roads Savings

Included in the Project, as a part of the dam, is a two-lane bridge joining the two banks of the river to the Island where some generating and electric installations will be located. The only

crossing of the river between Niamey and Onitsha, a 763 m. stretch, is today a one-lane railway bridge at Jebba with a daily traffic of about 100 vehicles in addition to the railway traffic. The new road-bridge in Kainji will result immediately in time saving for vehicles because the traffic is frequently interrupted on the railway bridge, by trains and repair work. There would be no savings in distance for the bulk of the traffic. On the basis of a very rough calculation the elimination of say 25 to 30 vehicle/hour delays per day can be expected as an average, which would result in a total benefit of about £ 100,000 over a ten-year period. After these 10 years it can be reasonably assessed that should the bridge in Kainji not be built, a new road bridge would have to be constructed at Jebba to carry the traffic of 300 - 400 vh/day which can be expected at that time. The Kainji bridge, if built immediately, will result at that time in a benefit represented by its depreciated cost after 10 years at a 7% discount rate, an amount of say £ 600,000.

C. Conclusions

It is clear from the previous memoranda, and from the foregoing sections that because of the lack of economic and traffic data and the uncertainty of the forecasts, no accurate evaluation can be made of the likely transportation benefits to be attributed to the construction of specific items such as navigation works, the bridge, or the dam. We have attempted to estimate what would be the possible benefits in transportation fields which would result from the construction of the dam, together with a minimum-size lock (not to prevent any possibility of upstream navigation in the long range future) and with a road bridge, very valuable, presently to give access to some part of the generating plant in the island above the dam, and over a longer period for the general road traffic.

Any calculation of the capitalized present worth of such benefits depends widely on assumptions made as to the net value of these benefits and the development of the traffic needs in the future.

As a whole, they result in a capitalized present worth of approximately £ 4,000,000* over 50 years, which is the period retained in the economic studies of the dam.

In fact, the economic justification of transportation facilities, due partly to the uncertainty of forecasting in this field, is rarely carried over such a long period, and the above benefits should be considered as a marginal result of the construction of the dam, rather than a justification of specific transportation works. Furthermore, these benefits as presently estimated will be attained only if other improvements materialize in the same time, in the agricultural and fisheries development; in the capacity and operation of railways and ports facilities; in the organization and operations of river transport; and transport coordination in general.

* £ millions: $1.4 + 1.9 + 0.1 + 0.6 = 4.0$

JLGabriel/cq

cc: Messrs. Sheehan, Sadove, Hogg.

Umu - Dam

CROSS REFERENCE SHEET

COMMUNICATION: Letter No. 23

DATED: August 9, 1963

TO: Messrs. Williams, Moussa, McIvor and Horsely

FROM: Mr. Fajans
Resident Representative
Lagos, Nigeria

FILED UNDER: NIGERIA - General Negotiations

SUMMARY:

Niger Dam participations

7. I saw the Embassies of the five "naughty" Cons. Group members in the course of the week. It would seem that Germany and Switzerland should be written off definitely and Italy at least for the time being; Japan is a slim prospect and I suggest that Pierre talk to Mr. Suzuki. As to Belgium, we probably never reckoned with her participation.

8. Ambassador von Posadowsky returned from Germany recently after six months' absence. He enumerated his Govt.'s commitments, including the Bridge and the meat project, and stressed that Germany hoped to help establish in Nigeria 16 industrial plants, including the steel mill, at the cost of £15 million equivalent. He felt that the country's development was being usefully assisted in fields other than the Dam,

and said that funds for the Dam were available anyhow and that Germany did not wish to join in now in a junior role. I disputed the latter part of his statement but he stuck to his guns.

9. Mr. Bucher, just back from Switzerland, indicated that her commitments in Nigeria (including Afam and, possibly, Ughelli) may soon reach about Sw. frs. 55 million, a very substantial amount. Furthermore, Nigeria was one of the three countries, in the case of which his Govt. decided to extend export credit guarantees to 10 years. As for Govt. to Govt. lending for the Dam, there simply was no way for Switzerland to do so.

10. I saw Mr. Giglioli (back from Rome) briefly and shall see him again on the 13th. At this time, the reaction of his Govt. is apparently entirely negative. Italy's payments position has deteriorated and the present shaky Govt. is not prepared to undertake commitments of this nature.

