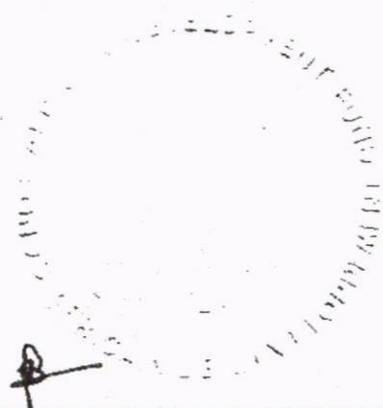


AG
114



**LOAN AGREEMENT
BETWEEN
THE REPUBLIC OF SIERRA LEONE
AND
THE AFRICAN DEVELOPMENT FUND**

(RURAL WATER SUPPLY AND SANITATION PROJECT)



**PARLIAMENT LIBRARY
TOWER HILL, FREETOWN**

Handwritten text, possibly a signature or date, located in the upper right quadrant of the page.

**LOAN AGREEMENT
BETWEEN
THE REPUBLIC OF SIERRA LEONE
AND
THE AFRICAN DEVELOPMENT FUND**

(RURAL WATER SUPPLY AND SANITATION PROJECT)

**PROJECT ID No. : P-SL-E00-003
LOAN No. : 2100150029793**

This Loan Agreement (hereinafter referred to as the "Agreement") is entered into this _____ day of _____, 2013 between the REPUBLIC OF SIERRA LEONE, (hereinafter referred to as the "Borrower") and the AFRICAN DEVELOPMENT FUND (hereinafter referred to as the "Fund").

1. WHEREAS the Borrower has requested the Fund to support the implementation of the Rural Water Supply and Sanitation Project, (hereinafter referred to as the "Project") by extending a Loan to the Borrower in the amount specified hereunder;

2. WHEREAS the Project is being co-financed by the United Kingdom Department for International Development ("DFID") and the Global Environment Fund ("GEF");

3. WHEREAS the Borrower has requested the Fund to finance part of foreign currency costs and part of the local currency costs of the Project;







4. WHEREAS the Borrower has declared its commitment to the execution of the Project;

5. WHEREAS the Project is technically feasible, economically viable, socially desirable, environmentally sustainable and constitutes a suitable basis for financing under the activities of the Fund;

6. WHEREAS the Sierra Leone Water Company (hereinafter referred to as "SALWACO") shall be the Executing Agency for the Project;

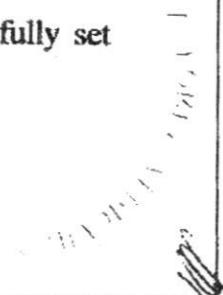
7. WHEREAS the Fund has agreed on the basis, inter alia, of the foregoing to grant a Loan to the Borrower upon the terms and conditions hereinafter set forth;

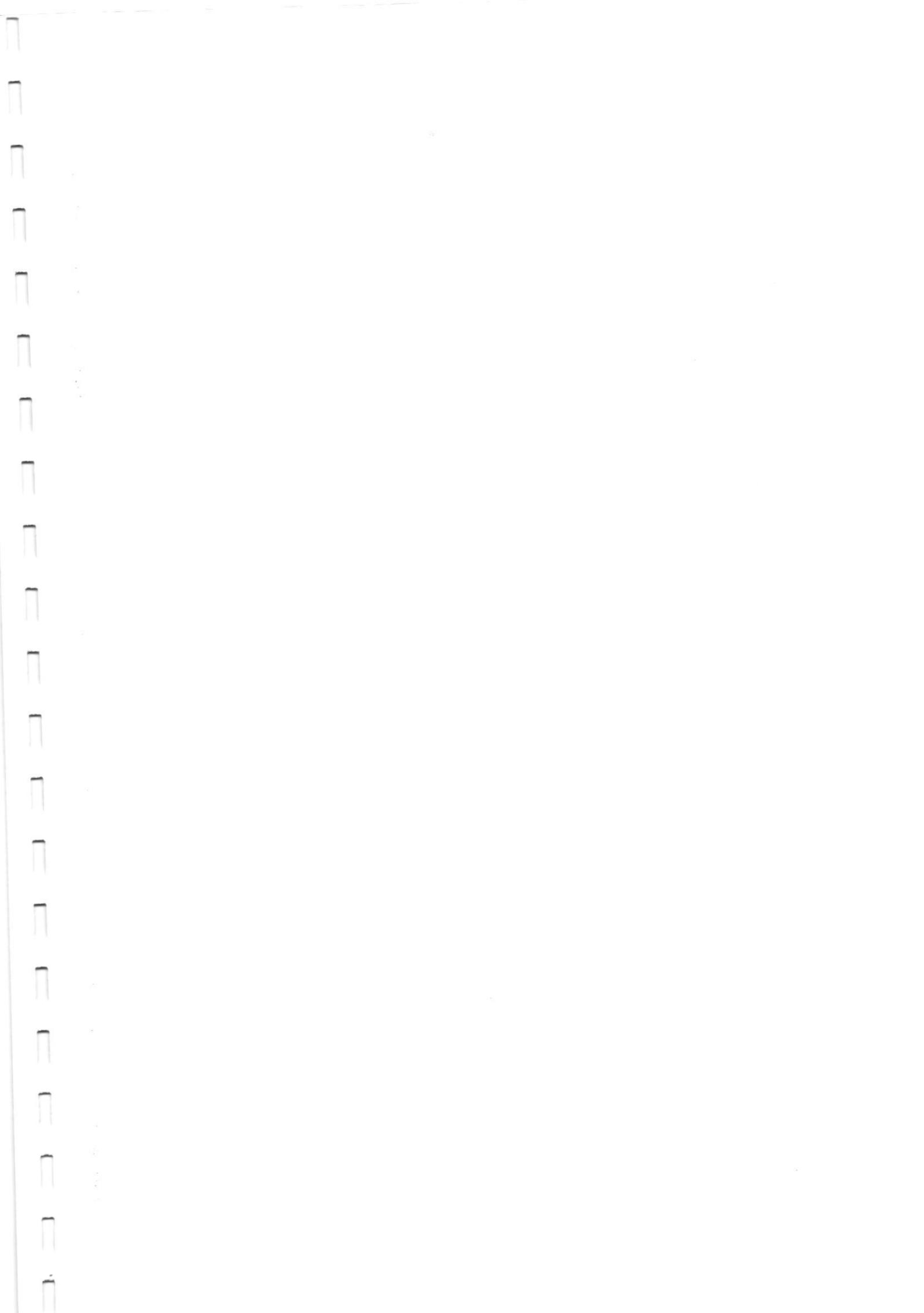
NOW THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

GENERAL CONDITIONS-DEFINITIONS

Section 1.01. General Conditions. The parties to this Agreement accept all the provisions of the *General Conditions Applicable to the African Development Fund Loan Agreements and Guarantee Agreements*, as amended, (hereinafter referred to as the "General Conditions"), with the same force and effect as if they were fully set forth herein.





Section 1.02. Definitions. Whenever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions shall have the respective meanings therein set forth.

ARTICLE II
THE LOAN

Section 2.01. Amount. The Fund agrees to lend to the Borrower, from the ordinary resources of the Fund, an amount in various convertible currencies, other than the currency of the Borrower, not exceeding the equivalent of Nine Million Sixty Five Thousand Units of Account (UA 9,065,000) (the "Unit of Account" being defined in Article 1(1) of the Agreement Establishing the Fund).

Section 2.02. Purpose. The purpose of the Loan is to finance part of the foreign currency costs and part of the local currency costs of the Project described in Annex I of this Agreement.

Section 2.03. Allocation. The Loan shall be allocated to the category of expenditure in conformity with Annex II of this Agreement.

Section 2.04. Currency of Disbursements. In accordance with Section 4.04 of the General Conditions:

- (a) All disbursements made by the Fund to the Borrower shall be denominated in United States Dollars;



- (b) Notwithstanding the provisions of Section 2.04 (a), in any case where the Fund shall be unable to access or procure US Dollars for purposes of the Loan, the Fund shall notify the Borrower immediately after becoming aware of such inability and propose to the Borrower a currency of substitution which shall be either the European Community Euro, the British Pound Sterling, or the Japanese Yen;
- (c) If within sixty (60) calendar days following such notification the Fund and the Borrower cannot agree on a currency of substitution, then the Borrower may cancel that portion of the Loan; and
- (d) The date of conversion between the United States Dollar, and the currency of substitution shall be the date of disbursement of such substitute currency.

Section 2.05. Currency (ies) of Payment. All amounts due to the Fund pursuant to this Agreement shall be payable in the currency(ies) disbursed.







