CREDIT NUMBER 5596-VN
AMENDMENT
CREDIT NUMBER 4698-VN

Financing Agreement

**(Additional Financing for the
Second Northern Mountains Poverty Reduction Project and Amendment to the
Original Financing Agreement)**

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 9 **, 2015**

FINANCING AGREEMENT

AGREEMENT dated 5 Jun 15, 2015, entered into between SOCIALIST REPUBLIC OF VIETNAM ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). This Agreement: (i) sets out the terms and conditions related to the Additional Financing for the Second Northern Mountains Poverty Reduction Project; and (ii) amends specific provisions of the Original Financing Agreement (as such term is defined in the Appendix to this Agreement).

WHEREAS for purposes of the Original Project, the Association had agreed to extend to the Recipient a Credit in an amount equivalent to ninety six million six hundred thousand Special Drawing Rights (SDR 96,600,000) on the terms and conditions set forth or referred to in the Original Financing Agreement (Credit Number 4698-VN) dated May 25, 2010 between the Recipient and the Association, as amended; and

WHEREAS the Recipient has requested the Association to provide further additional financial assistance in support of the Original Project; and the Association has agreed on the basis, *inter alia*, of the foregoing, to provide such additional financial assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions, the Original Financing Agreement, or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to seventy one million Special Drawing Rights (SDR 71,000,000 (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are February 1 and August 1 in each year.

2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through its Ministry of Planning and Investment in accordance with the provisions of Article IV of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Legal Matters consist of the following:

(a) The updated Resettlement Policy Framework has been duly endorsed by the Provincial People's Committees of the Project Provinces and is legally binding upon the Recipient and the respective Project Provinces in accordance with its respective terms.

(b) The Commune Development Boards have the legal powers to participate in the Project in accordance with the terms and conditions herein set forth. and to enter into Sub-Project Agreements with the respective District Project Management Units.

4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. Except as provided in Section 2.02 of this Agreement, the Recipient's Representative is the Governor, or a Deputy Governor, of State Bank of Vietnam.

5.02. The Recipient's Address is:

State Bank of Vietnam
49 Ly Thai To
Hanoi, Vietnam

Cable address:	Telex:	Facsimile:
VIETBANK	412248	(84-4) 3825 0612

5.03. The Association's Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI)	1-202-477-6391

AGREED at Washington D.C., United States of America as of the day and year first above written.

SOCIALIST REPUBLIC OF VIETNAM

By _____

Authorized Representative

Name: Nguyen Van Binh

Title: Governor

INTERNATIONAL DEVELOPMENT ASSOCIATION

By _____

Authorized Representative

Name: Van Thatsenbung

Title: Vice president

SCHEDULE 1

Project Description

The objective of the Project is to enhance the living standards of the Project Beneficiaries by improving: (i) their access to productive infrastructure; (ii) the productive and institutional capacities of local governments and communities; (iii) commune integrated investment planning; and (iv) market linkages and business innovations.

The Project consists of the Original Project but reflects modifications to Parts 2, 3, and 4. The amended Project description is below.

Part 1: District Economic Development

Provision of support for the implementation of District Socio-Economic Development Plans focusing on productive infrastructure for local employment and income generation, and diversification of the livelihoods of the rural poor; including:

(a) provision of support for financing small and medium size investment projects including, but not limited to, intra-commune roads, small-scale irrigation schemes, drinking water supplies and rural markets; and

(b) provision of support to improve supply side and market institutions for the poor including: (i) carrying out of research and analytical studies to identify market opportunities and create enabling environment; (ii) establishing partnerships with banks, nongovernmental organizations, private sector for providing dedicated linkage support to rural producers and microenterprises; and (iii) provision of Innovation Grants to promote innovative business ideas and unconventional approaches for business linkages for the rural poor.

Part 2: Commune Development Budget

Provision of Grants to finance Sub-Projects to support the implementation of the Commune Development Plans, including:

(a) small scale communal infrastructure activities including, but not limited to, road repair, micro-irrigation systems, and markets;

(b) livelihood support to the poor to assist them to form common interest groups, develop necessary skills and explore linkage with credit and markets;

(c) support for women's social and economic development activities; and

(d) operation and maintenance.

