
SCF-FIP LOAN NUMBER TF0A9474

*Strategic Climate Fund – Forest
Investment Program*
Loan Agreement

(Additional Financing for Enhancing Natural Forest and
Agroforest Landscapes Project)

between

REPUBLIC OF GHANA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as an implementing entity of the Forest Investment Program under the
Strategic Climate Fund

Dated

January 17, 2020

PARLIAMENT OF GHANA LIBRARY

SCF LOAN NUMBER TF0A9474

**STRATEGIC CLIMATE FUND
LOAN AGREEMENT**

AGREEMENT dated January 17, 2020 entered into between: REPUBLIC OF GHANA ("Borrower") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as an implementing entity of the Forest Investment Program ("FIP") under the Strategic Climate Fund ("SCF").

The Borrower and the World Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard 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 Standard Conditions or in the Appendix to this Agreement.

**Article II
Loan**

- 2.01. The World Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of seven million United States Dollars (\$7,000,000) ("Loan"), to assist in financing Part 2(d) of the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Loan is funded out of the resources made available to the World Bank as an implementing entity of the SCF. In accordance with Section 3.02 of the Standard Conditions, the World Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it from the SCF trust fund, and the Borrower's right to withdraw the Loan proceeds is subject to the availability of such funds.
- 2.04. The Management Fee payable by the Borrower, pursuant to Section 4.01(a) of the Standard Conditions, shall be equal to forty-five one hundredth of one percent (0.45%) of the Loan.

- 2.05. The Service Charge payable by the Borrower on the Withdrawn Loan Balance shall be equal to one-fourth of one percent (1/4 of 1%) per annum.
- 2.06. The Payment Dates are April 1 and October 1 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is USD.

**Article III
The Project**

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project through its Ministry of Lands and Natural Resources ("MLNR") in accordance with the provisions of Article II of the Standard Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the World Bank shall otherwise agree, the Borrower 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 consist of the following, namely that all conditions precedent to the effectiveness of the Additional Financing Grant Agreement have been fulfilled, other than those related to the effectiveness of this Agreement
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

**Article V
Borrower's Representative; Addresses**

- 5.01. The Borrower's Representative referred to in Section 10.02 of the Standard Conditions is its Minister for Finance.

- 5.02. The Borrower's Address referred to in Section 10.01 of the Standard Conditions is:

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

Facsimile:

233-30-2667069

- 5.03. The World Bank's Address referred to in Section 10.01 of the Standard Conditions is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

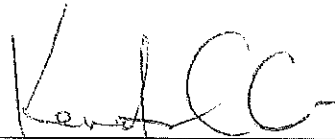
248423 (MCI) or
64145 (MCI)

1-202-477-6391

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

REPUBLIC OF GHANA

By



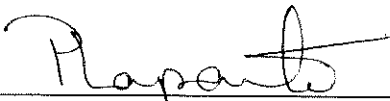
Authorized Representative

Name: Ken Ofori-Atta

Title: Minister

**INTERNATIONAL DEVELOPMENT
ASSOCIATION**
acting as an implementing entity of the
Forest Investment Program

By



Authorized Representative

Name: Pierre Laporte

Title: January 17, 2020



SCHEDULE 1 Project Description

The objective of the Project is to improve forest and tree management practices by cocoa farmers, CREMA communities, and forest reserve managers to reduce forest loss and degradation and demonstrate rehabilitation of Mined-out Sites in selected landscapes in the Borrower's High Forest Zone.

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

Part 1: Policy Reforms and Institutional Strengthening

Implementation of reformed policies, improvement of the enabling environment, and strengthening of institutional means to achieve sustainable landscape and forest management, including:

