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CONFORMED COPY

CREDIT NUMBER 4847-GH

Financing Agreement

(Oil and Gas Capacity Building Project)

between

REPUBLIC OF GHANA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated April 11, 2011

CREDIT NUMBER 4847 -GH

FINANCING AGREEMENT

AGREEMENT dated April 11, 2011, entered into between REPUBLIC OF GHANA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to twenty four million two hundred thousand Special Drawing Rights (SDR 24,200,000) (variously, “Credit” and “Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are January 15 and July 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project, or cause it to be carried out, in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV —TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 4.02. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its Minister responsible for Finance.
- 5.02. The Recipient's Address is:

Ministry of Finance and Economic Planning
P.O. Box MB40
Accra, Ghana

Cable:	Telex:	Facsimile:
ECONOMICON Accra	2205 MIFAEP GH `	233-30-2667069 233-30-2663854

- 5.03. The Association's Address is:

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

Cable:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI)	1-202-477-6391

AGREED at Accra, Republic of Ghana, as of the day and year first above written.

REPUBLIC OF GHANA

By: /s/ Kwabena Duffuor

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: /s/ Ishac Diwan

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to support the Recipient's efforts to: (i) improve management and regulatory capacity while enhancing transparency; and (ii) strengthen local technical skills in its emerging oil and gas sector.

The Project consists of the following parts:

Part A: Resource Management and Institutional Support

1. Developing the technical capacity of: (a) the MOE for management of the petroleum sector, including refurbishing said Ministry's offices; and (b) the future petroleum regulatory agency for regulation of the petroleum sector, all through the acquisition of goods, provision of works, training and technical advisory services.
2. Installing, at the GNPC, secure electronic data storage capacity for loading petroleum data on petroleum exploration and production operations, and associated equipment, including, *inter alia*, air conditioners, firefighting equipment and backup power supply, an appropriate facility to house the national data repository, and provision of training to GNPC staff on the use of said equipment.
3. Building the capacity of EPA for environmental and social management, including: (a) provision of technical advisory services to EPA to focus on planning, management and training on environmental and social issues in the oil and gas sector; (b) strengthening the capacity for an EPA led rapid response to oil and gas sector emergency events; (c) strengthening the EPA through the acquisition of goods, provision of technical advisory services and adequate staffing; (d) advancing the use of the geographical information system to facilitate the EPA staff in collection, storage and analysis of large volumes of spatial data; (e) establishing laboratory facilities at the EPA Western Region office, and acquisition of a marine vessel; and (f) provision of training and other required technical support to EPA staff, in international best practices in the petroleum sector.
4. Strengthening the capacity of the MOFEP and the Ghana Revenue Authority for revenue management, including, *inter alia*, tax administration and fund management of oil revenues, through the acquisition of goods, provision of training and technical advisory services.
5. Enhancing the capacity for oil and gas sector governance, including: (a) strengthening the capacity of public agencies involved in oil and gas sector governance, for communication, outreach and dissemination of information; (b) strengthening sector governance by establishing an independent information resource center on oil and gas; (c) building the capacity of the secretariat supporting the Extractive Industries

Transparency Initiative (EITI) in the oil and gas sector; and (d) strengthening the information and accountability mechanisms at the local level, and anti corruption functions at the national level.

Part B: Education and Skills Development

1. Strengthening the capacity of the Recipient's training institutions including *Kikam* Technical Institute, *Takoradi* Technical Institute and the Regional Maritime University to enhance the skills of local workforce to engage in the oil and gas sector, including, *inter alia*: (a) provision of training to the staff of said institutions; (b) curriculum development and planning; and (c) upgrade of facilities in training schools; all through the provision of works, technical advisory services, training and acquisition of goods.

2. Strengthening the capacity of *Kwame Nkrumah* University of Science and Technology to enhance training in degree programs in petroleum engineering and petrochemical engineering, including: (a) improving the quality and range of courses by developing the faculty for relevant studies; (b) enhancing the learning experience for students by: (i) equipping new petroleum engineering laboratories, refurbishing and equipping the existing chemical engineering laboratories, and (ii) acquisition of text books, journals and other teaching materials for petroleum and petrochemical engineering reference courses and other programs to equip KNUST for foundational courses and engineering-related petroleum studies; (c) facilitating the graduating students to extend studies in Masters of Sciences or doctoral programs with a view to adding to the academic staff of KNUST; and (d) facilitating visiting faculty lecturers, all through the provision of works, technical advisory services, training and acquisition of goods.

