

Framework Agreement for Advisory Services

AGREEMENT, dated the ____ day of January 1, 2002, between THE SOCIALIST PEOPLE'S LIBYAN ARAB JAMAHIRIYA (the Recipient) and the **International Bank for reconstruction and Development** (the Bank).

Whereas the Recipient may from time to time request the Bank to provide to the Recipient or any agency or subdivision of the Recipient analytical or advisory services which the Bank may agree to provide upon the terms and conditions contained in this Agreement (the Framework Agreement);

Now therefore the parties hereto agree as follows:

Definitions

1. In this Framework Agreement, the following terms have the following meanings:

(a) "Advisory Assignment" means an agreement in writing between the Recipient and the Bank entered into pursuant to this Framework Agreement and substantially in the form set out in the Schedule to this Framework Agreement, as the same Advisory Assignment may be amended from time to time by mutual agreement of the Recipient and the Bank;

(b) "Advisory Services" means the work to be performed by the Bank pursuant to an Advisory Assignment; and

(c) "Personnel" means staff (including staff holding consultant appointments) employed by the Bank or International Finance Corporation (IFC) and assigned to the performance of the Advisory Services or any part thereof.

General Provisions

2. The appointment by the Bank as adviser to the Recipient shall be non-exclusive and shall not restrict the Recipient in any way from engaging other advisers on the same or related issues.

3. In carrying out any Advisory Services, the Bank will work closely with the designated officials of the General People's Committee for Finance of the Recipient (the "GPCF") and such other persons or agencies as may be designated by the Recipient from time to time.

4. The Bank shall in its sole discretion determine the composition of the Personnel for particular Advisory Services. The Recipient may, however, if it shall have reasonable cause for dissatisfaction with the performance of any of the Personnel, request the Bank to provide a

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replacement.

5. The Recipient shall accord all Personnel the status, immunities and privileges set forth in the Bank's Articles of Agreement and other applicable rules of international law.

6. The Bank shall perform the Advisory Services with the same care and diligence as it uses in its other analytical and advisory activities.

7. The Bank shall keep appropriate records of any Advisory Services in accordance with its normal record-keeping practices and shall furnish to the Recipient such information regarding any such Advisory Services as the Recipient shall reasonably request.

Confidentiality

8. Any reports, studies, analyses or other documents prepared by the Bank in connection with any Advisory Assignment are prepared exclusively for the Recipient and they may not be distributed by the Recipient to any other person nor may any representation of the Bank's views be made by the Recipient except with the Bank's prior consent and with such disclaimers as the Bank shall require. The Bank shall not, either during the term or within two (2) years after the expiration of this Framework Agreement, disclose any proprietary or confidential information relating to any Advisory Assignment or Advisory Services without the prior written consent of the Recipient.

Effectiveness

9. This Framework Agreement shall come into force as of the day and year first above written once it is duly signed by both parties.

Termination and Expiration

10. Either the Recipient or the Bank may terminate an Advisory Assignment by notice to the other. Upon termination of any Advisory Assignment, all rights and obligations of the parties in respect of that Advisory Assignment shall cease, except: (i) such rights and obligations as may have accrued on the date of termination; (ii) the obligations of confidentiality and indemnity under Clauses 8 and 16 hereof, respectively; and (iii) the obligation of the Recipient to pay to the Bank remuneration for Advisory Services satisfactorily performed prior to the effective date of termination.

11. Either the Recipient or the Bank may terminate this Framework Agreement upon thirty days written notice to the other. Upon receipt of such notice, the parties shall take all appropriate steps to terminate in an orderly manner the activities then ongoing under any Advisory Assignment and to settle promptly all outstanding matters.

12. This Framework Agreement shall expire on the day falling one year after the date of this Framework Agreement unless it shall earlier be renewed with the mutual agreement of the

Recipient and the Bank.

13. Notwithstanding termination or expiration of this Framework Agreement, the provisions of this Framework Agreement relating to: (i) obligations of confidentiality and indemnity under Clauses 8 and 16 hereof, respectively; and (ii) the obligation of the Recipient to pay to the Bank remuneration for Advisory Services satisfactorily performed prior to the date of termination or expiration of this Framework Agreement, shall continue in full force and effect.

Payment

14. The amounts, currency and timing of the payments to be made by the Recipient to the Bank in respect of any Advisory Services shall be as specified in the relevant Advisory Assignment.

Liabilities

15. Without limitation to the immunities and privileges of the Bank under its Articles of Agreement and other applicable rules of international law, the Bank shall not be liable to the Recipient for any loss, cost, damage or liability that the Recipient shall incur as a result of any Advisory Services.