- (a) Improving policy practice and incentives, in particular: analysis of options, review of legal frameworks, gathering and dissemination of evidence on the effectiveness of various options, and development of pilot testing approaches.
- (b) Strengthening institutional procedures, guidelines and models to improve policy implementation, in particular: reforming institutional practices, and improvement and development of guidelines and operational manuals to enhance service delivery by the Forestry Commission to support field implementation and extension activities at the landscape level.
- (c) Enhancing consultation and governance platforms at the national and local level, including the existing stakeholder forum, for consultation and engagement of stakeholders on landscape management practices, and tree and forest stewardship by communities.
- (d) Strengthening institutional coordination across a wider range of central, regional and local government agencies, including, *inter alia*: (i) carrying out legal and policy analysis on mined-out lands; (ii) developing standards and guidance notes for mine site rehabilitation based on international good practices; (iii) developing systems and capacities at national, regional and local levels on protection of rehabilitated sites; (iv) improving information exchange and coordination across institutional mandates of relevant government agencies; (v) carrying out analytical and policies studies assessing the magnitude and geographic spread of artisanal small-scale mining impacts on forest and drawing lessons from previous and existing related activities and strategies on rehabilitation and restoration of mined-out sites; (vi) developing guidance notes for practitioners on rehabilitation and restoration of mined-out sites; and (vii) carrying out associated workshops and dialogue platforms to engage stakeholders in reducing the environmental footprint of artisanal small-scale mining.

Part 2: Pilot Investments for Improved Forest and Landscape Management with Communities

- (a) Implementing pilot investments in agroforestry corridors and cocoa landscapes on farms with communities to address drivers of deforestation and land degradation in selected landscapes in the High Forest Zone, including through: (i) improving forest and tree management practices in key landscapes; (ii) enhancing climate smart cocoa practices in selected farms within target landscapes and forest reserves; and (iii) deployment of integrated landscape level planning in support of community-based resource use decisions.
- (b) Implementing pilot investments on forest reserves for reducing degradation, and restoring degraded forest landscapes, including through: (i) engagement with selected farms and community-based organizations; (ii) enhancing carbon stocks through facilitation of tree plantation investment in severely degraded landscapes; and (iii) enrichment planting, establishment of nurseries and planting of native species for restoring degraded forest and agricultural landscapes.
- (c) Implementing pilot demonstration investments on clean-up and reclamation practices with alternative livelihood practices after forest and land degradation and loss due to artisanal small scale-mining, including, *inter alia*: (i) mapping, prioritizing, characterizing mining degradation sites in forest reserves and cocoa landscapes, including carrying out site sampling and testing of potential clean-up approaches and techniques; (ii) rehabilitating degraded land and river banks; (iii) remedying and cleaning-up contaminated sites; (iv) engaging local communities and traditional authorities for managing and protecting reclaimed land; (v) restoring vegetation to reclaimed land; (vi) identifying suitable and beneficial alternative livelihood practices complementing reclamation efforts; and (vii) engaging private sector for understanding lessons on good rehabilitation practices .
- (d) Implementing pilot interventions for incentivizing investments and local level establishment of timber plantations through the provision of Sub-loans to SMPEs to support planting of trees in high demand including, *inter alia*: (i) procuring of low cost tree seedling of economic species; (ii) transporting and delivery of seedling; (iii) developing business and market skills; (iv) providing equipment and tools for preparation, planting and caring for planted sites.
- (e) Carrying out field monitoring and technical assistance activities to support effective implementation of pilot interventions under Part 2(d) of the Project, including, *inter alia*: (i) mobilizing community members to

engage them in planting of economic trees and plants; (ii) providing advice on tree planting, nurturing techniques and species selection; business planning, financial management and reporting; and mapping and land titling; and (iii) assisting CREMA communities in developing business planning for the productive use of tree/timber outputs.

Part 3: Innovation, Capacity Building, and Communications

Supporting communication, outreach, capacity building, and monitoring activities to support implementation and regular reporting on Project trends and results to relevant stakeholders, innovation, community engagement, and provision of information on improved landscape management practices including, *inter alia*: (a) carrying out communication and outreach activities to engage communities and miners with awareness campaigns on relevant Recipient's programs and plans on good environmental practices in artisanal gold mining and mine site rehabilitation; (b) providing training on improved environmental and health practices; (c) consolidation of economic, environmental, and social assessments to provide knowledge and identify specific cultivation techniques to improve the acceptability and uptake of native trees in landscapes in plantations; and (d) development and improvement of communication, research, outreach, and dissemination strategies and channels.

