

**OFFICIAL
DOCUMENTS**

CREDIT NUMBER 5466-GH

Financing Agreement

(Additional Financing for Social Opportunities Project)

between

REPUBLIC OF GHANA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated April 10, 2015

CREDIT NUMBER 5466-GH

FINANCING AGREEMENT

AGREEMENT dated April 10, 2015, entered into between REPUBLIC OF GHANA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). 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 thirty two million four hundred thousand Special Drawing Rights (SDR 32,400,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.
- 2.06. The Payment Dates are April 15 and October 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

- 2.08. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project 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 — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Condition of Effectiveness consists of the following, namely that, the Project Implementation Manual has been updated, in form and substance satisfactory to the Association, and has been duly adopted by the Recipient.
- 4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.
- 4.03. 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 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
P.O. Box MB40
Accra, Republic of Ghana

Facsimile:

233-30-2667069

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.

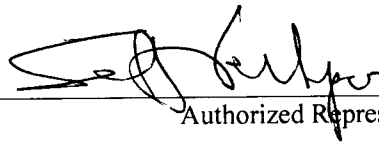
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1-202-477-6391

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

REPUBLIC OF GHANA

By

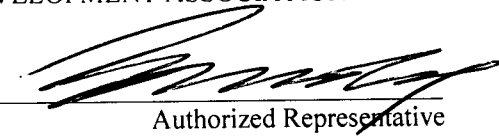

Authorized Representative

Name: Mr. Setts Tenkper

Title: Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By


Authorized Representative

Name: Yussuftha Crookes

Title: Country Director

SCHEDULE 1

Project Description

The objective of the Project is to improve targeting of social protection programs and provide income support to poor households through LEAP Grants and LIPW infrastructure in targeted Districts.

The Project consists of the Original Project and the following additional parts:

Part A: Social Protection Policy and Systems Strengthening

1. Strengthening coordination and implementation of social protection programs, including preparation of a national social protection policy, strategy, and an implementation action plan, developing mechanisms to facilitate efficient allocation and monitoring of social protection expenditures, and building the capacity of the staff of the Ministry of Finance, and the National Development Planning Commission on social protection issues, all through the provision of technical advisory services and Training.
2. Strengthening social protection systems, including establishment of the Ghana National Household Registry, and data collection and processing on households.

Part B: Labor Intensive Public Works Implementation and Capacity Building

1. Development and implementation of quick-response mechanisms against seasonal poverty, external shocks, including floods and droughts, during a crisis and maximizing local employment by providing short-term paid employment opportunities to selected rural poor households to finance costs of LIPWs, including: (i) rehabilitation and maintenance of rural feeder and access roads; (ii) rehabilitation of small earth dams, dugouts and related community infrastructure; and (iii) other works, including, soil and land conservation works for catchment protection and tree planting on communal lands.
2. Building the capacity for the MLGRD, District Assemblies and relevant agencies and institutions for implementation of the LIPW in selected Districts including, upgrading a management information system, providing training to relevant staff involved in the implementation of the LIPW, and strengthening communication, monitoring and evaluation.

Part C: Livelihood Empowerment Against Poverty Implementation and Capacity Building

1. Facilitating the implementation of the LEAP program including, improving the LEAP targeting, and providing Cash Transfers to Beneficiaries under LEAP.

2. Strengthening the institutional and personnel capacity for LEAP's operations at the national, regional and District levels, including upgrading a management information system for the LEAP, providing training to relevant staff involved in the implementation of the LEAP, and strengthening communication, monitoring and evaluation, and social accountability and grievance redress systems for the LEAP.