11. According to Tanaka and Muto, who temporarily run the Japanese Embassy, Tokyo is reluctant to do more than guarantee suppliers' credits. However, the Embassy continues to exercise pressure, arguing that Nigeria cannot much longer tolerate the persistent payments disequilibrium.

12. Sadler was very anxious to find out my reaction to Clarke's "weighing proposal" which may give better chances to exporters in the four countries participating in the financing. I remained mum but he is certain to revert to the subject.

Unit - Niger
Dam

OUTGOING WIRE

TO: FAJANS
PALACE
LAGOS

DATE: AUGUST 9, 1963

CLASS OF IBF GOVT.
SERVICE:

COUNTRY: NIGERIA

TEXT:

Cable No.: 32

RCA

AT NIGERIAS REQUEST CANADIAN GOVERNMENT HAVE BEEN SEEKING FINANCIAL
MEMBER FOR NIGER DAMS AUTHORITY STOP PLEASE CABLE WHETHER NIGERIA
HAS MADE SIMILAR REQUEST TO BANK THROUGH YOU AND IF SO YOUR RESPONSE

INTBAFRAD

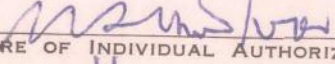
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CLEARANCES AND COPY DISTRIBUTION:

NAME S. Noel McIver

DEPT. Operations - Africa

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(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

SNMcIver:scp

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Signature of individual authorized to release

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DATE

08/09/63 - 11:15

NAME

S. ROSE M. JONES

AUG 9 4 27 PM 1963

MESSAGE AUTHORIZED BY:

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IMPULSED

HAS MADE SIMILAR REQUEST TO BUREAU THROUGH FOR AND IF SO LONG RESPONSE
MEMBER FOR HIGH DUNE VOLUNTARY STOP PLEASE WRITE ANOTHER HIGHLY
IS HIGHLY REQUEST CANADIAN GOVERNMENT HAVE BEEN SEEKING FINANCIAL

COPY 100 35

TEXT:

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SERVICE:

CLASS OF 100 1000

DATE: AUGUST 9, 1963

OUTGOING LINE

ASSOCIATION

INTERNATIONAL DEPARTMENT

RECONSTRUCTION AND DEPARTMENT

FOR NAME TRANSMISSION

CONSTRUCTION

INTERNATIONAL FINANCE

Donny
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ORIGINATOR (1800 0000)

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SIGNATURE

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO SIGN)

GENERAL FILES
CORRESPONDENCE

DATE

08/09/63 - 11/11/63

NAME

S. ROSE ROBERT

AUG 9 4 27 PM 1963

MESSAGE AUTHORIZED BY:

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UNRECORDED

HAS MADE SIMILAR REQUEST TO BANK JEROME FOR AND IF SO LOOK RESPONSE
MEMBER FOR NICKY DAVIS VOLUNTARILY STOP PLEASE CABLE WHETHER NICKY
AL NICKY'S REQUEST CANADIAN GOVERNMENT HAVE BEEN SEEKING FINANCIAL

CASE NO: 35

TEXT:

COUNTRY: NIGERIA

FROM:

TO:

TO: 241112

SERVICE:

CLASS OF INFO: 0001

DATE: AUGUST 8, 1963

ORIGINATOR

ASSOCIATION

INTERNATIONAL DEPARTMENT

RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL BANK FOR

CORPORATION

INTERNATIONAL FINANCE

15-21

1000 100 31

Don
M.I. - 11/11/63

West-Niger Dam

OFFICE MEMORANDUM

TO: Files

DATE: August 9, 1963

FROM: S. Noel McIvor *nm*

SUBJECT: Niger Dam

1. Mr. Wilson, of Mr. Hudon's office, telephoned me today to say that the Canadian High Commissioner in Lagos had cabled the Canadian Government reporting that the Nigerians had informed him that the Bank's Resident Representative in Lagos had offered on behalf of the Bank to find a financial member for the Niger Dams Authority, and that the Bank's offer had been accepted.
2. As we knew (see my memorandum to Files of July 27), the Canadian Government were seeking a financial member for the Authority. This message from their High Commissioner had thrown them into some disarray, since they had reached the point of finding a man and were about to broach the proposal with him.
3. I told Mr. Wilson that we had had no communication on this subject with our Resident Representative, that we knew the Canadians were engaged in finding a man, and that the whole thing sounded to me like a misunderstanding, perhaps on the part of the Nigerians. I said that we would not wish to step in at this point when Canada was involved in finding the financial man, and that Canada should go ahead so far as we were concerned and assume that we had not made the offer as reported.
4. In the meantime, we are cabling our Resident Representative for clarification.

