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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

البنك الإسلامي للتنمية

تاريخ _____ ١٤

الموافق _____ م

Islamic Development Bank

Dated _____

LEGAL DOCUMENTATION
RELATING TO ISLAMIC DEVELOPMENT BANK'S FINANCING

FOR	
Loan (ISFD):	USD2,000,000.00
INSTALMENT SALE:	USD20,000,000.00
TA GRANT:	USD300,000.00

IN FAVOR OF
REPUBLIC OF SIERRA LEONE

REGARDING REGIONAL RICE VALUE CHAIN
DEVELOPMENT PROGRAM

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LOAN AGREEMENT

BETWEEN

REPUBLIC OF SIERRA LEONE

AND

ISLAMIC DEVELOPMENT BANK
(IN ITS CAPACITY AS THE ADMINISTRATOR OF THE ISLAMIC SOLIDARITY FUND FOR DEVELOPMENT)

REGARDING REGIONAL RICE VALUE CHAIN DEVELOPMENT PROGRAM

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LOAN AGREEMENT

This Loan Agreement (the Agreement) is made on 28/07/1440H corresponding to 04/04/2019G,

Between

Republic of Sierra Leone (hereinafter referred to as the "Recipient")

And

Islamic Development Bank (IsDB) in its capacity as the administrator of the Islamic Solidarity Fund for Development (ISFD) (hereinafter referred to as the "Bank").

The Recipient and the Bank are hereinafter referred to individually as "Party" and collectively as "Parties".

Whereas,

- A. The Recipient has requested the Bank to assist in financing Regional Rice Value Chain Development Program as described in Annex-I;
- B. ISFD is a special fund within IsDB for the purpose of financing different productive and service projects and programs that help in reducing poverty in member countries of the Organization of Islamic Cooperation (OIC); and
- C. The Board of Directors of ISFD has on 09/04/1440H (16/12/2018G) approved to make available a loan, as specified in Article-2, to the Recipient upon the terms and conditions hereinafter set forth;

Now, therefore, the Parties agree as follows:

Article-1 GENERAL CONDITIONS, DEFINITIONS AND INTERPRETATIONS

- 1.1 The Parties accept all the provisions of the General Conditions with the same force and effect as if they were fully set forth herein.
- 1.2 Unless the context otherwise requires, the terms defined in the General Conditions and in this Agreement shall have the meaning ascribed to them wherever used in this Agreement. In addition, the following terms shall have the meaning ascribed to them:

Consultant:	the individual consultant as well as any consulting firm selected in accordance with the provisions of this Agreement for the supervision of the implementation of the Project.
Disbursement Procedures:	The effective "Disbursement Procedure" of the Bank as well as any amendment thereto.
Disbursement:	any withdrawal from the Loan to cover the cost of the components financed in accordance with this Agreement.
Executing Agency:	the entity identified in Section 6.1 of the Agreement and responsible for the implementation of the Project for and on behalf of the Recipient.
First Disbursement:	the first Disbursement following the Effectiveness in accordance with this Agreement and the Disbursement Procedures.

General Conditions:	the "General Conditions Applicable to Loan and Guarantee Agreements" dated 08/11/1976 approved by the Board of Executive Directors of the Bank (BED Resolution No.47/BED/96/10(27)).
ISFD Operational Policies and Guidelines:	the operational "Policies Guidelines for the Islamic Solidarity Fund for Development" as approved by its Board of Directors (No.ISFD/1429H/BOD/02/(6)) in 2008G. In the event of any gap in the coverage of operational policies and guidelines, the pertinent policies and guidelines of IsDB shall apply.
Loan/Loan Amount:	the amount, the Bank has agreed to lend to the Recipient as specified in Article-2.
Principal Amount:	the total Disbursements in accordance with this Agreement.
Procurement Guidelines:	the Bank's "Guidelines for Procurement of Goods and Services".
Project:	the project described in Recital-A above.
Sanctionable Practices:	<p>any of Corrupt practice, Coercive practice, Collusive practice, Fraudulent practice or Obstructive practice:</p> <ul style="list-style-type: none"> (i) Corrupt Practice: means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party; (ii) Coercive Practice: means any act or omission impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party. (iii) Collusive Practice: means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party. (iv) Fraudulent practice: means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation. (v) Obstructive Practice: means, <ul style="list-style-type: none"> (a) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making of false statements to investigators, in order to materially impede the Bank investigation into allegations of a Corrupt, Fraudulent, Coercive or Collusive practice, and/or threatening, harassing or

intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or

- (b) acts intended to materially impede the exercise of the Bank's access to contractually required information in connection with the Bank's investigation into allegations of a Corrupt, Fraudulent, Coercive or Collusive practice.