Part D: Project Management and Coordination

1. Strengthening the capacity of the MLGRD for management and coordination of Part B of the Project, and the National Coordinating Office and Regional Coordinating Offices for management and coordination of the LIPW Subprojects, through the provision of technical advisory services, training, and acquisition of goods.
2. Strengthening the capacity of the MoGCSP for management and coordination of Parts A and C of the Project, through the provision of technical advisory services, training, and acquisition of goods.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. National Project Steering Committee

1. The Recipient shall maintain, at all times during the implementation of the Project, a Project Steering Committee (PSC) with a mandate, composition and resources satisfactory to the Association.
2. Without limitation to the provisions of paragraph 1 immediately above, the PSC shall be responsible for, *inter alia*:
 - (a) (i) providing guidance on strategic, policy and implementation issues; (ii) coordinating activities of ministries, agencies and other stakeholders involved in Project implementation; (iii) reviewing and approving annual work plans, budget and annual reports; (iv) reviewing and assessing quarterly and annual Project progress reports and making the necessary recommendations; and (v) assessing progress towards achieving the Project's objectives and taking all necessary corrective action; and
 - (b) facilitating the coordination of Project activities among the entities represented in the PSC, and making recommendations for removal of any obstacles to the implementation of the Project.
3. MLGRD and MoGCSP

Without limitation to the provisions of Section I.A.2 immediately above, the Recipient shall at all times during the implementation of the Project, ensure that: (a) the responsibility for implementation and oversight of Parts B and D.1 of the Project is maintained within the MLGRD; and (b) the responsibility for implementation and oversight of Parts A, C and D.2 of the Project is maintained within the MoGCSP, in accordance with the provisions of the Project Implementation Manual.

B. National Coordinating Office

1. (a) To facilitate coordinated management and implementation of the Project at the national level the Recipient shall maintain at all times during the implementation of the Project, the National Coordinating Office (NCO), which shall be responsible for overseeing and coordinating Project implementation.

- (b) Without limitation upon the provisions of paragraph I.A.1 immediately above, the NCO will report directly to the chief directors of MLGRD and MoGCSP and will function as a secretariat for the PSC, and be responsible for, *inter alia*: (i) coordinating, consolidating and reviewing the Project's annual work programs, budgets and procurement plans; (ii) preparing quarterly Project progress and financial monitoring reports; (iii) disbursing Project funds to DAs and other implementing agencies, and ensuring the replenishment of Project accounts; and (iv) undertaking necessary reporting, audit, and monitoring and evaluation activities.
- 2.
 - (a) To facilitate coordinated implementation of the Project at the regional level, the Recipient shall ensure that RCCs, under the leadership of the regional ministers, will provide coordination and technical backstopping for the implementation of the Project. The Recipient's regional economic planning officer, as the head of the RPCU secretariat, will act as technical head of the Project at the regional level and will report to the regional coordinating director of the RPCU. The RPCU, with the support of the RCO, will perform, *inter alia* the following functions: (i) coordinate Project planning and execution; (ii) review and consolidate districts' annual work plans and budgets; (iii) provide technical backstopping to District Assembly staff; identify and bring on board relevant implementing agencies; (iv) undertake Project monitoring and evaluation to review progress and provide timely guidance on an as-needed basis; and (v) chair monthly meetings relating to the Project.
 - (b) The Recipient shall maintain for the duration of the Project the RCOs, under the auspices of the RPCU, with functions, staffing and resources satisfactory to the Association, for the purpose of ensuring the prompt and efficient implementation of the Project, including: (i) planning, coordination and monitoring the Project at the regional level; (ii) assisting the RCC and RPCU staff and relevant line ministries and agencies in providing timely and efficient backstopping to the DAs (e.g., review/preparation of the detailed engineering designs, procurement, contracts supervision, etc.); and (iii) support the DAs to implement annual work programs.
- 3.
 - (a) To facilitate coordinated implementation of the Project at the District level, the Recipient shall ensure that the DAs will have full responsibility for Project implementation. The DPCU, which includes the heads of the technical departments, will be responsible for the planning of activities which are selected from their development plans, in close consultation and collaboration with target communities. It will also be responsible for the timely preparation and submission of annual work programs and budgets, detailed design of LIPWs, procurement, supervision and

payment to providers of goods, works and services. Project funds will be directly transferred into DA bank accounts in accordance with the PIM.

