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CREDIT NUMBER 6299-SL

# Financing Agreement

(Sierra Leone Agro-Processing Competitiveness Project)

between

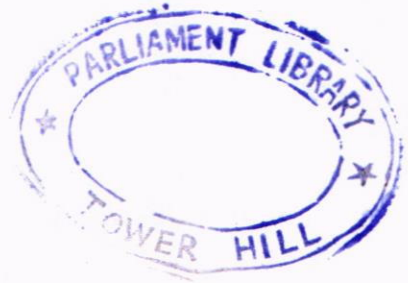
REPUBLIC OF SIERRA LEONE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

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CREDIT NUMBER 6299-SL

## FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between the REPUBLIC OF SIERRA LEONE ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

### ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form 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 Appendix to this Agreement.

### ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient a credit, deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement, in an amount equivalent to seven million one hundred thousand Special Drawing Rights (SDR 7,100,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.
- 2.05. The Payment Dates are February 15 and August 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollar.

**ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project, through the Ministry of Trade and Industry, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

**ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Recipient's Representative is its minister for finance.  
5.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

Ministry of Finance  
Treasury Building  
George Street  
Freetown, Sierra Leone; and

- (b) the Recipient's Electronic Address is:

Facsimile: 232 22 228 472

- 5.03. For purposes of Section 11.01 of the General Conditions:

- (a) the Association's address is:

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

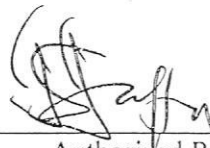
- (b) the Association's Electronic Address is:

Telex: 248423 (MCI)                      Facsimile: 1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF SIERRA LEONE

By:



Authorized Representative

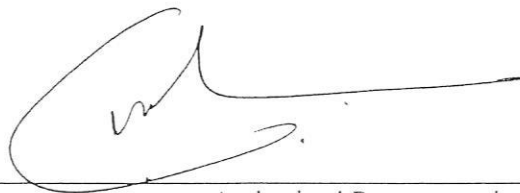
Name: Jacob Jusu Jaffu

Title: Minister of Finance

Date: 26/07/2018

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:



Authorized Representative

Name: GAYLE MARTIN

Title: COUNTRY MANAGER

Date: JULY 26, 2018

## SCHEDULE 1

### Project Description

The objective of the Project is to improve the business environment in the agribusiness sector and increase productivity of targeted agro-processing firms in Sierra Leone.

The Project consists of the following parts:

#### **Part 1: Promote Enabling Environment for Agro-Processing Sector Competitiveness and Growth of Agribusiness Firms**

A program of activities to help reduce burdensome agribusiness sector regulations that constrain productivity and weaken incentives of existing agribusiness firms and SMEs to reinvest earnings or make new investments for sector growth and competitiveness, including technical assistance to:

- (a) (i) the Environmental Protection Agency ("EPA") in generating evidence and good practices on environmental impact assessment for agribusiness to simplify procedures and reduce cost for obtaining environmental licenses; and (ii) selected private sector associations and public-sector agencies in strengthening the mechanism for public-private dialogue to provide a structured platform for systematic engagement between the public sector and private investors in the agribusiness subsector;
- (b) the Sierra Leone Investment and Export Promotion Agency ("SLIEPA") in developing and implementing an aftercare program for the retention and expansion for agribusiness investors;
- (c) the Sierra Leone Standards Bureau ("SLSB") in improving its capabilities for compliance with standards and conformity assessments; and
- (d) the Ministry of Trade and Industry ("MTI"), the Ministry of Agriculture and Forestry ("MAF") and SME Development Agency ("SMEDA") in strengthening their capacity to provide clearly defined services to support agro-processing, including enhanced institutional coordination for SMEs and other private sector actors, strategic planning and priority setting.

#### **Part 2: Firm-Level Support to Increase Productivity and Strengthen Competitiveness of Agro-Processing Firms and SMEs in Selected Value Chains**

A program of activities to increase the productivity and competitiveness of agro-processing SMEs and their suppliers in selected value chains, including: