His Excellency Aiuba Cuereneia  
Minister of Planning and Development  
Ministry of Planning and Development  
C.P. 493 21 Av. Ahmed Sekoo Toure  
Maputo, Republic of Mozambique  

REPUBLIC OF MOZAMBIQUE: Financial Sector Technical Assistance Project  
(Credit No. 4132 MOZ)  
Amendment to the Development Credit Agreement  

Excellency:  

We refer to the Development Credit Agreement (“the Agreement”) dated December 16, 2005, for the above-referenced Project, between the Republic of Mozambique (“the Borrower”) and the International Development Association (“Association”).  

As you know, the Association fulfills its fiduciary mandate by conducting Procurement Prior Reviews as well as Procurement Post Reviews, for the projects it finances. In an effort to speed up the procurement process and in the context of overall simplification and modernization of procurement procedures, the Association proposes to increase the minimum thresholds values for contracts subject to Association’s prior review by deleting Schedule 3 of the Development Credit Agreement to be replaced with the Annex to this amendment letter.  

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

Please indicate your agreement with the foregoing amendments to the Agreement on behalf of the Recipient by countersigning and dating the two original copies of this letter and returning one countersigned original to us. Upon receipt by the Association of this countersigned copy, this amendment shall become effective as of the date of the countersignature.  

Sincerely,  
INTERNATIONAL DEVELOPMENT ASSOCIATION  
/s/ Olivier P. Godron  
Acting Country Director for Mozambique  
Africa Region  

AGREED:  
REPUBLIC OF MOZAMBIQUE  

By /s/ Aiuba Cuereneia  
Authorized Representative  

Date: 27/04/2011  

Name ______________________  
Title ___________  

Public Disclosure Authorized  
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Public Disclosure Authorized  
Public Disclosure Authorized
Annex

(Amended Schedule 3 to the Development Credit Agreement)

“SCHEDULE 3
Procurement

Section I. General

A. All goods, works and services (other than consultants’ services) shall be procured in accordance with the provisions of Section I of the “Guidelines for Procurement under IBRD Loans and IDA Credits” dated May 2004, as revised in October 2006 and May 2010 (the Procurement Guidelines), and with the provisions of this Schedule.

B. All consultants’ services shall be procured in accordance with Sections I and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” dated May 2004, as revised in October 2006 and May 2010 (the Consultant Guidelines), and with the provisions of this Schedule.

C. The capitalized terms used below in this Schedule to describe particular procurement methods or methods of review by the Association of particular contracts, have the meanings ascribed to them in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

Section II. Particular Methods of Procurement of Goods, Works, and Services (other than Consultants’ Services)

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and works for those contracts specified in the Procurement Plan: (A) Limited International Bidding; (B) National Competitive Bidding; (C) Shopping; and (D) Procurement from United Nations Agencies.

Section III. Particular Methods of Procurement of Consultants’ Services

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Selection Under a Fixed Budget; (B) Least Cost Selection; (C) Selection based on Consultants’ Qualifications; (D) Single-source Selection; and (E) Selection of Individual Consultants.

Section IV. 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.”
Cleared by and CC: M. Nadeem (LEGAF) A. Chamuco (AFTPC); J. Janeiro (CTRFC)