SNM:scp



Niger Dams Authority
Independence House,
P.M.B. 12605,
Lagos,
Nigeria.

uni - Niger Dam
CABINET OFFICE,
LAGOS,
NIGERIA. *Op file*

Ref: ND/0058

August 6, 1963.

Dear Mr. McIvor,

Financial Officer

In a recent communication received in Lagos by the Canadian High Commissioner, we were informed that the Canadian External Aid Office has withdrawn its offer to supply and pay for the Chief Engineer and the Chief Finance Officer required by the Niger Dams Authority. The reason given being that they have just realised that these two officers are also on the Authority Board.

To withdraw is, of course, their right but as a Canadian I find it embarrassing after two months in action as they had a copy of the Act and, in addition, this fact was clearly pointed out in the Job Descriptions sent forward with the application last May for assistance. The net effect is that we are now back to last April in time and must start over again on a "direct engagement" basis.

In view of the shortage of time left and the probable complications of negotiations, I would now ask, if I may presume on your kindness, for the Bank's assistance in recruiting suitable candidates for the Financial Officer post for the Prime Minister's final choice of appointment as required by the Act. Because of your intimate knowledge of the necessary procedures and difficulties you will, I feel sure, know just the type of person whom we require and, of course, you are completely familiar with the background of the project.

We will have to get Government approval of suitable "Conditions of Employment" but in the meantime, I am sending along a Job Description which perhaps is over elaborate.

While I have some ideas of my own on what the conditions of employment may be, it might be of great assistance to me and in order to get in line with similar projects elsewhere if you would, provided you feel free to do so, give me your own ideas of what the Bank or other projects would do or expect in the area of conditions of employment including rates, tax exemptions, etc., for this position.

Quite naturally we would expect any candidate to be willing to stay for the five-year construction and commissioning period. As with myself each year one month's home leave will be granted. If at all possible, the experience records, etc., of at least two candidates at a minimum should be obtained. No doubt preliminary screening could be done by the Bank or by responsible Nigerian representatives abroad.

.....I hope that

Mr. S. Noel McIvor,
Dept. of Operations - Africa,
International Bank for Reconstruction &
Development,

1818 H Street, N.W.,
Washington 25, D.C.

cc Mr. Sheehan

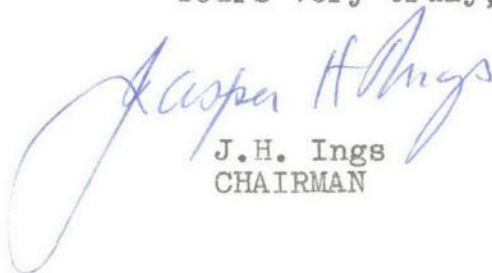
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GENERAL FILES
CORRESPONDENCE

1963 AUG 12 AM 10:28

I hope that this request is not putting too much of a load on you but it would indeed be appreciated by myself as I realise only too well that we must get the Authority fully constituted and set up.

I felt that our meetings with yourself, Mr. Sheehan and the Joint Consultants in London last month were very helpful and cleared away a great many things in doubt. I hope you found them as satisfactory as we did.

Yours very truly,

A handwritten signature in blue ink, appearing to read 'Jasper H Ings', is written over the typed name and title.

J.H. Ings
CHAIRMAN

NIGER DAMS AUTHORITY

FINANCIAL AND ADMINISTRATIVE MEMBER

The Financial Officer shall in his office combine the usual and normal duties, power and functions of financial adviser, comptroller, treasurer and general administrator of the Authority staff. In addition to the above general and professional duties, he shall as Member of the Authority take part in the discussions of, and vote upon, resolutions of the Authority.