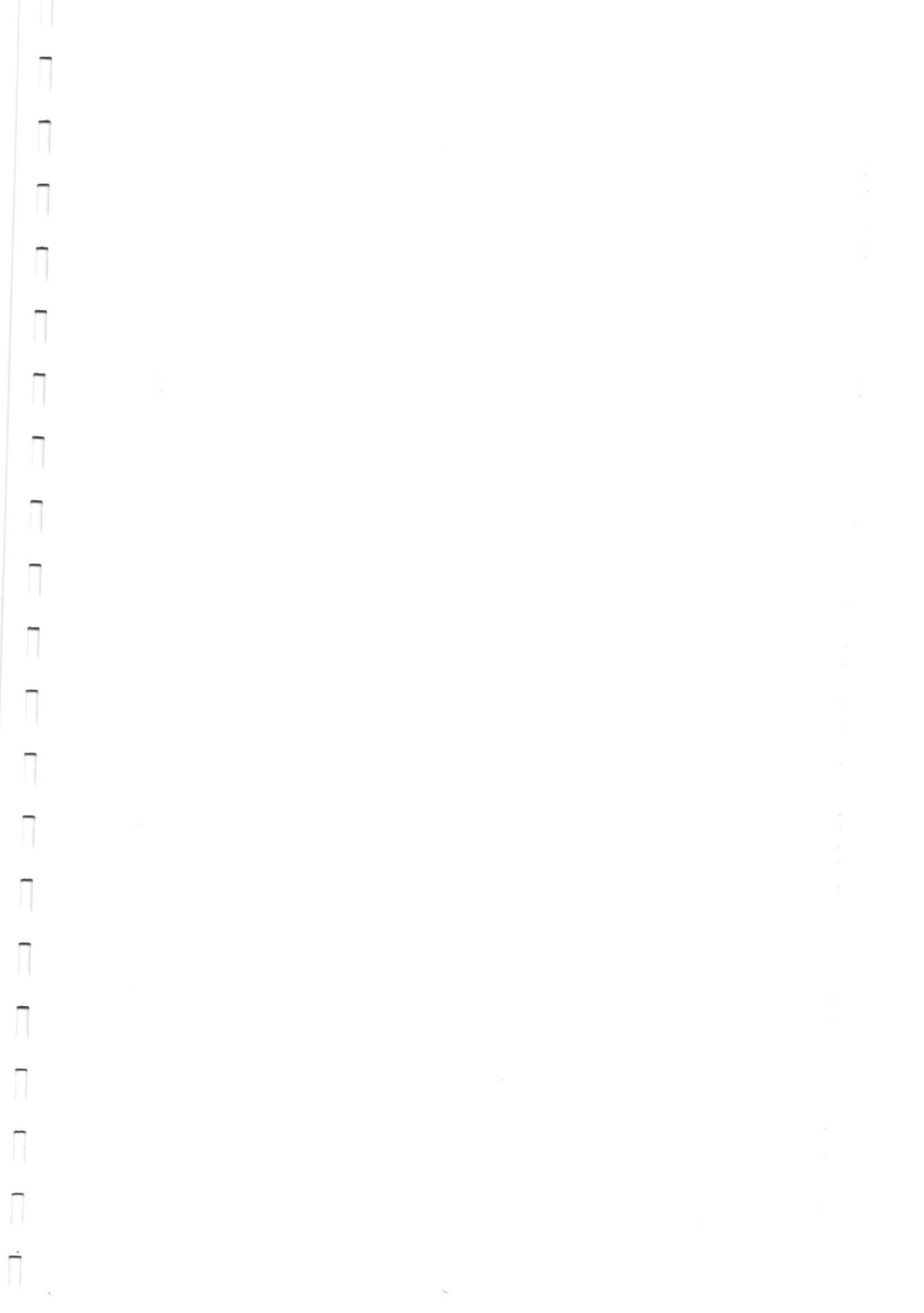
ARTICLE III

**REPAYMENT OF THE PRINCIPAL, SERVICE CHARGE
COMMITMENT CHARGE AND DATES OF PAYMENT**

Section 3.01. Repayment of the Principal. The Borrower shall repay the principal of the Loan over a period of forty (40) years, after a ten (10) year grace period commencing from the date of this Agreement, at the rate of one per cent (1%) per annum from the eleventh (11th) to the twentieth (20th) year inclusive and at the rate of three per cent (3 %) per annum thereafter.

Section 3.02. Service Charge. The Borrower shall pay a service charge at the rate of three-quarters of one per cent (0.75%) per annum on the principal amount of the Loan disbursed and outstanding from time to time.

Section 3.03. Commitment Charge. The Borrower shall pay a commitment charge (hereinafter referred to as the "Commitment Charge") at the rate of one half of one per cent (0.50%) per annum on the undisbursed portion of the Loan, which shall begin to accrue one hundred and twenty (120) days after the date of signature of the Agreement.



Section 3.04. Dates of Payment. The principal of the Loan shall be repaid in equal and consecutive semi-annual installments, the first of which shall be payable on 1st March or 1st September, whichever immediately follows the expiration of the grace period referred to in Section 3.01 above. Thereinafter the Service Charge and the Commitment Charge shall be payable semi-annually on these same dates.

ARTICLE IV

CONDITIONS PRECEDENT TO ENTRY INTO FORCE

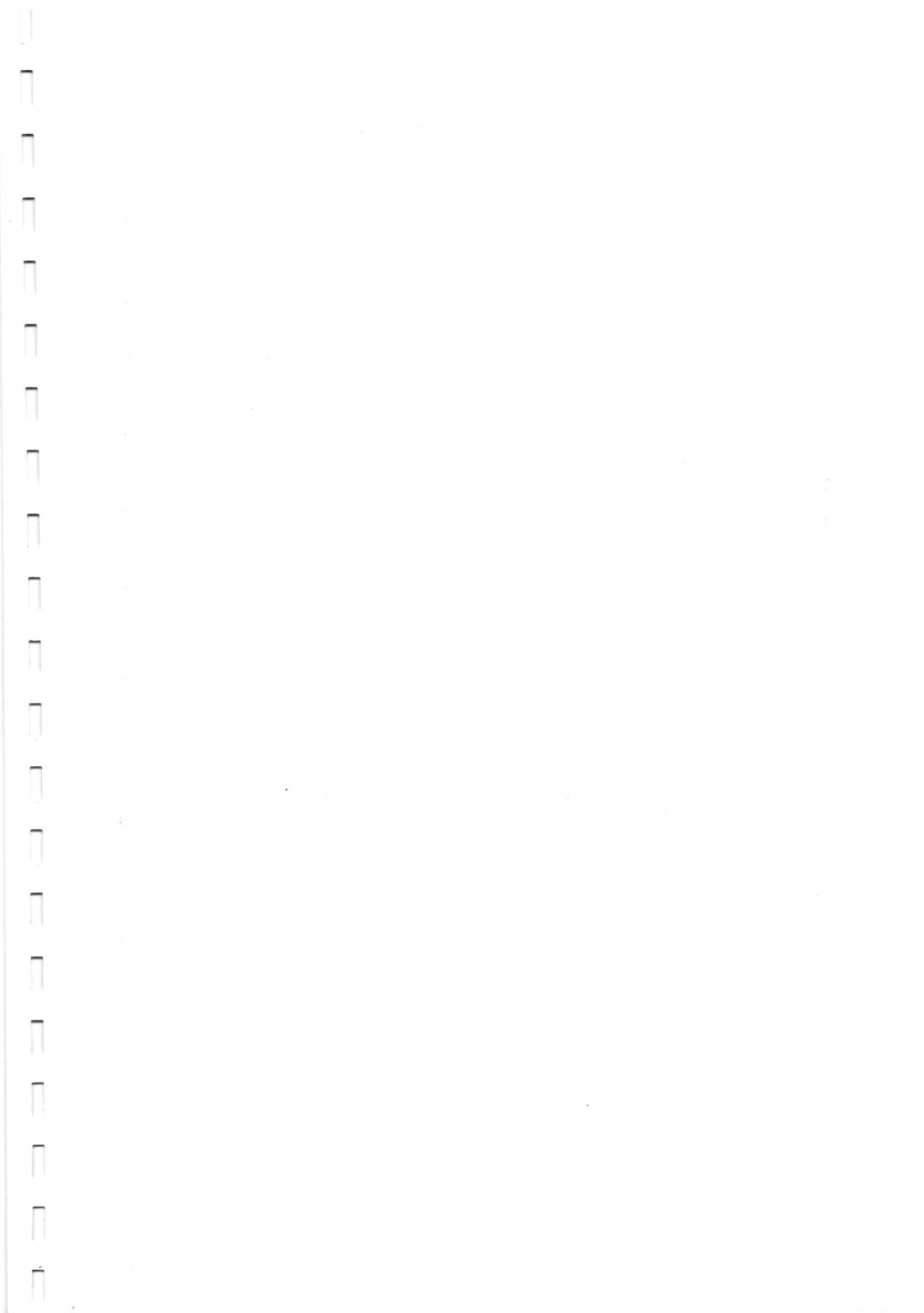
Section 4.01. Conditions Precedent to Entry into Force. The entry into force of this Loan Agreement shall be subject to the fulfillment by the Borrower of the provisions of Section 12.01 of the General Conditions.

ARTICLE V

CONDITIONS PRECEDENT TO FIRST DISBURSEMENT AND OTHER CONDITIONS

Section 5.01. Conditions Precedent to First Disbursement. The obligation of the Fund to make the first disbursement of the Loan shall be conditional upon the entry into force of this Agreement in accordance with Section 4.01 above and the following conditions, namely, the Borrower shall have provided evidence in form and substance acceptable to the Fund:





- (i) that GEF has committed to finance the Project and the Borrower has made appropriate arrangements to cover any financing gap resulting from the failure to obtain GEF's commitment; and
- (ii) of having opened a convertible United States Dollar foreign currency special account at a bank acceptable to the Fund for the deposit of the proceeds of the Loan and a local currency account for the deposit of counterpart funds.

Section 5.02. Other Conditions. The Borrower shall provide:

- (i) by 30 June 2014, evidence of the approval of the revision of the SALWACO Act of 2001 by Parliament and the transfer of five (5) Extension Engineers, five (5) Technical Field Officers and five (5) Assistant Executive Engineers from the Water Directorate of the Ministry of Water Resources to SALWACO in accordance with the transfer of rural water supply services technical support and supervision mandate under the revised SALWACO Act.
- (ii) by 31 December 2016, evidence of the approval of its Medium Term Budget Framework for 2017-2019, confirming that an amount of UA 397,000 (Three Hundred and Ninety Seven Thousand Units of Account) has been budgeted for the maintenance of project infrastructure beyond user community capacity.