Service Fee: the fee to cover the administrative expenses of the Bank in administering the Loan in accordance with Sections 3.02 of the General Conditions and 3.2 of this Agreement.

USD/US\$/US Dollars: the lawful currency of the United States of America.

1.3 Interpretations:

- (i) an "annex", "schedule", shall, subject to any contrary indication, be construed as a reference to an annex, schedule of the agreement or document in which such reference appears;
- (ii) "including" shall be construed as a reference to "including, without limitation";
- (iii) this Agreement or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, varied, notated or supplemented;
- (iv) "Article", "Section", "paragraph", or "preamble" shall, unless a contrary indication appears, be construed as one in or to this Agreement;
- (v) the headings in this Agreement are for convenience only and are not intended, and shall not be construed, to alter, limit, or enlarge in any way the scope or meaning of the language contained in this Agreement;
- (vi) the singular includes the plural and vice versa; and
- (vii) a "day" and "year" shall be to a day, month and year, respectively of the Gregorian calendar.

Article-2 THE LOAN

- 2.1 The Bank shall make available to the Recipient a loan in an amount not exceeding USD2.0 million (United States Dollars Two Million) .
- 2.2 The obligation of the Bank to make the Loan available under this Agreement is conditional upon:
- (i) the effectiveness of this Agreement being achieved within 180 (One Hundred and Eighty) days from the date of this Agreement; and
 - (ii) the submission of a request to make the First Disbursement within 180 (One Hundred and Eighty) days from the Date of Effectiveness.
- 2.3 Except as the Bank shall otherwise agree, Goods and services to be financed from the proceeds of the Loan shall be procured in accordance with the Procurement Guidelines.

In this regard, the Recipient shall abide by the Regulations of the Organization of Islamic Cooperation concerning Boycott of Israel.

- 2.4 The Disbursement shall take place from the Date of Effectiveness and by no later than 31/12/2024 G (the Closing Date). Any Disbursement request by the Recipient shall be in accordance with Schedule-C of Annex-II and other provisions of this Agreement, the General Conditions and the Disbursement Procedure.
- 2.5 All the amounts withdrawn by the Recipient from the Loan shall be used solely for the purpose of the Project.
- 2.6 Subject to Section 2.7, all payments for Goods and services provided for under this Agreement shall be made by direct payment in accordance with the Disbursement Procedures.
- 2.7 If and where applicable, a Special Account in USD will be opened with the central bank of the Recipient or in a local commercial bank acceptable to the Bank for easy and timely disbursement of the Project. The maximum amount to be deposited in the Special Account shall not be more than USD500,000.00 (United States Dollars Five Hundred Thousand) at a time. The replenishment of the Special Account and other matters shall be in accordance with the Guidelines for Opening a Special Account.

Article-3 PAYMENT OF PRINCIPAL AMOUNT AND SERVICE FEE

- 3.1 The Recipient shall repay the Principal Amount in 30 (thirty) years including a 10 (Ten) years grace period commencing from the date of this Agreement in US Dollars and in 40 (forty) consecutive semi-annual installments as set forth in Schedule-A of Annex-II.
- 3.2 The Recipient shall pay to the Bank a Service Fee of an amount estimated initially at USD138,773.00 in the manner set forth in Schedule-B of Annex-II. The Service Fee will be payable from the date of this Agreement and shall be calculated and levied in accordance with Bank's Guidelines for Calculation and Levy of Service Fee on Loans.
- 3.3 The amount of the Service Fee referred to in Section 3.2 is an estimation based on the assumption of the implementation period and the period of disbursement of the Loan Amount as herein envisaged. The actual amount of the Service Fee shall be calculated after the implementation of the Project, provided that the amount shall not exceed 0.75% of the Loan Amount when calculated on annual basis.
- 3.4 Any payment under this Agreement, including repayments of the Principal Amount and Service Fee, shall be considered duly made when funds constituting such payments are credited to an account indicated for this purpose by the Bank.
- 3.5 Without prejudice to the generality of the provisions of Section 3.4, any payment hereunder shall be deemed to have been duly made when either of the following banks confirms the receipt of such payment to the Bank.