(b) DAs will be responsible for the implementation of LIPWs.

4. Implementation of disaster risk management activities will be carried out by the DAs.

C. Project Implementation Manual

1. The Recipient shall carry out the Project in accordance with the arrangements and procedures set out in the Project Implementation Manual containing, *inter alia*, detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; (f) the Recipient's detailed rules and regulations to be followed for determining eligibility and selection of Beneficiaries and disbursement of Cash Transfers to such Beneficiaries under Part C.1 of the Project; and (g) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Project Implementation Manual without the prior written agreement of the Association; 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.

D. Cash Transfers

1. (a) For the implementation of Part C.1 of the Project, the Recipient shall provide Cash Transfers to Beneficiaries in accordance with eligibility criteria and procedures acceptable to the Association, and described in the Recipient's program guidelines and as specified in the PIM.

(b) Each Cash Transfer shall be in an amount which the Association and the Recipient are satisfied meets the reasonable cost of maintaining the Beneficiary's needs within the parameters defined by the Recipient's responsible agency.

(c) The Recipient shall ensure that the amount of each Cash Transfer is used by the Beneficiary for its intended purpose.

2. Independent Verification

- (a) The Recipient shall, not later than three (3) months after the Effective Date, engage an independent expert to verify the list of Cash Transfer Beneficiaries for the purpose of Part C.1 of the Project in accordance with the provisions of Section III of this Schedule, whose terms of reference, qualifications and experience and terms and conditions of employment shall be satisfactory to the Association.
- (b) The Recipient shall, not later than six (6) months after the Effective Date, submit to the Association the technical audit report satisfactory to the Association related to the use of the proceeds of the Cash Transfer for the first three months of the Project and, thereafter, not later than forty-five (45) days after the end of each nine (9) calendar months, submit to the Association independent verification report referred to in Section II.B.4 of this Schedule for period covering the nine (9) months. The final independent verification report shall be furnished to the Association not later than four (4) months after the end of last withdrawal of the proceeds of the Credit allocated to Cash Transfers under Category (3) of the table set forth in Section IV.A.1 of Schedule 2 to this Agreement.

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, an Annual Work Plan and Budget containing all eligible Project activities and expenditures planned for the Recipient's following fiscal year and shall ensure that the Project is implemented in accordance with the approved Annual Work Plans and Budgets.
2. The Recipient shall not make or allow to be made any change to the approved Annual Work Plan and Budget without prior agreement in writing of the Association.

F. Environmental and Social Safeguards Management

1. The Recipient shall carry out the Project in accordance with the ESMF and the RPF, and any environmental management plans or any resettlement action plans.
2. Without limitation to the provisions of paragraph 1 of this Part F, the Recipient shall, prior to any construction, rehabilitation and maintenance activity under the Project: (a) as and when required under the ESMF or the RPF, carry out in accordance with the ESMF or RPF (as applicable), an assessment of such activity; (b) in the event that on the basis of such assessment, such activity, if

carried out, would have a potential for adverse impact, not permit such activity to be carried out until an appropriate environmental management plan, resettlement action plan or other plan, as required, under the ESMF or RPF (as applicable) has been prepared and adopted by the Recipient to mitigate such potential adverse impact; and (c) thereafter, ensure that the agreed plan (or plans, as the case may be) referred to in (b) above is (or are) carried out with due diligence.