ARTICLE VI
UNDERTAKING

Section 6.01. Undertaking. The Borrower hereby undertakes to implement and report on the implementation of the Environmental and Social Impact Assessment and the Environment and Social Management Plan on a quarterly basis in form acceptable to the Fund.

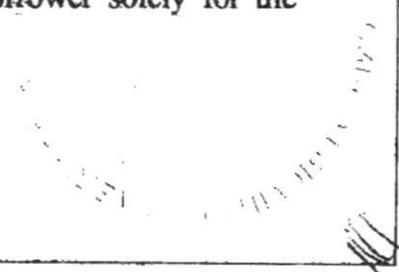
ARTICLE VII
DISBURSEMENTS AND APPLICATION
OF AMOUNTS DISBURSED

Section 7.01. Disbursements. The amount of the Loan shall be disbursed by the Fund, subject to the provisions of this Agreement and the General Conditions, for the purposes set forth in this Agreement for expenditure made in respect of the cost of goods, works and services required for the Project.

Section 7.02. Deadline for Final Disbursement. **31 December 2018**, or such later date as shall be agreed upon in writing between the Borrower and the Fund is specified for the purposes of Section 6.03(1)(f) of the General Conditions.

Section 7.03. Application of Disbursements. Amounts disbursed on account of the Loan shall be applied by the Borrower solely for the purposes for which they were disbursed.







ARTICLE VIII

PROCUREMENT OF GOODS, WORKS AND SERVICES

Section 8.01. Procurement of Goods and Works. Goods and Works necessary for the execution of the Project will be procured in accordance with the Fund's *Rules and Procedures for Procurement of Goods and Works*, dated May 2008 as amended from time to time, and as further set out below:

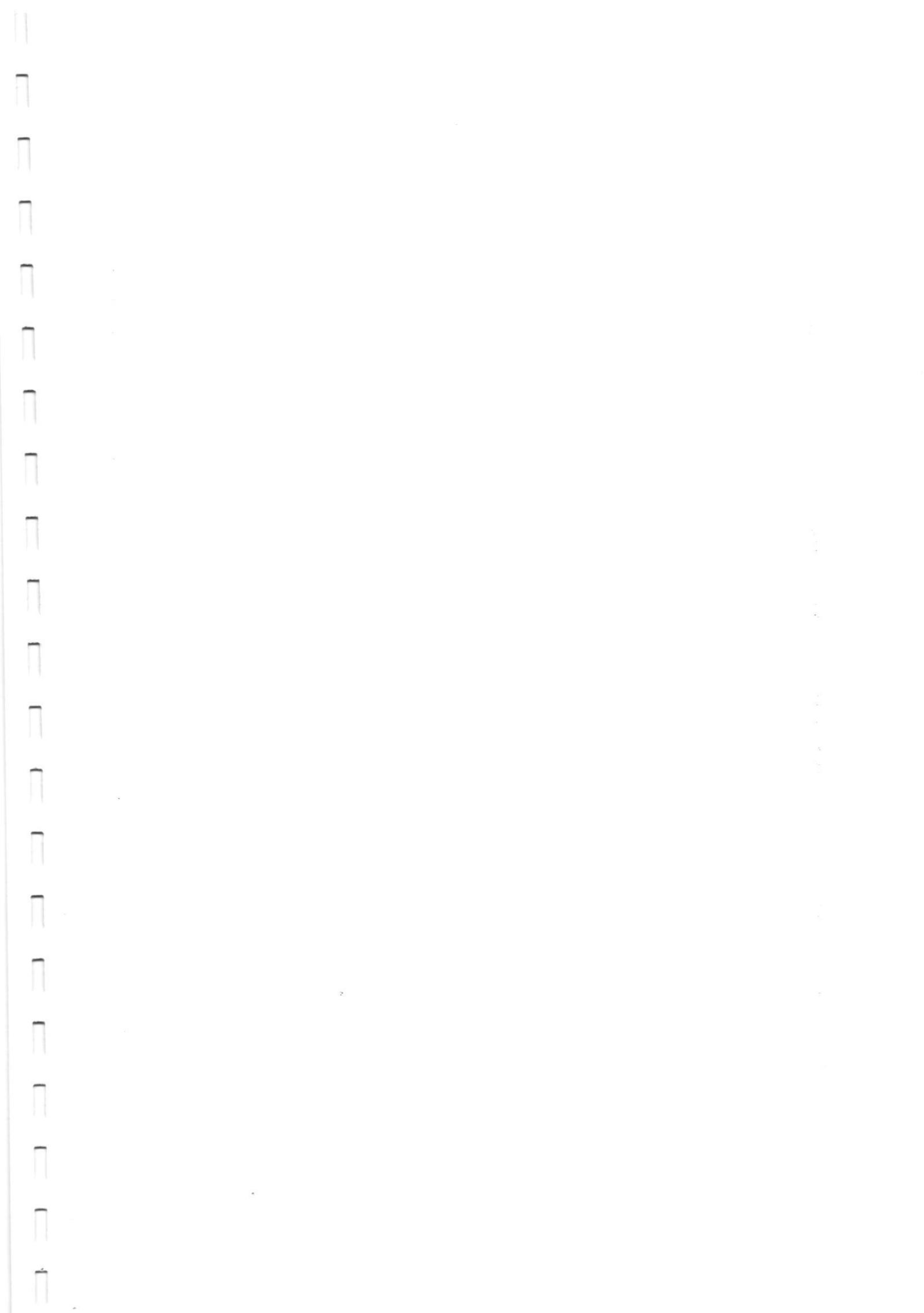
- (i) The procurement of goods and civil works shall be by National Competitive Bidding (NCB).

Section 8.02. Procurement of Services. Services necessary for the execution of the Project will be procured in accordance with the Fund's *Rules and Procedures for the Use of Consultants*, dated May 2008 as amended from time to time, and as further set out below:

- (i) Procurement of consulting services for rural water supply and sanitation program development, technical assistance for implementation support and technical assistant sector coordination and management will be carried out by consulting firms. The process for selecting firms shall be through Short List and the method for evaluation is the Quality and Cost Based Selection (QCBS).







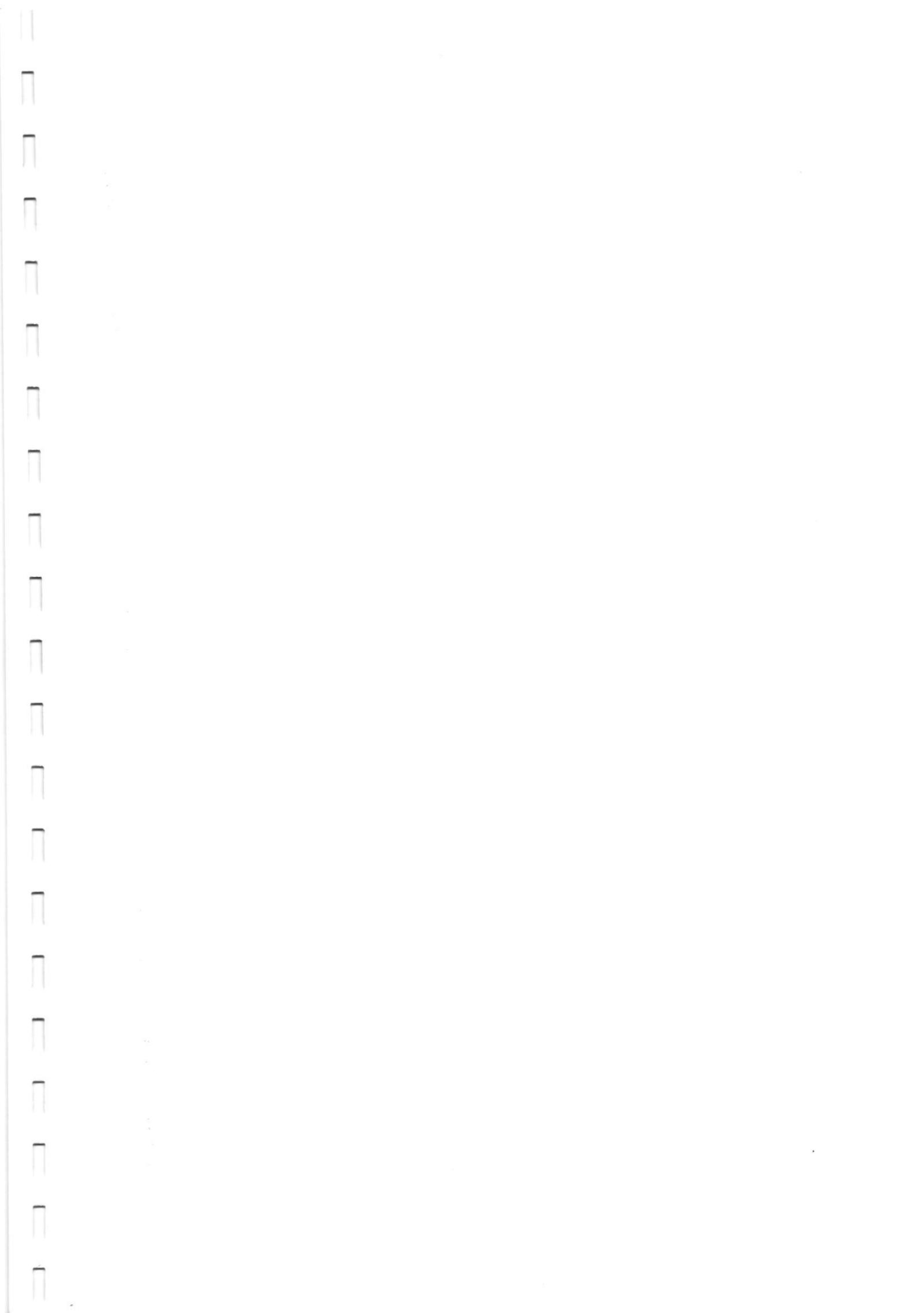
- (ii) Procurement of consulting services for hydrogeological mapping will be carried out by consulting firms/specialized institutions. The process for selecting firms shall be through Short Listing and the method for evaluation is the Quality Based Selection (QBS).

