04/09/18



Honorable Kenneth Ofori-Atta Minister of Finance Ministry of Finance Ассга

Honorable Minister:

Re: Republic of Ghana: Advance Agreement for Preparation of

Proposed Land Administration Project Phase 2 Project Preparation Advance No. IDA V2240

In response to the request for financial assistance made on behalf of Republic of Ghana ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank") proposes to extend to the Recipient an advance out of the World Bank's Project Preparation Facility in an amount not to exceed one million eight hundred thirty thousand United States Dollars (US\$ 1,830,000) ("Advance") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in financing the activities described in the Annex ("Activities"). The objective of the Activities is to facilitate the preparation of a proposed project designed to consolidate and strengthen land administration and management systems for efficient and transparent land service delivery ("Project"), for the carrying out of which the Recipient has requested the World Bank's financial assistance.

The Recipient represents, by confirming its agreement below, that: (a) it understands that the provision of the Advance does not constitute or imply any commitment on the part of IBRD or IDA to [assist in financing the Project; and (b) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of this Agreement.

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature.

> Very truly yours, INTERNATIONAL DEVELOPMENT ASSOCIATION

Country Director for Ghana Africa Region

1818 H Street NW · Washington, DC 20433 USA

AGREED REPUBLIC OF CHANA

Authorized Representative

Name CHARLES ADU ROAHEN

Title DEPUTY MINISTER

Date: 3RA SEPTEMBER, 2018

Enclosures:

- (1) "Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility", dated July 31, 2010; and
- (2) Disbursement Letter for the Advance of the same date as this Agreement, together with "World Bank Disbursement Guidelines for Projects", dated February 2017.

PPA No. IDA V2240 ANNEX

Article I Standard Conditions; Definitions

- 1.01. Standard Conditions. The "Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility" dated July 31, 2010 ("Standard Conditions"), constitute an integral part of this Agreement.
- 1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement, and the following additional terms shall have the following meanings:
 - (a) "CSAU" means client service access unit.
 - (b) "PCU" or "Project Coordination Unit" means the unit established within the recipient's Ministry of Land and Natural Resources responsible for the implementation of Land Administration Project (Cr.4870-GH).
 - (c) "Training and Workshops" means the costs associated with training and workshop participation of personnel involved in the preparation Activities, including travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training courses and workshop preparation and implementation.
 - (d) "Operating Costs" means the incremental expenses incurred on account of preparation Activities, consisting of reasonable expenditures, for the vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office and office equipment maintenance, utilities, document duplication/printing, consumables, travel costs and per diem for project staff for travel linked to the preparation Activities, and salaries of the project's contractual staff employed for purposes of the preparation Activities (but excluding salaries of civil servants).

Article II Execution of the Activities

- 2.01. **Description of the Activities.** The Activities for which the Advance is provided consist of the following parts:
 - (a) Technical assistance for pre-implementation works covering cost estimates, bid documents, technical specification review, and bid evaluation for the production of orthophotography.
 - (b) Providing technical support for the preparation of market analysis, feasibility studies for PPP in delivery of land services in the following areas: establishment and operation of Global Navigation Satellite System Network of Continuously Operating Reference Stations (CORS).