3. The Recipient shall not abrogate, amend or waive, or permit to be abrogated, amended or waived, the ESMF or RPF (as applicable) (including any environmental impact assessments, environmental management plans and resettlement action plans prepared under paragraph 2 of this Part F) or any provision thereof, without prior agreement in writing of the Association.
4. The Recipient shall monitor and regularly report to the Association, including through the Project Reports referred to in Part A of Section II of this Schedule, the status of compliance with the ESMF and RPF (including any environmental impact assessments, environmental management plans and resettlement action plans prepared under paragraph 2 of this Part F), giving details of: (a) measures taken or to be taken in accordance with the said frameworks, assessments and plans; (b) conditions, if any, which interfere or threaten to interfere with the implementation of the said frameworks, assessments and plans; and (c) remedial measures taken or to be taken to address such conditions.

G. Policy on Use of Labor Intensive Methods

The Recipient shall maintain the post-national consultation draft policy on the use of labor-intensive methods.

H. Anti-Corruption

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

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 the 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 (45) days after the end of the period covered by such report.
2. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall

be furnished to the Association not later than six (6) 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. 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 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. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.
4. The Recipient shall have independent verification reports of the delivery of funds for Cash Transfers under Part C.1 of the Project carried out by auditors acceptable to the Association and according to terms and reference satisfactory to the Association as set forth in the Project Implementation Manual. .

Section III. Procurement

A. General

1. **Goods, works and Non-consulting Services.** All works, goods and non-consulting 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 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Works, Goods and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, works, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for goods, works and non-consulting services 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 1.16(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 1.16(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) Least-Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of

Individual Consultants; and (g) Single-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.
3. All training activities under the Project shall be specified in the relevant Annual Work Plan and Budget for approval by the Association, 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.

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) Goods, non-consulting services, consultants' services, Operating Costs and Training for Parts A, C.2 and D.2 of the Project	10,200,000	100%

(2) Goods, works, non-consulting services, consultants' services, Operating Costs and Training for Parts B and D.1 of the Project	15,700,000	100%
(3) Cash Transfers under Part C.1 of the Project for the LEAP	6,500,000	100% of amounts paid by the Recipient under the Cash Transfer
TOTAL AMOUNT	32,400,000	

For the purpose of the table set forth in this Section IV.A.2 immediately above:

- (a) the term "Operating Costs" means the incremental expenses incurred on account of Project implementation, based on Annual Work Plans approved by the Association pursuant to Section I.F of Schedule 2 to this Agreement, including office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel, per diem and supervision costs of locally contracted employees, excluding the salaries of the Recipient's civil service.
- (b) the term "Training" means the cost associated with the training, workshops and study tours, based on Annual Work Plans approved by the Association pursuant to Section I.E of Schedule 2 to this Agreement and Budget, including approved study tours, workshops, travel and subsistence costs for training participants, costs associated with 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.

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; or
 - (b) for payment of Cash Transfers under Category (3), unless the Recipient has issued a complete list of Beneficiaries eligible to receive Cash Transfers in accordance with the eligibility criteria set forth in the Project Implementation Manual, verified by an independent expert recruited under Section I.D.2 of this Schedule 2, and in a manner satisfactory to the Association (as the list may be updated from time to time with prior consultation and agreement of the Association).

2. The Closing Date is June 30, 2017. The Closing Date set forth in Section IV.B.2 of Schedule 2 to the Original Financing Agreement shall be June 30, 2017.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 15 and October 15:	
commencing October 15, 2019, to and including April 15, 2029	1.65%
commencing October 15, 2029, to and including April 15, 2039	3.35%

* 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. “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, and revised in January 2011.
2. “Beneficiary” means a household which is eligible pursuant to the PIM to receive, or an actual recipient of, a Cash Transfer under Part C.1 of the Project, or to carry out an LIPW activity under Part B.1 of the Project.
3. “Cash Transfer” means a non-refundable grant by the Recipient to a Beneficiary made or to be made in accordance with the provisions of the Project Implementation Manual.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “Community Work” means works undertaken by community members (to be selected by such communities in accordance with the PIM) in the Recipient’s territory in which Part B of the Project is implemented and for which: (i) there is an element of volunteerism; and (ii) the piece work rates are applied (such rates being based on the prevailing local market rates for similar works).
6. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011.
7. “Displaced Person” means a person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.
8. “District Assembly” or “DA” means a District Assembly established pursuant to the Recipient’s Local Government Act of 1993 (Act 462).
9. “DPCU” means a District Planning Coordination Unit established pursuant to the Recipient’s Local Government Act of 1993 (Act 462).
10. “ESMF” means the Recipient’s Environmental and Social Management Framework, dated January 2010 as updated on February 2014, and disclosed in

