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البنك الإسلامي للتنمية

تاريخ _____ ١٤

الموافق _____ م

Islamic Development Bank

Dated _____

PARLIAMENT LIBRARY
TOWER HILL FREETOWN

10/1

10/1

10/1

Project No: SL-0081

ISTISNA'A AGREEMENT

BETWEEN

THE REPUBLIC OF SIERRA LEONE

AND

ISLAMIC DEVELOPMENT BANK

CONCERNING
FINANCING FOR LINKING SMALLHOLDER FARMERS TO MARKET
IN THE REPUBLIC OF SIERRA LEONE

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ISTISNA'A AGREEMENT

This Agreement is entered into on 12/ 7 /1434H (corresponding to 22/ 5 /2013G) between the Republic of Sierra Leone as purchaser (hereinafter referred to as the "Recipient") and the Islamic Development Bank as vendor (hereinafter referred to as the "Bank").

The Recipient and the Bank are collectively referred to as "Parties" and individually as "Party".

Whereas,

- A) The Bank has announced, under the Jeddah Declaration, a financing package of USD 1.5 billion over a period of five years to support the member countries strengthen their agricultural sector and food security. The package comprises of assistance through ordinary financing, concessional ordinary financing, loans and grants for immediate short term and medium to long term measures to help address the food crisis;
- B) The Bank has approved the first phase of the short-term (immediate) assistance plan with an amount of USD 20 Million under the Jeddah Declaration to be financed during 1429H on concessional ordinary financing;
- C) The Bank has approved the second phase of the medium and long-term assistance plan with an amount of USD 90 Million under the Jeddah Declaration to be financed on concessional ordinary financing basis;
- D) The Recipient has requested the Bank to finance the construction of the works as described in Annex-I (hereinafter referred to as the "Asset") through Istisna'a for use in the Linking Smallholder Farmers to Market in the Republic of Sierra Leone as described in Annex-II (hereinafter referred to as the "Project");
- E) The Board of Executive Directors of the Bank has on 26/12/1433H (corresponding to 11/11/2012G) approved the construction of the Asset for the Project in an amount not exceeding USD20,000,000.00 (US Dollars Twenty Million) from the Jeddah Declaration resources (hereinafter referred to as the "Approved Amount").
- F) The Sale Price shall be paid by the Recipient to the Bank in 15 (Fifteen) years after a Gestation Period of 4 (Four) years. These terms and conditions have been communicated to, and have been accepted by the Recipient.
- G) The relationship between the Bank and the Recipient is that of vendor and purchaser with the principles of Islamic Shari'ah as interpreted by the Islamic Fiqh Academy and enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).

Now, therefore, the Bank and the Recipient hereby agree as follows:

Section-1 DEFINITIONS - INTERPRETATION

- 1.1 **Defined Terms:** Capitalized terms defined in the Agency Agreement shall, unless the context otherwise requires, have the same meanings when used in this Agreement.
- 1.2 **Definitions:** In this Agreement the following capitalized terms defined hereunder shall have the meaning ascribed to them:

HERE
SIGN
HERE