

CONFORMED COPY

CREDIT NUMBER 4439-GH

Financing Agreement

(West Africa Transport and Transit Facilitation Project)

between

REPUBLIC OF GHANA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 11, 2008

CREDIT NUMBER 4439-GH

FINANCING AGREEMENT

AGREEMENT dated July 11, 2008, entered into between REPUBLIC OF GHANA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

WHEREAS

(A) The Recipient is a member of the ECOWAS.

(B) The Program, as defined in the Appendix to this Agreement, is intended to be supported in part through several financings to be provided by the Association under this and other agreements, as well as other financings already provided by other donors to ECOWAS, WAEMU or selected members of ECOWAS, among which the African Development Fund, European Commission, and the *Banque Ouest Africaine de Développement*.

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 forty nine million one hundred thousand Special Drawing Rights (SDR 49,100,000) (variously, “Credit” and “Financing”) to assist in financing the Ghana Project Activities included in the project described in Schedule 1 to this Agreement (“Project”). The Project is part of the Program.
- 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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 February 15 and August 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 the Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall:
 - (a) carry out the MOT Project Activities in accordance with the provisions of Article IV of the General Conditions; and
 - (b) cause:
 - (i) the CEPS Project Activities to be carried out by CEPS in accordance with the provisions of Article IV of the General Conditions and the CEPS Project Agreement;
 - (ii) the GHA Project Activities to be carried out by GHA in accordance with the provisions of Article IV of the General Conditions and the GHA Project Agreement; and
 - (iii) the GPHA Project Activities to be carried out by GPHA in accordance with the provisions of Article IV of the General Conditions and the GPHA Project Agreement.
- 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 Ghana Project Activities are carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following:
- (a) An event or events have occurred after the date of the Financing Agreement, further to which an extraordinary situation has arisen, which makes it improbable that the Program, or a substantial part of the Program, can be carried out.
 - (b) The GHA Governing Document has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of GHA to perform any of its obligations under the GHA Project Agreement.
 - (c) The GPHA Governing Document has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of GPHA to perform any of its obligations under the GPHA Project Agreement.
 - (d) The CEPS Governing Document has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of CEPS to perform any of its obligations under the CEPS Project Agreement.
- 4.02. The Additional Event of Acceleration consists of the following:
- (a) Any event specified in Section 4.01 of this Agreement occurs and is continuing for a period of 30 days after notice of the event has been given by the Association to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 5.02. 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 (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its Minister responsible for finance.

6.02. The Recipient's Address is:

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

Cable address:	Telex:	Facsimile:
ECONOMICON Accra	2205 MIFAEP GH	233-21-667069 233-21-663854

6.03. 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/ Kwadwo Baah-Wiredu

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Ishac Diwan

Authorized Representative

SCHEDULE 1

Project Description

The objectives of the Project are to improve access by Burkina Faso and the Republic of Mali to the Recipient's ports as well as ports operations, and facilitate the efficient movement of traffic along the Tema – Ouagadougou - Bamako road transport corridor (the “Corridor”).

The Project consists of the following parts:

Part 1: Corridor Road Infrastructure Improvement

Improving quality and capacity of key sections of the Corridor to carry inter and intra country traffic by supporting:

(a) the rehabilitation and strengthening of key sections of the Corridor including, (i) the Ouagadougou – Sakoinsé section in Burkina Faso; (ii) the Buipe – Tamale section in Ghana; and (iii) in Mali: (A) the Bamako – Bougouni section, and (B) the Sikasso – Heremakono section, including (C) the preparatory studies for the works on the Sikasso – Heremakono section, the rest stops and the multifunctional platform in Faladié (Bamako);

(b) the construction of rest stop areas including, (i) up to two rest stops in Burkina Faso; (ii) up to two intervening transit checkpoints /rest stop areas and up to two rest stop areas on the Ghanaian section of the Corridor; and (iii) up to two rest stops in Mali;

(c) the implementation of social and environmental mitigation measures for the civil works areas in (i) Burkina Faso, (ii) Ghana, and (iii) Mali;

(d) the implementation of a Corridor specific HIV/AIDS action plan in: (i) Burkina Faso, (ii) Ghana, and (iii) Mali; and

(e) the design and implementation of Corridor specific road safety action plans in: (i) Burkina Faso, (ii) Ghana, and (iii) Mali.

