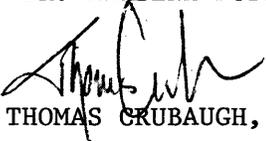


USAID DEVELOPMENT AGREEMENT No. 641-003

DEVELOPMENT AGREEMENT  
BETWEEN THE  
UNITED STATES OF AMERICA  
AND  
THE REPUBLIC OF GHANA  
FOR  
EQUITABLE IMPROVEMENTS IN HEALTH STATUS

CERTIFIED TO BE A TRUE COPY OF THE ORIGINAL SIGNED BY CHERYL ANDERSON, USAID GHANA  
MISSION DIRECTOR, AND DR. KWABENA DUFFUOR, MINISTER OF FINANCE AND ECONOMIC PLANNING,  
GOVERNMENT OF GHANA.

RESPONSIBLE OFFICER:  THOMAS CRUBAUGH, SUPERVISORY PROGRAM OFFICER, USAID GHANA.

# DEVELOPMENT AGREEMENT

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## DEVELOPMENT AGREEMENT

Dated: September 26, 2012

Between

The United States of America, through the United States Agency for International Development  
("USAID")

and

The Republic of Ghana (the "Grantee"), through the Ministry of Finance and Economic Planning

### **Article 1: Purpose.**

The purpose of this Development Agreement (the "Agreement") is to set out the understanding of the Parties named above (the "Parties") in connection with the Objective described below. This Agreement replaces Strategic Objective Agreement for Strategic Objective Number 7, Improved Health Status (SOAG No. 7) 641-007, dated September 15, 2003, as amended, in its entirety.

### **Article 2: Functional Objective, Program Areas and Program Elements.**

**Section 2.1. Functional Objective, Program Areas.** In order to further the foreign assistance objective of Investing in People (the "Functional Objective") articulated by the Government of the United States of America under the Strategic Framework for United States Foreign Assistance, the Parties hereto agree to work together by focusing on activities in the area of Health and Education (collectively, the "Program Areas," and, together with the Functional Objective, the "Objective").

**Section 2.2. Program Elements.** In order to achieve the Objective, the Parties agree to work together to: improve delivery of health service at the community, district, and regional levels, including interventions to encourage positive behavior change, improve the quality of service delivery and strengthen health systems within each of the eight following Program Elements: HIV/AIDS, Tuberculosis (TB), Malaria, Maternal and Child Health, Family Planning and Reproductive Health, Water Supply and Sanitation, and Nutrition, and Higher Education (collectively, the "Program Elements.") The performance indicators by which progress toward achievement of these Program Elements will be measured are described in Annex 1 to this Agreement, the Amplified Description, which is attached to and forms part of this Agreement. Within the limits of the definition of the Functional Objective and Program Areas in Section 2.1, this Section 2.2 may be changed by written agreement of the authorized representatives of the Parties without formal amendment of this Agreement.

**Section 2.3. Annex 1, Amplified Description.** Annex 1, attached, amplifies the above Objective and describes the Program Elements, Program Sub-Elements and Indicators that will be used to measure the progress and achievement in each of the Program Areas. Within the limits of the definition of the Functional Objective set forth in Section 2.1, Annex 1 may be changed by written agreement of the authorized representatives of the Parties without formal amendment of this Agreement.

