Third Agreement Amending Development Credit Agreement

(Third Structural Adjustment Credit)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 28, 2001

THIRD AGREEMENT AMENDING DEVELOPMENT CREDIT AGREEMENT

Agreement, dated June 28, 2001 between REPUBLIC OF CAMEROON (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).
WHEREAS (A) the Borrower and the Association have entered into a Development Credit Agreement (Third Structural Adjustment Credit) dated August 3, 1998 (the Development Credit Agreement) for the purpose of providing support during the execution of the structural adjustment program as described in Recital (A) of the Development Credit Agreement (the Program);

(B) the Borrower and the Association have entered into the Agreement and the Second Agreement Amending the Development Credit Agreement, respectively dated January 25, 1999, and June 28, 2000, whereby additional assistance was made available to the Borrower for the purpose of providing support during the execution of the Program;

(C) the Borrower has requested the Association to provide further additional assistance in the support of the Program during its execution by increasing the amount made available under the Development Credit Agreement by an amount in various currencies equivalent to six million two hundred thousand Special Drawing Rights (SDR 6,200,000); and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to provide such additional assistance, representing the FY2001 allocation under the Association’s Fifth Dimension Program established in 1988, 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 to the Development Credit Agreement

Section 1.01. Section 1.02 of the Development Credit Agreement is amended by:

(a) substituting the period at the end of paragraph (aa) by a semicolon and adding the word “and” after such semicolon; and

(b) adding the following paragraph (bb) reading:


Section 1.02. Section 2.01 of the Development Credit Agreement is modified to read:

“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 one hundred fifty-eight million Special Drawing Rights (SDR 158,000,000) (the Credit), which includes: (a) an original amount in various currencies equivalent to one hundred thirty-three million five hundred thousand Special Drawing Rights (SDR 133,500,000) (the Initial Financing); (b) an additional amount in various currencies equivalent to nine million nine hundred thousand Special Drawing Rights (SDR 9,900,000) (the First Additional Financing); (c) an additional amount in
various currencies equivalent to eight million four hundred thousand Special Drawing Rights (SDR 8,400,000) (the Second Additional Financing); and (d) an additional amount in various currencies equivalent to six million two hundred thousand Special Drawing Rights (SDR 6,200,000) (the Third Additional Financing).

Section 1.03. Paragraph (b) (i) of Section 2.04 of the Development Credit Agreement is amended by adding after the term “cancelled” the following proviso reading:

“; provided, however, that any commitment charge on: (A) the First Additional Financing shall accrue from a date sixty days after the date of the Amending Agreement; (B) the Second Additional Financing shall accrue from a date sixty days after the date of the Second Amending Agreement; and (C) the Third Additional Financing shall accrue from a date sixty days after the date of the Third Amending Agreement.”

Section 1.04. The following paragraph (f) is added at the end of Section 2.02 of the Development Credit Agreement to read as follows:

“(f) After a date twelve months (or such later date as the Association shall establish and promptly notify to the Borrower) from the date of the Third Amending Agreement, no withdrawal shall be made from the Credit Account in respect of expenditures to be financed out of the proceeds of the Third Additional Financing. At any time after such date, the Association may, by notice to the Borrower, cancel the unwithdrawn amount of the Third Additional Financing from the Credit Account or any part thereof.”

Section 1.05. In Category (6), Forestry Sector Support Floating Tranche, set forth in the table under paragraph 1 of Schedule 1 to the Development Credit Agreement, the figure of “19,280,000” is amended to read: “25,480,000”.

ARTICLE II

Effective Date; Termination

Section 2.01. This Third 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 Third 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 Third 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 Third 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 Third 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 by Section 2.01 of this Third Amending Agreement.

Section 2.04. If this Third Amending Agreement shall not have come into force and effect by a date ninety (90) days after the date of this Third Amending Agreement, this Third 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 Third Amending Agreement shall terminate under the provisions of this Section, the Development Credit Agreement shall continue in full force and effect, as if this Third Amending Agreement had not been executed.

IN WITNESS WHEREOF, the parties hereto, acting through their authorized representatives, have caused this Third 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.

REPUBLIC OF CAMEROON

By /s/ Jérôme Mendouga

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Pamela Cox

Acting Regional Vice President

Africa