Part 2: Corridor Transport and Transit Facilitation Measures

Strengthening the capacity of customs and transport authorities along the Corridor to better monitor, manage and secure the movement of transit cargo by supporting:

(a) the upgrade and extension of information communication technology to better monitor and secure the transit of goods along the Corridor including: (i) in Burkina Faso, (A) the extension of the Automated System for Customs Data ++ (“ASYCUDA++”) customs management system to the Ghanaian and Malian borders, and (B) the inter connection of the Burkina Faso ASYCUDA++ system with the Malian ASYCUDA++ and the Ghanaian Customs Management System; (ii) in Ghana, inter connection of the Ghanaian Customs Management System with the Burkina Faso ASYCUDA++ system and the Malian ASYCUDA++; and (iii) in Mali, inter connection of the ASYCUDA ++ system with the Burkina Faso ASYCUDA ++ system and the Ghanaian Customs Management System;

(b) the extension of the existing cargo tracking system to cover the whole Corridor, including: (i) in Burkina Faso, and (ii) in Mali;

(c) the improvement of mobile customs and transport authorities inspection teams’ resources to monitor and control traffic along the Corridor, including (i) in Burkina Faso, (A) the strengthening of mobile teams and the improvement of the monitoring and securing of transit traffic along the Corridor, and (B) the strengthening of capacity of customs and transport authorities to better monitor and secure transit traffic along the Corridor; (ii) in Ghana, the strengthening of capacity of customs and transport authorities to better monitor and secure transit traffic along the Corridor; and (iii) in Mali, (A) the strengthening of capacity of customs and transport authorities to better monitor and secure transit traffic along the Corridor, and (B) the rehabilitation of a multifunctional platform in Faladié (Bamako); and

(d) the construction of a transit parking facility near the Port of Tema in Ghana.

Part 3: Project Management, Monitoring and Evaluation

(a) Supporting the Project management, monitoring and evaluation, including: (i) in Burkina Faso, (A) strengthening of the national coordination, and (B) supporting the revision of the manual of accounting, administrative and financial procedures; (ii) in Ghana, (A) strengthening of the national coordination, and (B) supporting GHA, GPHA and CEPS; and (iii) in Mali, (A) strengthening of the national coordination, and (B) supporting the revision of the manuals for the implementation of the Mali Project Activities.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Under the regional policy oversight of WAEMU and its Joint Technical Committee for coordination and monitoring of the Program, the Recipient shall, throughout the implementation of the Ghana Project Activities, maintain or cause to be maintained the following implementation and coordination arrangements:

2. (a) The Steering Committee, shall be established by the Recipient's Minister responsible for transport no later than one (1) month after the Effective Date, or such later date as shall be agreed by the Association in writing, with attributions, composition and resources satisfactory to the Association.

(b) Without limitation upon the provisions of subparagraph (a), the Steering Committee shall be responsible for policy guidance and overall oversight of the Ghana Project Activities, and shall ensure communication and cooperation among the stakeholders, including road users.

(c) Without limitation upon the provisions of subparagraph (a), the Steering Committee shall include representatives of the MOT, the MHR, the MOFEP, the GHA, the GPHA and the CEPS, and shall meet on the Recipient's territory on a quarterly basis, at least during the first two years of the implementation of the Project.

3. (a) Within the MOT a Project implementation team, with resources satisfactory to the Association, including staff with terms of reference, qualifications and experience satisfactory to the Association, shall be responsible for the overall coordination, monitoring and reporting of the Ghana Project Activities.

(b) Without limitation upon the provisions of subparagraph (a), the MOT Project implementation team shall be responsible for: (i) coordination of procurement process; (ii) monitoring of compliance with the agreed schedules of implementation; (iii) review of all technical and financial reports, and preparation of Project Reports; (iv) overall financial management; and (v) periodic independent audits (including procurement audits).