### **Article 3: Contributions of the Parties.**

#### **Section 3.1. USAID Contribution.**

- (a) **The Grant.** To help achieve the Objective set forth in this Agreement, USAID pursuant to the Foreign Assistance Act of 1961, hereby grants to the Grantee under the terms of this Agreement an amount of Thirty-Nine Million Three Hundred Thirty-Four Thousand Six Hundred Seventy-Nine U.S. Dollars (\$39,334,679). An additional amount of Thirty-Two Million Forty-Five Thousand Three Hundred Twenty-One U.S. Dollars (\$32,045,321) will be obligated through USAID/Washington mechanisms in support of the Objective.
- (b) **Total Estimated USAID Contribution.** USAID's total estimated contribution to the achievement of the Objective will be Four Hundred Ten Million U.S. Dollars (\$410,000,000), which will be provided in increments. Subsequent increments will be subject to the availability of funds to USAID for this purpose and the mutual agreement of the Parties, at the time of each subsequent increment, to proceed. Each such incremental contribution provided, if any, shall cumulatively increase the total amount of the Grant set forth in Section 3.1 and consequently may increase the Grantee's contribution under Section 3.2. This estimated total contribution includes certain other obligations that have been or will be made directly by USAID to other implementers or through other instruments in support of the objective, as specified in Section 3.1(a) above and in the Illustrative Financial Plan attached hereto.
- (c) If, at any time, USAID determines that its contribution under Section 3.1(a) exceeds the amount which reasonably can be committed for achieving the Objective of this Agreement during the current or next U.S. fiscal year, USAID may, upon written notice to the Grantee, withdraw the excess amount, thereby reducing the amount of the Grant as set forth in Section 3.1(a). Actions taken pursuant to this subsection will not revise USAID's total estimated contribution set forth in 3.1(b).
- (d) The Parties agree that USAID's contribution may be disbursed through mechanisms including grants, cooperative agreements and contracts with non-governmental organizations and private companies in order to carry out the activities described in Annex 1 of this Agreement or described in Implementation Letters issued in accordance with Section A.2 of Annex 2 of this Agreement. USAID agrees to notify the Grantee via Implementation Letters of any recipients of such funding and the Parties further agree that any such implementing partner carrying out activities in furtherance of the Objective shall receive all of the rights, privileges and other benefits set forth in this Agreement.

**Section 3.2. Grantee Contribution.**

- (a) The Grantee agrees to provide or cause to be provided all funds, in addition to those provided by USAID and any other donor identified in Annex 1, and all other resources required to complete, on or before the Completion Date, all activities necessary to achieve the Objectives. The basis for determining the Grantee's contribution and the nature of the contribution will be further described in an Implementation Letter.
- (b) The Grantee's contribution, based on USAID's contribution in Section 3.1(a), will not be less than the equivalent of one-third of the portion of the Grant that is used to support activities that directly benefit the Grantee or involves the direct and substantial involvement of the Government of Ghana in the administration, provided that such amount may be reduced with the written consent of USAID. The Grantee's contribution may include either cash or in-kind contributions or both. The dollar equivalent amount of the Grantee's contribution shall be set forth in an Implementation Letter and shall be subsequently included in the Illustrative Financial Plan included in Annex 1 of this Agreement. The amount of the Grantee's contribution shall be adjusted upon any increase in the amount of the Grant set forth in Section 3.1(a), in accordance

with the formula described in the first sentence of this paragraph, and the precise amount of such adjustment shall be indicated in an Implementation Letter. The Grantee will report at least annually in a format to be agreed upon with USAID on its cash and in-kind contributions.

**Article 4: Completion Date.**

- (a) The Completion Date, which is September 30, 2018, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all the activities necessary to achieve the Objective will be completed.
- (b) Except as USAID may otherwise agree to in writing, USAID will not issue or approve documentation that would authorize disbursement of the Grant for services performed or goods furnished after the Completion Date.
- (c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Implementation Letters, are to be received by USAID no later than nine (9) months following the Completion Date, or such other period as USAID agrees to in writing before or after such period. After such period USAID, at any time or times, may give notice in writing to the Grantee and reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Implementation Letters, were not received before the expiration of such period.

**Article 5: Conditions Precedent to Disbursement.**

**Section 5.1. Disbursement.** Prior to the disbursement under the Grant, or to the issuance by USAID of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to USAID in form and substance satisfactory to USAID:

- (a) An opinion of counsel acceptable to USAID that (i) this Agreement has been duly authorized or ratified by, and executed on behalf of the Grantee, (ii) this Agreement constitutes a valid and legally binding obligation of the Grantee in accordance with all of its terms, and (iii) all internal actions and approvals necessary to give effect to this Agreement have been obtained by or on behalf of the Grantee; and
- (b) A signed statement in the name of the person holding or acting in the office of the Grantee specified in Section 7.2, which designates by name and title any additional representatives each of whom may act pursuant to Section 7.2.

**Section 5.2. Notification.** USAID will promptly notify the Grantee when USAID has determined that a condition precedent has been met.