Bank:	Gulf International Bank (UK) London
Currency:	US Dollars
IBAN No:	GB77 SINT 60928000159149 PAF
Account No:	000111058
Swift:	SINTGB2L
Correspondent:	HSBC Bank USA, New York
Swift(USD Correspondent):	MRMDUS33

3.6 If any payment becomes due on a day on which the banks are not officially open for business in the place where payment is to be effected by the Recipient in the currency concerned, such payment shall be made on the following day on which such banks are open for business.

3.7 If the Recipient fails to pay any amount payable hereunder when it is due, the Recipient, in addition to the amount due, shall, in accordance with the Principles of Islamic Shari'ah:

- (i) compensate the Bank for any loss, damage, reasonable actual costs and expenses (including, but not limited to any legal, or collecting agent's costs and expenses) incurred by the Bank as a result of delay in payment to the Bank; and
- (ii) pay the Bank a late payment charge in respect of the overdue amount, any such late payment charge shall be calculated and applied as a sum determined by the Bank after applying the formula indicated below:

$$\frac{A \times B \times C}{360}$$

Where: "A" means the unpaid amount;
"B" means 01% per annum; and
"C" means the number of days from and including such due date to, and, including the date of actual payment (whether before or after judgment).

The Bank shall, after the deduction of all actual costs and expenses incurred, pay any amount received pursuant to this Article to the Bank's Waqf Fund Account.

Account No:	0000 100 102
Bank Name:	The British Arab Commercial Bank
SWIFT Code:	BACMGB2L
IBAN:	GB69 BACM 4051 3200 100 102

3.8 The Bank shall not apply the late payment charge set out in Article 3.7(b) if the Recipient is able to demonstrate, to the satisfaction of the bank, that the Recipient's failure to made the payment is not due to its willful default.

Article-4 DECLARATION OF EFFECTIVENESS

This Agreement and the obligations of the Bank hereunder shall not be effective until and unless the Recipient provides documents to the satisfaction of the Bank relating to the following:

- (i) Evidence that the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by the competent authorities of the Recipient;
- (ii) Legal opinion acceptable to the Bank emanating from the chief legal and/or judiciary authority of the Recipient stating that the provisions of the Agreement constitute enforceable binding obligations upon the Recipient substantially in the form provided in Annex-III to this Agreement;
- (iii) (a) A letter issued by the Ministry of Finance or any other duly authorized organ of the Recipient to the central bank of the Republic of Sierra Leone instructing/authorizing the central bank that payment of the Principal Amount and the Service Fee installments by the Recipient under this Agreement shall be effected by the central bank on the dates on which they fall due; and

The central bank acknowledging that it has received the said letter of instruction/authorization and that it will adhere to the instructions contained therein;

OR

The Recipient, through its Ministry of Finance or any other duly authorized organ, shall provide the Bank with a letter confirming that the concerned department or unit charged with servicing external debt has been instructed to make payment of the Principal Amount and the Service Fee installments on due dates; and

- (iv) All conditions precedent to the Recipient's right to obtain funds under any other loan (other than the effectiveness of this Agreement) shall have been fulfilled.

Article-5 SUSPENSION, CANCELLATION AND TERMINATION

5.1 This Agreement and all obligations of the Parties, in accordance with Article 2.2, shall automatically be terminated in the event:

- (i) the Agreement has not been declared effective within 180 (One Hundred and Eighty) days from the date of this Agreement; or
- (ii) The Recipient has not submitted a request for First Disbursement within 180 (One Hundred and Eighty) days from the Date of Effectiveness.

5.2 In addition to the provisions of Article-VI of the General Conditions, the Bank may, by notice to the Recipient, suspend and/or cancel the Loan or any part thereof, if at any time, with respect to the implementation of the Project, including with respect to the procurement or execution of any contract concluded by virtue of this Agreement, the Bank determines that any person or entity has engaged in Sanctionable Practices without the Recipient having taken timely and appropriate action satisfactory to the Bank to remedy the situation or to address such practices when they occur.

