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CREDIT NUMBER 5767-SL

Financing Agreement

(Smallholder Commercialization and Agri-Business Development Project)

between

REPUBLIC OF SIERRA LEONE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated March 14, 2016



CREDIT NUMBER 5767-SL

FINANCING AGREEMENT

AGREEMENT dated March 14, 2016, entered into between REPUBLIC OF SIERRA LEONE ("Recipient") and 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) 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.

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 credit in an amount equivalent to twenty eight million, nine hundred thousand Special Drawing Rights (SDR 28,900,000) (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 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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are March 15 and September 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 objectives of the Project. To this end, the Recipient shall: (a) carry out the Project (except for Part A.2.1) through the Ministry of Agriculture, Forestry and Food Security (MAFFS) in accordance with the provisions of Article IV of the General Conditions; and (b) cause the Project Implementing Entity to carry out Part A.2.1 of the Project, in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.
- 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 Events of Suspension consist of the following:
- (a) the Project Implementing Entity's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement;
 - (b) A representation made by the Project Implementing Entity in or pursuant to the Project Agreement, or any representation or statement furnished by the Project Implementing Entity and intended to be relied upon by the Association in making the Financing was incorrect in any material respect.
 - (c) the Recipient has taken or permitted to be taken any action which would prevent or interfere with the performance by the Project Implementing Entity of its obligations under the Project Agreement; and
 - (d) IBRD or IDA has suspended in whole or in part the right of the Project Implementing Entity to make withdrawals under any agreement with IBRD or with IDA because of a failure by the Project Implementing Entity to perform any of its obligations under such agreement or any other agreement with IBRD or IDA.
- 4.02. The Co-financing Deadline for the effectiveness of the Co-financing Agreement is July 30, 2016.
- 4.03. The Additional Events of Acceleration consist of the following:
- (a) The events specified in paragraphs (a) and (b) of Section 4.01 of this Agreement occur.