Part C: Support for Project Coordination and Management

Strengthening the capacity of the Project Coordination Unit for coordination and management of the Project, and enhancing said PCU's capacity for procurement and financial management of Parts A and B of the Project, through the provision of technical advisory services, training, operating costs and acquisition of goods.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Steering Committee

- (a) The Recipient shall ensure that the Steering Committee is maintained at all times during the implementation of the Project, with a composition, mandate and resources satisfactory to the Association.
- (b) Without limitation to sub-paragraph (a) of this paragraph, the Steering Committee shall be responsible for providing oversight in the Project implementation, including, *inter alia*: (i) reviewing and endorsing for approval by the Association of the Annual Work Plans and Budgets, and ensuring their consistency with the Project Implementation Manual; (ii) reviewing progress made towards achieving the Project's objective; (iii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project; and (iv) providing comments on reports and reviews prepared by the Project Coordination Unit for the benefit of the Association.

2. Project Coordination Unit

- (a) Without limitation to the provisions of Section I.A.1(a) of this Schedule, the Recipient shall ensure that Project Coordination Unit established within the MOE is maintained at all times during the implementation of the Project with staffing and resources satisfactory to the Association, for the purpose of ensuring the prompt and efficient overall coordination, monitoring, reporting, evaluation, communication, and overall guidance of Project activities, including the supervision of the Implementing Agencies in the implementation of the Project.
- (b) Without limitation to the provisions of sub-paragraph (a) immediately above, the Project Coordination Unit shall be responsible for the technical, fiduciary (*i.e.*, financial management and procurement), consolidation of the Annual Work Plans and Budgets and monitoring and evaluation aspects of the Project.

3. Implementing Agencies

- (a) Without limitation to the provisions of Section A.1 and A.2 of this Schedule, the Recipient shall ensure that MOE, MOFEP, GNPC, EPA, COTVET and KNUST are maintained at all times during the implementation of the Project with functions, staffing and resources satisfactory to the Association, for the purpose of ensuring the prompt and efficient implementation of the Project.
- (b) Without limitation to provisions of sub-paragraph (a) immediately above: (i) MOE shall be responsible for the overall planning, implementation, coordination, monitoring, evaluation, reporting and communication of the activities under Parts A.1, A.5 and C of the Project; (ii) MOFEP shall be responsible for the overall planning, implementation, coordination, evaluation, reporting and communication of the activities under Part A.4 of the Project; (iii) EPA shall be responsible for the overall planning, implementation, coordination, evaluation, reporting and communication of the activities under Part A.3 of the Project; (iv) GNPC shall be responsible for the overall planning, implementation, coordination, evaluation, reporting and communication of the activities under Part A.2 of the Project; (v) COTVET shall be responsible for the overall planning, implementation, coordination, evaluation, reporting and communication of the activities under Part B.1 of the Project; and (vi) KNUST shall be responsible for the overall planning, implementation, coordination, evaluation, reporting and communication of the activities under Part B.2 of the Project, all in accordance with the provisions of this Agreement and the Project Implementation Manual.

B. Implementation Arrangements

1. Project Implementation Manual

The Recipient shall ensure that the Project is carried out in accordance with the arrangements, procedures and guidelines set out in the Project Implementation Manual (provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Implementation Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail) and, except as the Association shall otherwise agree, shall not amend, abrogate or waive any provision of the Project Implementation Manual without the prior written agreement of the Association.

C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

D. Environmental Safeguard Measures

1. The Recipient shall ensure that any refurbishment, upgrade or completion of any existing building under the Project is carried out in accordance with the provisions of its environmental legislation, and in a manner satisfactory to the Association.
2. If any environmental impact assessments or environmental management plans are required, prior to carrying out any refurbishment or upgrade of any building and maintenance activities under the Project, the Recipient shall ensure that:
 - (a) any necessary environmental impact assessment or environment management plans are prepared, disclosed and implemented in accordance with the Recipient's environmental laws, and in a manner satisfactory to the Association; and
 - (b) any necessary EPA approvals and permits are obtained and maintained by the Recipient and the Project Implementing Agencies in full force and effect at all times during the implementation of the Project, in accordance with the Recipient's environmental legislation, and in a manner satisfactory to the Association.

E. Annual Work Plans and Budgets

1. The Recipient shall prepare and furnish to the Association for its approval, not later than November 30 of each year during the implementation of the Project, a proposed annual work plan and budget containing all activities proposed to be carried out under the Project in the following Fiscal Year.
2. Each such proposed annual work plan and budget shall specify, among the activities, any training activities that may be required under the Project, including: (a) the type of training; (b) the purpose of the training; (c) the personnel to be trained; (d) the institution or individual who will conduct the training; (e) the location and duration of the training; (f) the cost of the training; and (g) the outcome and impact of the training.
3. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed consolidated annual work plan and budget, and thereafter to implement the Project or cause it to be implemented with due diligence in accordance with such annual work plan and budget as shall have been approved by the Association ("Annual Work Plan and Budget").