Article-6 EXECUTION OF THE PROJECT

6.1 The Ministry of Agriculture, Forestry and Food Security, Republic of Sierra Leone shall be the Executing Agency.

6.2 The implementation of the Project shall be completed within 5 (Five) years from the Date of Effectiveness.

6.3 The Recipient undertakes to:

- (i) implement the Project and to conduct its operations and affairs through the Executing Agency with due diligence and efficiency and in accordance with sound administrative, financial, engineering and economic practices, under the supervision of qualified and experienced management and personnel and in accordance with the Bank's approved budgets, plans and specifications concerning the Project approved by the Bank;
- (ii) ensure or cause to be ensured that, all contractors and consultants providing Goods or carrying out works and/or services under the Project carry out their activities under the Project with due diligence and efficiency and in accordance with sound, technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Bank, including with the provisions of any anti-corruption guidelines applicable to the Recipient;

- (iii) make appropriate arrangements so that the Executing Agency will at all times function under rules and regulations in form and substance satisfactory to the Bank and have such powers, management and administration as are necessary for the diligent and efficient implementation of the Project.
- (iv) submit to the Bank for its approval, in such detail as the Bank may reasonably request, any envisaged important modifications to the budget, plans and specifications of the Project as well as any substantial changes in any contract for services or procurement of Goods relating to the execution of the Project.
- (v) ensure that the proceeds from the Loan shall not be used to finance any expenditure with respect to which the Bank determines that Sanctionable Practices were engaged in by representatives of the Recipient or other recipient of the proceeds from the Loan, without the Recipient having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

Article-7 REPRESENTATIONS

The Recipient represents that:

- (i) all governmental authorizations and actions of any kind necessary to authorise or required for the validity or enforceability of the obligations contemplated under the Agreement have been obtained or performed and are valid and subsisting in full force and effect.
- (ii) under the laws of the Republic of Sierra Leone in force at the date of this Agreement, the claims of the Bank against the Recipient under this Agreement will rank at least *pari passu* with the claims of all other unsecured creditors for any indebtedness of the Recipient; and
- (iii) the concerned department or unit charged with servicing external debt has been instructed to make payment of the Principal Amount and the Service Fee instalments on due dates.

Article-8 PARTICULAR COVENANTS

- 8.1 The Recipient shall make available promptly, as needed, all sums including amounts necessary for local currency cost which shall be required for the implementation of the Project, on terms and conditions satisfactory to the Bank. Without prejudice to the generality of the foregoing, the Recipient undertakes to provide from its own resources the necessary funds for adequate operation and regular maintenance of the Project after completion thereof.
- 8.2 Except as the Bank shall otherwise agree and provided that the Procurement Guidelines are followed, the Recipient shall award contracts for procurement of goods and services financed from the proceeds of the Loan as follows:
- 8.2.1 Consultancy Services for Microfinance, M&E digital solutions, training for farmers, market and hydrological studies shall be carried out through National Shortlist using Quality and Cost Based Selection - QCBS - (Least Cost).
- 8.3 The Recipient shall seek the prior approval of the Bank for the awarding of:
- (i) any contract for Goods and works with value exceeding the equivalent of ID150,000.00 (Islamic Dinars One Hundred Fifty Thousand); and
 - (ii) all contracts for consultancy services.

- 8.4 Without any limitation or restriction upon any of its other obligations under this Agreement, the Recipient shall allow the Bank a reasonable time period to comment on any substantial changes to be made to any contract for services or procurement of Goods relating to the execution of the Project, including any extension of the contract period.
- 8.5 The Recipient shall ensure, or cause to be ensured, that anti-corruption and anti-fraud provisions acceptable to the Bank are included in all bidding documents and contracts, including provisions specifying the right of the Bank to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project.
- 8.6 The Recipient shall promptly furnish the Bank with approved studies of, and the plans and specifications for, the Project, the schedule of its execution and any material modifications subsequently made therein, in such detail as the Bank shall from time to time request.
- 8.7 The Recipient shall establish and maintain adequate records to:
- (i) identify the Goods and/or services financed from the proceeds of the Loan Amount and disclose their use in the Project;
 - (ii) record the progress of the Project; and
 - (iii) reflect in accordance with consistently maintained sound accounting practices, the operations and financial position of the Executing Agency.
- 8.8 The Recipient shall, during the implementation of the Project and until fulfilling all its obligations hereunder, afford all reasonable opportunity for accredited representatives of the Bank to make visits and inspect the Project, the Goods and any relevant records and documents in relation thereto; and shall furnish to the Bank all such information as the Bank shall reasonably request concerning the expenditure of the proceeds from the Loan, the Project, the Goods and the operations and financial position of the Executing Agency.
- 8.9 The Recipient shall take out or shall cause to be taken out adequate insurance from reputable insurers acceptable to the Bank for all Goods and works financed by the Bank. Such insurance shall cover marine, transit and other risks incidental to purchase and importation of the Goods into the territory of the Recipient and delivery thereof to the site of the Project, and shall be for such amounts, as are consistent with sound commercial practices. Such insurance will be made in accordance with applicable laws on the understanding that the proceeds of insurance will be paid in the currency of the contract or in a freely convertible currency in accordance with the Procurement Guidelines.
- 8.10 The Recipient shall make available, as and when needed, all such land and rights in respect of land as shall be required for carrying out the Project and shall furnish to the Bank, at its request, evidence satisfactory to the Bank that such land and rights in respect of land are available for purposes related to the Project.
- 8.11 The Recipient shall take all action which shall be necessary on its part to enable the Executing Agency to implement the Project and shall not take, or permit to be taken any action which would prevent or interfere with the implementation or operation of the Project or the performance of any obligations under this Agreement.