4. (a) The GHA, the GPHA and the CEPS shall each be responsible for the day to day technical and fiduciary implementation of its Respective Part of the Ghana Project Activities, in accordance with annual work programs and budgets prepared on the basis of activities proposed by the GHA, the GPHA and the CEPS respectively. Said proposed activities shall be consolidated by MOT which shall make a technical recommendation to the Steering Committee for approval.

(b) The GHA, the GPHA and the CEPS shall each maintain an agency implementation team, with resources satisfactory to the Association, including staff with terms of reference, qualifications and experience satisfactory to the Association. Without limitation upon the foregoing provisions, the agency implementation team of each of GHA, GPHA and CEPS shall include, *inter alia*: (i) a coordinator, (ii) a procurement officer, and (iii) a financial officer.

B. Subsidiary Agreements

1. (a) To facilitate the carrying out of the GHA Project Activities, the Recipient shall make part of the proceeds of the Financing available to GHA on a non refundable grant basis under a subsidiary agreement between the Recipient and GHA, under terms and conditions approved by the Association, which shall include, *inter alia*: (a) GHA's commitment to comply with the provisions of the Project Manual of Administrative, Financial and Accounting Procedures, the Anti-Corruption Guidelines, and the Environment and Social Management Framework, the Environment Management Plan, and the Resettlement Policy Framework; (b) GHA's commitment to maintain, throughout the implementation of the Project, appropriate staff with terms of reference, qualification and experience satisfactory to the Recipient and the Association; and (c) monitoring, reporting, evaluation and other fiduciary obligations consistent with the Recipient's obligations under this Agreement ("GHA Subsidiary Agreement").

(b) The Recipient shall exercise its rights under the GHA Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the GHA Subsidiary Agreement or any of its provisions.

2. (a) To facilitate the carrying out of the GPHA Project Activities, the Recipient shall make part of the proceeds of the Financing available to GPHA on a non refundable grant basis under a subsidiary agreement between the Recipient and GPHA, under terms and conditions approved by the Association, which shall include, *inter alia*: (a) GPHA's commitment to comply with the provisions of the Project Manual of Administrative, Financial and Accounting Procedures, the Anti-Corruption Guidelines, and the Environment and Social Management

Framework, and the Resettlement Policy Framework; (b) GPHA's commitment to maintain, throughout the implementation of the Project, appropriate staff with terms of reference, qualification and experience satisfactory to the Recipient and the Association; and (c) monitoring, reporting, evaluation and other fiduciary obligations consistent with the Recipient's obligations under this Agreement ("GPHA Subsidiary Agreement").

(b) The Recipient shall exercise its rights under the GPHA Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the GPHA Subsidiary Agreement or any of its provisions.

3. (a) To facilitate the carrying out of the CEPS Project Activities, the Recipient shall make part of the proceeds of the Financing available to CEPS on a non refundable grant basis under a subsidiary agreement between the Recipient and CEPS, under terms and conditions approved by the Association, which shall include, *inter alia*: (a) CEPS' commitment to comply with the provisions of the Project Manual of Administrative, Financial and Accounting Procedures, the Anti-Corruption Guidelines, the Environment and Social Management Framework, and the Resettlement Policy Framework; (b) CEPS' commitment to maintain, throughout the implementation of the Project, appropriate staff with terms of reference, qualification and experience satisfactory to the Recipient and the Association; and (c) monitoring, reporting, evaluation and other fiduciary obligations consistent with the Recipient's obligations under this Agreement ("CEPS Subsidiary Agreement").

(b) The Recipient shall exercise its rights under the CEPS Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the CEPS Subsidiary Agreement or any of its provisions.

C. Manual

1. The Recipient shall ensure that the Ghana Project Activities are implemented in accordance with the provisions of the Project Manual of Administrative, Financial and Accounting Procedures and, unless the Recipient and the Association shall otherwise agree in writing, shall not amend or waive any provision of the Project Manual of Administrative, Financial and Accounting Procedures in a manner which, in the opinion of the Association, could have a material adverse impact on the implementation of the Ghana Project Activities.

