Honorable Seth Emmanuel Terkper  
Minister of Finance and Economic Planning  
Ministry of Finance and Economic Planning  
Accra  
Republic of Ghana  

Re: GHANA: Advance Agreement for Preparation of Greater Accra Metropolitan Area (GAMA) Sanitation and Water Project – Project Preparation Advance  
No.Q852 – Amendment to the Letter-Agreement

Honorable Minister:

We refer to the Letter-Agreement between the Republic of Ghana ("Recipient") and the International Development Association ("World Bank") for the above captioned Project Preparation Facility, signed on behalf of the World Bank on March 14, 2013, and on behalf of the Recipient on April 24, 2013 ("Letter-Agreement").

The Association proposes to make a certain correction to the provisions of Article IV of the Annex to the Letter-Agreement and to amend the Letter-Agreement. Consequently, Article IV to the Letter-Agreement shall be amended as follows:

"Article IV  
Terms of the Advance"

4.01. Service Charge. The Recipient shall pay a service charge on the Withdrawn Advance Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum. The service charge shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid in arrears in accordance with the provisions of Section 4.02 of this Agreement. Service charges shall be computed on the basis of a 360-day year of twelve 30-day months.

4.02. Repayment. The Withdrawn Advance Balance shall be repaid by the Recipient to the World Bank (together with any service charges accrued thereon) in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

(a) Refinancing under the Refinancing Agreement: If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with any service charges accrued on the Advance to the date of repayment) as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such service charges, in accordance with the provisions of the Refinancing Agreement.

(b) Repayment in the absence of a Refinancing Agreement: If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by such date or at any time thereafter, it has been so executed but terminates without becoming effective, then:

(i) if the amount of the Withdrawn Advance Balance does not exceed $50,000, it shall be repaid by the Recipient to the World Bank (together with service charges accrued on the
Withdrawn Advance Balance to the date of repayment) on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and

(ii) if the amount of the Withdrawn Advance Balance exceeds $50,000, it (together with service charges accrued on the Withdrawn Advance Balance to the Notice Date) (the “Aggregate Balance”) shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates (“Payment Dates”) which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date (“Notice Date”) of dispatch of such notice. The Recipient shall pay a service charge on the Aggregate Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum, payable in arrears on each Payment Date. The service charge shall be computed on the basis of a 360-day year of twelve 30-day months.”

All other provisions of the Letter-Agreement, as amended herein, shall remain in full force and effect.

Please indicate your agreement with the foregoing amendment to the Letter-Agreement on behalf of the Recipient by countersigning and dating the two original copies of this letter and returning one countersigned original to us. The amendments to the Letter-Agreement set forth in this letter (the Amendment) shall become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Yusupha B. Crookes
Country Director for Ghana
Africa Region

AGREED:

Republic of Ghana

By

Authorized Representative

Name

Title

Date: P. O. BOX MB 40

ACCRA