- (c) Providing technical support for preparing preliminary design and bidding documents for new and refurbishment of CSAUs.
- (d) Providing technical support to design a modern records and archival system and advice on interim records management for the lands commission.
- (e) Providing support for preliminary reorganization of lands commission records in preparation for scanning including the provision of temporary shelves.
- (f) Providing support for computation and validation of transformation parameters for the new projection system prior to flying for orthophotos.
- (g) Preparation of ESIA/EMPs and other relevant safeguard documents for selected sites for CSAU construction/renovation.
- (h) Providing technical support to PCU for the preparation and implementation of the Project activities through the provision of operating costs and qualified staff in adequate numbers, including, a project coordinator, financial management specialist, procurement specialist and a senior officer for land administration, all with qualification and experience and terms of reference satisfactory to the World Bank.
- 2.02. Execution of the Activities Generally. The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall carry out Activities through Project Coordination Unit (PCU) in the Ministry of Land and Natural Resources (MLNR) in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) 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 and as of July 1, 2016.
- 2.03. Institutional and Other Arrangements. Without limitation to the provision of paragraph 2.02 above, the Recipient shall maintain, at all times during the preparation and implementation of the Project, the PCU, established within the MLNR, with staffing and resources satisfactory to the World Bank.
- 2.04. Monitoring, Reporting and Evaluation of the Activities. The Recipient shall monitor and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the Standard Conditions.
- 2.05. *Financial Management.* (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.09 of the Standard Conditions.
- (b) The Recipient shall ensure that interim un-audited financial reports for the Activities are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
- (c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Sections 2.09 (b) of the Standard Conditions.

- (i) If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, the Recipient shall have the Financial Statements included in the first audit of financial statements required under the Refinancing Agreement.
- (ii) If, by the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, such audit of the Financial Statements shall cover the period of the Advance, commencing with the fiscal year in which the first withdrawal under the Advance was made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of the Recipient's fiscal year in which the Refinancing Date occurs.
- (iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the World Bank may request an audit of the Financial Statements prior to the Refinancing Date, covering such period as is indicated in its request. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of such period.

2.06. Procurement

All 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 IPF Borrowers" dated July 2016, revised November 2017 and August 2018 ("Procurement Regulations") and the provisions of the Recipient's procurement plan for the Activities dated August 01, 2018, ("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.

Article III Withdrawal of the Advance

3.01. Eligible Expenditures. The Recipient may withdraw the proceeds of the Advance in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the "Disbursement Guidelines for Investment Project Financing" dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the Advance ("Category"), the amount of the Advance allocated to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Advance Allocated (expressed in Dollars)	Percentage of Expenditures to be Financed (inclusive of Taxes)
Consulting services, non- consulting services, Training, and Operating Costs	1,830,000	100%
TOTAL AMOUNT	1,830,000	

- 3.02. Withdrawal Conditions. Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient, except that withdrawals up to an aggregate amount not to exceed \$183,000 equivalent may be made for payments made prior to this date but on or after August 01, 2018, for Eligible Expenditures.
- 3.03. Refinancing Date. The Refinancing Date is January 31, 2019.

Article IV Terms of the Advance

- 4.01. Service Charge. The Recipient shall pay a service charge on the Withdrawn Advance Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum. The service charge 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. Service charges shall be computed on the basis of a 360-day year of twelve 30-day months.
- 4.02. **Repayment.** The Withdrawn Advance Balance shall be repaid by the Recipient to the World Bank (together with any service charges accrued thereon) 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 any service charges 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 service charges, 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 such date or at any time thereafter, it has been so executed but terminates without becoming effective, then:
 - (i) if the amount of the Withdrawn Advance Balance does not exceed \$50,000, it shall be repaid by the Recipient to the World Bank (together with service charges

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 \$50,000, it (together with service charges 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 a service charge on the Aggregate Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum, payable in arrears on each Payment Date. The service charge shall be computed on the basis of a 360-day year of twelve 30-day months.

Article V Recipient's Representative; Addresses

- 5.01. Recipient's Representative. The Recipient's Representative referred to in Section 9.02 of the Standard Conditions is the Minister for Finance.
- 5.02. Recipient's Address. The Recipient's Address referred to in Section 9.01 of the Standard Conditions is:

Ministry of Finance P.O. Box MB40 Accra, Republic of Ghana

Telephone: 233-30-2665310

5.03. World Bank's Address. The World Bank's Address referred to in Section 9.01 of the Standard Conditions is:

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

Telex:

Facsimile:

248423 (MCI) or

(1)-202-477-6391

64145 (MCI)