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CREDIT NUMBER 3325-1 MAL  
(Amendment)

# Agreement Amending Development Credit Agreement

(Third Education and Training Project)

between

REPUBLIC OF MALDIVES

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated October 9, 2006

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**CREDIT NUMBER 3325-1 MAL**  
**(Amendment)**

**AGREEMENT AMENDING**  
**THE DEVELOPMENT CREDIT AGREEMENT**

This AMENDING AGREEMENT is dated October 9, 2006, and is made between REPUBLIC OF MALDIVES (the "Borrower") and INTERNATIONAL DEVELOPMENT ASSOCIATION (the "Association").

(A) WHEREAS pursuant to a development credit agreement dated April 25, 2000, between the Borrower and the International Development Association, as amended (the "Development Credit Agreement"), the Association agreed to provide the Borrower with a Credit in an amount in various currencies equivalent to eleven million five hundred eighty one thousand Special Drawing Rights (SDR11,581,000), to assist in financing the Third Education and Training Project described in Schedule 2 to the Development Credit Agreement (the "Project");

(B) WHEREAS the Borrower has requested the Association to provide additional financial assistance to further support the objectives of the Project by increasing the amount made available under the Development Credit Agreement by an amount equal to nine hundred twenty thousand Special Drawing Rights (SDR920,000); and

(C) WHEREAS the Association has agreed, on the basis, among other things, of the foregoing to extend such additional financial assistance to the Borrower upon the terms and conditions set forth in this Amending Agreement;

NOW THEREFORE the parties agree as follows:

**ARTICLE I**

**General Conditions; Definitions**

Section 1.01. The "General Conditions Applicable to Development Credit Agreements" of the Association, dated January 1, 1985, (as amended through December 2, 1997) (the General Conditions), constitute an integral part of this Amending Agreement.

Section 1.02. Unless the context otherwise requires and except where otherwise defined in this Amending Agreement, all capitalized terms contained herein shall have the meanings given to them in the Development Credit Agreement, the

Preamble to this Amending Agreement, or in the General Conditions as the case requires.

## **ARTICLE II**

### **Amending Provisions to the Development Credit Agreement**

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

- (i) by deleting the word “and” at the end of Sub-section 1.02(c);
- (ii) by replacing the full stop at the end of Sub-section 1.02(d) with a semi-colon; and
- (iii) by inserting new Sub-sections 1.02(e) which shall read as follows:
  - “(e) “Amending Agreement” means the Agreement Amending the Development Credit Agreement;”

Section 2.02. 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 as amended to date, various currencies that shall have an aggregate value equivalent to twelve million five hundred and one thousand Special Drawing Rights (SDR12,501,000), which consists of: (a) an initial amount equal to eleven million five hundred and eighty one thousand Special Drawing Rights (SDR11,581,000), (the “Initial Credit”); and (b) an additional amount equal to nine hundred and twenty thousand Special Drawing Rights (SDR920,000) (the “Additional Credit”), (together, the “Credit”);”

Section 2.03 The table in paragraph A.1 of Schedule 1 to the Development Credit Agreement is deleted and replaced with the table in the Annex to this Amending Agreement.

Section 2.04. Except as expressly provided in this Amending Agreement, all provisions of the Development Credit Agreement shall remain in full force and effect.

## **ARTICLE III**

### **Effective Date; Termination**

Section 3.01. This Amending Agreement shall not become effective until a legal opinion or opinions satisfactory to the Association, showing 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, has been received by the Association.

Section 3.02. This Amending Agreement shall come into force and effect on the date upon which the Association shall dispatch to the Borrower notice of its acceptance of the evidence required pursuant to Section 3.01 of this Amending Agreement.

Section 3.03. The date ninety (90) days after the date of this Amending Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions. If this Amending Agreement shall terminate under the provisions of this Section and the Development Credit Agreement shall continue in full force and effect, as if this Amending Agreement had not been executed.

#### **ARTICLE IV**

##### **Representatives of the Borrower; Addresses**

Section 4.01. The Borrower's Minister of Finance is designated as representative of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 4.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Ministry of Finance  
Ameenee Magu  
Malé  
Republic of Maldives

Facsimile:

(960) 324432

For the Association:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433

United States of America

Cable address:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI) or 64145 (MCI)	(202) 477-6391

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 Male, Republic of Maldives, as of the day and year first above written

REPUBLIC OF MALDIVES

By /s/ Qasim Ibrahim

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Alastair McKechnie

Country Director  
Maldives

**Annex**

**SCHEDULE 1**

**Withdrawal of the Proceeds of the Credit and the Additional 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:

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in SDR Equivalent)</u>	<u>Amount of the Additional Credit (Expressed in SDR Equivalent)</u>	<u>% of Expenditures to be Financed</u>
(1) Works	1,170,000		80%
(2) Goods	1,839,170		100% of foreign expenditures, 100% of local expenditures (ex-factory cost) and 80% of local expenditures for other items procured locally
(3) Consultants' services	883,930		100%
(4) Overseas fellowships Workshops	7,105,400	920,000	100%
(5) In-country training and workshops	582,500		100%
(6) Unallocated	0		
<b>TOTAL</b>	<u>11,581,000</u> =====	<u>920,000</u> =====	