



# WORLD BANK GROUP

Regional Office (Senegal, Cabo Verde, The Gambia, Guinea-Bissau, Mauritania)

Dated: 23-Jun-2020

His Excellency Olavo Correia  
Vice Prime-Minister and Minister of Finance  
Praia, Cabo Verde

Excellency:

***Re: Republic of Cabo Verde***  
***Access to Finance for Micro, Small and Medium Enterprises Project***  
**Amendment to the Financing Agreement (Credit No. 6182-CV)**

We refer to the Financing Agreement (“Agreement”) for the above-mentioned Project, dated March 22, 2018, between the Republic of Cabo Verde (“Recipient”) and the International Development Association (“Association”). We also refer to your letter No. 416/GMF/2020 dated June 5, 2020, requesting specific amendments to the Agreement.

We are pleased to notify you that the Association concurs with your request and proposes to amend the Agreement in respect of the provisions below:

1. Section I.D.1 of Schedule 2 is amended to read as follows:

**“D. PCG Fund Operational Guidelines.**

1. The Recipient shall cause the PCG Fund to carry out Part A(iv) of the Project in accordance with the provisions and requirements of a set of guidelines satisfactory to the Association (“Operational Guidelines”), which shall include, *inter alia*: (a) eligibility criteria for the selection of MSMEs and their PFIs that can benefit from the partial credit guarantee; (b) eligibility criteria for existing MSMEs affected by the COVID-19 crisis, including *inter alia*: assessment of number of jobs to be sustained, measure of revenue loss due to COVID-19, compliance with tax and social security, existing or lack of collateral; (c) criteria for guaranteeing eligible credits; (d) template of the framework agreement with PFIs; (e) investment policy of the PCG Fund; (f) environmental and social screening, evaluation and supervision procedures and guidelines, including excluded activities set out in the Negative List; and (g) monitoring and evaluation arrangements.”

2. A new Paragraph 5 is added in the Appendix to read as follows; Current Paragraph 5 and subsequent paragraphs in said Appendix are renumbered accordingly:

“5. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).”

3. Paragraph 18 of the Appendix is amended to read as follows:

“18. “MSMEs” means Micro, Small and Medium-Sized Enterprises that have annual sales of up to CVE 200 million in line with the Recipient’s intervention scope and have met the eligibility criteria set out in the Operational Guidelines.”

All other provisions of the Agreement, except as herein amended, shall remain in full force and effect.

Please indicate agreement to the foregoing, on behalf of the Recipient, by countersigning and dating the form of confirmation on the two original copies of this letter provided and returning one original, as countersigned, to us. Upon receipt by the Association of the copy of this letter countersigned by the Recipient, this amendment shall become effective as of the date of its countersignature, subject to amending the Subsidiary Agreement between the Recipient and the Partial Credit Guarantee Fund dated May 28, 2019, in form and substance satisfactory to the Association.

Sincerely,  
INTERNATIONAL DEVELOPMENT ASSOCIATION

*Nathan M. Belete*

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Nathan M. Belete  
Country Director for Cabo Verde  
Africa Region

CONFIRMED:

REPUBLIC OF CABO VERDE

By: *H.E. Dr. Olavo Avelina Garcia Correia*  
Authorized Representative

Name: H.E. Dr. Olavo Avelina Garcia Correia

Title: Minister of finance

Date: 30-Jun-2020