

CONFORMED COPY

CREDIT NUMBER 2132 WSO
(Amendment)

AGREEMENT AMENDING

(Emergency Road Rehabilitation Project)

between

INDEPENDENT STATE OF WESTERN SAMOA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated May 26, 1993

CREDIT NUMBER 2132 WSO
(Amendment)

AGREEMENT AMENDING DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated May 26, 1993, between INDEPENDENT STATE OF WESTERN SAMOA (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS: (A) the Borrower and the Association have entered into a Development Credit Agreement (Emergency Road Rehabilitation Project) dated May 25, 1990 (the Development Credit Agreement) for the purpose of assisting in the financing of the project described in Schedule 2 to the Development Credit Agreement (the Project);

(B) the Borrower has requested the Association to provide additional assistance towards the financing of the Project by increasing the amount made available under the Development Credit Agreement by an amount in various currencies equivalent to three million seven hundred thousand Special Drawing Rights (SDR3,700,000); and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to provide such additional assistance to the Borrower upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

Amendments of the Development Credit Agreement

Section 1.01. Section 1.02 of the Development Credit Agreement is amended by deleting the "and" at the end of Subsection (a), substituting "; and" for "." at the end of Subsection (b) and adding a new Subsection (c) as follows:

"(c) 'Amending Agreement' means the Agreement Amending the Development Credit Agreement (Emergency Road Rehabilitation Project) between the Borrower and the Association, dated May 25, 1990."

Section 1.02. Section 2.01 of the Development Credit Agreement is amended to read as follows:

"Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions set forth or referred to in the Development Credit Agreement, an amount in various currencies equivalent to fourteen million six hundred thousand Special Drawing Rights (SDR 14,600,000) (the Credit), which includes an additional amount in various currencies equivalent to three million seven hundred thousand Special Drawing Rights (SDR 3,700,000) (the Additional Financing)."

Section 1.03. A proviso is added at the end of Section 2.04 (b) of the Development Credit Agreement reading as follows:

"; provided, however, that commitment charges on the Additional Financing shall accrue from a date sixty (60) days after the date of the Amending Agreement."

Section 1.04. Section 3.01 of the Development Credit Agreement is amended to read as follows:

"Section 3.01. The Borrower declares its commitment to the objectives of the Project as set forth in Schedule 2 to the Development Credit Agreement, and, to this end, shall carry out Parts A through E of the Project through PWD, and Part F of the Project through the Borrower's Treasury Department, all with due diligence and efficiency and in conformity with appropriate financial, administrative and engineering practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project."

Section 1.05. Sections 3.04, 3.05 and 3.06 are added to Article III of the Development Credit Agreement to read as follows:

"Section 3.04. To assist in the carrying out of Part F of the Project, the Borrower shall, by June 30, 1993, employ the services of an independent auditor whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Association. Such independent auditor shall be selected pursuant to the provisions of Section II of Schedule 3 to the Development Credit Agreement."

"Section 3.05. Without limitation to the obligations of the Borrower under Section 4.01 (b) of each of the Development Credit Agreements for the Multiproject Credit (Cr. 1657-WSO), Afulilo Hydroelectric Project (Cr. 1781-WSO), Telecommunications Project (Cr. 2034-WSO) and Emergency Road Rehabilitation Project (Cr. 2132-WSO), entered into between the Borrower and the Association dated February 19, 1986, June 18, 1987, August 2, 1989 and May 25, 1990, respectively, the Borrower shall, by September 30, 1993, and pursuant to a time-table satisfactory to the Association, prepare and furnish to the Association, for its review and comments, a certified copy of the audit reports of: (a) the project accounts of the Multiproject Credit, the Telecommunications Project and the Emergency Road Rehabilitation Project; and (b) of the statements of expenditures under the Afulilo Hydroelectric Project, all for the periods of time referred to in Part F of Schedule 2 to the Development Credit Agreement."

"Section 3.06. Without limitation to the obligations of the Borrower under Section 3.01 of the Development Credit Agreement for the Afulilo Hydroelectric Project (Cr. 1781-WSO) entered into between the Borrower and the Association dated June 18, 1987, the Borrower shall, or shall cause EPC to, prepare and furnish to the Association, by September 30, 1993, for its review and comments, a certified copy of the audit report of the records, accounts and financial statements of EPC referred to in Section 4.01 (b) of the Project Agreement entered into between the Association and the Electric Power Corporation dated June 18, 1987, (Afulilo Hydroelectric Project, Credit 1781-WSO) for the periods of time referred to in Part F of Schedule 2 to the Development Credit Agreement."

