Honorable Seth E. Terkper  
Minister of Finance and Economic Planning  
Ministry of Finance and Economic Planning  
Accra,  
Republic of Ghana

Honorable Minister:

Re: Multi-Donor Trust Fund for Extractive Industry Transparency Initiative Implementation Support  
Grant No. TF0A0290  
EITI Post-Compliance II Project

In response to the request for financial assistance made on behalf of the Republic of Ghana ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank"), acting as administrator of grant funds provided by Australia, Belgium, Canada, Denmark, the European Union represented by the European Commission, Finland, France, Germany, Japan, the Netherlands, Norway, Spain, Switzerland, the United Kingdom, and the United States ("Donors") under the Multi-Donor Trust Fund for Extractive Industries Transparency Initiative Implementation Support, proposes to extend to the Recipient a grant in an amount not to exceed four hundred thousand United States Dollars (U.S.$400,000) ("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 Donors. 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 Donors under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

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 set forth in page 1 of this Agreement.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Yusupha B. Crookes
Country Director for Ghana
Africa Region

AGREED:

REPUBLIC OF GHANA

[Signature]

Authorized Representative

Name: CASSIEL ATO FORSON MP
Title: DEPUTY MINISTER (F)
Ministry of Finance
Date: 22/6/2015

Accra

Enclosures:

(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 February 15, 2012 (“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, and the following additional terms shall have the meanings set forth below:

(a) “EITI” means the Extractive Industry Transparency Initiative.

(b) “EITI Multi-Stakeholder Group” means the national steering committee established by the Recipient to serve as the governing body for the Recipient’s EITI, and consisting of representatives of the Recipient’s relevant ministries and agencies and stakeholders from civil society, the oil, gas and mining sectors.

(c) “Fiscal Year” means a period beginning on January 1 and ending on December 31 of the same calendar year.

(d) “Ghana EITI Secretariat” means the Recipient’s secretariat, under the Ministry of Finance and Economic Planning, in charge of implementing EITI work programs, or any successor thereto.

(e) “Ministry of Finance and Economic Planning” means the Recipient’s ministry responsible for finance, or any successor thereto.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to strengthen the capacity of the EITI Multi-Stakeholder Group to improve quality, policy relevance and scope of the Recipient’s EITI.

The Project consists of the following parts:

Part 1: **Production of EITI Report covering both oil and gas and mining revenues for the 2014 fiscal year**

Provision of technical assistance, including information collection, analysis and drafting, for the preparation of the Recipient’s EITI report for the 2014 fiscal year.
Part 2: Consultations and training

(a) Provision of training and capacity building for the EITI Secretariat, the EITI Multi-Stakeholder Group, and other stakeholders, including with respect to revenue management, EITI sensitization, petroleum local content and participation regulations, the legal framework for petroleum exploration and production; and (b) participation in international seminars and workshops on EITI.

Part 3: Project Management

Provision of support for Project monitoring and evaluation, and fiduciary management, including audits.

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, through the Ghana EITI Secretariat, 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. Institutional, Implementation and Other Arrangements

(a) Ghana EITI Secretariat

The Recipient shall maintain, at all times during the implementation of the Project, the Ghana EITI Secretariat, with a composition, mandate terms of reference, functions, and resources satisfactory to the World Bank, to be responsible for, inter alia, overall Project implementation, coordination, planning, monitoring and evaluation, reporting, and fiduciary (procurement and financial) management.

(b) Work Plan and Budget

(i) The Recipient shall implement the Project or cause it to be implemented with due diligence in accordance with a work plan and budget, as shall have been approved by the World Bank (“Work Plan and Budget”), containing all activities, including any training activities, proposed to be carried out under the Project.

(ii) Only those activities which are included in a Work Plan and Budget pursuant to the provisions of this Section 2.03(b) shall be eligible for financing out of the proceeds of the Grant. Notwithstanding the foregoing, a Work Plan and Budget may be amended from time to time to include new activities with the prior written agreement of the World Bank.

(c) The Recipient shall ensure that the terms of reference for any technical assistance, training or studies to be carried out under the Project are prepared in form and substance satisfactory to the World Bank, and consistent with the World Bank’s environmental and social safeguards policies, as well the Recipient’s own laws relating to environmental and social matters.
(d) The Recipient shall not use the proceeds of the Grant for the purpose of any payment to persons or entities, or for the import of goods, if such payment or import, to the Recipient’s knowledge or belief, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, including under United Nations Security Council Resolution 1373 and related resolutions.

2.04. **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 Donors’ 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 Donors to visit any part of the Recipient’s territory for purposes related to the Project.

2.05. **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 (1) calendar quarter, 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.

2.06. **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 quarter, covering the quarter, 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. Such audit of the Financial Statements shall cover the period of one (1) Fiscal Year of the Recipient. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the Closing Date. Without limitation upon the foregoing, if the period of implementation of the Project extends beyond December 31, 2015, the Recipient shall, upon the World Bank’s request, have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions, and each such audit of the Financial
Statements shall cover the period indicated in the World Bank’s request and shall be submitted no later than six (6) months after the date of the World Bank’s request.

2.07. **Procurement**

(a) **General.** All goods, non-consulting services, and 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:


(ii) 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 (revised July 2014)(“Consultant Guidelines”), in the case of consultants’ services; and

(iii) 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 1.18 of the Procurement Guidelines and 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 and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

(c) **Particular Methods of Procurement of Goods and Non-consulting Services**

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts which are specified in the Procurement Plan: (A) National Competitive Bidding, subject to the additional provisions set forth in sub-paragraph (iii) below); (B) Shopping; and (C) Direct Contracting.

(iii) The following provisions shall apply to the procurement of goods and non-consulting services under National Competitive Bidding procedures:
(A) foreign bidders shall be allowed to participate in National Competitive Bidding procedures without any restrictions;

(B) bidders shall be given at least one (1) 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

(D) in accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Grant shall provide that: (1) the bidders, suppliers, contractors, and subcontractors shall permit the World Bank, 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 World Bank; and (2) the deliberate and material violation by the bidder, supplier, contractor, or subcontractor of such provision may account to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

(d) **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, other than Quality- and Cost-based Selection, may be used for the 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) Selection of Individual Consultants; and (G) Single-source procedures for the Selection of Individual Consultants.

(e) **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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consultants' services, Training and Operating Costs under the Project</td>
<td>400,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>400,000</td>
<td></td>
</tr>
</tbody>
</table>

For purposes of this Section 3.01:

(a) the term “Operating Costs” means the incremental expenses incurred on account of Project implementation, based on a Work Plan and Budget approved by the World Bank pursuant to Section 2.03(b) of this Annex to the Agreement, including office equipment and supplies, vehicle operation and maintenance, communication, insurance costs, office administration costs, utilities, travel, and per diem, excluding the salaries of the Recipient’s civil service; and

(b) the term “Training” means the cost associated with the training and workshops, based on a Work Plan and Budget approved by the World Bank pursuant to Section 2.03(b) of this Annex to the 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; (iv) training material preparation, acquisition, reproduction and distribution expenses; and (v) other costs directly related to training preparation and implementation.

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 this Agreement by the Recipient.

3.03. Withdrawal Period. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is December 31, 2015.
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 minister responsible for finance.

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

- Ministry of Finance
- P.O. Box MB40
- Accra, Republic of Ghana

Facsimile:

233-30-2667069

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

- International Development Association
- 1818 H Street, N.W.
- Washington, D.C. 20433
- United States of America

Cable: INDEVAS
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391