- (iii) The procurement of consulting services including community mobilisation and empowerment, community led total sanitation mobilization, water and sanitation technical and business skills training for youth and training of artisans will be carried out by Non-Governmental Organizations (NGOS). The process for selecting NGOs shall be through Short Listing and the method for evaluation is the Quality and Cost Based Selection (QCBS).

- (iv) Services for baseline survey and impact studies will be carried out by Statistics Sierra Leone who will be procured through Single Source Selection (SSS) method.

- (v) Sector coordination and management support related to conduct of annual sector reviews, mid-term reviews, project completion report and flagship studies shall be undertaken by Individual Consultants and they will be selected through the Fund's procedure for the selection of individual consultants.





- (vi) The procurement of training including short-term local and regional professional trainings will be carried out by specialist institutions and universities. The selection method chosen is Single Sourcing.

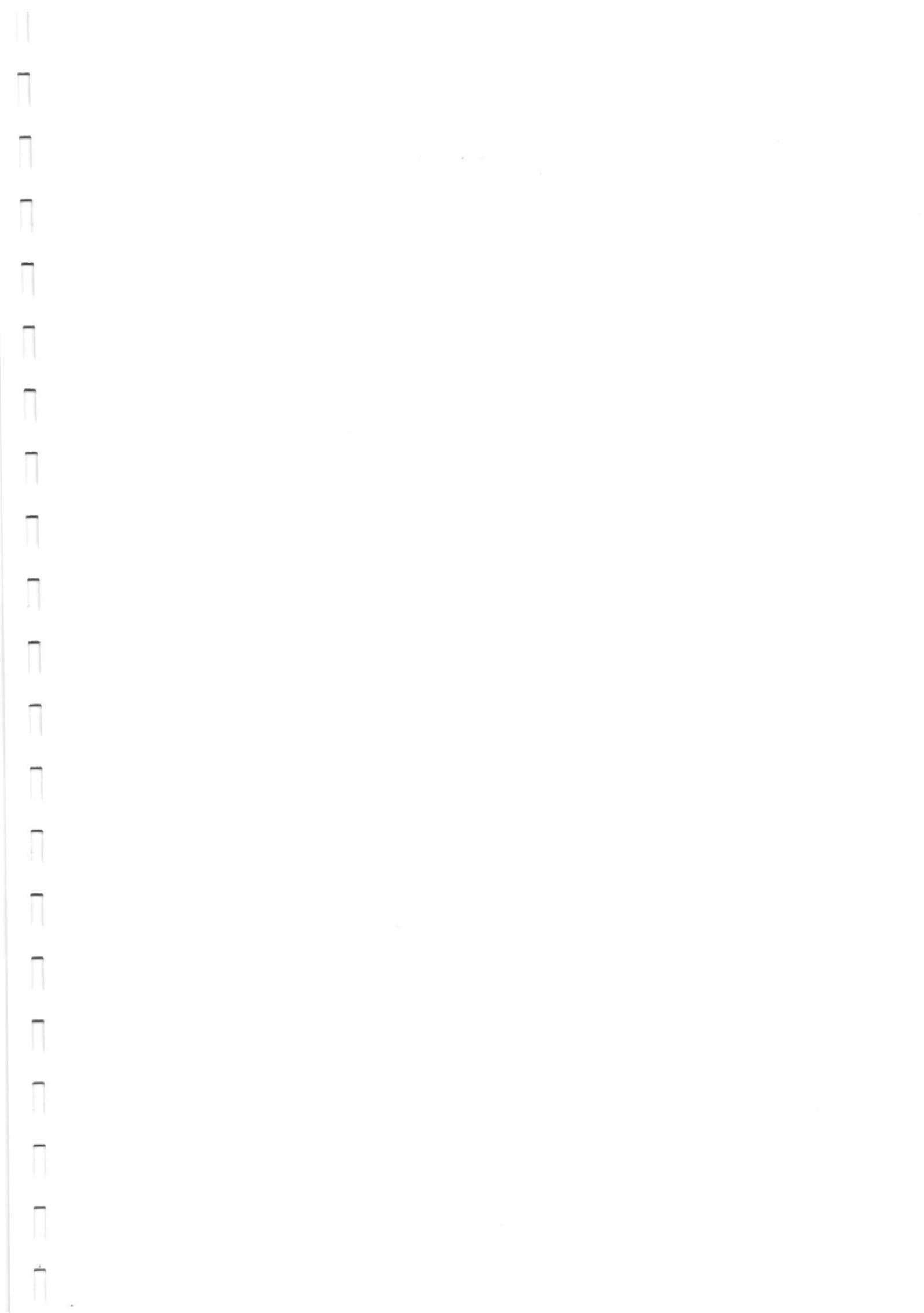
- (vii) Services for the annual and technical audits shall be procured through Short Listing and the method of selection shall be Least-Cost Selection (LCS) of qualified firms.

- (viii) Short Lists composed entirely of National or Regional Consultants. Short lists of consultants for services estimated to cost less than UA 200,000 equivalent per contract for firms and UA 50,000 equivalent for individual consultants may be composed entirely of national or regional consultants in accordance with Rule 2.7 of the *Rules and Procedures for the Use of Consultants*.

Section 8.03. Review Procedure. All contracts for works and services shall be subject to prior review by the Fund except for works with a contract value equal to or less than UA 70,000 for which post review procedures shall apply.

[Handwritten mark]

[Handwritten mark]



ARTICLE IX
MISCELLANEOUS PROVISIONS

Section 9.01. Where an extraordinary or unforeseeable situation has arisen, which, in the opinion of both parties, is likely to be prejudicial to the execution of the Project, the Fund may, in order to cover the cost of any specialized inspection or other action required to redress the situation, allocate out of the proceeds of the Loan an amount not exceeding the equivalent of one per cent (1%) of the Loan in the amount of Ninety Thousand Six Hundred and Fifty Units of Account (UA 90,650). These expenses shall be met without the necessity of any advance application by the Borrower, but the Fund shall promptly notify to the Borrower the precise amount allocated.

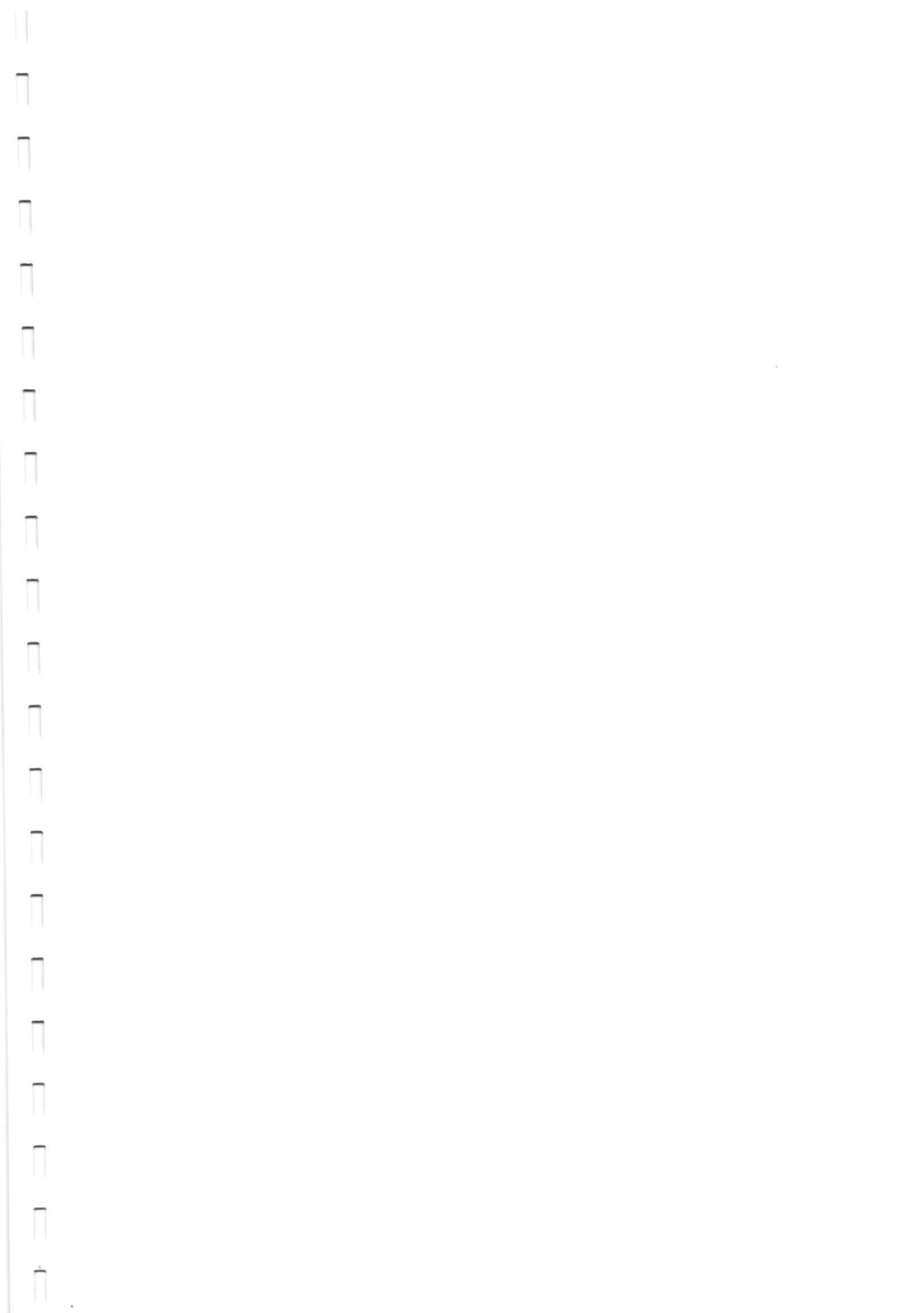
Section 9.02. Authorized Representatives. The Minister of Finance and Economic Development of the Borrower or such other person as he may designate in writing shall be the authorized representative for the purposes of Section 11.02 of the General Conditions.

