Mr. Jockin Arputham  
President  
Shack/Slum Dwellers International  
First Floor Campground Centre  
Corner Surrey and Raapenberg  
P.O Box 14038 Mowbray 7705  
Cape Town  
South Africa

Re: Ghana: Cities Alliance Grant No. TF011280  
Building the Capacity of the Urban Poor for Inclusive Urban Development Project

Dear Mr. Arputham,

In response to the request for financial assistance made on behalf of the Shack/Slum Dwellers International ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as administrator of grant funds provided by the Bill and Melinda Gates Foundation ("Donor") under the Cities Alliance Land, Services, and Citizenship Trust Fund, proposes to extend to the Recipient a grant in an amount not to exceed two hundred fifty thousand United States Dollars (USD 250,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in the financing of the project described in the Annex ("Project").

This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donor. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donor under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds. Accordingly, in the event that the Donor cancels or fails to pay any contributions under the trust fund to the World Bank for any reason, or that as a result of currency exchange variations the amount of funds available in the trust fund is insufficient for the purposes of the Grant, the Recipient shall bear the risk of such funding shortfall and the World Bank shall not have any liability whatsoever to the Recipient or to any third parties in respect of any expenditures or liabilities incurred by the Recipient or any third parties in connection with this Agreement which exceed the amount of funds made available to the World Bank by the Donor for the purposes of the Grant.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank.
Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within ninety (90) days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose ("Effective Date").

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION
(Acting as administrator of the Cities Alliance Land, Services, and Citizenship Trust Fund)

By

S. Nur

Sergiy V. Kulyk
Acting Country Director
Ghana, Africa Region

AGREED:
SHACK/SLUM DWELLERS INTERNATIONAL

By

Authorized Representative

Name: **DR. JOCKIN ARPUTHAM**
Title: **PRESIDENT S01**
Date: **2/3/2012**

Enclosures:

(1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 31, 2010
(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds 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. The following additional terms have the meanings ascribed to them below:

(a) “Greater Accra Metropolitan Area” means the metropolitan area of Recipient’s capital city of Accra, which comprises the following eight urban districts: Accra Metropolitan Assembly, Tema Metropolitan Assembly, Adenta Municipal Assembly, Ashaiman Municipal Assembly, Ledzokuku-Krowor Municipal Assembly, Ga East Municipal Assembly, Ga West Municipal Assembly, and Ga South Municipal Assembly.

(b) “Operating Costs” means the incremental expenses incurred on account of Project implementation, consisting of reasonable expenditures for office supplies, vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office and office equipment maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project, and salaries of contractual staff for the Project (but excluding salaries of officials of the Recipient’s civil service).

(c) “Workshops and Training” means the reasonable costs associated with training and workshop participation under the Project, consisting of travel and subsistence costs for training participants, costs associated with securing the services of trainers (but excluding consulting services), rental of training facilities, preparation and reproduction of training materials, and other costs directly related to course or workshop preparation and implementation.

Article II
Project Execution

2.01. **Project Objectives and Description.** (a) The objectives of the Project are: (1) to increase the public knowledge and information available on the magnitude and characteristics of settlements of the urban poor in Greater Accra Metropolitan Area; and (2) to strengthen the capacity of communities to actively engage in constructive, results-oriented public community dialogue.

(b) The Project consists of the following parts:

1. **Increase Public Knowledge and Information**

   Development of community profiles for all slums in at least four urban districts of the Greater Accra Metropolitan Area and using the profiles to develop a slum typology which categorizes and describes the different types of slum settlements throughout the Greater Accra Metropolitan Area, including the magnitude and scale of each typology, through:

   i. Establishing a local facility to incentivize community involvement;

   ii. Carrying out a program of training and outreach, designed to enhance the community leaders’ capacity on the methods of profiling and savings;
iii. Profiling all slums in at least four urban districts of the Greater Accra Metropolitan Area;
iv. Validating community profiles through consultation with key urban stakeholders;
v. Producing and disseminating information related to community profiles and slum typology.

2. Capacity building

Carrying out of a program of training, exchange visits and outreach, designed to: (i) enhance the capacity of community leaders on methods of effective engagement with government and other stakeholders; (ii) connect and cross-pollinate learning from the four pilot urban districts to all eight urban districts of the Greater Accra Metropolitan Area; and (iii) inform key decision makers about the priorities of the communities.

3. Project Management

Strengthening the Recipient’s institutional capacity in order to carry out the coordination, monitoring and evaluation of the Project.

2.02. Project Execution Generally. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) 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 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. Donor Visibility and Visit. (a) The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor’s support for the Project.

(b) For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the Donor to visit any part of the Recipient’s territory for purposes related to the Project.

2.04. Project Monitoring, Reporting and Evaluation. (a) The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

(b) The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

2.05. Financial Management. (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

(b) The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period. Unless the World Bank shall otherwise agree, the Recipient’s final audit report on completion of the Project shall be furnished to the World Bank, one (1) month before the Closing Date.
(d) The Recipient shall, not later than twelve (12) months after the Effective Date, employ consultants whose qualifications, experience and terms and conditions of employment shall be acceptable to the World Bank, and who shall be employed in accordance with the provisions of Section 2.06 of this Agreement, in order to carry out the audits required under paragraph (c) of this Section 2.05.

2.06. **Procurement.** (a) **General.** All consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

(i) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

(ii) The provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

(b) **Definitions.** The capitalized terms used in the following paragraphs of this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

(c) **Particular Methods of Procurement of Consultants’ Services**

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Selection based on Consultants’ Qualifications; (B) Selection of Individual Consultants; and (C) Single-source procedures for the Selection of Individual Consultants.

(d) **Review by the World Bank of Procurement Decisions.** The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

**Article III**

**Withdrawal of Grant Proceeds**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may 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 World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
### Category | Amount of the Grant Allocated (expressed in USD) | Percentage of Expenditures to be Financed (inclusive of Taxes)
--- | --- | ---
Consultants' services (including audits), Workshops and Training | 211,000 | 100
Operating Costs | 39,000 | 100
**TOTAL AMOUNT** | **250,000** |  

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient, except that withdrawals up to an aggregate amount not to exceed twenty two thousand three hundred and sixty United States Dollars (USD 22,360) equivalent may be made for payments made prior to this date, but in no case prior to October 2, 2011, for Eligible Expenditures under the Project.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2013.

### Article IV  
Recipient's Representative; Addresses

4.01. **Recipient's Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its President.

4.02. **Recipient's Address.** The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

Shack/Slum Dwellers International  
First Floor Campground Center Corner Surrey and Raapenberg  
P O Box 14038 Mowbray 7705  
Cape Town  
South Africa  

Attention: Joel Bolnick  
Coordinator  

Telephone: +27 21 689 9408  
E-mail: joel@sdinet.org  
Facsimile: +27 21 689 3912

4.03. **World Bank’s Address.** The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

The World Bank  
1818 H Street, NW  
Washington, DC 20433  
United States of America