Part 3: Capacity Building and Communication

Strengthening human resource capacity of all Project stakeholders at central, Province, District, Commune, and Village levels, including capacity building for:

(a) District and Commune staff to prepare socio-economic development plans and facilitate their process;

(b) Project staff and local cadre training on Project implementation and management;

(c) training on job skills and knowledge for employment opportunities;

(d) safeguarding assets of communes and households including understanding and mitigating natural disaster risks, and climate change adaptation;

(e) information sharing and learning and communication; and

(f) institutional development.

Part 4: Project Management

Provision of support for effective Project management, monitoring, and evaluation, including facilitation of implementation, coordination, and quality enhancement efforts, in addition to internal and external supervision and auditing.

SCHEDULE 2

Project Execution

Section I. **Implementation Arrangements**

A. Institutional Arrangements.

1. The implementation arrangements described in Schedule 2 to the Original Financing Agreement are hereby incorporated by reference in this Part A with the following modifications, unless the context otherwise requires, and shall apply, *mutatis mutandis*, to the Financing, and the Recipient hereby undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement:

(a) Section I.A(1) of Schedule 2 to the Original Financing Agreement is amended to read as follows:

"The Recipient shall cause the People's Committee of each Project Province to establish and maintain, throughout the duration of Project implementation a Provincial Steering Committee to be chaired by the chairperson or vice chairperson of Provincial People's Committee and to include the director of DPI as standing vice chair, directors or deputy directors of relevant departments, provincial state treasury, chairpersons of DPCs, and representatives of provincial Women's Union and Farmers Association;"

(b) Section I.A(3) of Schedule 2 to the Original Financing Agreement is amended to read as follows:

"The Recipient shall cause the People's Committee of each Project District to establish and maintain, throughout the duration of Project implementation a Commune Supervision Board within each Project Commune with composition and terms of reference satisfactory to the Association;"

(c) Section I.A (7) of Schedule 2 to the Original Financing Agreement is amended to read as follows:

"The Recipient shall cause the People's Committee of each Project Province to maintain, throughout the duration of Project implementation the Provincial Project Management Unit within the provincial Department of Investment and Planning under the direction of qualified management provided with sufficient resources, and staffed with competent personnel in adequate numbers with qualifications, experience and under terms of reference acceptable to the Association;"

(d) Section I.A (9) of Schedule 2 to the Original Financing Agreement is amended to read as follows:

"The Recipient shall cause the People's Committee of each Project Province to maintain, throughout the duration of Project implementation a District Project Management Unit within each Project District under the direction of qualified management provided with sufficient resources, and staffed with competent personnel in adequate numbers with qualifications, experience and under terms of reference acceptable to the Association;"

(e) Section I.A (11) of Schedule 2 to the Original Financing Agreement is amended to read as follows:

"The Recipient shall cause the People's Committee of each Project District to establish and maintain, throughout the duration of Project implementation a Commune Development Board in each Project Commune under the direction of qualified management provided with sufficient resources, and staffed with competent personnel in adequate numbers with qualifications, experience and under terms of reference acceptable to the Association;"

(f) Section I.A(18) of Schedule 2 to the Original Financing Agreement is amended to read as follows:

"The Recipient, no later than December 1 of each year commencing December 1, 2016, shall prepare and cause Project Provinces to prepare with respect to Parts 1, 3, and 4 of the Project, and submit to the Association for its review, annual implementation plans of the Project including a procurement plan and budget for the CPO and each Project Province, except that the first of such plans shall be prepared and submitted to the Association for its review no later than August 1, 2015;"

