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EMBASSY OF JAPAN

Accra, March 10, 2011

Excellency,

I have the honour to refer to the recent discussions held between the representatives of the Government of Japan and of the Government of the Republic of Sierra Leone concerning Japanese economic cooperation to be extended with a view to strengthening friendly and cooperative relations between the two countries, and to propose on behalf of the Government of Japan the following understanding:

1. For the purpose of contributing to promotion of the economic and social development efforts by the Government of the Republic of Sierra Leone, the Government of Japan shall extend to the Government of the Republic of Sierra Leone, in accordance with the relevant laws and regulations of Japan, a grant of nine hundred million Yen (¥900,000,000) (hereinafter referred to as "the Grant").

2. (1) The Grant and its accrued interest shall be used by the Government of the Republic of Sierra Leone properly and exclusively for the purchase of products enumerated in a list to be agreed upon between the authorities concerned of the two Governments and services incidental to such products, provided that those products are produced in eligible source countries.

(2) The list mentioned in sub-paragraph (1) above will be subject to modifications which may be agreed upon between the authorities concerned of the two Governments.

(3) The scope of the eligible source countries mentioned in sub-paragraph (1) above shall be agreed upon between the authorities concerned of the two Governments.

3. (1) The Government of the Republic of Sierra Leone shall open a yen ordinary deposit account at a bank in Japan in the name of the Government of the Republic of Sierra Leone (hereinafter referred to as "the Account") and notify in writing the Government of Japan of the completion of the procedure for opening the Account by March 24, 2011.

(2) The sole purpose of the Account is to receive the payment in Japanese yen by the Government of Japan referred to in paragraph 4 as well as to make payments necessary for the purchase of the products and services enumerated in the list mentioned in paragraph 2, and such other payment as may be agreed upon between the authorities concerned of the two Governments.

Osman Foday Yansaneh
High Commissioner
of the Republic of Sierra Leone
to the Republic of Ghana

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EMBASSY OF JAPAN

4. The Government of Japan shall execute the Grant by making payment in Japanese yen of the amount referred to in paragraph 1 to the Account during the period between the date of receipt of the written notification referred to in sub-paragraph (1) of paragraph ~~3~~² and March 31, 2011. The period may be extended by mutual consent between the authorities concerned of the two Governments.

5. (1) The Government of the Republic of Sierra Leone shall take necessary measures:

(a) to ensure that the Grant and its accrued interest be completely disbursed from the Account to be ready for the procurement of goods or services within a period of twelve months after the date of the execution of the Grant unless the period is extended by mutual consent between the authorities concerned of the two Governments and to refund the amount remaining in the Account to the Government of Japan;

(b) to ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the Republic of Sierra Leone with respect to the purchase of the products and services referred to in sub-paragraph (1) of paragraph 2 shall not be borne by the Grant;

(c) to ensure that the Grant and its accrued interest be used properly and effectively for promotion of the economic and social development efforts;

(d) to present to the Government of Japan a report prepared in a written form acceptable to the Government of Japan on the transactions on the Account together with copies of contracts, vouchers and other documents concerning the relevant transactions without delay when the Grant and its accrued interest are completely drawn in accordance with the provisions of sub-paragraph (2) of paragraph 3, or when the period for the use of the Grant and its accrued interest expires in accordance with the provisions of (a) above, or upon request by the Government of Japan; and

(e) to ensure that the Grant and its accrued interest be used for the uses of the Grant.

(2) Upon request, the Government of the Republic of Sierra Leone shall provide the Government of Japan with necessary information on the Grant.

(3) The products purchased under the Grant and its accrued interest shall not be re-exported from the Republic of Sierra Leone.