D. Anti-Corruption

1. The Recipient shall ensure that the Ghana Project Activities are carried out in accordance with the provisions of the Anti-Corruption Guidelines.

E. Safeguards

1. The Recipient shall ensure that the Ghana Project Activities are implemented in accordance with the provisions of the Environmental and Social Management Framework, the Resettlement Policy Framework and the Environment Management Plan and, except as the Association shall otherwise agree in writing, the Recipient shall not amend, abrogate, repeal, suspend or waive, or permit to be amended, abrogated, repealed, suspended or waived, any provision of the aforementioned.

Section II. Project Monitoring, Reporting and Evaluation**A. Project Reports**

1. (a) The Recipient shall monitor and evaluate the progress of the Ghana Project Activities and prepare Project Reports on the Ghana Project Activities in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of six months, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.
- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
 - (i) At completion of the Ghana Project Activities, the average transit time for imports moving by container from the exit of the Port of Tema to Ouagadougou (Burkina Faso) has decreased by 20% from about 7 days to about 5.6 days;
 - (ii) At completion of the Ghana Project Activities, the average transit time for imports moving by container from the exit of the Port of Tema to Bamako (Mali) has decreased by 20% from about 15 days to about 12 days;

(iii) At completion of the Ghana Project Activities, the variance transit from the exit at the Port of Tema to Ouagadougou (Burkina Faso) has decreased by 20% from about 3 days to about 2.4 days;

(iv) At completion of the Ghana Project Activities, the variance transit from the exit at the Port of Tema to Bamako (Mali) has decreased by 20% from about 6 days to about 4.8 days;

(v) At completion of the Ghana Project Activities, the percentage of road with conditions consistent with an International Roughness Index (IRI) lower than 4.5 on the Tema/Paga portion of the Corridor has increased from 50% to 75%;

(vi) At completion of the Ghana Project Activities, the number of fixed customs checkpoints on the Recipient's territory (excluding border posts) has decreased from six to two;

(vii) At completion of the Ghana Project Activities, the border crossing time at Paga (Ghana/Burkina Faso) has decreased from 5 hours to 4 hours; and

(viii) At completion of the Ghana Project Activities, the average dwell time for transit trucks in the trucking village at Tema has decreased by 50% from 48 hours to 24 hours.

2. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Ghana Project Activities and related plan required pursuant to that Section shall be furnished to the Association not later than September 30, 2014.

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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Ghana Project Activities covering the quarter, in form and substance satisfactory to the Association.

3. No later than six (6) months after the Effective Date, or such later date as may be agreed in writing by the Association, the Recipient shall have recruited an independent external auditor for the Project, in accordance with the provisions of Section III of Schedule 2 to this Agreement, with terms of reference, qualifications and experience satisfactory to the Association, for the purpose of the audit referred to in paragraph (4) below.
4. 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 under the Project Preparation Advance was made. The audited Financial Statements for each such period, and the management letter related to such audited Financial Statements, shall be furnished to the Association not later than six months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works required for the Ghana Project Activities 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 Ghana Project Activities 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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) National Competitive Bidding
(b) Shopping
(c) Direct Contracting

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 table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Method
(a) Least-Cost Selection
(b) Selection Based on the Consultants’ Qualifications
(c) Single-Source Selection
(d) Selection Under a Fixed Budget
(e) Individual Consultants

3. **Shortlist including national consultants only.** The shortlist for the selection of consultants for each contract for consultants’ services estimated to cost less than the equivalent of \$100,000 may include national consultants only, pursuant to paragraph 2.7 of the Consultants Guidelines.

D. Review by the Association of Procurement Decisions

1. Except as the Association shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the Association:
 - (a) each contract for works estimated to cost the equivalent of \$500,000 or more;
 - (b) each contract for goods estimated to cost the equivalent of \$250,000 or more;
 - (c) each contract for goods, works and non consulting services procured on the basis of Direct Contracting;
 - (d) each contract for consultants' services provided by a firm estimated to cost the equivalent of \$100,000 or more;
 - (e) each contract for consultants' services provided by an individual estimated to cost the equivalent of \$50,000 or more; and
 - (f) each contract for consultants' services procured on the basis of Single-Source Selection.
2. All terms of reference for consultants' services estimated to cost the equivalent of less than \$50,000 shall be subject to the Association's Prior Review.
3. All Training activities will be carried out on the basis of annual budgets and programs submitted annually for the prior written approval of the Association. Said annual budgets and programs shall identify the general framework of the Training and similar activities for the year, and shall include: (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 of the Training; (f) the duration of the proposed Training; and (g) the outcome and impact of the Training.
4. All other contracts shall be subject to Post Review by the Association.