2. For greater clarity and the avoidance of doubt, in view of the incorporation of Schedule 2 to the Original Financing Agreement in this Agreement pursuant to the preceding paragraph, if the Original Financing Agreement terminates prior to the termination of this Agreement, such termination shall have no effect for purposes of this Agreement, and the provisions of the Original Financing Agreement incorporated in this Agreement pursuant to the preceding paragraph shall continue in full force and effect between the Recipient and the Association for purposes of this Agreement following and notwithstanding such termination of the Original Financing Agreement.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Safeguards

Without limitation to the provisions of Section I.C of Schedule 2 of the Original Financing Agreement, the Recipient shall ensure that all land acquisition required for the purposes of carrying out works under the Project and financed with the proceeds of the Financing are financed exclusively out of its own resources, and shall provide, promptly as needed, the resources needed for this purpose.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association and set forth in the revised Project Implementation Manual. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of every semester (6 months), interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, or any other periods acceptable to the Association. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Goods, Works and Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or

referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works, and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Methods
(a) National Competitive Bidding, subject to the additional provisions set forth in the Annex to this Schedule 2
(b) Shopping
(c) Direct Contracting
(d) Community Participation
(e) Force Account

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

2. **Other Methods of Procurement of Consultants' Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Methods
(a) Quality-Based Selection
(b) Least-Cost Selection
(c) Selection Based on Consultants' Qualifications
(d) Single Source Selection of Consulting Firms
(e) Selection of Individual Consultants
(f) Single Source Selection of Individual Consultants

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Grants, and Innovation Grants	42,600,000	100%
(2) Works, goods, consultants' services, Training, and Incremental Operating Costs	28,400,000	100%
TOTAL AMOUNT	**71,000,000**	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 2,000,000 may be made for payments made prior to this date but on or after January 1, 2015, for Eligible Expenditures.

2. The Closing Date is June 30, 2018.

ANNEX to SCHEDULE 2

National Competitive Bidding Procedures

The procedures to be followed for the procurement of goods, non-consulting services, and works under contracts awarded on the basis of National Competitive Bidding shall be those set forth in: (a) Article 20 on Open Bidding of the Recipient's/Borrower's Law on Procurement No. 43/2013/QH13 dated November 26, 2013 and related provisions necessary to effect the same; and (b) the Recipient's/Borrower's Decree No. 63/2014/ND-CP dated June 26, 2014, Guiding Implementation of the Law on the Procurement (collectively, "National Procurement Laws"), subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of the "Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers" dated January 2011 and revised July 2014 ("the Procurement Guidelines") and the following provisions:

Conflict of Interest

1. A bidder shall not have a conflict of interest. Any bidder found to have a conflict of interest shall be ineligible for award of a contract. The provisions on conflict of interest as stated under Section I of the Procurement Guidelines shall apply.

Eligibility

2. The eligibility of bidders shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Association/Bank for reasons other than those provided in Section I of the Guidelines. Foreign bidders shall be eligible to participate in bidding under the same conditions as national bidders. In particular, no domestic preference over foreign bidders shall be granted to national bidders in bid evaluation, nor shall foreign bidders be asked or required to form joint ventures with or be subcontractors to national bidders in order to submit a bid.

3. Government-owned enterprises or institutions of the Borrower's country are eligible to bid in the Recipient's/Borrower's country only if they can establish that they: (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not dependent agencies of the Borrower or Sub-Borrower.

Time for Bid Preparation

4. The time allowed for the preparation and submission of bids for large and/or complex packages shall not be less than thirty (30) days from the date of the invitation to bid or the date of availability of the bidding documents, whichever is later.

Standard Bidding Documents

5. The standard bidding documents acceptable to the Association/Bank shall be used.

Bid Opening and Bid Evaluation

6. Bids shall be opened in public, immediately after the deadline for submission of bids, regardless of the number of bids received.

7. Evaluation of bids shall be made in strict adherence to the criteria that shall be clearly specified in the bidding documents and quantified in monetary terms for evaluation criteria other than price; merit points shall not be used in bid evaluation. No bid shall be eliminated from detailed evaluation on the basis of minor, non-substantive deviations. The evaluation of bidder's qualifications shall be conducted separately subsequent to the technical and commercial evaluation of the bid.

