GRANT NUMBER H766- GH

Project Agreement

(Additional Financing for the Urban Water Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

GHANA WATER COMPANY LIMITED

Dated September 25th, 2012
AGREEMENT dated September 25th, 2012, entered into between the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and the GHANA WATER COMPANY LIMITED ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of same date between the REPUBLIC OF GHANA ("Recipient") and the Association.

WHEREAS, the Association and the Project Implementing Entity have entered into a project agreement in connection with the Original Development Grant Agreement, dated January 5, 2005 ("Original Project Agreement").

WHEREAS, the Association has agreed to extend such additional assistance to the Recipient as referred to, and upon the terms and conditions set forth in, the Financing Agreement.

NOW THEREFORE, the Association and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Financing Agreement) constitute an integral part of this Agreement, and shall prevail in case of conflict between such General Conditions and those defined in the Original Project Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Original Development Grant Agreement, the Financing Agreement or the General Conditions.

ARTICLE II — PROJECT

2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the additional activities referred to in Schedule I to the Financing Agreement in accordance with the provisions of Article IV of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Parts of the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Association and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out its Respective Parts of the Project in accordance with the provisions of the Schedule to this Agreement.
ARTICLE III — TERMINATION

3.01. For purposes of Section 8.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity's Representative is its Managing Director.

4.02. The Association's Address is:

International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America

Cable: INDEVAS
Telex: 248423(MCI)
Facsimile: 1-202-477-6391

4.03. The Project Implementing Entity's Address is:

Post Office MB 194
Accra
Ghana

Telex: 2006 WATSEW GH
Facsimile: 233 3C2 663552
AGREED at Accra, Ghana, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Yusufa Crookes
Title: Country Director

GHANA WATER COMPANY LIMITED

By

Authorized Representative

Name: Kwaku Botwe
Title: Acting Managing Director
SCHEDULE

Execution of the Project Implementing Entity's Respective Parts of the Project

Section I. Implementation Arrangements

A. Subsidiary Agreement.

The Project Implementing Entity shall duly perform all its obligations under the Subsidiary Agreement. Except as the Association shall otherwise agree, the Project Implementing Entity shall not take or concur in any action which would have the effect of amending, abrogating, assigning or waiving the Subsidiary Agreement or any provision thereof.

B. Anti-Corruption

The Project Implementing Entity shall ensure that its Respective Parts of the Project are carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Safeguards.

1. The Project Implementing Entity shall ensure that its Respective Parts of the Project are carried out in accordance with the provisions of the EMPs, the ESMPs, the ESIAs and the RPF.

2. The Project Implementing Entity shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the EMPs, the ESMPs, the ESIAs and the RPF or any provision thereof without prior approval in writing by the Association, subject to the same approval requirements as applicable to the adoption of the said instruments.

3. The Project Implementing Entity shall ensure that, prior to carrying out any activity that is site specific: (a) an ESIA and/or an ESMP are prepared; (b) each such instrument is submitted to the Association for its review and approval; (c) each such instrument is thereafter adopted and disclosed; and (d) the relevant mitigation and monitoring provisions of the ESIA and/or the ESMP, as the case may be, are implemented in the carrying out of the Project.

4. The Project Implementing Entity shall ensure that, prior to carrying out any activity that is site specific: (a) a RAP and/or an ARAP are prepared as required under the RPF; (b) each such instrument is submitted to the Association for its review and approval as required under the RPF; (c) each such instrument is thereafter adopted and disclosed in accordance with the provisions of the RPF; and (d) the relevant mitigation and monitoring provisions of the RAP and/or the ARAP, as the case may be, are implemented in the carrying out of the Project.
Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Project Implementing Entity shall monitor and evaluate the progress of its Respective Parts of the Project and prepare Project Reports for its Respective Parts of the Project in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later two weeks after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Project Report.

2. The Project Implementing Entity shall provide to the Recipient not later than three (3) months, for incorporation in the report referred to in Section 4.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.

B. Financial Management, Financial Reports and Audits

1. The Project Implementing Entity shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to its Respective Parts of the Project.

2. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association. Each audit of these financial statements shall cover the period of one fiscal year of the Project Implementing Entity. The Project Implementing Entity shall ensure that the audited financial statements for each period shall be: (a) furnished to the Recipient and the Association not later than six months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Association.

Section III. Procurement

All goods, works and services required for the Project Implementing Entity's Respective Parts of the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.