- 8.12 Unless otherwise decided by the Bank, the Recipient shall consider as confidential all documents, correspondence, and information provided by the Bank to the Recipient.
- 8.13 All taxes, charges, fees and duties related to the Bank's financing of the Project shall be borne by the Recipient.
- 8.14 The Recipient shall ensure that there is no funding gap for the Project and shall be responsible for all cost overruns.
- 8.15 The Recipient shall ensure that in the implementation of the Project, the Bank's participation is acknowledged by, amongst other measures, sign-postings at all sites, and with printing on all equipment and documents, the following phrase and its translation in all languages used and understood in the locality of the Project.

"Project Financed by the Islamic Solidarity Fund for Development"

Article-9 REPORTS

- 9.1 The Parties shall cooperate fully and share information in order to ensure that the proceeds from the Loan are utilized for the purposes of accomplishing the Project. To this end, each Party shall furnish to the other all such information as it shall reasonably request with regard to the general status of the Loan and the Project. On the part of the Recipient, such information shall include information with respect to financial and economic conditions, including the balance of payments position of the Recipient.
- 9.2 (i) The Recipient shall submit or ensure submission, to the Bank, to the latter's satisfaction and at the times specified for each, the following reports:
- (a) within 30 (Thirty) days after the end of each quarter, or within such other period as the Parties may agree, a report on the execution of the Project in such manner as the Bank may, from time to time, specify;
 - (b) such other reports as the Bank may reasonably request regarding the application of the proceeds from the Loan and the progress of the Project;
 - (c) promptly after completion of the Project, but in any event not later than 180 (One Hundred and Eighty) days after the Closing Date or such later date as may be agreed for this purpose between the Recipient and the Bank, the Recipient shall prepare and furnish to the Bank a completion report, of such scope and in such detail as the Bank shall reasonably request, on the execution and initial operation of the Project.
- (ii) The documents described in this Section shall be certified at the option of the Bank, in such manner as the Bank may reasonably require.

Article-10 SETTLEMENT OF DISPUTES

- 10.1 In the event of a dispute arising out of or relating to this Agreement, including any question regarding its existence, validity or termination and any claim by any Party against the other Party arising under this Agreement, which could not be determined by agreement of the Parties within 30 (Thirty) days of notice by one Party to the other, shall be submitted to an arbitration panel for final and binding decision in accordance with the rules and procedures of the International Islamic Centre for Reconciliation and Arbitration (IICRA), Dubai, United Arab Emirates. The arbitration rules and procedures of IICRA shall be in lieu of any other procedure for the determination of disputes between

the Parties to this Agreement or any claim by any Party against the other Party arising thereunder.

- 10.2 If within 30 (Thirty) days after counterparts of the award shall have been delivered to the Parties, the award is not complied with, any Party may enter judgment upon, or institute a proceeding to enforce the award, in any court of competent jurisdiction against the other Party, may enforce such judgment by execution or may pursue any other appropriate remedy against the other Party for the enforcement of the award or the provisions of this Agreement.
- 10.3 Each Party to this Agreement agrees that any judgment rendered under this Agreement against it may be executed against its funds (assets) in any jurisdiction. The Parties hereby irrevocably waive any objection they may have to any suit, action or proceeding arising out of or relating to the enforcement of an arbitration judgment under this Agreement, whether brought in any jurisdiction in which they have funds (assets), and hereby further irrevocably waive any claim that any such suit, action or proceeding brought in any jurisdiction have been brought in any inconvenient forum.
- 10.4 To the extent that the Bank may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid or execution, before award or judgment or otherwise) or other legal process or to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Recipient hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

