Hon Ken Ofori-Atta  
Minister  
Ministry of Finance,  
P.O. Box MB 40  
Accra, Ghana  

Dear Honourable Minister,

Re: Republic Ghana: Greater Accra Metropolitan Area Water and Sanitation Project – (Grant No. H8540-GH)  
Amendment to the Financing Agreement

We refer to the Financing Agreement (Agreement), dated December 17, 2013 between the Republic of Ghana (“Recipient”) and the International Development Association (“Association”) (as amended). We also refer to your letters to the Association dated May 18, 2017 proposing certain amendments to the Agreement. We are pleased to notify you that the Association concurs with your request and proposes to amend the Agreement as follows:

1. Schedule 1 (Project Description) to the Agreement is amended as follows:
   (a) Part A.1 of the Project is amended by deleting paragraphs "(e)" and "(f)" in their entirety and replacing them with the following: "(f) establishing and capitalizing a Sanitation Fund to facilitate access to financing for the installation of sanitation facilities; (g) improving drainage in flood prone communities."
   (b) Part C.1 of the Project is amended by deleting paragraph (b) in its entirety and renumbering paragraphs "(c)" and "(d)" as "(b)" and "(c)" respectively.
   (c) Part D of the Project is amended by including an additional activity: “7. Strengthen the capacity of MSWR to oversee and manage water and sanitation services.”

2. Section B.1 (c) of Schedule 2 (Project Execution) to the Agreement is amended by adding the following words at the end of the paragraph "including the Sanitation Fund;"

3. A new Section 1.G is added to Schedule 2 to the Agreement to read as follows: "Sanitation Fund: In implementing Part A.1 (f) of the Project, the Recipient shall select the communities and the sanitation facilities to be constructed in accordance with eligibility criteria set forth in the Project Implementation Manual.

4. The table set forth in Section IV.A. 2 and Section IV.B of Schedule 2 to the Agreement are amended as forth in Annex 1 to this Amendment.
5. The Appendix (Definitions) to the Agreement is amended as follows:

(a) Paragraph 16 is deleted in its entirety and replaced with the following “MSWR” means the Recipient’s Ministry of Sanitation and Water Resources and all references to “the Ministry of Local Government and Rural Development”: or “MLGRD” in the Agreement are amended mutatis mutandis to read as the “Ministry of Sanitation and Water Resources” or “MoSWR” respectively.

(b) A new paragraph 18 is added and reads as follows: “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.

(c) The former paragraphs “18-25” are renumbered as paragraphs “19-26.”

(d) A new paragraph 27 is added and reads as follows: “Sanitation Fund means a fund to be established by the Recipient (under Part A.1(f) of the Project to facilitate access to financing for installation of sanitation facilities;

(e) the former paragraphs “27 –28” are renumbered as paragraphs “28-29” respectively;

(f) A new paragraph 30 is added and reads as follows: “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.F of Schedule 2 to this Agreement, for reasonable expenditures (other than expenditures for consultants’ services), including: (i) travel, room, board and per diem expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.”

(g) The former paragraph 29 is renumbered paragraph 31.

All the other provisions of the Agreement that have not been amended, shall remain unchanged and in full force and effect.

Please confirm the Recipient’s agreement with the foregoing Amendment letter by signing, dating and returning to us the enclosed copy of this Amendment letter. Upon receipt by the Association of the countersigned copy of this Amendment letter, this Amendment letter will become effective as of the date of the countersignature.
Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Henry Kerali
Country Director for Ghana
Africa Region

AGREED:
REPUBLIC OF GHANA

By
Authorized Representative

Name: Charles Adu-Buahen
Title: Deputy Minister
Date: 27th June 2017

MINISTRY OF FINANCE
DEPUTY MINISTER (F)
### Annex 1

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services,</td>
<td>61,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs and Training under Parts A, C, D.1, D.2,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D.3, D.5 and D.6 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants' services,</td>
<td>33,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs and Training under Parts B and D.4 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Refund of Preparation Advance</td>
<td>0</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(4) Sanitation Fund under Part A.1 (i) of the Project</td>
<td>5,500,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>100,100,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

#### 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; and,
   
   (b) category 4 of the Project until the Recipient has updated the PIM with details on the Sanitation Fund and a plan for its effective implementation in a manner satisfactory to the Association.

2. The Closing Date is May 31, 2020.