**Section 5.3. Terminal Dates for Conditions Precedent.** The terminal date for meeting the conditions specified in Section 5.1 is sixty (60) days from the date of this Agreement or such later date as USAID may agree to in writing before or after the above terminal date. If the conditions precedent in Section 5.1 have not been met by the above terminal date, USAID, at any time, may terminate this Agreement by written notice to the Grantee.

**Article 6: Special Covenants.** The Parties agree to carry out the terms of the following special covenants:

**Section 6.1. Permits and Other Approvals and Authorizations.**

The Grantee, in conjunction with the appropriate Government of Ghana ministries and offices, hereby covenants and agrees to issue, renew and/or extend free of charge and in a timely manner all official permits, visas, exemptions and any other permissions (including all approvals as may be required from time to time to ensure full access to information, project sites and relevant offices) for the Applicable Persons (as defined below) carrying out activities financed by USAID under this Agreement (collectively, the "Required Documents"). For purposes of this provision, Applicable Persons is defined as: (1) employees and consultants of any contractors, grantees and other organizations carrying out activities financed by USAID under this Agreement and (b) members of such employees' and consultants' households. Any renewals or extensions of such Required Documents that are required, or become required, in order for such employees, consultants and dependent family members to legally reside in Ghana and undertake the activities contemplated by and financed under this Agreement shall also be issued free of charge.

**Section 6.2. Monitoring and Evaluation.**

Except as the Parties otherwise stipulate in writing, the Parties agree that:

- (a) USAID and its implementing partners will systematically monitor and report progress on performance indicators during the Agreement period (illustrative indicators are described in Annex 1);
- (b) The strategy baseline survey conducted by USAID at the beginning of this Agreement will serve as a baseline for measuring progress under this Agreement;
- (c) Funds available under this Agreement may be used for monitoring and evaluation purposes (such costs are part of the "Management Support Costs" indicated in the Illustrative Financial Plan); and
- (d) The Grantee, through the Ministry of Health, will ensure that public sector agencies associated with the Agreement undertake reasonable efforts to produce and/or obtain and provide to USAID all data needed to measure performance of activities under this Agreement.

**Article 7: Miscellaneous.**

**Section 7.1. Communications.** Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram, telefax, cable or electronic mail ("e-mail"), and will be deemed duly given or sent when delivered to such Party at the following address:

To USAID:  
Mail Address:  
Mission Director  
United States Agency for International Development  
No. 24 Fourth Circular Rd.  
P.O. Box GP 194 ACCRA  
Cantonments, Accra, Ghana

E-mail: chanderson@usaid.gov  
Alternate address for cables:

Telefax: (233)302 741-365

To the Grantee:  
Mail Address:  
Minister  
Ministry of Finance and Economic Planning  
P.O. Box M.40  
Accra, Ghana

E-mail:  
Alternate address for cables:  
Telefax: (233)21-666556

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

**Section 7.2. Representatives.** For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the Ministry of Finance and Economic Planning, and USAID will be represented by the individual holding or acting in the Office of the Director at USAID/Ghana, each of whom, by written notice, may designate additional representatives for all implementation actions as specified under Annex 1. The names and titles of the additional representatives of the Grantee, with specimen signatures, will be provided pursuant to Section 5.1(b) to USAID, which may accept as duly authorized any instrument signed by such additional representatives (or any individuals subsequent holding or acting in the office of such representatives) in accordance with this Section 7.2, until receipt of written notice of revocation of their authority.

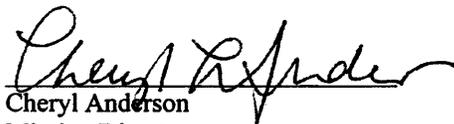
**Section 7.3. Standard Provisions Annex.** A "Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

**Section 7.4. Language of Agreement.** This Agreement was prepared only in English.

IN WITNESS WHEREOF, the United States of America and the Grantee, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

UNITED STATES OF AMERICA

REPUBLIC OF GHANA

  
Cheryl Anderson  
Mission Director  
United States Agency for International  
Development

  
Minister  
Ministry of Finance and Economic  
Planning

**DR. KWABENA DUFFUOR**  
**MIN. OF FIN. & ECON. PLANNING**  
**P. O. BOX MB 40**  
**ACCRA**

Date: 9/26/12

Date: 9/26/12