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GRANT NUMBERS H170-SL and H625-SL

# **Financing Agreement**

**(Amending and Restating Development Grant Agreement)**

**(Bumbuna Hydroelectric Environmental and Social Management Project)**

between

**REPUBLIC OF SIERRA LEONE**

and

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**Dated September 29, 2010**

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GRANT NUMBERS H170-SL and H625-SL

**FINANCING AGREEMENT**  
**(Amending and Restating Development Grant Agreement)**

AGREEMENT dated September 29, 2010 entered into between the REPUBLIC OF SIERRA LEONE ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS (A) under an agreement, dated June 28, 2005, between the Recipient and the Association, as amended to date ("Development Grant Agreement"), the Association agreed to provide the Recipient with a grant ("Original Grant") in an amount equivalent to eight million three hundred thousand Special Drawing Rights (SDR 8,300,000) to assist in financing the project described in Schedule 2 to the Development Grant Agreement ("Original Project");

(B) the Recipient has requested the Association to provide additional financial assistance in support of activities related to the Original Project, as described in Schedule 1 to this Agreement ("Project"), by making available to the Recipient an additional grant ("Additional Grant") in an amount in various currencies equivalent to six million three hundred thousand Special Drawing Rights (SDR 6,300,000); and

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing to extend such additional assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the Association hereby agree to amend and restate the Development Grant Agreement, with effect as of the Effective Date of this Agreement, to read as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Preamble and Appendix to this Agreement.

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to fourteen million six hundred thousand Special Drawing Rights (SDR 14,600,000) ("Financing") which consists of: (a) the Original Grant in various currencies



equivalent to eight million three hundred thousand Special Drawing Rights (SDR 8,300,000); and (b) the Additional Grant in various currencies equivalent to six million three hundred thousand Special Drawing Rights (SDR 6,300,000), to assist in financing the Project.

- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Payment Dates are March 1 and September 1 in each year.
- 2.05. The Payment Currency is Dollar.

### ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

### ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Condition of Effectiveness is that the Recipient has appointed a financial management specialist for the Project, with qualifications and terms of reference satisfactory to the Association.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

5.01. The Recipient's Representative is its Minister responsible for finance.

5.02. The Recipient's Address is:

The Minister of Finance  
Ministry of Finance  
Freetown  
Sierra Leone

Facsimile:

(232) 228472

5.03. The Association's Address is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable:

Telex:

Facsimile:

INDEVAS  
Washington, D.C.

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