January 24, 1991

His Excellency Manuel Santos Minister of Economy and Finance Ministerio das Financas C.P. 67 Bissau The Republic of Guinea-Bissau

Excellency:

We refer to the Development Credit Agreement (Second Structural Adjustment Credit), dated June 29, 1989, between the Republic of Guinea-Bissau (the Borrower) and the International Development Association (the Association). Further to the discussions held with the representatives of the Borrower, we are pleased to inform you that the Association hereby agrees to the following amendment to the above-referenced Development Credit Agreement:

Paragraph 2(g) of Schedule 1 (relating to expenditures for petroleum products) is amended by substituting "SDR 8,000,000" for "SDR 5,000,000."

Please indicate your agreement with the foregoing by countersigning and dating the form of confirmation on the two original copies of this letter provided and returning one original, as countersigned, to us. This amendment shall become effective as of the date of receipt by the Association of this letter duly countersigned by you.

Sincerely

Edwin R. Lim Director Western Africa Department

Confirmed

THE REPUBLIC OF GUINEA-BISSAU

By:

Authorized Representative

Date: February, 06.1991