Article-11 CO-ORDINATION AND NOTICES

- 11.1 The Recipient hereby appoints the Ministry of Finance, Republic of Sierra Leone as the authorized representative of the Recipient (the Recipient's Representative) for the purposes of Section 10.03 of the General Conditions and on all matters under this Agreement and for all intents and purposes without limitation; accordingly, the Recipient's Representative shall:
- (i) directly deal with the Bank.
 - (ii) be directly responsible for fulfilling the obligations incumbent on the Recipient by virtue of this Agreement;
 - (iii) be directly responsible for communicating with the Bank on all matters pertaining to the implementation of this Agreement; and
 - (iv) at all times, conduct proper and efficient coordination and cooperation, and ensure that the Recipient and the Executing Agency carry out their duties hereunder.
- 11.2 The Recipient may change the Recipient's Representative hereunder by giving written notice to the Bank.
- 11.3 Any notice, request, consent, approval or other communication to be given or made under this Agreement and for the purpose of Section 10.01 of the General Conditions shall be in writing and shall be deemed to have been duly given when delivered by hand, airmail, established courier service, or facsimile to the Party to which it is given at such Party's address specified below or at such other address as such Party shall have designated by notice to the Party giving such notice, request or communication.

For the Recipient:
Ministry of Finance
George Street, Freetown
Sierra Leone.

Ministry of Agriculture, Forestry and Food Security
Fourth Floor, Youyi Building,
Brookfields, Freetown,
Sierra Leone

For the Bank:
8111 King Khalid St. Al Nuzlah Al Yamania Dist.
Unit No.1
Jeddah-21432
Kingdom of Saudi Arabia
Tel: +966 12 6361400
Fax: +966 12 6366871
Email: archives@isdb.org

Article-12 MISCELLANEOUS

- 12.1 The recital and the annexes are an integral part of this Agreement.
- 12.2 This Agreement, including any amendments, may be executed in counterparts, which shall, in all cases, constitute a single agreement. Copies of this Agreement will be equally binding as originals and faxed or scanned and emailed counterpart signatures will be sufficient to evidence execution, though the Parties may require original signed documents to be delivered.
- 12.3 This Agreement is the entire agreement and supersedes any prior oral or written agreement or communications between the Parties regarding its subject matter. The provisions of this Agreement are severable so that if any provision is found to be invalid, illegal or unenforceable, such finding shall not affect the validity, construction or enforceability of any remaining provision.
- 12.4 This Agreement may only be amended by a mutual written agreement of the Parties.
- 12.5 The date of this Agreement shall, for all purposes of this Agreement, be that appearing in the Preamble.

[END OF ARTICLES]

Execution Page

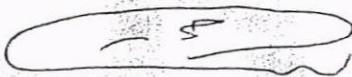
IN WITNESS WHEREOF, the Parties, through their duly authorized representatives, have signed this Agreement on the date first above written.

FOR AND ON BEHALF OF
REPUBLIC OF SIERRA LEONE



H.E. Jacob Jusu Saffa
Minister of Finance

FOR AND ON BEHALF OF
ISLAMIC DEVELOPMENT BANK
(IN ITS CAPACITY AS THE ADMINISTRATOR OF THE ISLAMIC SOLIDARITY FUND FOR DEVELOPMENT)



Dr. Bandar. M. H. Hajjar
President

Annex-I DESCRIPTION OF THE PROJECT

[The project's focus is on value chain development seeking to alleviate constraints impeding the development of the rice cultivation by impacting actors across the entire value chain including smallholder farmers, off-takers and processors, service providers, agro-dealers, aggregators, financial institutions, and rural communities in production and processing areas. The project will ensure that 45% of its total beneficiaries are women and youth smallholder farmers' who will have access to (i) new technologies, modernized irrigation systems and improved seeds to increase productivity, (ii) financial and technical resources as well as extension and advisory services provided by the project, and (iii) equitable decent employment opportunities. As such, the project will have the following components: (i) Raising productivity of the rice production systems; (ii) development of innovative postharvest technologies and marketing mechanisms, (iii) enabling institutional arrangements to optimize the value chain performances including private sector and access to finance.