E. Procurement Audits

1. The Recipient shall have put in place arrangements, in each case satisfactory to the Association, including the recruitment of independent procurement auditors in accordance with the provisions of Section III of Schedule 2 to this Agreement, with terms of reference, qualifications and experience satisfactory to the Association, for reviewing the procurement of works, goods and consultants' services financed under the Ghana Project Activities, including the reviewing of procurement procedures and processes:
 - (i) no later than twenty-four (24) months after the Effective Date, or such later date as may be agreed in writing by the Association, and
 - (ii) no later than September 30, 2013, or such later date as may be agreed in writing by the Association.
2. The Recipient shall furnish to the Association an audit report on the procurement of goods, works and consultants' services carried out under the Ghana Project Activities, prepared by the said independent procurement auditors:
 - (i) no later than twenty-seven (27) months after the Effective Date, or such later date as the Association may agree in writing, covering the period from September 1, 2007 to the date of said report, and
 - (ii) no later than December 31, 2013, or such later date as may be agreed in writing by the Association, covering the period from the date of the report referred to in subparagraph (i) above to December 31, 2013.

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 Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Works for the GHA Project Activities	32,600,000	92.5%
(2) Goods and consultants’ services for the GHA Project Activities, and consultants’ services for the MOT Project Activities, including audits, Operating Costs and Training	5,300,000	100%
(3) Works for the GPHA Project Activities	2,850,000	92.5%
(4) Goods and consultants’ services for the GPHA Project Activities including Training	250,000	100%
(5) Works for the CEPS Project Activities	1,550,000	92.5%
(6) Goods and consultants’ services for the CEPS Project Activities including Training	900,000	100%
(7) Refund of Project Preparation Advance	950,000	Amount payable pursuant to Section 2.07 of the General Conditions
(8) Unallocated	4,700,000	
TOTAL AMOUNT	49,100,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments made prior to the date of this Agreement;
 - (b) under Categories (1) and (2) before the GHA Subsidiary Agreement, in form and substance satisfactory to the Association, has been entered into between the Recipient and GHA, and the Association has received a legal opinion from counsel acceptable to the Association and in form and substance satisfactory to the Association that the GHA Subsidiary Agreement has been duly authorized or ratified by the Recipient and GHA respectively, and is legally binding upon the Recipient and the GHA in accordance with its terms;
 - (c) under Categories (3) and (4) before the GPHA Subsidiary Agreement, in form and substance satisfactory to the Association, has been entered into between the Recipient and GPHA, and the Association has received a legal opinion from counsel acceptable to the Association and in form and substance satisfactory to the Association that the GPHA Subsidiary Agreement has been duly authorized or ratified by the Recipient and GPHA respectively, and is legally binding upon the Recipient and GPHA in accordance with its terms; or
 - (d) under Categories (5) and (6) before the CEPS Subsidiary Agreement, in form and substance satisfactory to the Association, has been entered into between the Recipient and CEPS, and the Association has received a legal opinion from counsel acceptable to the Association and in form and substance satisfactory to the Association that the CEPS Subsidiary Agreement has been duly authorized or ratified by the Recipient and CEPS respectively, and is legally binding upon the Recipient and CEPS in accordance with its terms.
2. The Closing Date is March 31, 2014.