Section 1.06. The table in paragraph 1 of Schedule 1 to the Development Credit Agreement is amended to read as set forth in Schedule 1 to this Amending Agreement. The percentages of expenditures to be financed as set forth in Schedule 1 to this Amending Agreement shall be applicable in respect of payments made for expenditures incurred on or after the date of this Amending Agreement.

Section 1.07. The objectives of the Project as set forth in Schedule 2 to the Development Credit Agreement are amended to read as follows:

"The objectives of the Project are: (a) the provision for the extraordinary maintenance needs caused by cyclone damage from a cyclone in February 1990 and a cyclone in December 1991; (b) the carrying out of priority rehabilitation works; (c) the strengthening of PWD's planning, implementation and management capacity, especially for maintenance; and (d) assistance to the Borrower in the carrying out of independent audit reports of on-going projects financed by the Association."

Section 1.08. Schedule 2 to the Development Credit Agreement is amended by adding a new Part to read as follows:

"Part F: Provision of technical assistance for the carrying out of independent audit reports of the accounts of the following projects: (i) Multiproject Credit (Cr. 1657-WSO), for the period of time from January 1989 to June 1992; (ii) Afulilo Hydroelectric Project (Cr. 1781-WSO), including the records, accounts and financial statements of EPC, for the period of time from January 1990 to June 1992; (iii) Telecommunications Project (Cr. 2034-WSO), for the period of time from January 1989 to June 1992; and (iv) Emergency Road Rehabilitation Project (Cr. 2132-WSO), for the period of time from January 1991 to June 1992."

ARTICLE II

Effective Date; Termination

Section 2.01. This Amending Agreement shall not become effective until evidence satisfactory to the Association shall have been furnished to the Association that the execution and delivery of this Amending Agreement on behalf of the Borrower have been duly authorized or ratified by all necessary governmental action.

Section 2.02. As part of the evidence to be furnished pursuant to Section 2.01 of this Amending Agreement, there shall be furnished to the Association an opinion or opinions satisfactory to the Association of counsel acceptable to the Association showing, on behalf of the Borrower, that this Amending Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the Borrower and is legally binding upon the Borrower in accordance with its terms.

Section 2.03. This Amending Agreement shall come into force and effect on the date upon which the Association dispatches to the Borrower notice of its acceptance of the evidence required by Section 2.01 of this Amending Agreement.

Section 2.04. If this Amending Agreement shall not have come into force and effect by a date forty five (45) days after the date of this Amending Agreement, this Amending Agreement and all obligations of the parties hereunder shall terminate, unless the Association establishes a later date for the purposes of this Section. If this Amending Agreement shall terminate under the provisions of this Section, the Development Credit Agreement shall continue in full force and effect, as if this Amending Agreement had not been executed.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Amending Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

INDEPENDENT STATE OF WESTERN SAMOA

By /s/ John H. Cosgrove
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Gautam S. Kaji
Regional Vice President
East Asia and Pacific

SCHEDULE 1

Withdrawals of the Proceeds of the Credit

The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each Category and the percentage of expenditures for items so to be financed in each Category:

| Category | Amount of the Credit Allocated (Expressed in SDR Equivalent) | % of Expenditures to be Financed |
|------------------|---|--|
| (1) Equipment | 970,000 | 100% of foreign expenditures, 100% of local expenditures (ex- factory cost) and 65% of local expen- ditures for other items procured locally |
| (2) Civil works: | | |

| | | |
|--|------------|------|
| (a) extraordinary maintenance | 190,000 | 50% |
| (b) road reconstruction/ rehabilitation | 9,830,000 | 90% |
| (3) Consultants' services | 2,650,000 | 100% |
| (4) Overseas training | 40,000 | 100% |
| (5) Technical assistance for the independent audit reports under Part F of the Project | 70,000 | 100% |
| (6) Unallocated | 850,000 | |
| | »»»»»»»»»» | |
| TOTAL | 14,600,000 | |