The Program's Regional Framework: The project is designed within a regional program with the following objectives:

1. Developing regional network of seed developers constituted by the national agricultural research centers in each of these countries with the support of regional research center such as AfricaRice. AfricaRice is one of the 16 international agricultural research and development centers. It holds a wide range of varieties that the national programs need for their breeding to develop appropriate ones that are high-yielding and match the needs of their production ecologies.
2. Development of farmer-market linkages ICT based solutions that will accelerate outcomes of agricultural value chains that target smallholder farmers. The tools that combine remote sensing and geo-spatial mapping at scale allows for real time connectivity of the partners in the value chain. The ICT systems will allow for developing robust monitoring and evaluation system that is backed by a user-friendly database. Youth groups are engaged in the data collection in ways that enhances their skills and creates jobs for them.
3. Establishment of regional knowledge platform for learning, exchange of information and knowledge as well as policy coordination among the program's participating countries. This will be achieved through the establishment of regional steering committee that will assume the role of regional coordination among the five national projects.

Component A – Raising Rice Production and Productivity: This component will cover the cost of critical production factors that directly affecting the increase in rice production and productivity; this will include (i) construction and supply installation of small scale irrigation systems (Intake structure, pump sets, HDPE pipes; farms irrigation channels, etc.); (ii) Land preparation (clearance & leveling) and; (iii) Supply of certified quality agricultural inputs including improved seeds varieties, quality fertilizers, and agrochemicals; (iv) provide access to microfinance finance for farmers to enable them purchasing inputs; (v) support to extension services including farmers training, field demonstration and plant health. Efforts to increase productivity will take into consideration social and environmental safeguards.

The component will focus on the land development of the value chain including small scale irrigation systems and land preparation and clearance. It will bring on board technologies that will raise the current low rice yields under smallholder production systems. Improved irrigation systems will aim at having at least two rice crops a year, with a third crop of vegetables or legumes in between them. Additionally, this component will cover yield-enhancing technologies (improved seeds, fertilizers, and agro-chemicals) and extension services. Also, soil fertility mapping will be conducted at the onset of the project to guide fertilizers application.

Components B- Strengthening the Links to Markets: This component will cover the cost associated with the (i) construction/rehabilitation of 3 market facilities and the supply of two river crossing boats; (ii) construction/rehabilitation of storage and processing facilities development including 3 storage buildings and its drying floors, rehabilitation of one of the existing milling facility, supply of 1 parboiling machine and 9 milling equipment; (iii) construction/rehabilitation of 35 km of rural roads ; (iv) Access to finance for 70 SMEs (Women & Youth). The component is focusing on strengthening the farmers and off-takers links to markets through providing access to post-harvest value chain facilities including storage, processing and rural markets facilities.

Component C - Fostering Enabling Policy and Institutional Environment: The component will provide support to (i) seeds research , multiplication and certification entities including SLARI, SMP and SLeSCA under the Ministry of Agriculture; (ii) capacity development including formation and strengthening of farmers groups, training of women and youth groups and conducting agriculture study tours; (iii) Introduction of advanced digital solutions (hard and software) to provide real time information for farmers on weather, agriculture extension and market; (iv) IT based Monitoring and Evaluation (M&E) Systems including the georeferenced database system. This subcomponent will also provide support to the agriculture census to help in creating accurate and sound agriculture database to facilitate proper planning, studies and informed decisions making.

Component D - Project Implementation and Coordination Support: The project will provide resources for management and coordination at both national and regional level. The support will cover the cost of the (i) PIU salaries, vehicles, offices, furniture, equipment and operation; (ii) consultancy services for the design & supervision of civil works, audit, market study, soil fertility study and consultancy for ICT based M&E system; (iii) workshops and regional activities including startup workshop, annual M&E workshops, technical backstopping and the operations of the National and Regional Steering Committee (NSC & RSC).

Schedule-A Payment of the Principal Amount		
Number	Date	Amount (USD)
1	12/31/2029	50,000
2	6/30/2030	50,000
3	12/31/2030	50,000
4	6/30/2031	50,000
5	12/31/2031	50,000
6	6/30/2032	50,000
7	12/31/2032	50,000
8	6/30/2033	50,000
9	12/31/2033	50,000
10	6/30/2034	50,000
11	12/31/2034	50,000
12	6/30/2035	50,000
13	12/31/2035	50,000
14	6/30/2036	50,000
15	12/31/2036	50,000
16	6/30/2037	50,000
17	12/31/2037	50,000
18	6/30/2038	50,000
19	12/31/2038	50,000
20	6/30/2039	50,000
21	12/31/2039	50,000
22	6/30/2040	50,000
23	12/31/2040	50,000
24	6/30/2041	50,000
25	12/31/2041	50,000
26	6/30/2042	50,000
27	12/31/2042	50,000
28	6/30/2043	50,000
29	12/31/2043	50,000
30	6/30/2044	50,000
31	12/31/2044	50,000
32	6/30/2045	50,000
33	12/31/2045	50,000
34	6/30/2046	50,000
35	12/31/2046	50,000
36	6/30/2047	50,000
37	12/31/2047	50,000
38	6/30/2048	50,000
39	12/31/2048	50,000
40	6/30/2049	50,000
40	6/30/2049	2,000,000