Section 9.03. Date of the Agreement. For all purposes of this Agreement, the date thereof shall be that appearing in the opening sentence of the Preamble hereof.







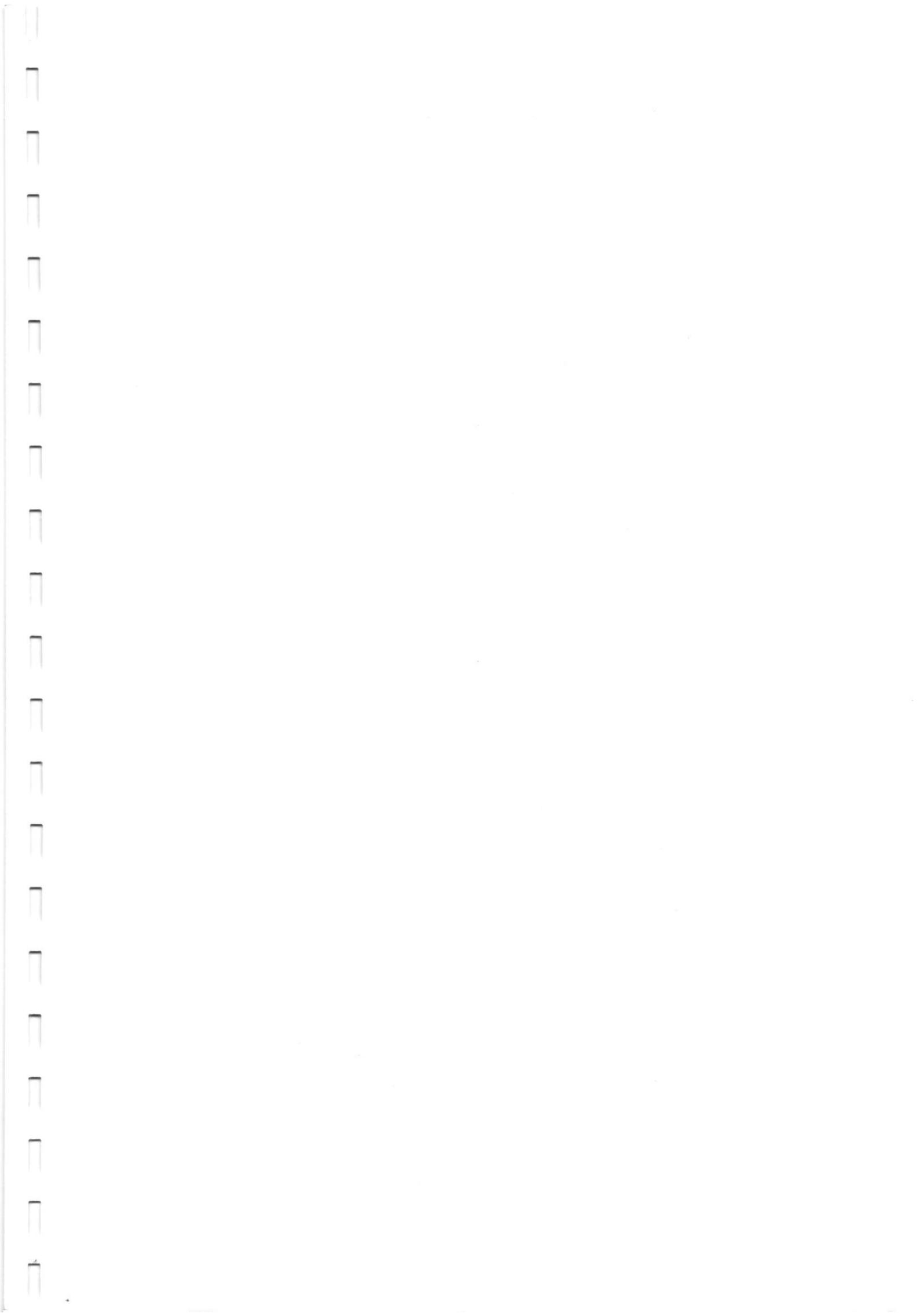


Section 9.04. Addresses. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower: Mail Address:
Minister of Finance and Economic Development
Ministry of Finance and Economic Development
Treasury Building George Street
Freetown
SIERRA LEONE
Telephone : (232) 22.22.58.26
Fax : (232) 22.22.84.72
E-mail : ekoroma@mofed.gov.sl and
marahkml@yahoo.com

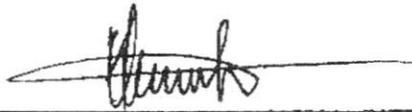
For the Fund: Mail Address headquarters
African Development Fund
01 B.P. 1387
Abidjan 01
CÔTE D'IVOIRE
Cable Address : AFDEV ABIDJAN
Telex Address : 23717/23498
Telephone : (225) 20 20 40 47
Fax : (225) 20 32 65 45

And Temporarily : Temporary Relocation Agency
African Development Fund
13, Avenue du Ghana
B. P. 323, 1002 Tunis Belvedere
TUNISIA
Telephone : (216) 71 333 511
71 102 055
Fax : (216) 71 351 933
71 102 679



IN WITNESS WHEREOF the Borrower and the Fund, each acting through its authorized representative, have signed this Agreement in two (2) original counterparts in English on the date first above written.

FOR THE REPUBLIC OF SIERRA LEONE

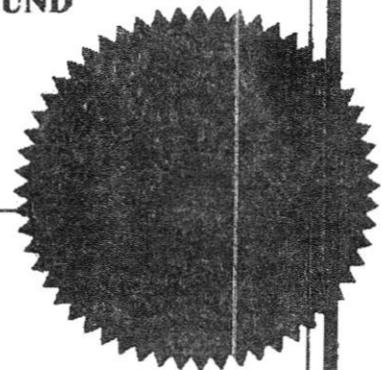


KAIFALA MARAH
MINISTER OF FINANCE AND
ECONOMIC DEVELOPMENT

FOR THE AFRICAN DEVELOPMENT FUND



YERO BALDEH
RESIDENT REPRESENTATIVE
SIERRA LEONE COUNTRY OFFICE



ATTESTED BY:

CECILIA AKINTOMIDE
VICE-PRESIDENT AND SECRETARY GENERAL

AFRICAN DEVELOPMENT FUND



ANNEX I

PROJECT DESCRIPTION

The objective of the project is to: (i) increase sustainable access to safe water and basic sanitation in rural areas, and (ii) develop a comprehensive national framework for rural water supply and sanitation investments. The project will benefit an estimated 625,000 rural Sierra Leoneans, and result in nine percentage points increase in safe water coverage, including restored access, and at least six percentage points increase in improved sanitation coverage, besides a better managed sector and improved knowledge, attitudes & practices of the primary beneficiaries. The project will be implemented in four components as follows:

Component name	Component Description and activities
Water Supply and Sanitation Infrastructure	<p>The objective of this component is to provide water supply and sanitation infrastructure. The following will be financed:</p> <ul style="list-style-type: none">• Rehabilitation of old water points & construction of hand-dug wells and spring boxes, 84 boreholes, rainwater harvesting systems; and Gravity Flow Schemes and solar power pumped schemes.• Construction of sanitation facilities, including EcoSan toilets in public institutions;• Establishment of climate risk management infrastructure, including 100 rain-gauging stations and 20 surface and groundwater monitoring stations
National Program Development	<p>The objective of this component is to develop a comprehensive framework to facilitate effective sector management and resource mobilisation. The following will be undertaken:</p> <ul style="list-style-type: none">• National Rural Water Supply and Sanitation Program development and Resource Mobilisation Conference.
Capacity Building	<p>This component includes a broad set of capacity development activities that, when considered collectively, will provide for durability and continued use of the infrastructure put in place by the project and thereafter. The following activities will be undertaken</p> <ul style="list-style-type: none">• Training of professionals, including WASH, water resources management and climate change;• Training of small scale service providers, including pump mechanics and other artisans for infrastructure construction & maintenance;• Strengthening of CBOs, including Training and supporting Community leaders & Sanitation and Hygiene Education Trainers• CLTS triggering & monitoring, WASH and Climate Change Adaptation education and sensitization at community level, including schools, and the setting-up and training of care-taker Committees• Sanitation marketing;• Case studies, including technical and value for money audits• Ground water mapping and monitoring, and development of guidelines for construction of water and sanitation facilities;

B

W



- Support to WASH stakeholder coordination and provision of field and office equipment and tools;
 - Implementation support and on-the-job training through Technical assistance for District Councils, WD, SALWACO and LGFD.
 - Sector coordination and development support, including Annual Sector Reviews (ASRs)
- Project Management
- Overall project coordination and administration;
 - Technical Oversight and quality assurance;
 - Supervision of service providers, Monitoring & Evaluation and Reporting, including Environmental and Water Quality Monitoring.