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of six months, and shall be furnished to the Association not later than forty five days after the end of the period covered by such report.
2. On or about the date twenty four (24) months after the Effective Date, the Recipient shall undertake in conjunction with the Association and the Implementing Agencies a comprehensive mid-term review of the Project during which it shall exchange views generally on all matters relating to the progress of the Project, the performance by the Recipient of its obligations under this Agreement and the performance by the Implementing Agencies pursuant to the Project Implementation Manual, having regard to the performance indicators referred to in paragraph 1 immediately above.
3. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project (Completion Report) and related plan required pursuant to that Section shall be furnished to the Association not later than six months after the Closing Date.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. The Recipient shall prepare and furnish to the Association not later than 45 days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General 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 was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

C. Specific Covenant

1. The Recipient shall, not later than six months after the Effective Date, appoint the independent auditors referred to in Section 4.09 (b) of the General Conditions, in accordance with the provisions of Section III of this Schedule.

Section III. Procurement

A. General

1. Goods and Works. All goods and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. Consultants' Services. All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. Other Methods of Procurement of Goods and Works. The following methods, other than International Competitive Bidding, may be used for goods and works for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, subject to the provisions of paragraph 3 of this Part B; (b) Shopping; and (c) Direct Contracting.
3. Exceptions to National Competitive Bidding Procedures. The following provisions shall apply to the procurement of goods and works under National Competitive Bidding procedures: (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures; (b) bidders shall be given at least one month to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and (d) in accordance with paragraph 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of

the Financing shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.14(a)(v) of the Procurement Guidelines.

C. Particular Methods of Procurement of Consultants' Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those assignments which are specified in the Procurement Plan: (a) Quality Based Selection; (b) Selection under a Fixed Budget; (c) Selection based on Consultants' Qualifications; (d) Least-Cost Selection; (e) Selection of Individual Consultants; (f) Sole Source Procedures for selection of firms; and (g) Sole Source Procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

1. 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.
2. All terms of reference for consultants' services, regardless of contract value, shall be subject to the Association's prior review.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, consultants’ services and Training for Parts A and B, except Part A.1 (b) and A.2 of the Project	13,700,000	100%
(2) Goods, works, consultants’ services and Training for Part A.1(b) of the Project	2,300,000	100%
(3) Goods, works, consultant services and Training for Part A.2 of the Project	6,400,000	100%
(4) Operating Costs for:		
(a) Parts A and B, except Part A.1(b) of the Project	400,000	100%
(b) Part A.1(b) of the Project	50,000	100%
(5) Goods, consultants’ services, Training and Operating Costs for Part C of the Project	950,000	100%
(6) Refund of Preparation Advance	400,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	24,200,000	

For the purpose of this Section IV.A.2:

- (a) the term “Training” means the cost associated with the training and workshops, based on Annual Work Plans and Budgets approved by the Association pursuant to Section I.E of Schedule 2 to this Agreement, for reasonable expenditures (other than expenditures for consultants’ services), including: (i) travel, room, board and *per diem* expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses; and
- (b) the term “Operating Costs” means the incremental expenses incurred on account of Project implementation, based on Annual Work Plans and Budgets approved by the Association pursuant to Section I.E of Schedule 2 to this Agreement, including office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel and *per diem*, excluding the salaries of the Recipient’s civil service.

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for:
 - (a) payments made prior to the date of this Agreement; and
 - (b) payments made or to be made under Categories (2) and (4)(b), until: (a) a new petroleum regulator has been established with an appropriate mandate; and (b) a functional board of directors and a chief executive have been appointed to said agency.
- 2. The Closing Date is June 30, 2015.

Section V. Other Undertakings

A. Recipient’s Counterpart Contribution

- 1. The Recipient shall, not later than twelve months after the Effective Date, make available to KNUST an amount of \$1 million as the Recipient’s contributions to the upgrade or completion of the KNUST laboratory building for housing the equipment financed under the Project.

B. KNUST's Commitment under Part B.2 of the Project

1. The Recipient shall cause KNUST to reduce its staff-student ratio enrolled for the Bachelor of Sciences degree program in the petroleum engineering faculty of KNUST. To this end, said ratio shall be reduced from 1:47 in the Academic Year 2010 to 1:18 by the Closing Date.
2. The Recipient shall, not later than eighteen months after the Effective Date, cause KNUST to recruit, pay and maintain laboratory technicians, and provide an adequate budget for running the petroleum engineering laboratory.