Section V. Other Undertakings

- A. No later than thirty (30) months after the Effective Date, or such later date as may be agreed upon in writing by the Recipient and the Association, the Recipient and the Association shall carry out a mid term review of the Ghana Project Activities, covering the progress achieved in the implementation of the

Ghana Project Activities. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association three (3) months prior to the beginning of such mid term review of the Ghana Project Activities, or such other date as may be agreed in writing by the Association, a report integrating the results of the monitoring and evaluation activities performed pursuant to this Agreement, on the progress achieved in the carrying out of the Ghana Project Activities during the period preceding the date of such report, and setting out the measures recommended to ensure the efficient carrying out of the Ghana Project Activities and the achievement of the objectives of the Project during the period following such date.

- B. The Recipient shall publish, on its web site www.ghana.gov.gh; www.mofep.gov.gh; and www.mrt.gov.gh, or any other location acceptable to the Association, the results of the road block surveys carried out at the request of WAEMU and ECOWAS within two months of their finalization.

SCHEDULE 3**Repayment Schedule**

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 15 and August 15:	
commencing August 15, 2018 to and including February 15, 2028	1%
commencing August 15, 2028 to and including February 15, 2048	2%

* 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**Definitions**

1. “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.
2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. “CEPS” means the Recipient’s Customs Excise and Preventive Service, established under the Recipient’s Customs, Excise and Preventive Service Law, PNDC Law 144, 1986 and governed by the Recipient’s CEPS Management Law, PNDC Law 330, 1993.
4. “CEPS Governing Document” means the Recipient’s CEPS Management Law, 1993 (PNDC Law 330).
5. “CEPS Project Activities” means collectively the activities included in Part 1(b)(ii), relevant activities of Part 1(c)(ii), the activities included in Part 2(a)(ii) and the activities included in Part 2(c)(ii) of the Ghana Project Activities.
6. “CEPS Project Agreement” means the agreement entered into between the Association and CEPS relating to the implementation of the CEPS Project Activities, as such agreement may be amended from time to time. “CEPS Project Agreement” includes the General Conditions as applied to the CEPS Project Agreement, and all appendices, schedules and agreements supplemental to the CEPS Project Agreement.
7. “CEPS Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to CEPS.
8. “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.
9. “Corridor” means the Tema (Ghana) - Ouagadougou (Burkina Faso) - Bamako (Mali) road transport corridor.

10. “ECOWAS” means the Economic Community of West African States established among its member states by the ECOWAS Treaty of July 24, 1993.
11. “Environment Management Plan” means the guidelines, mitigation measures, monitoring tools and environment management plan included in the document entitled “Environmental Impact Assessment” prepared by SAI Consulting Engineers Private Limited at the request of the Recipient and dated December 2007.
12. “Environment and Social Management Framework” means the document entitled “Environment and Social Management Framework for the Transport Sector Development Program – TSDP (Road Sector)” prepared by the Center for Environment & Health Research & Training at the request of the Recipient and dated January 2007.
13. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).
14. “GHA” means Ghana Highway Authority established under the Recipient’s Ghana Highway Authority Decree, 1974 (N.R.C.D. 298) and governed by the Recipient’s Ghana Highway Authority Act, 1997 (Act 540).
15. “GHA Governing Document” means the Recipient’s Ghana Highway Authority Act, 1997 (Act 540), as amended until the date of this Agreement.
16. “GHA Project Activities” means collectively the activities included in Part 1(a)(ii), relevant activities of Part 1(c)(ii), Part 1(d)(ii), Part 1(e)(ii), and Part 3(a)(ii)(B) of the Ghana Project Activities.
17. “GHA Project Agreement” means the agreement entered into between the Association and GHA relating to the implementation of the GHA Project Activities, as such agreement may be amended from time to time. “GHA Project Agreement” includes the General Conditions as applied to the GHA Project Agreement, and all appendices, schedules and agreements supplemental to the GHA Project Agreement.
18. “GHA Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to GHA.