The project will be financed as follows:

ADF Loan: Activities to be finance from the ADF loan include design and construction of water supply and sanitation infrastructure; community mobilisation and empowerment; Community Led Total Sanitation and Technical Assistance for implementation support

ADF Grant will finance construction of water supply facilities including boreholes and solar powered pumped schemes, sector coordination and management support activities, training of sector professionals and project operational expenses including performance based and project operational costs.

FSF Grant resources will be utilised for financing the rehabilitation of water supply facilities. DFID Grant resources channelled through the FSF will finance construction of new water supply and sanitation infrastructure, technical assistance community mobilisation and empowerment activities, including youth training; Community Led Total Sanitation activities; Monitoring and evaluation activities including impact studies and technical audits. Resources will also be used for financing project operational costs

RWSSI-TF Resources will be utilised for financing infrastructure design and construction; construction of the sanitation facilities; technical assistance and other capacity building activities including programme development, hydrogeological mapping, sector coordination and management, community mobilisation and empowerment, Community Led Total Sanitation and youth mobilisation. Grant resources will also be used to finance Operational costs including monitoring & evaluation activities.

Global Environment Facility (GEF) Grant resources will be used for financing climate risk management infrastructure activities including: design and supervision of installation of surface and ground water monitoring equipment and construction of rainwater harvesting facilities; and community sensitisation and training as well as training of water resources management related climate risk management professionals.



ANNEX II

ALLOCATION OF THE LOAN

The present Annex indicates the category of expenditure to be financed out of the resources of the Loan and the allocation of the resources to the category financed therein.

Categories of Expenditure

(In million UA)

Category of Expenditure	Local	Foreign	Total
1. Civil Works	1.395	3.926	5.321
2. Goods	-	0.456	0.456
3. Services	1.000	2.288	3.288
Total	2.395	6.670	9.065



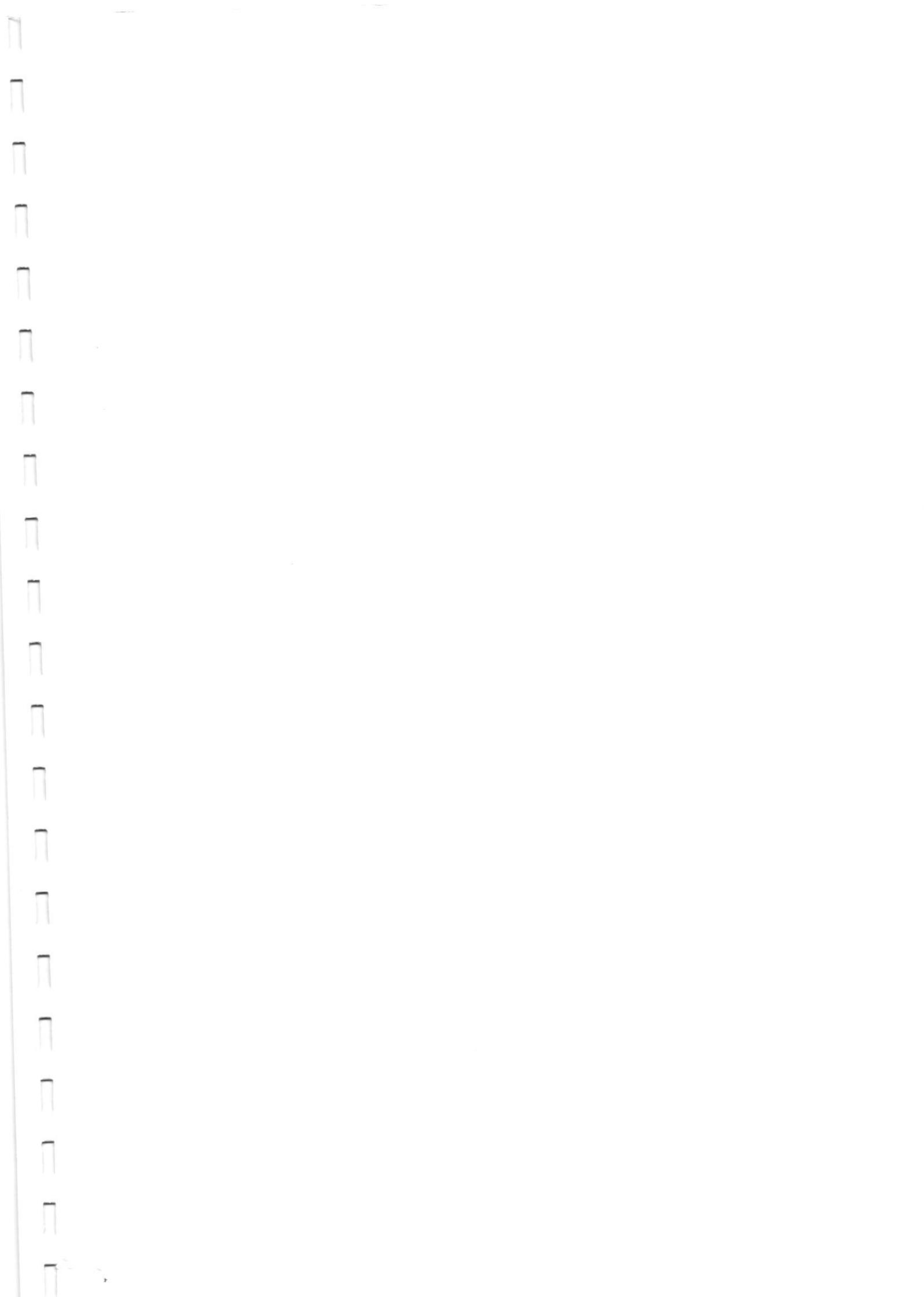


**PROTOCOL OF AGREEMENT
BETWEEN
THE REPUBLIC OF SIERRA LEONE
AND
THE AFRICAN DEVELOPMENT FUND**

(RURAL WATER SUPPLY AND SANITATION PROJECT)

[Handwritten mark]

[Handwritten mark]



**PROTOCOL OF AGREEMENT
BETWEEN
THE REPUBLIC OF SIERRA LEONE
AND
THE AFRICAN DEVELOPMENT FUND**

(RURAL WATER SUPPLY AND SANITATION PROJECT)

**PROJECT ID No. : P-SL-E00-003
GRANT No. : 2100155025716**

This Protocol of Agreement (hereinafter referred to as the "Agreement") is entered into this _____ day of _____, 2013 between the REPUBLIC OF SIERRA LEONE, (hereinafter referred to as the "Recipient") and the AFRICAN DEVELOPMENT FUND (hereinafter referred to as the "Fund").

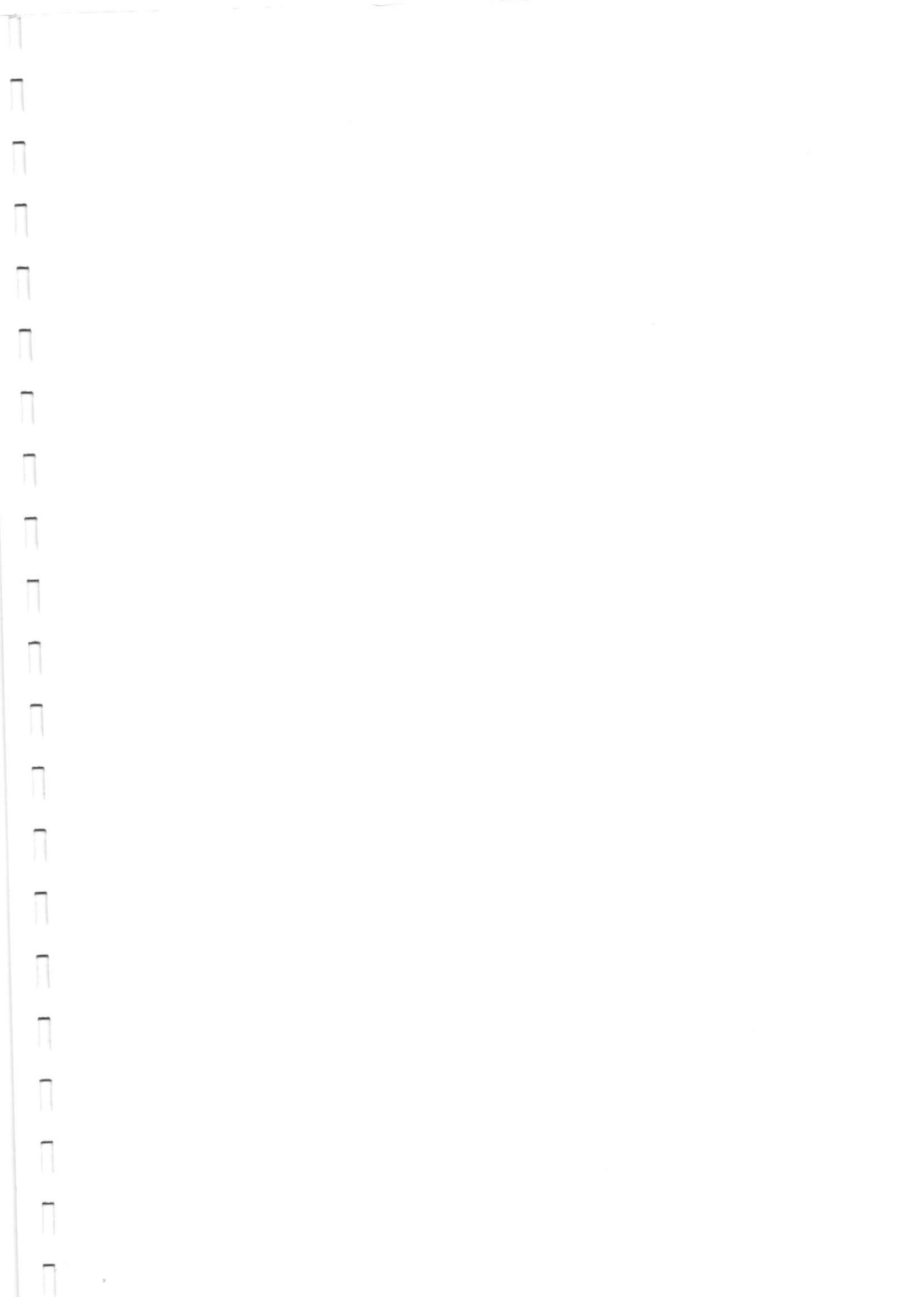
1. WHEREAS the Recipient has requested the Fund to support the implementation of the Rural Water Supply and Sanitation Project, (hereinafter referred to as the "Project") by extending a Grant to the Recipient in the amount specified hereunder;

