

FIRST AMENDMENT

TO

MILLENNIUM CHALLENGE COMPACT

BETWEEN

THE UNITED STATES OF AMERICA

ACTING THROUGH

THE MILLENNIUM CHALLENGE CORPORATION

AND

THE REPUBLIC OF NAMIBIA

FIRST AMENDMENT TO MILLENNIUM CHALLENGE COMPACT

This FIRST AMENDMENT TO MILLENNIUM CHALLENGE COMPACT (this “*Amendment*”), dated as of November 10, 2008 is made by and between the United States of America, acting through the Millennium Challenge Corporation, a United States government corporation (“*MCC*”), and the Republic of Namibia (“*Namibia*”) (each referred to herein individually as a “*Party*” and collectively, as the “*Parties*”). All capitalized terms used in this Amendment that are not otherwise defined herein have the meanings given to such terms in the Compact (as defined below).

RECITALS

WHEREAS, the Parties entered into that certain Millennium Challenge Compact by and between the United States of America, acting through MCC, and Namibia, on July 28, 2008 (the “*Compact*”), pursuant to which MCC granted to Namibia, subject to the terms and conditions of the Compact, an amount not to exceed Three Hundred Four Million Four Hundred Seventy-Seven Thousand Eight Hundred Sixteen United States Dollars (US\$304,477,816) for a Compact goal to reduce poverty through economic growth in Namibia;

WHEREAS, the Parties desire to amend certain parts of the Compact as more fully described herein;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein and in the Compact, the Parties hereby agree as follows:

AMENDMENTS

1. Amendment to Section 7.1.

Section 7.1 (*Domestic Requirements*) of the Compact is amended and restated to read as follows:

“Section 7.1 Domestic Requirements. Before this Compact enters into force, Namibia will take all necessary steps to ensure that immediately upon this Compact entering into force (a) this Compact and the PIA and all of the provisions of this Compact and the PIA are valid and binding and are in full force and effect in Namibia, and (b) this Compact, the PIA and any other agreement entered into in connection with this Compact to which Namibia and MCC are parties (if so stipulated therein) are international agreements.”

GENERAL PROVISIONS

2. Further Assurances.

Each Party hereby covenants and agrees, without necessity of any further consideration, to execute and deliver any and all such further documents and take any and all such other action as may be reasonably necessary or appropriate to carry out the intent and purpose of this Amendment.

3. Effect of this Amendment.

From and after the Amendment Effective Date (as defined below), the Compact and this Amendment shall be read together and construed as one document, and each reference in the Compact to the “Compact,” “hereunder,” “hereof” or words of like import referring to the Compact, and each reference to the “Compact,” “thereunder,” “thereof” or words of like import in any supplemental agreement or in any other document or instrument delivered pursuant to the Compact or any supplemental agreement, shall mean and be construed as a reference to the Compact, as amended by this Amendment.

4. Limitations.

Except as expressly amended by this Amendment, all of the provisions of the Compact remain unchanged and in full force and effect.

5. Amendment Effective Date.

This Amendment shall enter into force on the date of the last letter in an exchange of letters between the Principal Representatives of each Party confirming that each Party has completed its domestic requirements for entry into force of this Amendment (the “*Amendment Effective Date*”).

6. Domestic Requirements.

The parties acknowledge that this Amendment may be effected through the replacement of page 14 of the Compact with an amended page reflecting the amended language as memorialized herein. This replacement page is included as the last page to this Amendment, which the parties shall initial to signify their accord to the replacement page and either party may, at its own discretion, rely on this replacement page for the Compact.

7. Governing Law.

The Parties acknowledge and agree that this Amendment is an international agreement entered into for the purpose of amending the Compact and as such will be interpreted in a manner consistent with the Compact and will be governed by the principles of international law.

8. Counterparts.

This Amendment may be executed in counterparts, each of which shall constitute an original, but when taken together, shall constitute one instrument.

9. Provisional Application.

Upon signature of this Amendment, the Parties will provisionally apply this Amendment until the Amendment Effective Date.

SIGNATURE PAGE BEGINS ON THE NEXT PAGE

IN WITNESS WHEREOF, the undersigned, duly authorized by their respective governments, have signed this Amendment as of the date first written above and this Amendment shall enter into force in accordance with the terms hereof.

FOR MILLENNIUM CHALLENGE
CORPORATION, ON BEHALF OF THE
UNITED STATES OF AMERICA

FOR THE REPUBLIC OF NAMIBIA

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Name: John Hewko
Title: Vice President, Compact
Development

Name: Professor Peter H. Katjavivi
Title: Director-General, National Planning
Commission

**SIGNATURE PAGE TO FIRST AMENDMENT TO MILLENNIUM CHALLENGE COMPACT
BETWEEN THE UNITED STATES OF AMERICA
ACTING THROUGH THE MILLENNIUM CHALLENGE CORPORATION
AND THE REPUBLIC OF NAMIBIA**

Section 6.1 United States Government will be subject to the jurisdiction of the courts or any other body of Namibia.

ARTICLE 7.

ENTRY INTO FORCE

Section 7.1 Domestic Requirements. Before this Compact enters into force, Namibia will take all necessary steps to ensure that immediately upon this Compact entering into force (a) this Compact and the PIA and all of the provisions of this Compact and the PIA are valid and binding and are in full force and effect in Namibia, and (b) this Compact, the PIA and any other agreement entered into in connection with this Compact to which Namibia and MCC are parties (if so stipulated therein) are international agreements.

Section 7.2 Conditions Precedent to Entry into Force. This Compact will not enter into force unless and until each of the following conditions have been satisfied:

- (a) the PIA must have been executed by the parties thereto and have become effective;
- (b) Namibia must have delivered to MCC:
 - (i) a certificate signed and dated by the Principal Representative of Namibia, or such other duly authorized representative of Namibia acceptable to MCC, certifying that Namibia has satisfied the requirements of Section 7.1;
 - (ii) a legal opinion from the Attorney General of Namibia (or other entity acceptable to MCC), in form and substance satisfactory to MCC; and
 - (iii) a certified copy of the Instrument of Ratification evidencing the ratification of this Compact by Namibia, which MCC may post on its website or otherwise make publicly available; and
- (c) MCC must determine that after signature of this Compact, Namibia has not engaged in any action or omission that is inconsistent with the eligibility criteria for MCC Funding.

Section 7.3 Date of Entry into Force. This Compact will enter into force on the later of (a) the date of the last letter in an exchange of letters between the Principal Representatives confirming that each Party has completed its domestic requirements for entry into force of this Compact and (b) the date that all conditions set forth in Section 7.2 have been satisfied.

Section 7.4 Compact Term. This Compact will remain in force for five years after its entry into force, unless terminated earlier under Section 5.1 (the “*Compact Term*”).

Section 7.5 Provisional Application. Upon signature of this Compact and ratification by Namibia of this Compact and until it has entered into force in accordance with Section 7.3, the Parties will provisionally apply the terms of this Compact, *provided that* no MCC Funding, other