As Adviser he shall obtain, and negotiate with regard to, the terms and conditions of all tied and untied loans from the International Bank for Reconstruction and Development (World Bank) and the various national loans of the Consultative Group of Friendly Nations.

As Comptroller he shall be responsible for accounts, and accounting practices, of the Authority and shall render detailed reports thereof from time to time as may be required by the Chairman or by resolution of the Authority, and shall perform such other duties as are incidental to this office.

As Treasurer he shall have the care and custody of all monies, funds and securities of the Authority, and shall deposit or cause to be deposited all funds of the Authority in and with such depositary as the Authority by resolution from time to time shall direct. He shall perform such other duties as may be required of him from time to time.

As Administrator he shall have a general charge of all duties and functions relating to the legal, clerical, book-keeping, records, library and personnel staff under his direction and shall assist and render advice on office administration to the officers in charge of other divisions or departments of the Authority.

.....Job Descriptions

Job Descriptions

The detailed description of the Financial and Administrative Officer as set up below:-

Position: COMPTROLLER AND TREASURER

Responsible to: Chairman

General Description of Position

The Comptroller shall report directly to the Chairman regarding the financial and accounting aspects of the Authority's business, real estate and buildings.

Specific Duties and Responsibilities

With respect to the financial and accounting operations, the Comptroller shall

1. be responsible for the preparation and interpretation of all financial statements (except those of the Authority's Auditors);
2. prepare, comment on and submit at fixed intervals of time (and from time to time as may be required) information regarding the Authority's financial position to enable its officers at all times to have a proper and readily understandable picture of the aforesaid position;
3. affix the countersigning signature to cheques issued for expenditures in the normal course of business, with all abnormal expenditures being first approved by the Chairman or by resolution of the Authority;
4. examine and approve all payrolls and all billings of the Authority, the Consultants and Contractors;
5. formulate an annual budget for the Authority's controllable expenditure;
6. advise the Authority's officers with respect to the Authority's insurance;
7. generally supervise the work of the Accountant and his staff;
8. analyse and revise as necessary the accounting system and procedures being followed;
- ...9. supervise

9. supervise the accounting procedures and the allocation of money contributed by the Authority to the Pension Fund.

With respect to engineering and contract services and the Authority's real estate and buildings, the Comptroller shall

1. generally supervise the work of the Office Manager;
2. Advise the Authority's officers and its Chief Engineer regarding the financial aspects of any engineering or other contracts into which the Authority may enter.

Job Title: Administrative Officer

Reports to: Chairman

1. Basic Function of Position

The duties and responsibilities of the Administrative Officer can be defined by stating that he superintends certain specific services to production; namely, stenographic, clerical and purchasing. In addition, he is responsible for the maintenance and cleanliness of the building and grounds.

He is responsible for the administration of all insurance coverage, maintained by the Authority.

2. Specific Duties and Responsibilities

He performs the following duties and carries out these responsibilities:

- (a) Maintains, through the Chief Stenographer, a high standard of quality in all stenographic and typing duties performed by the private secretaries and members of the stenographic pool. Reconciles any difference between Production and Stenographic personnel. He ensures that there is a competent and adequate staff available, at all times, to carry out those duties with speed and accuracy.
- (b) Provides stenographic and typing services to any Authority field or sub-office which may be established.

Unit - Niger Dam

OFFICE MEMORANDUM

TO: Files

DATE: August 2, 1963

FROM: S. Noel McIvor 

SUBJECT: Niger Dam

1. Mr. Seely of Utah Construction Company telephoned today from San Francisco to say that his firm were tendering for the Niger Dam. He wished to ask some questions about (a) the status of the project's financing, (b) the economic outlook for Nigeria, and (c) the political situation.

2. I told him that while the Bank could not be finally committed until our Board had approved a loan and that this could not be for several months, we had told the Nigerian Government that we were prepared to consider providing a substantial part of the foreign exchange cost of the Dam, that we expected the Nigerian Government to meet the local cost, and that we hoped other governments would contribute the rest. Already there had been indications of interest from U.S., U.K., Canada, and the Netherlands, mainly in the form of tied loans which, of course, could only be used if there were sufficient procurement from those countries. It would be several months before the financing plan could be finalised. Our loan might not be ready for signature until about the time the main works contract would be ready for award. Mr. Seely enquired about the rough proportions of the various contributions, and I told him that we expected Nigeria to contribute something over one-third and the Bank probably one-third, or a little more, so that the remainder to be financed by other governments would be less than a third, probably nearer a quarter.

