

His Excellency Mohamed Berrada
Minister of Finance
Ministry of Finance
Rabat
Kingdom of Morocco

December 2, 1991

Re: Loan No. 3168 MOR
Highway Sector Project
Amendment to Schedule 1 to the Loan

Agreement

Excellency,

We refer to the Loan Agreement dated March 15, 1990 between the Kingdom of Morocco and the Bank for the above-captioned Project and to the letter dated April 5, 1991 from your Ministry to the Bank requesting an increase in the disbursement percentages set forth in the table in paragraph 1 of Schedule 1 to said Loan Agreement.

We are pleased to inform you that the Bank agrees to modify the percentages applicable to Categories (1) and (2) set forth in said table, as follows:

Category	Amount of the Loan Allocated (Expressed in Dollar Equivalent)	% of Expenditures to be Financed
(1) Works under Parts A (2) and A (3) of the Project	55,700,000	80% from September 1, 1990 through December 31, 1991 and 64% thereafter
(2) Goods under Parts A (4), B (3) and B (4) of the Project	2,700,000	100% of foreign expenditures; 100% of local expenditures (ex-factory cost); and, from September 1, 1990 through December 31, 1991, 80% of local expenditures for other items procured locally and, thereafter, 70% of local expenditures for such other items procured locally

The figures of 80% referred to above shall apply to all expenditures, eligible for financing at such rate pursuant to the terms of the Loan Agreement, in respect of which (a) the Bank shall have received applications for withdrawals or made payment there for on or after September 1, 1990 but not later than December 31, 1991 or (b) payment there for shall have been made out of the Special Account on or after September 1, 1990 but not later than December 31, 1991.

The other Categories set forth in the table in paragraph 1 of Schedule 1 to the Loan Agreement shall remain unchanged.

Please confirm your agreement to the foregoing by signing the form of confirmation on the copy of this letter and returning said copy to us.

In view of their interest in the foregoing, we are sending copies of this letter to H.E. Moulay Zine Zahidi, Delegated Minister, H.E. Mohamed Kabbaj, Minister of Public Works and Training and H.E. Mohamed Bouamoud, Minister of Transport.

Very truly yours,

Peter P. Bottelier
Director
Maghreb Department
Middle East & North Africa Region