19. “Ghana Project Activities” means collectively the activities included in Part (1) (a)(ii), (b)(ii), (c)(ii), (d)(ii), (e)(ii), Part (2) (a)(ii), (c)(ii), (d), and Part (3) (a)(ii) (A) and (B) of the Project.
20. “GPHA” means Ghana Ports and Harbours Authority established and governed by the Recipient’s Ghana Ports and Harbours Authority Law, 1986 (PNDC Law 160).
21. “GPHA Governing Document” means the Recipient’s Ghana Ports and Harbours Authority Law, 1986 (PNDC Law 160), as amended until the date of this Agreement.
22. “GPHA Project Activities” means collectively relevant activities of Part 1(c)(ii), and the activities included in Part 2(d) of the Ghana Project Activities.
23. “GPHA Project Agreement” means the agreement entered into between the Association and GPHA relating to the implementation of the GPHA Project Activities, as such agreement may be amended from time to time. “GPHA Project Agreement” includes the General Conditions as applied to the GPHA Project Agreement, and all appendices, schedules and agreements supplemental to the GPHA Project Agreement.
24. “GPHA Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to GPHA.
25. “MHR” means the Recipient’s Ministry of Harbours and Railways.
26. “MOFEP” means the Recipient’s Ministry of Finance and Economic Planning.
27. “MOT” means the Recipient’s Ministry of Transportation.
28. “MOT Project Activities” means the activities included in Part 3(a)(ii), (A) of the Ghana Project Activities.
29. “Operating Costs” means the incremental operating expenses, based on annual budgets approved by the Association, incurred by GHA and MOT respectively, on account of the Project implementation, management and monitoring, including operation and maintenance costs of office, vehicles and office equipment, water and electricity utilities, telephone, office supplies, bank charges, additional staff costs, travel and supervision costs, per diem, but

excluding the salaries of officials and public servants of the Recipient's civil service.

30. "Procurement Guidelines" means the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the Bank in May 2004 and revised in October, 2006.
31. "Procurement Plan" means the Recipient's procurement plan for the Project, dated April 30, 2008 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.
32. "Program" means the first phase of Community Action Plan for Road Infrastructures and Transport ("*Programme d'Actions Communautaires des Infrastructures et du Transport Routier*") for the adoption of the community strategy and road infrastructure network within WAEMU to improve the access of Burkina Faso, Mali and Niger to the Recipient's ports of Tema and Takoradi, reduce transport costs and promote economic activity and private sector development (its first phase focusing on the rehabilitation of road sections along the Corridor to better integrate Burkina Faso and Mali to the Recipient's ports and activities to facilitate inter state road movement of goods along the Corridor), adopted by WAEMU's Council of Ministers in Dakar by Decision no. 07/2001/CM/UEMOA of September 20, 2001, and implemented in coordination with ECOWAS' Regional Road Transport and Transit Facilitation Program adopted by ECOWAS' Authority of Heads of State and Government in Dakar by Decision Dec. 10/01/03 of January 31, 2003.
33. "Project Manual of Administrative, Financial and Accounting Procedures" means the Recipient's manual, including the GHA's, the GPHA's and the CEPS' financial, administrative and accounting procedures applicable to the Ghana Project Activities, in form and substance satisfactory to the Association and the Recipient, as such manual may be amended from time to time with the prior written agreement of the Association, and such term includes any schedule to the Project Manual of Administrative, Financial and Accounting Procedures.
34. "Project Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to a first letter agreement signed on behalf of the Association on April 17, 2006 and on behalf of the Recipient on April 26, 2006 and a second letter agreement signed on behalf of the Association on May 22, 2008 and on behalf of the Recipient on June 12, 2008.

35. “Resettlement Policy Framework” means the document entitled “Resettlement Policy Framework for the Transport Sector Development Program – TSDP (Road Sector)” prepared by Alice Addai Yeboah at the request of the Recipient and dated January 2007.
36. “Steering Committee” means the committee to be established by the Recipient in accordance with Section I Paragraph A (2) of Schedule 2 to this Agreement.
37. “Training” means the training of persons involved in Project-supported activities, based on annual budgets and programs approved by the Association in writing, such term including seminars, workshops, conference and study tours, and costs associated with such activity include travel and subsistence costs for training participants, costs of securing the services of trainers, rental of training facilities, preparation and reproduction of training materials and other costs directly related to course preparation and implementation.
38. “WAEMU” means the West Africa Economic and Monetary Union (*Union Economique et Monétaire Ouest Africaine*).