Part 4: Project Management, Monitoring and Coordination

Support for Project management, coordination and oversight, including financial management, procurement management, contract management, monitoring and evaluation, reporting and coordination of Project activities, including the reporting of FIP activities at the international level, through the provision of technical advisory services, training, operating costs, acquisition of goods and equipment.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. Natural Resources and Environmental Governance Technical Coordination Committee+

- (a) The Borrower shall, at all times during the implementation of the Project, maintain the NREG TCC+, with a composition, mandate, terms of reference, functions, and resources satisfactory to the World Bank.
- (b) Without limitation on the provisions of sub-paragraph 1(a) immediately above, the NREG TCC+ shall be a steering committee for the Project and shall be responsible for, *inter alia*: (i) approving Annual Work Plans and Budgets; (ii) reviewing progress made towards achieving the Project's objectives; (iii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project; and (iv) providing comments on progress reports and reviews prepared by the Project Management Unit for the benefit of the World Bank.

2. Ministry of Lands and Natural Resources

The Borrower shall, at all times during the implementation of the Project, ensure that the resources required for the Project are made available to MLNR for purposes of ensuring prompt and efficient overall coordination, management, reporting, and stewardship of the Project, as set forth in the Project Implementation Manual.

3. Project Management Unit

- (a) The Borrower through the MLNR shall maintain, at all times during the implementation of the Project, a Project Management Unit within MLNR, with a mandate, terms of reference, functions, and resources satisfactory to the World Bank.
- (b) Without limitation on the provisions of sub-paragraph 3(a) above, the Project Management Unit shall be responsible for, *inter alia*: (i) the coordination, monitoring, evaluation, reporting and communication of the Project; (ii) planning and implementation of the Project; (iii) fiduciary management (*i.e.*, financial and procurement management) of the Project;

(iv) ensuring compliance with social and environmental safeguards aspects of the Project; and (v) preparing Annual Work Plans and Budgets.

- (c) Without limitation on the provisions of sub-paragraphs 3(a) and 3(b) above, the Project Management Unit shall work in close collaboration with, and provide all the required support to the Forestry Commission, the Minerals Commission, the Environmental Protection Agency and other relevant MDAs to facilitate the implementation, management, monitoring and evaluation and supervision of activities under Part 2 of the Project.

4. **Project Coordination Unit**

- (a) The Borrower through MLNR shall maintain, at all times during the implementation of the Project, a Project Coordination Unit, with a mandate, terms of reference, functions, and resources satisfactory to the World Bank.
- (b) Without limitation on the provisions of sub-paragraph 4(a) above, the Project Coordination Unit shall be responsible for, *inter alia*, facilitating coordination of Project activities among, *inter alia*: the Project Management Unit, the Forestry Commission, the Minerals Commission, the Environmental Protection Agency, the Ministry of Local Government and Rural Development, the Forestry Research Institute of Ghana and COCOBOD.

5. **Forestry Commission and the MDAs**

Without limitation on the provisions of Sections I.A.2, I.A.3 and I.A.4 of this Schedule, for the purpose of ensuring the prompt and efficient implementation of Part 2, of the Project, the Borrower shall ensure that the Project Management Unit and MLNR shall carry out Part 2 of the Project in close coordination with the Forestry Commission, the Minerals Commission, the Environmental Protection Agency and other relevant MDAs, and as required shall make available to these agencies the resources required to facilitate the implementation of Part 2 of the Project. To this end, the Forestry Commission and MDAs shall prepare and submit to the Project Management Unit for consolidation, respective annual work plans and budgets, in accordance with the Project Implementation Manual.