3. His main interest in the economy was to know (a) our view of Nigeria's capability of meeting its share of the cost and (b) the nature of Nigeria's exports. I told him that in the light of our recent economic mission's visit, we thought Nigeria would be able to meet its share of the cost, and I outlined the main commodity exports.

4. On the political situation, I told him that Nigeria had at present a democratic system of government which compared very favorably with all other African countries. It had a very short history of independence, but judged on the evidence available, it seemed to me that there was a good possibility of a continuing sound and stable administration.

5. He sounded satisfied with this information.

cc: Mr. Moussa (on return)
Mr. Sheehan
Mr. Horsley
Mr. Thome

SNMcIvor:scp

HEADQUARTERS:
WASHINGTON 25, D.C.

West-Niger Dam

J. H. Williams

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

CABLE ADDRESS-INTBAFRAD

INTERNATIONAL DEVELOPMENT ASSOCIATION

CABLE ADDRESS-INDEVAS

EUROPEAN OFFICE:

4, AVENUE D'ÉNA
PARIS (16^e) - FRANCE
TELEPHONE: KLEBER 25-10



August 1, 1963

Handwritten notes:
1. To the 100
2. Mr. Williams
E. fills

Mr. John H. Williams
Assistant Director of Operations - Africa
International Bank for Reconstruction and
Development
Washington, D.C.

Dear John:

Very many thanks for letting me have a copy of
Noel McIvor's memo on the Niger Dam. This is just
the kind of information that we like to get (and do
not get enough of).

Yours ever,

Handwritten signature of John Duncan Miller

John Duncan Miller
Special Representative in Europe

1963 AUG -2 AM 10:12

COMMUNICATIONS
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RECEIVED

RECEIVED
GENERAL FILES
CORRESPONDENCE

1963 AUG -5 AM 10:49

Special Representative in Europe
John Duncan Miller

Johns ever,

not get enough of).

the kind of information that we like to get (and do
not McIlroy's memo on the Niger Dam. This is just
very many thanks for letting me have a copy of
Dear John:

Washington, D.C.

Delegation
International Bank for Reconstruction and
Development Director of Operations - Africa
Mr. John H. Williams

August 1, 1963

TELEPHONE: KREBER 52-10
PARIS (16c) - FRANCE
4, AVENUE D'ENVA
EUROPEAN OFFICE

CABLE ADDRESS-INTERAFR

INTERNATIONAL DELEGATION ASSOCIATION

CABLE ADDRESS-INTERAFR

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

WASHINGTON 22, D.C.
HEADQUARTERS

J. H. Williams

NIGER DAMS PROJECT - KAINJI DEVELOPMENT

DETAILS FOR PRE TENDER QUALIFICATION

CONTRACT KF 6

LOCK GATES

DISQUALIFIED COMPANIES REF 16 TO 21 INCLUSIVE

Name of Company Reference Number and Origin	Address of Company	Financial Status in £ 1000 Average over last 2 years			Technical Experience				Manufacturing Capabili- ties	Reason for disqualification
		annual turnover	current assets	total assets	max size sector gate	max size taintor gate	max size mitre gate	general		
16 Vickers-Armstrongs (Engineers) Ltd. UNITED KINGDOM	Vickers House Millbank Tower Millbank London S.W. 1	7,300 (net profit)	34,400	121,800	none	none	none	sliding caisson gate 80' wide Boxflap Dock gate 145' wide	GOOD	No recent experience in gate design except two dock gates. Does not intend to work in collaboration with its Canadian subsidiary for this contract
17 Canada Iron Foundries Ltd. CANADA	6894 Clanranald Ave Montreal 29, P.Q.	36,300 (net sales)	15,800	22,700	none	none	none		ADEQUATE	No technical information received upon repeated request
18 H.C. Stülcken Sohn GERMANY	2 Hamburg 11 Steinwerden	9,000 to 13,000	not received		none	none	none	floating gates 86' x 32' 133' x 16'	ADEQUATE	No experience in gate design, except for 2 floating gates.
19 J. Howden & Parsons of Canada Ltd. CANADA	1510 Birchmount Rd. Scarborough Ontario	1,100	not received		none	none	none			No experience in gate design. Only interested in auxiliary equipment
20 J. & C. McGloughlin Ltd IRE	47 to 54 Pearse St. Dublin	500	300	500	none	none	none	leaf gate wide 22'	INADEQUATE	Very limited experience in gate design. Inadequate financial resources.
21 Malta Drydocks MALTA	Malta G.C.	250			none	none	none	1 drydock gate		Very limited experience in gate design. Inadequate financial resources.

