

Public Disclosure Authorized

CONFORMED COPY

CREDIT NUMBER 3447-1 UNI
(Amendment)

Agreement Amending Development Credit Agreement

(Community Based Poverty Reduction Project)

between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated February 19, 2007

Public Disclosure Authorized

CREDIT NUMBER 3447-1 UNI
(Amendment)

AGREEMENT AMENDING DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated February 19, 2007, between FEDERAL REPUBLIC OF NIGERIA (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS (A) the Borrower and the Association have entered into a Development Credit Agreement (Community Based Poverty Reduction Project), dated April 20, 2001 (the Development Credit Agreement), as amended to date, for the purpose of financing the Community Based Poverty Reduction Project, as described in Schedule 2 of the Development Credit Agreement (the Project);

(B) 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 sixteen million seven hundred thousand Special Drawing Rights (SDR 16,700,000); and

WHEREAS (C) the Association has agreed, on the basis, inter alia, of the foregoing, to provide such additional assistance 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 adding a new subsection (w) to read as follows:

“(w) “Amending Agreement” means the agreement amending the Development Credit Agreement between the Borrower and the Association, dated April 20, 2001, as amended to date, for the Community Based Poverty Reduction Project.”

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 this Agreement:

(a) an amount in various currencies equivalent to sixty three million seven hundred Special Drawing Rights (SDR 63,700,000) (the Credit), which includes: (a) an original amount in various currencies equivalent to forty seven million Special Drawing Rights (SDR47,000,000) (the Initial Credit); and (b) an additional amount in various currencies equivalent to sixteen million seven hundred thousand Special Drawing Rights (SDR 16,700,000) (the Additional Credit).”

Section 1.03. The Closing Date in Section 2.03 of the Development Credit Agreement is amended to read “December 31, 2008”.

Section 1.04. Section 2.04(b)(i) of the Development Credit Agreement is amended to read as follows:

“(i) from the date sixty days after the date of this Agreement (the accrual date) to the respective dates on which amounts shall be withdrawn by the Borrower from the Credit Account or canceled; provided however that the commitment charge on the Additional Credit shall accrue from a date sixty days after the date of the Amending Agreement.”

Section 1.05. Section 2.07(a) of the Development Credit Agreement is amended to read as follows:

“(a) Subject to paragraphs (b) and (c) below, the Borrower shall repay:

(i) the principal amount of the Credit in semiannual installments payable on each June 1 and December 1 commencing June 1, 2011 and ending December 1, 2035. Each installment to and including the installment payable on December 1, 2020 shall be one and one-fourth percent (1 1/4%) of such principal amount, and each installment thereafter shall be two and one-half percent (2 1/2%) of such principal amount; and

(ii) the principal amount of the Additional Credit in semiannual installments payable on each June 1 and December 1 commencing June 1, 2017 and ending December 1, 2046. Each installment to and including the installment payable on December 1, 2026, shall be one percent (1%) of such principal amount, and each installment thereafter shall be two percent (2%) of such principal amount.”

Section 1.06. The table in Paragraph 1 of Schedule 1 to the Development Credit Agreement is hereby revised as shown in the Annex to this Amending Agreement.

Section 1.07. A new Paragraph 3 (c) is added to Schedule 1 to the Development Credit Agreement to read: as follows:

“(c) incurred by a Project State under the Additional Credit, unless such Project State has amended its respective Subsidiary Financing Agreement with Borrower to reflect the additional subsidiary credit allocated to the Project State.”

Section 1.08. All other provisions of the Development Credit Agreement, including all the Schedules shall remain in full force and effect.

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 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 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 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 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 Amending Agreement.

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

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 Abuja, Federal Republic of Nigeria as of the day and year first above written.

FEDERAL REPUBLIC OF NIGERIA

By /s/ Nenadi E. Usman

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Hafez Ghanem

Authorized Representative

ANNEX

Category	Amount of the Initial Credit Allocated (expressed in SDR)	Amount of the Additional Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
(1) Goods:			% 100
(a) Abia	141,062.99	100,000	
(b) Cross River	108,742.05	100,000	
(c) Ekiti	103,407.08	100,000	
(d) Kebbi	114,983.08	100,000	
(e) Kogi	129,535.94	100,000	
(f) Yobe	117,101.65	100,000	
(g) Ebonyi	99,970.28	340,000	
(h) Kwara	30,797.47	340,000	
(i) NPC	104,263.63	0	
(2) Consultants' Services, Training Workshops and Audit:			% 100
(a) Abia	1,159,944.10	300,000	
(b) Cross River	729,818.66	300,000	
(c) Ekiti	666,511.40	300,000	
(d) Kebbi	854,596.77	300,000	
(e) Kogi	562,371.86	300,000	
(f) Yobe	643,449.81	300,000	
(g) Ebonyi	204,863.87	230,000	
(h) Kwara	122,170.88	230,000	
(i) NPC	3,321,711.86	0	
(3) Grants:			100% of amounts disbursed
(a) Abia	5,283,376.60	1,400,000	
(b) Cross River	5,016,151.71	1,400,000	
(c) Ekiti	4,379,843.56	1,400,000	
(d) Kebbi	5,858,919.05	1,400,000	
(e) Kogi	5,778,904.67	1,400,000	
(f) Yobe	6,534,067.63	1,400,000	
(g) Ebonyi	735,906.82	1,450,500	
(h) Kwara	635,129.99	1,450,500	

Category	Amount of the Initial Credit Allocated (expressed in SDR)	Amount of the Additional Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
(4) Operating Costs:			100%
(a) Abia	481,279.64	200,000	
(b) Cross River	463,275.16	200,000	
(c) Ekiti	437,537.26	200,000	
(d) Kebbi	360,634.27	200,000	
(e) Kogi	320,690.00	200,000	
(f) Yobe	328,017.91	200,000	
(g) Ebonyi	143,338.44	230,000	
(h) Kwara	31,617.84	230,000	
(i) NPC	382,859.54	0	
(5) Refunding of Project Preparation Advance	613,146.85	0	Amount due pursuant to Section 2.02 (c) of this Agreement
(6) Unallocated		200,000	
TOTAL AMOUNT	47,000,000	16,700,000	