B. Project Implementation Manual

1. The Borrower shall carry out the Project in accordance with the provisions of 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; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Borrower shall not amend, abrogate, waive or fail to enforce any provision of the Project Implementation Manual without the prior written agreement of the World Bank, provided, however, that in case of any conflict between the arrangements and procedures set out in any of said manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Implementation Arrangements under Part 2(d) of the Project

1. Credit Line Operations Manual

The Borrower shall carry out Part 2(d) of the Project in accordance with the provisions of the Credit Line Operations Manual (CLOM). The CLOM shall be developed by the Recipient, in consultation with appropriate experts, and submitted to the World Bank for no objection before commencing the carrying out of any activities under Part 2(d) of the Project. The CLOM will contain, *inter alia*, detailed arrangements and procedures for selecting and appraising the Financial Institution, SMPEs and Sub-loans. The Borrower shall not amend, abrogate, waive or fail to enforce any provision of the CLOM without the prior written concurrence of the World Bank, provided, however, that in case of any conflict between the arrangements and procedures set out in any of said manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

2. Joint Loan Appraisal Committee

Before commencing the carrying out of any activities under Part 2(d) of the Project, the Borrower shall establish and thereafter maintain, throughout the period of implementation of the Project, a Joint Loan Appraisal Committee with a mandate, composition and resources satisfactory to the World Bank. Without limitation on the foregoing, said committee shall be responsible for, *inter alia*, selecting the Financial Institution in accordance with the terms and conditions of the CLOM.

3. Sub-loans

- (a) After the above-mentioned selection processes set forth in paragraph 2 has concluded, the Borrower shall: (i) enter into the Participation Agreement with the selected Financial Institution under the terms and conditions set forth in the CLOM, including the ones set forth in paragraph (b) below; (ii) exercise its rights under the Participation Agreement in such manner as to protect its interests and the interests of the World Bank, comply with its obligations under the Participation Agreement and achieve the purposes

of the Project; and (iii) except as the World Bank shall otherwise agree, not materially assign, amend, abrogate or waive any Participation Agreements, or any provisions thereof.

(b) The Participation Agreement shall contain provisions pursuant to which the Financial Institution shall undertake the obligation to:

(i) review and appraise all the Sub-loans' proposals in consultation with the Joint Loan Appraisal Committee in accordance with the terms and conditions of the CLOM; and

(ii) make Sub-loans for eligible SMPEs on terms and conditions set forth in the Sub-loan Agreements whereby the Financial Institution shall obtain the right to:

(A) require the SMPE to carry out the activities financed out of the proceeds of the Sub-loan with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial and environmental standards, including those set forth in the CLOM, the Safeguard Instruments and the Anti-Corruption Guidelines;

(B) require that all the goods, works and services to be financed out of the proceeds of the Sub-loan shall be procured in accordance with the CLOM;

(C) require the SMPE to maintain financial records in a manner adequate to reflect the use of the Sub-loan; and strive to maximize co-financing provided by the SMPE for the activities;

(D) require the SMPE to repay the Sub-loan in a timely manner and an agreed schedule following the provisions of the CLOM;

(E) suspend or terminate the right of the SMPE to the use of the proceeds of the Sub-loan or declare to be immediately due and payable all or any part of the amount of the Sub-loan then withdrawn, upon failure by such SMPE to perform its obligations under the Sub-loan Agreement;

submit the first five (5) Sub-loan Agreements for the World Bank's review and non-objection; and

- (iii) supervise, monitor and report on the activities to be carried out by each SMPE in accordance with the provisions of the CLOM, including, prepare and submit to the Borrower semi-annual reports on Sub-loan disbursements and repayments.

D. Anti-Corruption

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

E. Safeguards

1. The Borrower shall carry out the Project in accordance with the Safeguard Instruments.
2. To ensure compliance with the respective Safeguard Instruments, the Borrower shall take the following measures:
 - (a) If any activities included in a proposed Annual Work Plan and Budget would, pursuant to the ESMF, require the carrying out of an ESIA, no such activities shall be implemented unless:
 - (i) an ESIA for such activities has been: (A) prepared, in accordance with the ESMF and furnished to the World Bank as part of the Annual Work Plan and Budget; (B) disclosed locally as required by the ESMF; and (C) approved by the World Bank and publicly disclosed; and
 - (ii) if said ESIA would require the preparation of an ESMP, such ESMP has been: (A) prepared in accordance with such ESIA and furnished to the World Bank as part of the Annual Work Plan and Budget; (B) disclosed locally as required by the ESMF; and (C) approved by the World Bank and publicly disclosed.
 - (b) If any activities in a proposed Annual Work Plan and Budget would restrict access to an area or resource:
 - (i) such activities shall be prepared in accordance with the procedures set forth in the Process Framework, as part of the Annual Work Plan and Budget; and
 - (ii) no such activities shall be implemented unless and until: (A) all measures required to be undertaken under said Process Framework procedures prior to the initiation of said activities have been undertaken; (B) the Borrower has prepared and furnished to the World Bank a report in form and substance satisfactory to the

World Bank, on the status of compliance with the requirements of said procedures under the Process Framework; and (C) the World Bank has confirmed that said activities may be commenced.