Schedule-B Payment of Service Fee		
Number	Date	Amount (USD)
1	12/31/2019	5,551
2	6/30/2020	6,168
3	12/31/2020	6,168
4	6/30/2021	6,168
5	12/31/2021	6,168
6	6/30/2022	6,168
7	12/31/2022	6,168
8	6/30/2023	6,168
9	12/31/2023	6,168
10	6/30/2024	6,168
11	12/31/2024	7,771
12	6/30/2025	7,771
13	12/31/2025	7,771
14	6/30/2026	7,771
15	12/31/2026	7,771
16	6/30/2027	7,771
17	12/31/2027	7,771
18	6/30/2028	7,771
19	12/31/2028	7,771
20	6/30/2029	7,771
Total:		138,773

Project Financing Plan											USD Million	
#	Components	IsDB				BADEA		GoSL		Total		
		Installment Sale*	ISFD loan	Grant**	IsDB Total	%	%	%	%			
A	Raising Rice Production and Productivity	11.99	0.55	-	12.54	60%	6.60	30%	1.66	10%	20.80	
B	Strengthening the Links to Markets	0.97	1.20	-	2.17	55%	1.75	45%	-	0%	3.92	
C	Enabling Policy and Institutional Environment	2.80	-	0.30	3.10	100%	-	0%	-	0%	3.10	
D	Project Implementation and Coordination Support	2.59	0.25	-	2.84	80%	0.73	20%	-	0%	3.57	
	Base cost	18.35	2.00	0.30	20.65	66%	9.08	29%	1.66	5%	31.39	
	Physical Contingency	1.00	-	-	1.00		0.46		0.08		1.54	
	Price Contingency	0.65	-	-	0.65		0.46		0.08		1.19	
	Total	20.00	2.00	0.30	22.30	66%	10.00	29%	1.82	5%	34.12	

Annex-III FORM OF LEGAL OPINION OF THE BORROWER'S CHIEF LEGAL AND/OR JUDICIAL
AUTHORITY

[TO BE PROVIDED ON THE LETTERHEAD]

Islamic Development Bank
8111 King Khalid St. Al Nuzlah Al Yamania Dist.
Unit No.1, Jeddah-21432
Kingdom of Saudi Arabia

Dear Sirs,

In my capacity as the chief legal and/or judicial authority of The Republic of Sierra Leone , under the powers vested in me under the laws of The Republic of Sierra Leone , I hereby certify that this document constitutes the Legal Opinion issued in relation to Article-4 of the Loan Agreement dated ___/___/___H (___/___/___G) entered into between The Republic of Sierra Leone and the Islamic Development Bank in its capacity as the administrator of the Islamic Solidarity Fund for Development (the "Bank") (the "Loan Agreement") for financing the regional rice value chain development program (the "Project") in an amount not exceeding USD 2 million (United States Dollars Two Million).

For the purpose of this Legal Opinion, I have examined,

- (i) the Loan Agreement;
- (ii) the authorization to enter into and sign the Loan Agreement;
- (iii) all laws, rules, regulations, orders, decrees and the like of Republic of Sierra Leone; and
- (iv) such other documents and instruments as I deemed necessary.

Accordingly, I am of the opinion that the Loan Agreement signed for and on behalf of the Republic of Sierra Leone by *****

- (a) has been duly authorized, executed, delivered and ratified in accordance with applicable governmental and/or legislative procedures;
- (b) does not violate any provision of the Constitution, any law, rule, regulation, order or decree of the Republic of Sierra Leone; and
- (c) constitute legal valid and binding obligations of the Republic of Sierra Leone enforceable against the the Republic of Sierra Leone in accordance with the terms and conditions stipulated in the said Agreement.

DONE at ***** on ___/___/___H (corresponding to ___/___/___G).

Yours truly,
Signature| Name| Designation