Indemnity

16. The Recipient shall indemnify and hold the Bank and the Personnel harmless from any losses, costs, damages or liability to which the Bank or the Personnel may be subject as a result of claims by third parties resulting from any Advisory Services except those resulting from the gross negligence or willful misconduct of the Bank or the Personnel.

Settlement of Disputes

17. Any dispute arising out of or in connection with this Framework Agreement which is not settled by agreement of the parties shall be finally settled by arbitration in accordance with the UNCITRAL Arbitration Rules in force on the date of this Framework Agreement. In the event of a conflict between the UNCITRAL Arbitration Rules and the terms of this Framework Agreement, the terms of this Framework Agreement shall govern.

Notices

18. All notices required or permitted to be given pursuant to this Framework Agreement shall be in writing and shall be deemed to have been duly given or made when delivered by hand or by mail, telegram, cable, telex or facsimile to the signatories to this Framework Agreement at their addresses as set out below or such other addresses as may be notified by either party from time to time. Notices forwarded by registered mail shall be deemed to be delivered five days after the date of posting. Notices made by facsimile transmission shall also be confirmed by mail.

19. The following addresses are specified for the purposes of this Framework Agreement:

For the Recipient:

The General People's Committee for Finance
P.O. Box 763
Sitre
Socialist People's Libyan Arab Jamahiriya

Phone: (218) 21 54 65 449
(218) 21 54 65 707

FAX: (218) 21 36 09 431

For the Bank:

The World Bank
1818 H Street, NW
Washington, DC 20433
USA

Phone: (202) 477-1234

FAX: (202) 477-6391

In Witness Whereof, the parties hereto, acting through their duly authorized representatives, have caused this Framework Agreement to be signed in their respective names as of the day and year first above written.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Auguste Kouame
Authorized Representative

Date: August 14, 2001

THE SOCIALIST PEOPLE'S
LIBYAN ARAB JAMAHIRIYA

By/s/ Ali Shnebish
Authorized Representative

Date January 15, 2002

SCHEDULE

Form of Advisory Assignment

Pursuant to the Framework Agreement for Advisory Services between THE SOCIALIST PEOPLE'S LIBYAN ARAB JAMAHIRIYA (the Recipient) and the **International Bank for Reconstruction and Development** (the Bank) dated January 15, 2002, (the Framework Agreement), the Recipient has requested the Bank to provide to the Central Bank of Libya the advisory services and technical support described below (the Advisory Services). The Bank is willing to provide the Advisory Services upon the terms and conditions set forth in the Framework Agreement and in this Advisory Assignment. Terms not otherwise defined in this Advisory Assignment are used herein as defined in the Framework Agreement. On the basis of the foregoing, the Recipient and the Bank hereby agree as follows:

1. Objective. The objective of the Advisory Assignment is to advise the Central Bank of Libya on putting in place a modern electronic payment system.
2. Advisory Services. Except as the Recipient and the Bank may otherwise agree, the Bank shall perform the following Advisory Services: Perform a "Needs Assessment" that will be based on the analysis of the current inter-bank and intra-bank payment system and highlight the possible opportunities for improvement. Findings of this review will be presented to a CBL led counterpart team and to representatives of the user community at a proposed Payment System Improvement Workshop. Conclusions of this workshop will be documented in an "Addendum to the Needs Assessment Report". This document will constitute the basis on which the World Bank staff will develop the conceptual business and technical design feature of the future Libyan payment mechanism.
3. Scope, timing and duration of Advisory Services. Except as the Recipient and the Bank may otherwise agree: Visits of two World Bank staff members to Libya in March 2001, for the needs assessment and later for the Workshop. Assignment will cover a total period of 12 weeks, including mission preparation and post mission work.
4. Personnel. Mr. Robert Keppler (Team Leader) and Mr. Massimo Cirasino.
5. Counterparts and Facilities: Mr. Youssef Al-Shanta, Director of Computer Services, Central Bank of Libya.
6. Payment. The Recipient shall pay the Bank an amount not exceeding fifty-eight thousand

United States dollars (US\$58,000) upon submission of payment request by the Bank, which will be issued after services are rendered.

In Witness Whereof, the parties hereto, acting through their duly authorized representatives, have caused this Advisory Assignment to be signed in their respective names as of the day and year indicated below. This Advisory Assignment shall come into force on the date on which it is duly signed by both parties.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Mustapha Nabli
Authorized Representative

Date: March 1, 2002

THE SOCIALIST PEOPLE'S
LIBYAN ARAB JAMAHIRIYA

By /s/ Authorized Representative
Authorized Representative

Date

Please note that the Schedule was typed up from the original signed copy that was prepared by the Region (Mr. De Wulf).