NIGER DAMS PROJECT - KAINJI DEVELOPMENT

DETAILS FOR PRE TENDER QUALIFICATION

CONTRACT KF 6

LOCK GATES

Conditionally qualified company ref. 15

Name of Company Reference Number and Origin		Address of Company	Financial Status			Technical Experience				Manufac- turing Capabili- ties	Reason for disqualification
			in £ 1000			max size sector gate	max size taintor gate	max size mitre gate	general		
			Average over last 2 years								
			annual turnover	current assets	total assets						
15	Metalna	Maribor	5,800 (gross output)	state owned		none	14' x 9' 14' x 10' with H = 50'	39' x 31' (5 locks)	drum gate 59' x 23') tilting gate 52'x12') in collaboration with Stahlbau Rhein- hausen roller gate 16' x 16' with H = 180' tilting 52' x 9'		Only experience in smaller sized gates. Made new gate constructions in collaboration with other firms. They will be qualified under the condi- tion that they collaborate for the design of the lock gates with one of the com- panies appearing on the list of qualified companies ref. 1 incl. 14
YUGOSLAVIA				ADEQUATE			INADEQUATE			ADEQUATE	

QUALIFIED COMPANIES REF 1 TO 14 INCLUSIVE

Name of Company Reference Number and Origin	Address of Company	Financial Status £ 1000 Average over last 2 years			Technical Experience				Manufacturing Capabili- ties	
		annual turnover	current assets	total assets	max size sector gate w x h	max size taintor gate w x h	max size mitre gate w x h	general		
8	Joint Venture of Shin Mitsubishi Heavy Industries Ltd. and Mitsubishi Nippon Heavy Industries Ltd. JAPAN	Agent: Mitsubishi Shoji Kaisha Ltd. 20, Marunouchi 2-Chome Chiyoda-Ku Tokyo	126,000 (net sales)	113,000 (incl. subsidiaries)	189,000	31' x 32'	39' x 20' 41' x 50' under constr.	none	large experience in hydro gates (roller)	GOOD
			51,000 (net sales)	84,000	96,000	none	59' x 31'	none		
				EXCELLENT			ADEQUATE			
9	Stahlbau B. Seibert G.M.B.H. GERMANY	Postfach 360-361 Saarbrücken	4,700	3,800	4,800	none	82' x 26'	74' x 45' ±	large experience in lock and weir gates	ADEQUATE
				ADEQUATE			GOOD			
10	Sorefame Sociedades Reunidas de Fabricações Metálicas PORTUGAL	Amadore	2,400			none	79' x 34' 20' x 11.5' with H = 310'	59' x 43' under constr.	experience in hydro gates	ADEQUATE
				ADEQUATE			ADEQUATE			
11	Terni ITALY	Viale Stefano Breda 9 Terni	41,000 (invoiced products)		157,000	none	66' x 31'	40' x 44'	large experience in hydro gates	GOOD
				EXCELLENT			ADEQUATE			
12	VÖEST Vereinigte Österreich- ische Eisen- und Stahlwerke A.G. AUSTRIA	Postfach 2 Linz/Donau		35,400	70,500	none		79' x 45' ±	experience in lock and other hydraulic gates	GOOD
				EXCELLENT			ADEQUATE			
13	Wagner Biró A.G. AUSTRIA	Margaretenstr.70 Vienna	9,000	10,200	12,400	none	36' x 57'	79' x 74'	extensive experience in lock and other hydraulic gates	GOOD
				GOOD			EXCELLENT			
14	Werkspoor N.V. UTRECHT	Utrecht		43,700	50,800	43' x 30'	200' x 35'	60' x 30'	experience in lock	

Attached to
letter of
16th December
1963 from
BB+CO
Nedeco