September 23, 2014

Honorable Seth Terkper
Minister
Ministry of Finance
Accra

Dear Honorable Minister,

Re: Ghana: Greater Accra Metropolitan Area Sanitation and Water Project
(Grant Number H854-GH) – Amendment to the Financing Agreement

We refer to the Financing Agreement between Republic of Ghana (the Recipient) and the International Development Association (the Association) dated December 17, 2013, (the Financing Agreement).

We also refer to the Aide Memoire dated May 28, 2014, and our letter dated June 2, 2014, confirming the Association’s concurrence to the Recipient’s request to relend the proceeds of the Grant to Ghana Water Company Limited (the Project Implementing Entity) to finance Parts B and D.4. The Association hereby proposes to amend the Financing Agreement as follows:

1. Section I.C.1 of Schedule 2 to the Financing Agreement is amended as follows:

   “1.” “(a) “To facilitate the carrying out of Parts B and D.4 of the Project (the Project Implementing Entity’s Respective Parts of the Project), the Recipient shall relend part of the proceeds of the Financing allocated from time to time to Category 2 of the table set forth in Section IV.A.2 of this Schedule to the Project Implementing Entity under a subsidiary loan agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association, which shall include those set forth in subparagraphs (b) immediately below, and in Schedule 3 to this Agreement ("Subsidiary Agreement")

   “(b)” The Subsidiary Agreement shall include the obligation of the Project Implementing Entity to service the repayment of the Subsidiary Credit in accordance with the repayment schedule and under terms and conditions specifically set forth under a table to be established in the Subsidiary Agreement.”

2. The table set forth in Section IV.A.2 of Schedule 2 to the Financing Agreement is replaced with the table set forth in the Annex to this letter.

3. Section IV.B.1 of Schedule 2 to the Financing Agreement is amended to read as follows:
“1.” Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed $330,000 equivalent may be made for payments made prior to this date, for the period January 1, 2013 to December 17, 2013, for Eligible Expenditures under Category (1).”

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

Please indicate your agreement with the foregoing amendment to the Financing 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 Financing Agreement set forth in this letter shall become effective as of that date.

Sincerely,

[Signature]

Yusupha Crookes
Country Director for Ghana
Africa Region

CONFIRMED:

REPUBLIC OF GHANA

[Signature]
Authorized Representative

Name: [Signature]
Title: [Signature]
Date: 21st October 2014
Copy:

Managing Director
Ghana Water Company Limited
28th February Road
PO Box M 194
Accra
Ghana
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 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 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, Operating Costs and Training under Parts A, C, D.1, D.2, D.3, D.5 and D.6 of the Project</td>
<td>67,100,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants' services, Operating Costs and Training under Parts B and D.4 of the Project</td>
<td>33,000,000</td>
<td>100%</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><strong>TOTAL AMOUNT</strong></td>
<td><strong>100,100,000</strong></td>
<td></td>
</tr>
</tbody>
</table>