

# OFFICIAL DOCUMENTS



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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

**Ghana Office**

Independence Avenue  
Plot # 3, Ridge  
Accra

Tel: (233-302) 214100  
Fax: (233-302) 227887

December 6, 2017

Honourable Kenneth Ofori-Atta  
Minister of Finance  
Ministry of Finance  
P.O. Box MB40  
Accra, Republic of Ghana

Honourable Ofori-Atta:

**Republic of Ghana: Advance Agreement for Preparation of Proposed *Greater Accra Resilient and Integrated Development Project* Preparation Advance No. V145.**

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 four million Dollars (\$ 4,000,000) ("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 strengthen flood and solid waste management, and provision of public services to targeted vulnerable communities in Odaw basin in Greater Accra Region ("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.

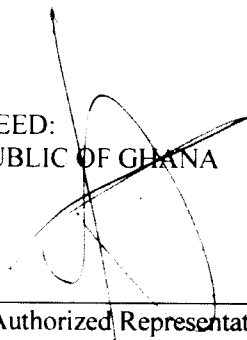
December 6, 2017

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

By Henry Kerali  
Henry Kerali  
Country Director for Ghana  
Africa Region

AGREED:  
REPUBLIC OF GHANA



By \_\_\_\_\_  
Authorized Representative

Name CHARLES ADU BOAHEN

Title DEPUTY MINISTER

Date: JANUARY 8, 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 May 1, 2006.

**PPA No. V145  
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.

**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) Prepare detailed engineering designs for drainage and flood management infrastructure based on flooding risk modeling results.
  - b) Conduct studies for improving Odaw River basin management.
  - c) Design a flood early warning and response system in Greater Accra Region.
  - d) Conduct feasibility studies for designing integrated solid waste management.
  - e) Prepare detailed engineering designs for the transfer stations.
  - f) Prepare community level maps for use in informal settlement upgrading.
  - g) Develop a strategy on livelihoods restoration and enhancement in the participating communities.
  - h) Review and finalize the report on Metropolitan Governance in Greater Accra with a focus on the establishment of a joint development planning area and establish a joint development planning board.
  - i) Prepare the environmental social impact assessment, environmental and social management framework, resettlement policy framework and resettlement action plan.
  - a) Publish, printing and disseminate the final Metropolitan Governance Report as well as any other additional reports prepared by the consultants in connection with the Project.
- 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 the Activities through the Ministry of Works and Housing 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. **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.

2.04. **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) 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. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, 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 such period.

2.05 **Procurement**

All goods, 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 ("Procurement Regulations") and the provisions of the Recipient's procurement plan for the Activities dated November 13, 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.

**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 100% of Eligible Expenditures inclusive of Taxes.

| <b>Category</b>   | <b>Amount of the Advance Allocated (expressed in Dollars)</b> | <b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b> |
|---|---|---|
| (1) Goods, works, non-consulting services and consulting services, Training and Operating Costs | 4,000,000   | 100%  |
| <b>TOTAL AMOUNT</b>   | 4,000,000   |   |

- (a) "Operating Costs" means the incremental costs incurred on account of project implementation and includes office supplies, operation and maintenance of vehicles, maintenance of equipment, communication, rental, utilities, consumables, transport and accommodation costs, and per diem but excluding the salaries of the Recipient's civil servants.
- (b) "Training" means expenditures (other than those under Consultants' Services) incurred in connection with Project related training and workshops carried out according to training plans agreed by the Association, including study tours, training courses, seminars, workshops and other training activities, including costs of training materials, facility and equipment rental, local and international travel, *per diem* costs of trainees and trainers' fees, and interpretation and translation services.

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..

3.03. **Refinancing Date.** The Refinancing Date is November 30, 2018

**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 its 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  
64145 (MCI)

(1)-202-477-6391