

July 3, 1997

H.E. Tertius Zongo
Minister of Economy and Finance
Ouagadougou
Burkina Faso

Excellency:

Credit No. 2332 BUR (Transport Sector Adjustment/Investment Credit)
Amendment to Section 2 (c) of Schedule 1 (Definition of Operating Costs) to
Development Credit Agreement

We refer to the Development Credit Agreement (the Agreement), dated February 18, 1992 for the above-mentioned Project between Burkina Faso (the Borrower) and the International Development Association (the Association). Further to the discussion held between representatives of the Borrower and the Association during the 15th Supervision Mission in April 1997, and further to your letter dated July 2, 1997 relating to the definition of operating costs, we are pleased to inform you that the Association agrees to modify Section 2 (c) of Schedule 1 of the Agreement as follows:

"(c) "operating costs" means the incremental costs arising under the Project for the PCU, on account of salaries for contractual staff (including social security and medical expenditures) and travel allowances; the purchase of two vehicles and office equipment, and their subsequent operation and maintenance; selective document acquisition; maintenance services; utilities and communication charges, and reasonable Bank charges connected to special Account management."

All provisions of the Agreement, except as amended herein, shall remain in full force and effect.

Please indicate your agreement with the foregoing by countersigning and dating the two original copies of this letter and returning one original to us. This amendment shall become effective as of the date of your countersignature.

Sincerely,

By /s/ Birger J. Fredriksen
Acting Director for Operations in Burkina Faso
Africa Region

Attachment

AGREED:

BURKINA FASO

By /s/ Tertius Zongo
Authorized Representative

Date: August 19, 1997

