

A9  
028

---

---

GRANT NUMBER 668-SL

# Financing Agreement

(Additional Financing for Extractive Industries Technical Assistance Project)

between

REPUBLIC OF SIERRA LEONE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 17<sup>th</sup> May, 2011

---

---

PARLIAMENT LIBRARY  
TOWER HILL FREETOWN

LOWER MILE FREEDOM  
ENVIRONMENT LIBRARY

**GRANT NUMBER 668-SL**

**FINANCING AGREEMENT**

AGREEMENT dated \_\_\_\_\_, 2011, entered into between REPUBLIC OF SIERRA LEONE ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). 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) 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 Appendix to this Agreement.
- 1.03. Unless the context requires otherwise, references in this Agreement to Ministry of Mineral Resources (MMR) shall be construed as references to MMR or, upon its establishment, National Minerals Agency (NMA).

**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 two million six hundred thousand Special Drawing Rights (SDR 2,600,000) ("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 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 August 1 and February 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 — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely, that:
  - (a) as a result of an act or omission in the management or operations of the Recipient's oil and gas, petroleum, or mining sectors, there has been, in the opinion of the Association, a failure on the part of the Recipient or any of its agencies or other competent authorities located in the Recipient's territory, to: (i) apply sound social and environmental standards and practices; or (ii) uphold appropriate standards of good governance applicable to the sector, including accountability mechanisms and anti-corruption principles and practices prevalent at the local or national levels of said sector; and
  - (b) the Recipient or other agency or competent authority, as the case may be, has failed, within a thirty (30) day period after notice thereof has been given to it by the Association, to remedy such failure or take appropriate corrective measures.

### ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.



**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

6.01. The Recipient's Representative is its minister responsible for finance.

6.02. The Recipient's Address is:

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

Facsimile: 232 22 229 060

6.03. 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.

248423 (MCI)

1-202-477-6391