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# OFFICIAL DOCUMENTS

August 31, 2017

Minister Augusto Archer de Sousa Manguiera  
Ministry of Finance  
Largo da Mutamba  
Luanda, Republic of Angola

**Re: Project Preparation Advance No. 4850-AO  
(Health System Performance Strengthening Project)  
Amendment to Agreement**

Excellency:

We refer to the Project Preparation Advance Agreement (“Agreement”) for the above-referenced Project Preparation Advance (“Advance”) between the Republic of Angola (“Recipient”) and the International Bank for Reconstruction and Development (“World Bank”), dated July 13, 2017.

The Recipient and the World Bank agree to the following amendments to the Agreement:

1. Sections 2.05(c)(i), 2.05(c)(ii), and 2.05(c)(iii) of the Annex to the Agreement shall be deleted in their entirety.
2. Section 2.06 of the Annex to the Agreement shall be deleted and replaced with the following:
 

“2.06. **Procurement.** All goods, non-consulting services and consulting services required for the Activities and to be financed out of the proceeds of the Advance shall be procured in accordance with the requirements set forth or referred to in the “World Bank Procurement Regulations for Borrowers under Investment Project Financing” dated July 1, 2016 (“Procurement Regulations”) and the provisions of the Recipient’s procurement plan for the Activities dated July 10, 2017 (“Procurement Plan”) provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.”
3. Article IV of the Annex to the Agreement shall be deleted and replaced with the following:
 

“4.01. **Interest.** The Recipient shall pay interest on the Withdrawn Advance Balance at a rate, for each Interest Period, equal to the Reference Rate plus the Fixed Spread; provided, however, that the interest payable shall in no event be less than zero percent (0%) per annum. Interest shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid in arrears in accordance with the provisions of Section 4.02 of this Agreement. The Interest Period Determination Dates are January 1 and July 1 in each year.

4.02. **Repayment.** The Withdrawn Advance Balance, together with interest accrued thereon shall be repaid by the Recipient to the World Bank in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

  - (a) *Refinancing under the Refinancing Agreement:* If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with interest accrued on the Advance to the date of repayment) as soon as the Refinancing

Agreement becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such interest, in accordance with the provisions of the Refinancing Agreement.

(b) *Repayment in the absence of a Refinancing Agreement:* If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by this date, it has been so executed but terminates without becoming effective, then:

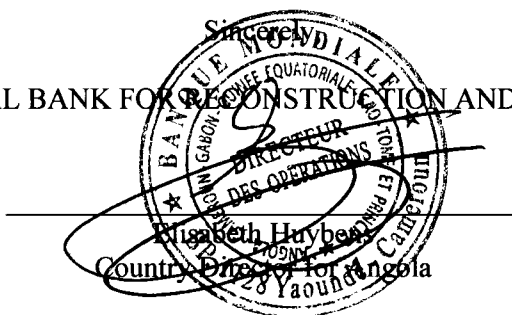
- (i) if the amount of the Withdrawn Advance Balance does not exceed US\$50,000, it shall be repaid by the Recipient to the World Bank (together with interest accrued on the Withdrawn Advance Balance to the date of repayment), on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and
- (ii) if the amount of the Withdrawn Advance Balance exceeds US\$50,000, it (together with interest accrued on the Withdrawn Advance Balance to the Notice Date) (the "Aggregate Balance") shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates ("Payment Dates") which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date ("Notice Date") of dispatch of such notice. The Recipient shall pay interest on the Aggregate Balance at a rate, for each Interest Period, equal to the Reference Rate plus the Fixed Spread, payable in arrears on each Payment Date. Notwithstanding the foregoing, if any amount of the Aggregate Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the Recipient shall pay the Default Interest Rate on such overdue amount in lieu of the interest rate specified above in this subparagraph (ii) until such overdue amount is fully paid. Interest at the Default Interest Rate shall accrue from the first day of each Default Interest Period and shall be payable semi-annually in arrears on each Payment Date."

All other terms of the Agreement shall remain the same.

Each of the Recipient and the World Bank represents, by confirming its agreement below, that it is authorized to enter into this Amendment and act in accordance with these terms and conditions.

Please confirm your agreement to the foregoing by countersigning, dating, and returning to us the enclosed copy of this letter. Upon receipt by the World Bank of the copy of this letter countersigned by you, this amendment will become effective as of the date of the countersignature.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT



CONFIRMED AND AGREED:

REPUBLIC OF ANGOLA

By: See V  
Authorized Representative

Name: ARCHER MANGUEIRA

Title: MINISTER OF FINANCE

Date: 17-11-2017

S. Exa. Archer Manguera

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08/09/2017

Cc.

Exmo. Sr. Emílio Londa  
Director do GERI  
Ministério das Finanças  
Luanda

Exmo. Sr. Ciel Cristovão  
Director da UGD  
Ministério das Finanças  
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