

CONFORMED COPY

**CREDIT NUMBER 3176-1-GM
(Amendment)**

Agreement Amending Project Agreement

(Poverty Alleviation and Capacity Building Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

THE GAMBIAN AGENCY FOR THE MANAGEMENT OF PUBLIC WORKS

Dated July 5, 2005

**CREDIT NUMBER 3176-1-GM
(Amendment)**

AGREEMENT AMENDING PROJECT AGREEMENT

AGREEMENT, dated July 5, 2005 between INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association) and GAMBIAN AGENCY FOR THE MANAGEMENT OF PUBLIC WORKS (GAMWORKS).

WHEREAS (A) the REPUBLIC OF THE GAMBIA (the Borrower) and the Association have entered into a Development Credit Agreement (Poverty Alleviation and Capacity Building Project - Credit Number 3176 GM), dated April 1, 1999 (the Development Credit Agreement), for the purpose of providing support during the execution of the Poverty Alleviation and Capacity Building Project, as described in the Preamble of the Development Credit Agreement (the Project);

(B) the Borrower has agreed to make part of the proceeds of the Credit available to GAMWORKS and entered into a framework agreement (the Framework Agreement) with GAMWORKS for that purpose;

(C) the Association and GAMWORKS have entered into a Project Agreement, dated April 1, 1999 (the Project Agreement), for the purpose of the carrying out of the Project;

(D) the Borrower has requested the Association to provide further additional assistance in the support of the Project by increasing the amount made available under the Development Credit Agreement by an amount in various currencies equivalent to two million seven hundred thousand Special Drawing Rights (SDR2,700,000); and

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing, to provide such additional assistance to the Borrower provided that an agreement amending the Project Agreement (the Agreement Amending the Project Agreement) upon the terms and conditions set forth hereafter be executed;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

Section 1.01. Recital (A) of the Project Agreement is amended to read as follows:

“ (A) by the Development Credit Agreement, the Association has agreed to make available to the Borrower an amount in various currencies equivalent to thirteen million four hundred thousand Special Drawing Rights (SDR13,400,000) (the Credit), which includes: (a) an original in various currencies equivalent to ten million seven hundred thousand Special Drawing Rights (SDR 10,700,000) (the Initial Financing); and (b) a supplemental amount in various currencies equivalent to two million seven hundred thousand Special Drawing Rights (SDR 2,700,000) (the Additional Financing), on the terms and conditions set forth in the Development Credit Agreement, but only on condition that GAMWORKS agree to undertake such obligations toward the Association as are set forth in this Agreement;”

Section 1.02. Part B.1 of the Project is added to the parts of the Project to be implemented by GAMWORKS, and to this end, Section 2.01, 2.02, 2.05, 4.01, paragraphs 1, 2 (a), (b) and (d) are amended, accordingly.

Section 1.03. Paragraph 2 of Part D of Section I of Schedule 1 to the Project Agreement is amended to read as follows:

“ With respect to each contract for works estimated to cost the equivalent of \$250,000 or more, and goods estimated to cost the equivalent of \$150,000 or more, the procedures set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines shall apply.”

Section 1.04. Paragraph 2 (a) of Schedule 2 to the Project Agreement is amended to read as follows:

“ maintain policies and procedures adequate to monitor and evaluate on an ongoing basis, in accordance with indicators satisfactory to the Association, set forth in Schedule 6 of the Development Credit Agreement, the carrying out of Parts A, B.1, B.2 and B.3 of the Project and the achievement of the objectives thereof;”

ARTICLE II

Effective Date; Termination

Section 2.01. This Agreement Amending the Project Agreement shall come into force and effect on the date upon which the Amending Agreement becomes effective.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement Amending the Project 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.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Madani Tall

Authorized Representative

GAMBIAN AGENCY FOR THE MANAGEMENT OF PUBLIC WORKS

By /s/ Abdoul Cole

Authorized Representative