



BANQUE D'INVESTISSEMENT ET DE DÉVELOPPEMENT DE LA CEDEAO  
ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT  
BANCO DE INVESTIMENTO E DE DESENVOLVIMENTO DA CEDEAO

AGT  
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**LOAN AGREEMENT BETWEEN THE REPUBLIC OF SIERRA LEONE AND THE  
ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT FOR THE PARTIAL  
FINANCING OF THE PROJECT FOR THE MODERNIZATION AND EXPANSION OF  
THE NETWORK AND TELECOMMUNICATION INFRASTRUCTURE OF SIERRATEL  
IN THE REPUBLIC OF SIERRA LEONE**

DATE : 7 MAY 2009

ORIGINAL : ENGLISH

C O N F I D E N T I A L

10/14/1901

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LOAN N°032/AP/LA/BIDC/EBID/05/2009

This Loan Agreement (hereinafter referred to as the "**Agreement**") is made this seventh day of May, 2009, between the Republic of Sierra Leone (hereinafter referred to as "**the Borrower**") and the ECOWAS Bank for Investment and Development (hereinafter referred to as "**EBID**" or "**the Bank**")...

**WHEREAS** the Project for the Modernization and Expansion of the Network and the Infrastructures of SIERRATEL, (hereinafter referred to as the "**Project**") as described in Annex 1 to this Agreement, involves:

- replacing obsolete telephone exchanges in the capital city, Freetown and in some cities within the country;
- replacing the transmission network made of copper wire with two optic fibre loops;
- fully rebuilding the network of local subscribers;
- providing SIERRATEL with a connection capacity of 14 875 ADSL lines;
- increasing the backbone capacity of the internet network;
- equipping SIERRATEL with logistical resources towards improving its mode of operation and ensuring a better maintenance of its network.

**WHEREAS** the Project is justified by the necessity for Sierra Leone to reconstruct its telephone network damaged by the civil war which ravaged the country during the nineties, modernize its telecommunication infrastructure that has become obsolete and expensive in maintenance and increase the capacity of the network in order to address the ever-increasing demand for telecommunication services

**WHEREAS** the total cost of the Project, net of customs duties and taxes, is estimated at thirty million seven hundred forty-four thousand seven hundred and fifty-two United States dollars (US\$30,744,52);

**WHEREAS** the Borrower has requested the Bank to assist in financing part of the cost of the Project in a maximum amount of twenty-nine million four hundred and fifty-two thousand eight hundred and fifty-six United States dollars (US\$29,452,856) equivalent to ninety-five point eight percent (95.8%) of the total estimated cost of the Project, net of customs duties and taxes;

**WHEREAS** the loan is to be financed with the line of credit granted by EXIMBANK India to EBID on 26 May 2006 and which terms and conditions the Borrower declares to be aware of;