2. WHEREAS the Project is being co-financed by the United Kingdom Department for International Development ("DFID") and the Global Environment Fund ("GEF");

3. WHEREAS the Recipient has declared its commitment to the execution of the Project;







4. WHEREAS the Recipient has requested the Fund to finance part of foreign currency costs and part of the local currency costs of the Project;
5. WHEREAS the Recipient has declared its commitment to the execution of the Project;
6. WHEREAS the Project is technically feasible, economically viable, socially desirable, environmentally sustainable and constitutes a suitable basis for financing under the activities of the Fund;
7. WHEREAS the Sierra Leone Water Company (hereinafter referred to as "SALWACO") shall be the Executing Agency for the Project;
8. WHEREAS the Fund has agreed on the basis, inter alia, of the foregoing to provide a Grant to the Recipient upon the terms and conditions hereinafter set forth;

NOW THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

GENERAL CONDITIONS-DEFINITIONS

Section 1.01. General Conditions. The parties to this Agreement accept all the provisions of the *General Conditions Applicable to*





Protocols of Agreements for Grants of the African Development Fund (hereinafter referred to as the "General Conditions"), as amended from time to time, with the same force and effect as if they were fully set forth herein.

Section 1.02. Definitions. Whenever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions shall have the respective meanings therein set forth.

ARTICLE II

THE GRANT

Section 2.01. Amount. The Fund agrees to grant to the Recipient, from the ordinary resources of the Fund, an amount in various convertible currencies, other than the currency of the Recipient, not exceeding the equivalent of Two Million Eight Hundred and Fifty Four Thousand Units of Account (UA 2,854,000) (the "Unit of Account" being defined in Article 1(1) of the Agreement establishing the Fund).

Section 2.02. Purpose. The purpose of the Grant is to finance part of the foreign currency costs and part of the local currency costs of the Project described in Annex I of this Agreement.

Section 2.03. Allocation. The Grant shall be allocated to various categories of expenditures of the Project in conformity with Annex II of this Agreement.

P

102



ARTICLE III

CONDITIONS PRECEDENT TO ENTRY INTO FORCE

Section 3.01. Conditions Precedent to Entry into Force. This Agreement shall enter into force on the date of signature by the Recipient and the Fund.

ARTICLE IV

**CONDITIONS PRECEDENT TO FIRST DISBURSEMENT
AND OTHER CONDITIONS**

Section 4.01. Conditions Precedent to First Disbursement. The obligation of the Fund to make the first disbursement of the Grant shall be conditional upon entry into force of the Agreement in accordance with Section 3.01 above and the following conditions, namely, the Recipient shall have provided evidence in form and substance acceptable to the Fund:

- (i) that GEF has committed to finance the Project and the Recipient has made appropriate arrangements to cover any financing gap resulting from the failure to obtain GEF's commitment; and
- (ii) of having opened a convertible United States Dollar foreign currency special account at a bank acceptable to the Fund for the deposit of the proceeds of the Grant and a local currency account for the deposit of counterpart funds.



Section 4.02. Other Conditions. The Recipient shall provide:

- (i) by 30 June 2014, evidence of the approval of the revision of the SALWACO Act of 2001 by Parliament and the transfer of five (5) Extension Engineers, five (5) Technical Field Officers and five (5) Assistant Executive Engineers from the Water Directorate of the Ministry of Water Resources to SALWACO in accordance with the transfer of rural water supply services technical support and supervision mandate under the revised SALWACO Act.

- (ii) by 31 December 2016, evidence of the approval of its Medium Term Budget Framework for 2017-2019, confirming an amount of UA 397,000 (Three Hundred and Ninety Seven Thousand Units of Account) has been budgeted for the maintenance of project infrastructure beyond user community capacity.

ARTICLE V

UNDERTAKING

Section 5.01. Undertaking. The Recipient hereby undertakes to implement and report on the implementation of the Environmental and Social Impact Assessment and the Environment and Social Management Plan on a quarterly basis in form acceptable to the Fund.







ARTICLE VI
DISBURSEMENTS AND APPLICATION
OF AMOUNTS DISBURSED

Section 6.01. Disbursements. The amount of the Grant shall be disbursed by the Fund, subject to the provisions of this Agreement and the General Conditions, for the purposes set forth in this Agreement for expenditure made in respect of the cost of goods, works and services required for the Project.

Section 6.02. Deadline for Final Disbursement. **31 December 2018**, or such later date as shall be agreed upon in writing between the Recipient and the Fund is specified for the purposes of Section 5.03(1)(g) of the General Conditions.

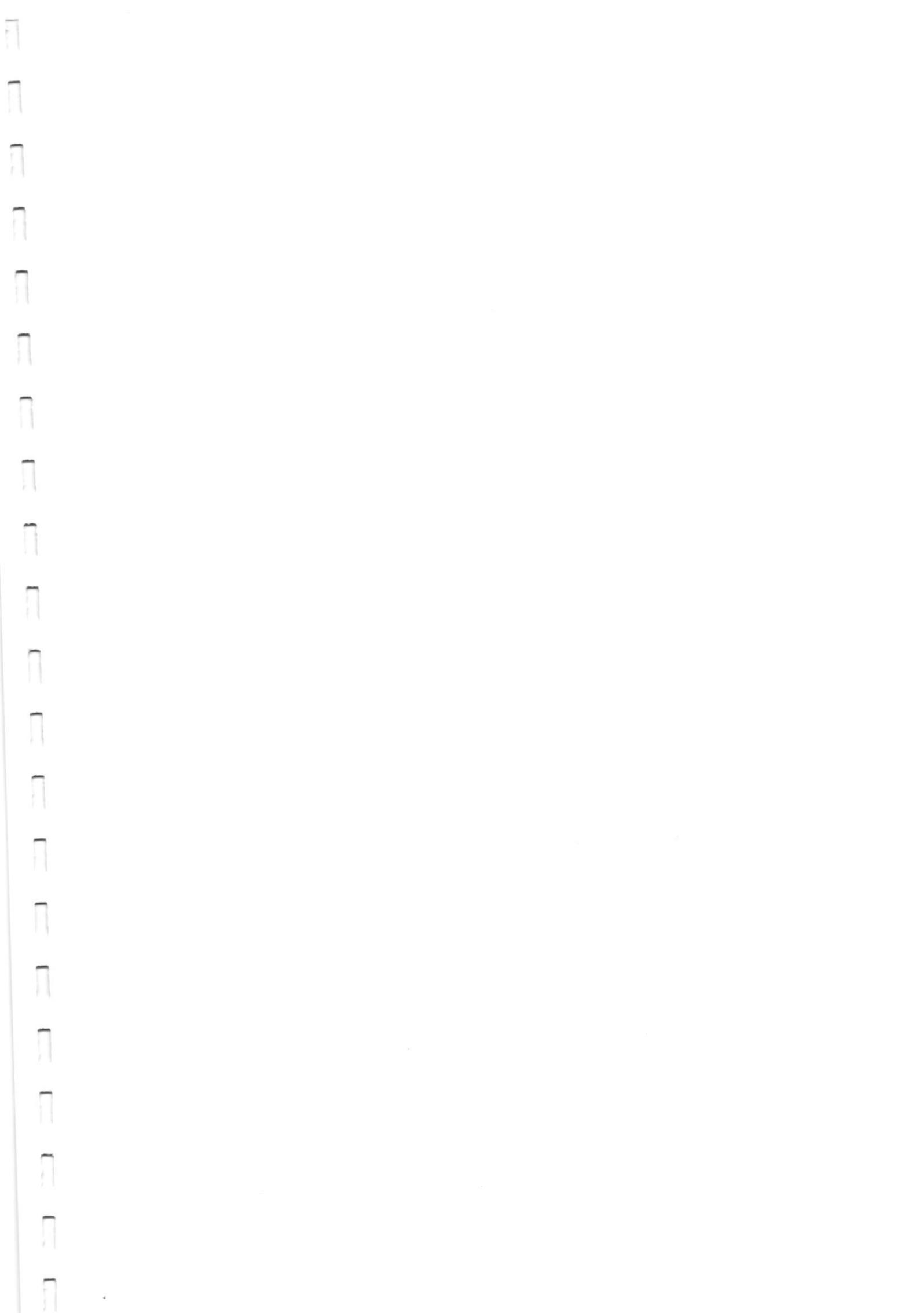
Section 6.03. Application of Disbursements. Amounts disbursed on account of the Grant shall be applied by the Recipient solely for the purposes for which they were disbursed.