3. Without limitation upon its other reporting obligations under this Agreement, the Borrowers shall regularly collect, compile and submit to the World Bank as part of the Project Reports, in form and substance satisfactory to the World Bank, reports on the status of compliance with the Safeguard Instruments, giving details of: (a) measures taken in furtherance of such Safeguard Instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and (c) remedial measures taken or required to be taken to address such conditions.
4. The Borrower shall afford the World Bank a reasonable opportunity to review and exchange views with the Borrower on the reports prepared under paragraph 3 above, and thereafter, shall carry out, or cause to be carried out, with due diligence, all remedial measures agreed with the World Bank so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.
5. The Borrower shall not amend, suspend, abrogate or waive, or permit to be amended, suspended, abrogated or waived, any Safeguard Instrument, or any provision thereof without the prior written approval of the World Bank.
6. In the event of a conflict between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.
7. The Borrower shall ensure that: (a) all consultancies related to technical assistance, design and capacity building under the Project, the application of whose results could have environmental, social and health and safety implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the World Bank; and (b) such terms of reference shall require the technical assistance, design and capacity building activities to take into account the requirements of the applicable Safeguards Policies.

F. Annual Work Plans and Budgets

1. The Borrower shall prepare and furnish to the World Bank for its approval, not later than October 31 of each year during the implementation of the Project, a proposed Annual Work Plan and Budget containing all activities proposed to be carried out under the Project in the following fiscal year.
2. Each such proposed Annual Work Plan and Budget shall specify among the activities, any goods, works, services and training activities that may be required under the Project, including: (a) the type of goods, works, services and training;

(b) the purpose of the goods, works, services and training; (c) the estimated costs of the goods, works, services and training; (d) the personnel to be trained; (e) the institution or individual who will conduct the training; (f) the location and duration of the training; (g) the cost of the training; and (h) the outcome and impact of the training.

3. The Borrower shall afford the World Bank a reasonable opportunity to exchange views with the Borrower on each such proposed Annual Work Plan and Budget, and thereafter to implement the Project or cause it to be implemented with due diligence in accordance with such Annual Work Plan and Budget as shall have been approved by the World Bank.
4. Only those activities which are included in an Annual Work Plan and Budget pursuant to the provisions of this Section I.F shall be eligible for financing out of the proceeds of the Grant. Notwithstanding the foregoing, an Annual Work Plan and Budget may be amended from time to time to include new activities with the prior written concurrence of the World Bank.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Borrower 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 six (6) calendar months, 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.
2. The Borrower 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.

B. Financial Management; Financial Reports; Audits

1. The Borrower shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
2. The Borrower 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.

3. The Borrower shall have its Financial Statements for the Project 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 Borrower. 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.

Section III. Procurement

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan.

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article III of the Standard Conditions, this Section and such additional instructions as the World Bank may specify by notice to the Borrower (including the "Disbursement Guidelines for Investment Project Financing" dated February 2017, 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 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 Loan ("Category"), the allocations of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consultants' services, Operating Costs, and Training under Part 1(d) of the Project	0	0
(2) Goods, works, non-consulting services, consultants' services, Operating Costs, and Training under Part 2(c) and (e) of the Project	0	0
(3) Goods, Non-consulting services, consultants' services, Operating Costs, and Training under Part 3 of the Project	0	0
(4) Goods, non-consulting services, consultants' services, Operating Costs, and Training under Part 4 of the Project	0	0
(5) Sub-loans under Part 2(d) of the Project	6,968,500	100%
(6) Management Fee	31,500	Amount payable in accordance with Section 2.04 of this Agreement and Section 4.01(a) of the Standard Conditions
TOTAL AMOUNT	7,000,000	

