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Investing in rural people

Burkina Faso

Agricultural Value Chains Project in the
Southwest, Hauts-Bassins, Cascades and
Boucle du Mouhoun Regions

Addendum

Executive Board— 127th Session
Rome, 10-12 September 2019

For: Approval

Agricultural Value Chains Project in the Southwest, Hauts-Bassins, Cascades and Boucle du Mouhoun Regions

Addendum

The Executive Board is invited to consider the additions and amendments set forth below, to be included in the President's report on the Agricultural Value Chains Project in the Southwest, Hauts-Bassins, Cascades and Boucle du Mouhoun Reigons (EB 2019/127/R.31). Changes are shown in bold and strike-through is used to indicate deletions.

Page iv, Financing summary

Amount of IFAD loan (PAFA-4R): ~~EUR 59.6 million (of which EUR 8.22 million will be administered by the African Development Bank [AfDB])~~ EUR 51.4 million

Amount of IFAD loan (PAVAL): EUR 8.22 million

Terms of IFAD loans: ~~Highly concessional~~ **The loans are extended on highly concessional terms; they are exempt from interest but subject to a service commission of three quarters of a percentage point (0.75%) per annum and a repayment term of 40 years, including a grace period of 10 years calculated from the date of approval by the Executive Board. The loan principal will be repaid at a rate of 4.5% of the total principal amount per annum commencing in year 11 until year 30, and at a rate of 1% of the total principal amount commencing in year 31 until year 40**

Cofinancier: African Development Bank (AfDB)

Cooperating institution: **IFAD-IFAD for PAFA-4R and AfDB for PAVAL cofinancing**

Page 6, paragraph 52 is amended as follows:

Paragraph 52, "Costs and financing. ~~Total project cost is EUR 112 million, distributed as follows: (i) IFAD, EUR 60.5 million (EUR 59.6 million in the form of a loan and EUR 0.9 million in the form of a grant); (ii) beneficiaries, private sector and partners, EUR 7.8 million; and (iii) Government, EUR 7.0 million in the form of tax exemptions and EUR 5.0 million in cash~~", is amended as follows:-

"Total project cost is EUR 112 million, distributed as follows: (i) IFAD, EUR 60.5 million (EUR 51.40 million in the form of a loan and EUR 0.89 million in the form of a grant for PAFA-4R, and EUR 8.22 million in the form of a loan for PAVAL); (ii) beneficiaries, private sector and partners, EUR 7.8 million; and (iii) Government, EUR 7.0 million in the form of tax exemptions and EUR 5.0 million in cash"

Page 7, Table 1

The title of the first column is amended as follows:

~~"IFAD loan"~~ "IFAD loan (PAFA-4R)"

The title of the second column is amended as follows:

"IFAD loan ~~Leraba~~ (PAVAL)"

Page 7, Table 2

The title of the first column is amended as follows:

~~"IFAD loan"~~ "IFAD loan (PAFA-4R)"

The title of the second column is amended as follows:

~~"IFAD loan Leraba~~ (PAVAL)"

Page 13, paragraph 87

The recommendation is amended as follows:

~~"RESOLVED: that the Fund shall provide a loan on highly concessional terms to Burkina Faso in an amount equivalent to fifty-nine million six hundred thousand euros (EUR 59.6 million) and a grant in an amount equivalent to nine hundred thousand euros (EUR 0.9 million), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.:"~~

"RESOLVED: that the Fund shall provide a loan on highly concessional terms to Burkina Faso in an amount equivalent to fifty-one million four hundred thousand (EUR 51,400,000) and a grant under the Green Grant Initiative in an amount of eight hundred ninety thousand euros (EUR 890,000) for the PAFA-4R project, and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a loan on highly concessional terms to Burkina Faso in an amount equivalent to eight million two hundred twenty thousand euros (EUR 8,220,000) in cofinancing for the PAVAL project, and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein."

Appendix I, page 1

Negotiated financing agreement