

December 4, 1998

His Excellency Willie Chokani
Ambassador of the Republic of Malawi
Embassy of the Republic of Malawi
2408 Massachusetts Avenue, N.W.
Washington, D.C. 20008
United States of America

Excellency:

Re: Credit No. 3136-MAI (Second Social Action Fund Project)
Development Credit Agreement (Article I, Section 1.01 (a))
List of Participating Countries

We refer to the Development Credit Agreement (the Agreement) of even date herewith between Republic of Malawi (the Borrower) and International Development Association (the Association). Pursuant to Resolution No. IDA 183 of the Board of Governors of the Association and, more particularly, to the definition of "Participating Countries" to be found in Section 1.01 (a) thereof, we have to inform you that, for purposes of the Agreement, the following countries are not "Participating Countries" and, therefore, not eligible to supply goods and services under the Credit: Bahamas, Bahrain, Barbados, Brunei Darussalam, Cyprus, Kuwait, Oman, Qatar, Singapore and United Arab Emirates. This list of ineligible countries is in addition to the list of ineligible countries under paragraphs 1.6 and 1.8 of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 and revised in January and August 1996 and September 1997 (the Guidelines).

In accordance with the operational policies of the Association, the term "ineligible countries" applies both to the nationality of bidders, and to the source of goods and services provided.

Please confirm your agreement to the foregoing by signing the enclosed copy of this letter and returning it to us for our records.

Sincerely yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Acting Regional Vice President, Africa

CONFIRMED:

REPUBLIC OF MALAWI

Authorized Representative

