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Project No: SL-061

LOAN AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF SIERRA
LEONE

AND

ISLAMIC DEVELOPMENT BANK

FOR THE DIVERSIFIED FOOD
PRODUCTION PROJECT

PARLIAMENT LIBRARY
TOWER HILL FREETOWN

TOWER HILL FREETOWN
PARLIAMENT LIBRARY

PROFITABLE BUSINESS
FOR THE DISPERSED FOOD

FRANCIS DEALERSHIP BOOK

PARLIAMENT LIBRARY
TOWER HILL FREETOWN

ROYAL SOCIETY

LOAN AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF SIERRA LEONE
AND
THE ISLAMIC DEVELOPMENT BANK
FOR PARTICIPATION IN FINANCING FOR THE DIVERSIFIED FOOD
PRODUCTION PROJECT IN SIERRA LEONE

THIS AGREEMENT is made on 19/01/1427H corresponding to 18/02/2006G between the Government of the Republic of Sierra Leone (hereinafter called the "Borrower") and the Islamic Development Bank (hereinafter referred to as the "Bank").

WHEREAS,

- A) The Borrower has requested the Bank to assist in financing part of the cost for the diversified food production project (hereinafter called the "Project") as described in Schedule-I to this Agreement by making the Loan as hereinafter provided;
- B) One of the purposes of the Bank is to assist its member countries by way of making loans for financing productive projects and programmes;
- C) The Project is considered to be technically sound, economically and financially justified;
- D) The Bank has agreed on the basis, inter alia, of the foregoing, to make the Loan to the Borrower upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE-I
DEFINITIONS, GENERAL CONDITIONS

Section-1.01 Definitions: Whenever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth and the following terms have the following meanings:

"Disbursement": means withdrawal of the Loan Amount.

"Disbursement Procedure": means the Disbursement Procedure of the Bank.

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- “Effective Date”:** means the date on which the Agreement is declared effective by the Bank as communicated to the Borrower by the Bank.
- “Executing Agency”:** means the Ministry of Agriculture, Forestry and Food Security of the Government of the Republic of Sierra Leone, which is the Executing Agency responsible for implementation, operation and management of the Project, or such other Agency, as may be agreed upon between the Borrower and the Bank.
- “General Conditions”:** means the General Conditions applicable to Loan and Guarantee Agreements of the Bank dated 8/11/1976.
- “Islamic Dinar/ID”:** as defined in Article 4(1)(a) of the Agreement establishing the Bank is the unit of account of the Bank. One ID is equivalent to One Special Drawing Right of the International Monetary Fund.
- “Loan Amount”:** means the Amount the Bank has agreed to lend to the Borrower as specified in Section 2.01 of this Agreement.
- “Principal Amount”:** means the total Loan Amount actually withdrawn by the Borrower in accordance with this Agreement.
- “Procurement Guidelines”:** means the Guidelines for Procurement of Goods and Services under the Bank’s Financing.
- “Project” and references to “parts” thereof** mean the Project and parts thereof described in Schedule-I to this Agreement.
- “Service Fee”** means the fee payable by the Borrower to the Bank as specified in Section 4.02 of this Agreement.

Section-1.02 General Conditions: The parties to this Agreement accept all the provisions of the General Conditions with the same force and effect as if they were fully set forth herein.

ARTICLE-II
THE LOAN

Section-2.01 The Loan Amount: The Bank agrees to lend to the Borrower, from its ordinary resources, an amount not exceeding the equivalent of ID. 7,000,000/- (Islamic Dinars Seven Million) only, on the terms and conditions set forth in this Agreement.

Section-2.02 Except as the Bank shall otherwise in writing agree, contracts for goods and services to be financed out of the Loan Agreement, shall be procured in accordance

