

CONFORMED COPY

CREDIT NUMBER 3228-3-GH
(Second Amendment)

Second Agreement Amending
Development Credit Agreement

(Second Economic Reform Support Operation)

between

REPUBLIC OF GHANA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated September 20, 2000

CREDIT NUMBER 3228-3-GH
(Second Amendment)

AGREEMENT AMENDING
DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated September 20, 2000, between REPUBLIC OF GHANA (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS (A) the Borrower and the Association have entered into a Development Credit Agreement (Second Economic Reform Support Operation) Credit Number 3228-GH, dated July 9, 1999 (the Development Credit Agreement), for the purpose of providing support during the execution of the Borrower's program designed to achieve structural adjustment of the Borrower's economy (the Program);

(B) the Borrower has requested the Association to provide additional assistance in support of the Program due to a deterioration of terms of trade, by increasing the amount made available under the Development Credit Agreement by an amount in various currencies equivalent to thirty seven million Special Drawing Rights (SDR 37,000,000); and

WHEREAS the Association has agreed on the basis, inter alia, of the foregoing, to provide such supplemental assistance to the Borrower upon the terms and conditions set forth in this Amending 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 as follows:

(a) the following new paragraphs are added reading as follows:

"(o) 'Second Amending Agreement' means the Second Agreement Amending the Development Credit Agreement (Second Economic Support Operation) between the Borrower and the Association, dated September 20, 2000; and

(p) 'Supplemental Tranche' means the tranche referred to in Category 5 in the table in paragraph 1 of Schedule 1 to the Development Credit Agreement to be released by the Association on or after the Effective Date of the Second Amending Agreement."

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 one hundred seventy million six hundred thousand Special Drawing Rights (SDR 170,600,000) the Credit), which includes: (a) an original amount in various currencies equivalent to one hundred thirty one million, three hundred and seventy-three thousand Special Drawing Rights (SDR 131,373,000); (b) a supplemental amount in various currencies equivalent to one million, three hundred and twenty-seven thousand Special Drawing Rights (SDR 1,327,000) representing the first IDA Reflow allocation made by the Association; (c) a supplemental amount in various currencies equivalent to nine hundred thousand Special Drawing Rights (SDR 900,000) representing a second IDA Reflow allocation made by the Association and lent to the Borrower under the Agreement Amending Development Credit Agreement Number 3228-2-GH dated June 28, 2000; and (d) a supplemental amount in various currencies equivalent to thirty seven million Special Drawing Rights (SDR 37,000,000); (the Supplemental Financing)."

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

"provided however, that any commitment charge on the Supplemental Financing shall accrue from a date sixty (60) days after the date of the Second Amending Agreement." Section 1.04. Commitment and service charges for the Supplemental Financing shall be payable semiannually on August 1 and February 1 each year. Section 1.05. The Borrower shall pay the principal amount of the Supplemental Financing in semiannual installments payable on each August 1 and February 1, commencing February 1, 2011, and ending August 1, 2040. Each installment to, and including the installment payable on August 1, 2020 shall be one percent (1%) of such principal amount, and each installment thereafter shall be two (2%) of such principal amount.

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 Second 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 Second 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 Second 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 Second 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 Second Amending Agreement.

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

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Second 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 GHANA

By /s/ Koby Arthur Koomson

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Pamela Cox

Acting Regional Vice President
Africa

Annex

SCHEDULE 1

Withdrawal of the Proceeds of the Credit and Excluded Expenditures

1. Subject to the provisions set forth or referred to in this Schedule, the table below sets forth the amounts in SDR allocated to the specific Tranches to be withdrawn from the Credit Account:

Category	Amount of the Credit Allocated (Expressed in SDR Equivalent)	% of Expenditures to be Financed
(1) First Tranche	59,000,000	100%
(2) Second Tranche	37,000,000	100%
(3) ECG Tranche	14,700,000	100%
(4) GCB Tranche	22,900,000	100%
(5) Supplemental Tranche	37,000,000	100%
TOTAL	170,600,000	