C. EPA's Commitment under Part B.1 of the Project

The Recipient shall: (a) not later than nine months of the Effective Date, cause EPA to recruit, pay and maintain laboratory technicians, including providing an adequate budget for running the EPA Western Region office; and (b) not later than nine months of the Effective Date ensure that EPA has made the necessary arrangements to staff the marine vessel financed under the Project, and at all times during the implementation of the Project, allocate adequate budget to cover the operating and maintenance costs of said marine vessel.

SCHEDULE 3

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each January 15 and July 15:	
commencing January 15, 2021 to and including July 15, 2030	1.25%
commencing January 15, 2031 to and including July 15, 2045	2.5%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.

APPENDIX

Section I. Definitions

1. “Academic Year 2010” means the KNUST’s academic year commencing on August 1, 2010 and ending on July 31, 2011.
2. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 with the modifications set forth in Section II of this Appendix.
3. “Annual Work Plan and Budget” means the consolidated work plan and budget for the Project prepared annually by the respective Implementing Agencies, and consolidated by the PCU (as hereinafter defined) and approved by the Association in accordance with Section I.E of Schedule 2 to this Agreement.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006 and May 2010.
6. “COTVET” means the Council for Technical and Vocational Education and Training established and operating pursuant to the Council for Technical and Vocational Education Act 2006 (Act 718) of the laws of the Recipient.
7. “EPA” means the Environmental Protection Agency, established and operating pursuant to the Environmental Management Act 1994 (Act 419), and its regulations, of the laws of the Recipient.
8. “Extractive Industries Transparency Initiative” and the acronym “EITI” mean the non-profit association established in 2002 pursuant to the laws of the Kingdom of Norway, said association consisting of representatives of governments and relevant agencies, oil, gas and mining companies, investors, asset management companies and pension funds, local civil society groups and international non-governmental organizations engaged in a voluntary global compact for the improvement of transparency in countries that are dependent on extractive industries.
9. “Fiscal Year” means the fiscal year of the Recipient commencing on January 1 and ending on December 31 of each year.
10. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.

11. “Ghana Revenue Authority” means the authority established and operating pursuant to the Ghana Revenue Authority Act 2009 (Act 791) of the laws of the Recipient.
12. “GNPC” means Ghana National Petroleum Corporation, established and operating pursuant to Ghana National Petroleum Corporation Act 1983 (Act 64) of the laws of the Recipient.
13. “Implementing Agencies” means, corporately, MOE, MOFEP, GNPC, EPA, COTVET and KNUST, each separately having the responsibility for implementing specified Part(s) of the Project as set forth in Section I.A.3 of Schedule 2 to this Agreement.
14. “*Kwame Nkrumah* University of Science and Technology” and “KNUST” means, the university established and operating pursuant to the *Kwame Nkrumah* University of Science and Technology, Kumasi Act, 1961 (Act 80) of the laws of the Recipient.
15. “MOE” means the Recipient’s Ministry of Energy and any successor thereto.
16. “MOFEP” means the Recipient’s Ministry of Finance and Economic Planning, and any successor thereto.
17. “Preparation Advance” means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on November 3, 2010, and on behalf of the Recipient on November 3, 2010.
18. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006 and May 2010.
19. “Project Implementation Manual” means the Recipient’s manual, in form and substance satisfactory to the Association, referred to in Section I.B.1 of Schedule 2 to this Agreement, and containing or referring to detailed arrangements and procedures for the implementation of the Project, including: (i) capacity building activities for sustained achievement of the Project’s objective; (ii) disbursement and financial management; (iii) institutional administration, coordination and day-to-day execution of activities of the Project; (iv) monitoring, evaluation, reporting, information, education and communication; (v) procurement; and (vi) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project, as such manual may be amended and supplemented from time to time, with the prior written approval of the Association, and such term includes all schedules and annexes to said manual.

20. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated November 15, 2010, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
21. “Project Coordination Unit” and “PCU” mean the coordination unit within MOE, and referred to in Section I.A.2 of Schedule 2 to this Agreement.
22. “Steering Committee” means the Recipient’s inter-ministerial, inter-departmental and inter-agency oversight committee established for the purpose of the Project, and referred to in Section I.A.1 of Schedule 2 to this Agreement.
23. “Western Region” means an administrative unit at the regional level established and operating pursuant to the Local Government Act, 1993 (Act 462) of the laws of the Recipient.

Section II. Modifications to the Anti-Corruption Guidelines

The modifications to the Anti-Corruption Guidelines are as follows:

1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:

“... (b) These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”
2. Section 11(a) is modified to read as follows:

“... (a) sanction in accordance with prevailing Bank’s sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in connection with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible

to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

Footnotes:

“13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank’s sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

“14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines.”

“15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank’s website and otherwise be made known to staff and other stakeholders.”