the territory of the Recipient on March 17, 2014, and in the Association's InfoShop on March 17, 2014, as the said framework may be amended and/or supplemented from time to time with the prior written approval of the Association, setting forth the policy framework, principles, standards, processes and institutional arrangements to be applied to assess potential adverse environmental, physical cultural property and social impacts associated with activities under Part B of the Project and the ways to avoid, minimize, mitigate or offset them, including public consultation, disclosure and reporting.

11. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
12. "Fiscal Year" or "FY" mean the Recipient's fiscal year beginning on January 1 and ending on December 31 of each year.
13. "LEAP" means the Recipient's Livelihood Empowerment Against Poverty program adopted on March 8, 2007 which is being partly supported under Part C of the Project.
14. "LIPW" means an acronym for labor intensive public works.
15. "MLGRD" means the Recipient's Ministry of Local Government and Rural Development.
16. "MoF" means the Recipient's Ministry of Finance.
17. "MoGCSP" means the Recipient's Ministry of Gender, Children and Social Protection.
18. "National Coordinating Office" or "NCO" means the Project national coordination office within the MLGRD.
19. "Original Financing Agreement" means the financing agreement for a Social Opportunities Project between the Recipient and the Association, dated September 8, 2010 (Credit No. 4735 - GH).
20. "Original Project" means the Project described in the Original Financing Agreement.
21. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.
22. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 24, 2010, as updated through the Procurement Plan dated April 14,

2014, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

23. "Project Implementation Manual" or "PIM" means the Recipient's Project Implementation Manual referred to in Section I.C of Schedule 2 to this Agreement.
24. "Project Steering Committee" means the committee referred to in Section I.A of Schedule 2 to this Agreement.
25. "Regional Coordinating Council" or "RCC" means the Regional Coordinating Council established pursuant to the Recipient's Local Government Act of 1993 (Act 462).
26. "Regional Planning and Coordinating Unit" or "RPCU" means the Regional Planning and Coordinating Unit established pursuant to the Recipient's National Planning Systems Act, 1993 (Act 488).
27. "RPF" means the Recipient's Resettlement Policy Framework, dated January 2010 as updated on February, 2014, and disclosed in the territory of the Recipient on March 17, 2014, and in the Association's InfoShop on March 17, 2014, as the said framework may be amended and/or supplemented from time to time with the prior written approval of the Association, setting forth resettlement procedures, institutional arrangements, eligibility criteria, entitlements and compensation of Displaced Persons under the Project, including valuation procedures, budget, public consultation and participation, monitoring and evaluation and disclosure.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. Section 3.02 is modified to read as follows:

"Section 3.02. *Service Charge and Interest Charge*

- (a) *Service Charge.* The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.
- (b) *Interest Charge.* The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing

Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.”

2. Paragraph 28 of the Appendix (“Financing Payment”) is modified by inserting the words “the Interest Charge” between the words “the Service Charge” and “the Commitment Charge”.
3. The Appendix is modified by inserting a new paragraph 32 with the following definition of “Interest Charge”, and renumbering the remaining paragraphs accordingly:

“32. “Interest Charge” means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b).”
4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix (“Payment Date”) is modified by inserting the words “Interest Charges” between the words “Service Charges” and “Commitment Charges”.
5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix (“Service Charge”) is modified by replacing the reference to Section 3.02 with Section 3.02(a).