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) under Category (5) until the Borrower has submitted evidence satisfactory to the World Bank showing that: (i) the CLOM has been issued; (ii) the Participation Agreement has been executed; and (iii) a legal opinion has been issued by the Borrower stating that the Participation Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the Borrower and is legally binding upon the Borrower in accordance with its terms.
2. The Closing Date is June 30, 2023.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Loan repayable (expressed as a percentage)
On each April 1 and October 1:	
commencing October 1, 2029 to and including April 1, 2039.	1%
commencing October 1, 2039 to and including April 1, 2059	2%

PARLIAMENT OF GHANA LIBRARY

APPENDIX

Section I. Definitions

1. “Annual Work Plan and Budget” means a work plan and budget prepared annually by the Borrower, in accordance with the provisions of Section I.E of Schedule 2 to this Agreement.
2. “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 and as of July 1, 2016.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “COCOBOD” means the Ghana Cocoa Board, the Borrower’s agency responsible for facilitating the production, processing and marketing of cocoa, coffee and sheanut, established and operating pursuant to Provisional National Defense Council Law (PNDCL) 81 of 1984; and any successor thereto.
5. “Credit Line Operations Manual” or “CLOM” means the Borrower’s manual referred to in Section I.C.1 of Schedule 2 to this Agreement.
6. “CREMA” means Community Resource Management Areas, geographically defined areas within the Borrower’s territory, consisting of one or more communities that have formed an association and agreed to manage natural resources sustainably.
7. “Environmental and Social Management Framework” and “ESMF” means the Borrower’s Environmental and Social Management Framework, acceptable to the World Bank, dated January 2019, and disclosed in the Borrower’s territory on January 28, 2019, and at the World Bank InfoShop on January 17, 2019, setting forth the modalities for environmental and social screening, a pest management plan, and procedures for the preparation and implementation of ESIA’s and ESMP’s, and such term includes all schedules and annexes to the ESMF; as the same may be amended from time to time with the prior written agreement of the World Bank.
8. “Environmental Protection Agency” means the Borrower’s agency responsible for protecting and improving the environment in the territory of the Recipient, established and operating pursuant to the Act 490 of 1004; and any successor thereto.
9. “ESIA” means an environmental and social impact assessment carried out pursuant to Section I.E.2 of Schedule 2 to this Agreement, in accordance with the ESMF.

10. "ESMP" means an environmental and social management plan carried out pursuant to Section I.E.2 of Schedule 2 to this Agreement, in accordance with the ESMF.
11. "Financial Institution" means the financial institution or fund manager which has met the criteria of, and been selected in accordance with, the provisions of the CLOM.
12. "FIP Design Document" is the design document for the Forest Investment Program, approved by the Strategic Climate Fund Trust Fund Committee and issued on July 7, 2009, and as said design may be amended from time to time in accordance with its terms.
13. "Forest Investment Program" or "FIP" means the program established under the Strategic Climate Fund in accordance with the Governance Framework for the Strategic Climate Fund for the purposes set forth in the FIP Design Document.
14. "Forestry Commission" means the Borrower's entity responsible for the regulation of utilization of forest and wildlife resources, the conservation and management of those resources, and the coordination of related policies, established and operating pursuant to the Borrower's Forestry Commission Act, 1999 (Act 571), and any successor thereto.
15. "Forestry Research Institute of Ghana" means the Borrower's entity responsible for conducting forest and forest products research, established and operating under the Council for Scientific and Industrial Research, pursuant to the Borrower's Forestry Commission Act, 1993 (Act 453); and any successor thereto.
16. "High Forest Zone" means a defined ecological zone in the south of the Borrower's territory and consisting of several forest types.
17. "MDAs" means the Borrower's ministries, agencies and departments participating in the Project, including, *inter alia*: the Ministry of Environment, Science, Technology and Innovation, the Ministry of Finance and the Forestry Research Institute of Ghana.
18. "Mined-out Sites" means the defined sites in the Ashanti and Eastern Regions of the Borrower, part of the High Forest Zone, and selected in accordance with the criteria set out in the Project Implementation Manual.
19. "Minerals Commission" means the Borrower's agency responsible for regulating and managing the utilization of the mineral resources of the Borrower and coordinating and implementing policies relating to mining, established and operating pursuant to the Act 450 of 1993; and any successor thereto.