8. A contract shall be awarded, within the period of the validity of bids, to the bidder who meets the appropriate standards of capability and resources and whose bid has been determined (i) to be substantially responsive to the bidding documents and (ii) to offer the lowest evaluated cost. A bidder shall neither be required nor permitted, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

9. No bid shall be rejected on the basis of a comparison with the employer's estimate and budget ceiling without the Association's/Bank's prior written agreement.

Rejection of All Bids and Re-bidding

10. Rejection of all bids is justified when there is lack of effective competition, or all bids are not substantially responsive, or no bidder meets the specified qualification criteria, or the bid price of the lowest evaluated winning bid is substantially higher than the Recipient's updated estimated cost or available budget. All bids shall not be rejected or new bids solicited without the Association's prior written agreement.

Complaints by Bidders and Handling of Complaints

11. The Recipient shall implement an effective and independent protest mechanism, acceptable to the Association/Bank, allowing bidders to protest and have their protests handled in a timely manner.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 1 and August 1:	
commencing August 1, 2020 to and including February 1, 2030	**1.65%**
commencing August 1, 2030 to and including February 1, 2040	**3.35%**

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.

APPENDIX

Section I. Definitions

1. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.

2. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

3. "Central Project Coordination Office" or "CPO" means the unit established within the Recipient's Ministry of Planning and Investment by Decision Number 176/QD-BKH dated January 29, 2010 to coordinate and manage the overall implementation of the Project, and referred to in paragraph 5 of Section I.A Schedule 2 to the Original Financing Agreement, or any successor thereto.

4. "Commune Development Board" or "CDB" means the unit established or to be established in each Project Commune which is responsible for developing, through participatory consultation with Project Beneficiaries, the Commune Development Plan, and for entering into Sub-Project Agreements, on behalf of Communes, and referred to in paragraph 11 of Section I.A of Schedule 2 to the Original Financing Agreement, or any successor thereto.

5. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).

6. "District Project Management Unit" or "DPMU" means each of the units established within each Project District to manage the overall implementation of the Project within that said District, in accordance with the provisions of paragraph 9 of Section I.A of Schedule 2 to the Original Financing Agreement and the relevant District decision, or any successor thereto.

7. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010, with the modifications set forth in Section II of this Appendix.

8. "Original Financing Agreement" means the financing agreement for a Second Northern Mountains Poverty Reduction Project between the Recipient and the Association, dated May 25, 2010 as amended to the date of this Agreement, as such agreement may be further amended from time (Credit Number 4698 -VN).

9. "Original Project" means the Project described in the Original Financing Agreement.

10. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).

11. "Procurement Plan" means the Recipient's procurement plan for the Project, dated November 24, 2014 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

12. "Provincial Project Management Unit" or "PPMU" means the unit established by each Project Province in accordance with the provisions of paragraph 7 of Section I.A of Schedule 2 to the Original Financing Agreement and pursuant to the relevant decision of each Project Province to manage the overall implementation of said Project Province's respective part of the Project; or any successor thereto.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.02 is modified to read as follows:

"Section 3.02. *Service Charge and Interest Charge*

(a) *Service Charge.* The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.

(b) *Interest Charge.* The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months."

2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the subsequent paragraphs accordingly:

"32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b)."

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by inserting the words "Interest Charges" between the words "Service Charges" and "Commitment Charges".

5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is modified by replacing the reference to Section 3.02 with Section 3.02 (a).

Section III. <u>Amendments to the Original Financing Agreement</u>

The Original Financing Agreement is amended as follows:

1. The Project development objective and Project description in Schedule 1 to the Original Financing Agreement is amended to read as set out in Schedule 1 to this Agreement;

2. The institutional arrangements in Schedule 2 to the Original Financing Agreement are amended to read as set out in Schedule 2 to this Agreement; and

3. Paragraphs 4, 7, 11, and 34 of Section I of the Appendix to the Original Financing Agreement are amended to read as set out in paragraphs 3, 4, 6, and 12, respectively, in Section I of the Appendix to this Agreement.