

September 26, 2001

H.E. Tantely Gabrio Andrianarivo
Prime Minister, Minister of Finance and Economy
Antananarivo
Republic of Madagascar

Re: Credit No. 3567 MAG
(Second Private Sector Development Project)
Development Credit Agreement (Article I, Section 1.01 (a))
List of Participating Countries

Excellency:

We refer to the Development Credit Agreement (the Agreement) of even date herewith between the Republic of Madagascar (the Borrower) and the International Development Association (the Association) and, more particularly, to the definition of "Participating Countries" to be found in Section 1.01 (a) thereof.

We have to inform you that, for purposes of the Agreement, the following countries are not "Participating Countries" and, therefore, not eligible to supply goods and services under the Credit: The Bahamas, Bahrain, Brunei Darussalam, Cyprus, Oman, Qatar, Singapore and United Arab Emirates. This list of ineligible countries is in addition to the list of ineligible countries under paragraphs 1.6 and 1.8 of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 and revised in January and August 1996, September 1997 and January 1999 (the Guidelines).

In accordance with the operational policies of the Association, the term "ineligible countries" applies both to the nationality of bidders, and to the source of goods and services provided.

Please confirm your agreement to the foregoing by signing the enclosed copy of this letter and returning it to us for our records.

Sincerely yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/
Acting Regional Vice President
Africa

CONFIRMED AND AGREED:

REPUBLIC OF MADAGASCAR

By /s/
Authorized Representative