20. “Ministry of Lands and Natural Resources” and “MLNR” mean the Borrower’s ministry in charge of lands and natural resources, and any successor thereto.
21. “Ministry of Local Government and Rural Development” means the Borrower’s ministry in charge of local government and rural development, and any other successor thereto.
22. “Natural Resources and Environmental Governance Technical Coordination Committee +” and “NREG TCC+” mean the steering committee for the Project, referred to in Section I.A.1 of Schedule 2 to this Agreement.
23. “Original Grant Agreement” means the financing agreement for the Original Project between the Borrower and the World Bank, dated April 10, 2015 (Grant Number TF018842) for financing the Original Project.
24. “Original Project” means the project described in Schedule 1 to the Original Financing Agreement.
25. “Participation Agreement” means an agreement between the Borrower and the Financial Institution pursuant to which the Borrower shall extend funds to such Financial Institution for purposes of extending the Sub-loans to the SMPE pursuant to the terms and conditions of the Sub-loan Agreement.
26. “Pest Management Plan” and “PMP” mean the Borrower’s Pest Management Plan, acceptable to the World Bank, dated November 2018, and disclosed in the Borrower’s territory on January 28, 2019, and at the World Bank InfoShop on January 17, 2019, setting forth mitigation, enhancement, monitoring, and institutional measures for integrated pest management and the safe handling of pesticides under activities to be implemented under the Project, and for minimizing any potential related adverse impacts, and such term includes all schedules and annexes to the Pest Management Plan; as the same may be amended from time to time with the prior written agreement of the World Bank.
27. “Process Framework” means the Borrower’s Process Framework, acceptable to the World Bank, dated November 2019, and disclosed in the Borrower’s territory on January 28, 2019, and at the World Bank InfoShop on January 17, 2019, setting forth, *inter alia*, the requirements and procedures for: (a) participatory processes to be followed in the preparation and implementation of Project activities that may potentially restrict access to protected areas or resource; (b) the provision of alternative livelihood support; and (c) the arrangements for implementing and monitoring the foregoing, and such term includes all schedules and annexes to the Process Framework; as the same may be amended from time to time with the prior written agreement of the World Bank.

28. "Procurement Plan" means the Borrower's procurement plan for the Project, dated March 14, 2019 and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.
29. "Procurement Regulations" means the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
30. "Project Coordination Unit" means the unit referred to in Section I.A.4 of Schedule 2 to this Agreement.
31. "Project Implementation Manual" means the Borrower's manual referred to in Section I.B of Schedule 2 to this Agreement.
32. "Project Management Unit" means the unit referred to in Section I.A.3 of Schedule 2 to this Agreement.
33. "Safeguard Instrument" means an ESIA, ESMP, the ESMF, the PMP, and the Process Framework, and "Safeguard Instruments" means, collectively, two or more such instruments.
34. "Safeguard Policies" means, the Operational Policies (Ops) and Bank Procedures (BPs) of the Bank, namely OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitats), OP/BP 4.09 (Pest Management), OP/BP 4.10 (Indigenous Peoples), OP/BP 4.11 (Physical Cultural Resources), OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.36 (Forests), and OP/BP 4.37 (Safety of Dams); they can be found at <https://policies.worldbank.org>.
35. "SMPE" means the small medium plantation enterprise selected in accordance with the criteria set out in CLOM, who is proposed to receive the Sub-loan.
36. "Standard Conditions" means the Standard Conditions for Loans Made by the World Bank Out of the Climate Investment Funds, dated February 18, 2014.
37. "Sub-loan" means a loan to be made or proposed to be made by the Financial Institution out of the proceeds of the Loan for purposes of financing activities (i.e. goods, small works and services) under Part 2(d) of the Project.
38. "Sub-loan Agreement" means an agreement to be entered between the Financial Institution and the SMPE for purposes of providing a Sub-loan, which have met the criteria set forth in the CLOM.