ARTICLE VII
PROCUREMENT OF GOODS, WORKS AND SERVICES

Section 7.01. Procurement of Goods and Works. Goods and Works necessary for the execution of the Project will be procured in accordance with the Fund's *Rules and Procedures for Procurement of Goods and*







Works, dated May 2008, revised July 2012, as amended from time to time, and as further set out below:

- (i) The procurement of goods and civil works shall be by National Competitive Bidding (NCB).

Section 7.02. Procurement of Services. Services necessary for the execution of the Project will be procured in accordance with the Fund's *Rules and Procedures for the Use of Consultants*, dated May 2008, revised July 2012, as amended from time to time, and as further set out below:

- (i) Procurement of consulting services for rural water supply and sanitation programme development, technical assistance for implementation support and technical assistant sector coordination and management will be carried out by consulting firms. The process for selecting firms shall be through Short List and the method for evaluation is the Quality and Cost Based Selection (QCBS).
- (ii) Procurement of consulting services for hydrogeological mapping will be carried out by consulting firms/specialized institutions. The process for selecting firms shall be through Short Listing and the method for evaluation is the Quality Based Selection (QBS).



- (iii) The procurement of consulting services including community mobilisation and empowerment, community led total sanitation mobilization, water and sanitation technical and business skills training for youth and training of artisans will be carried out by Non-Governmental Organizations (NGOS). The process for selecting NGOs shall be through Short Listing and the method for evaluation is the Quality and Cost Based Selection (QCBS).
- (iv) Services for baseline survey and impact studies will be carried out by Statistics Sierra Leone who will be procured through Single Source Selection (SSS) method.
- (v) Sector coordination and management support related to conduct of annual sector reviews, mid-term review, project completion report and flagship studies shall be undertaken by Individual Consultants and they will be selected through the Fund's procedure for the selection of individual consultants.
- (vi) The procurement of training including short-term local and regional professional trainings will be carried out by specialist institutions and universities. The selection method chosen is Single Sourcing.
- (vii) Services for the annual and technical audits shall be procured through Short Listing and the method of selection shall be Least-Cost Selection (LCS) of qualified firms.



(viii) Short Lists composed entirely of National or Regional Consultants. Short lists of consultants for services estimated to cost less than UA 200,000 equivalent per contract for firms and UA 50,000 equivalent for individual consultants may be composed entirely of national or regional consultants in accordance with Rule 2.7 of the *Rules and Procedures for the Use of Consultants, May 2008 edition, Revised July 2012 and as amended from time to time.*

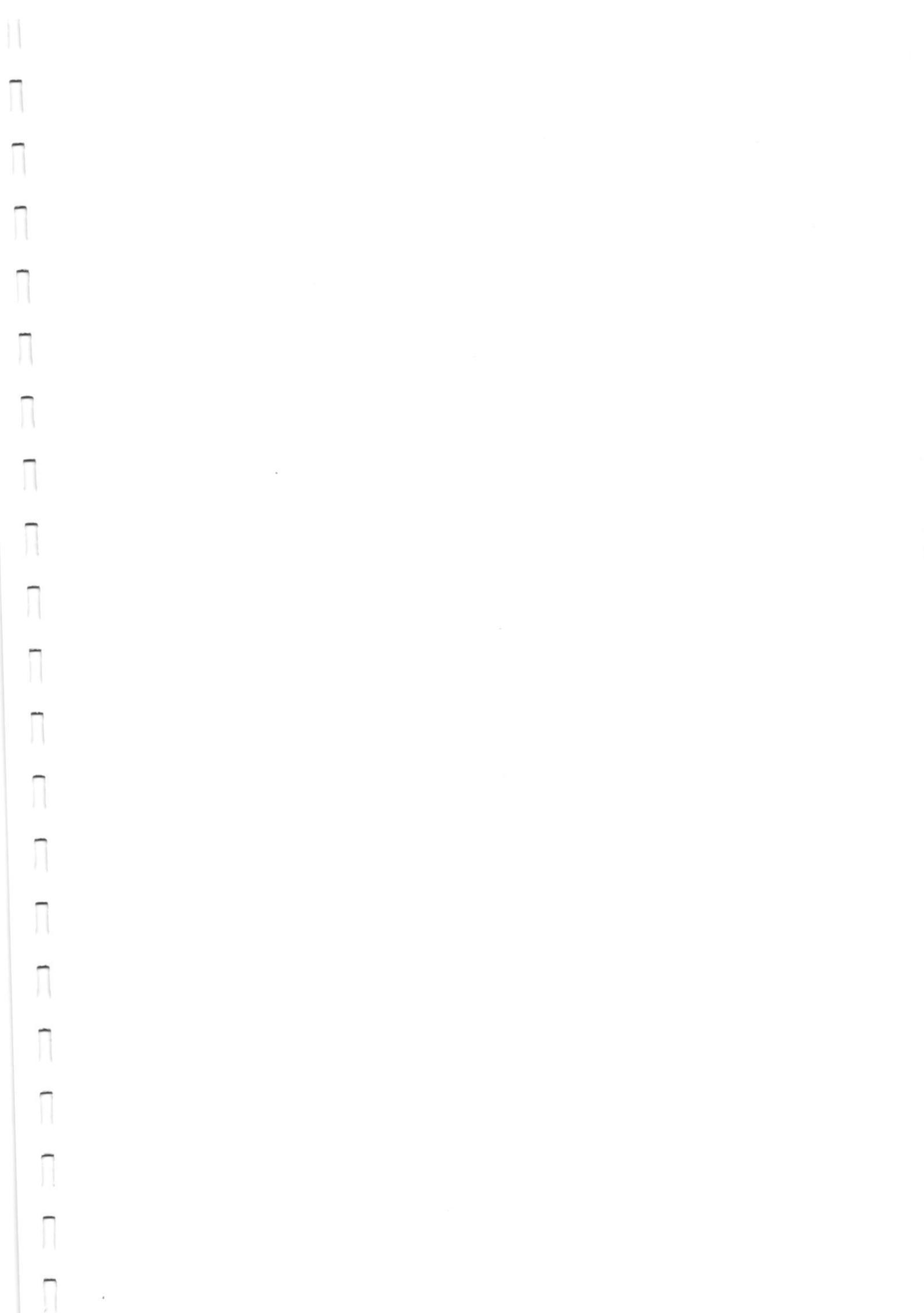
Section 7.03. Review Procedure. All contracts for works and services shall be subject to prior review by the Fund except for works with a contract value equal to or less than UA 70,000 for which post review procedures shall apply.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.01. Authorized Representatives. The Minister of Finance and Economic Development of the Recipient or such other person as he may designate in writing shall be the authorized representative for the purposes of Section 9.02 of the General Conditions.

Section 8.02. Date of the Agreement. For all purposes of this Agreement, the date thereof shall be that appearing in the opening sentence of the Preamble hereof.



Section 8.03. Addresses. The following addresses are specified for the purposes of Section 9.01 of the General Conditions.

For the Recipient: Mail Address:
Minister of Finance and Economic Development
Ministry of Finance and Economic Development
Treasury Building, George Street
Freetown
SIERRA LEONE
Telephone : (232) 22.22.58.26
Fax : (232) 22.22.84.72
E-mail : ckoroma@mofed.gov.sl and
 marahkml@yahoo.com

For the Fund: Mail Address headquarters
African Development Fund
01 B.P. 1387
Abidjan 01
CÔTE D'IVOIRE
Cable Address : AFDEV ABIDJAN
Telex Address : 23717/23498
Telephone : (225) 20 20 40 47
Fax : (225) 20 32 65 45

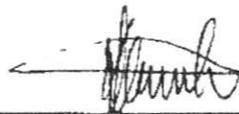
And Temporarily at: Temporary Relocation Agency
African Development Fund
13, Avenue du Ghana
B. P. 323, 1002 Tunis Belvedere
TUNISIA
Telephone : (216) 71 333 511
 71 102 055
Fax : (216) 71 351 933
 71 102 679





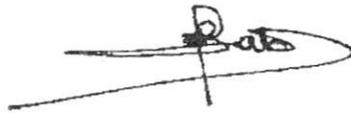
IN WITNESS WHEREOF the Recipient and the Fund, each acting through its authorized representative, have signed this Agreement in two (2) original counterparts in English on the date first above written.

FOR THE REPUBLIC OF SIERRA LEONE

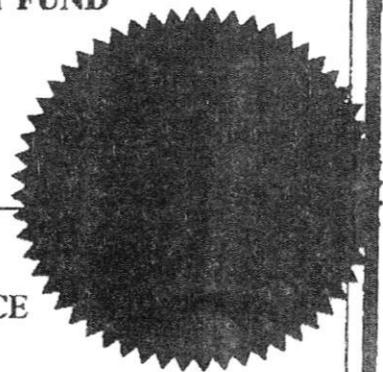


**KAIFALA MARAH
MINISTER OF FINANCE AND
ECONOMIC DEVELOPMENT**

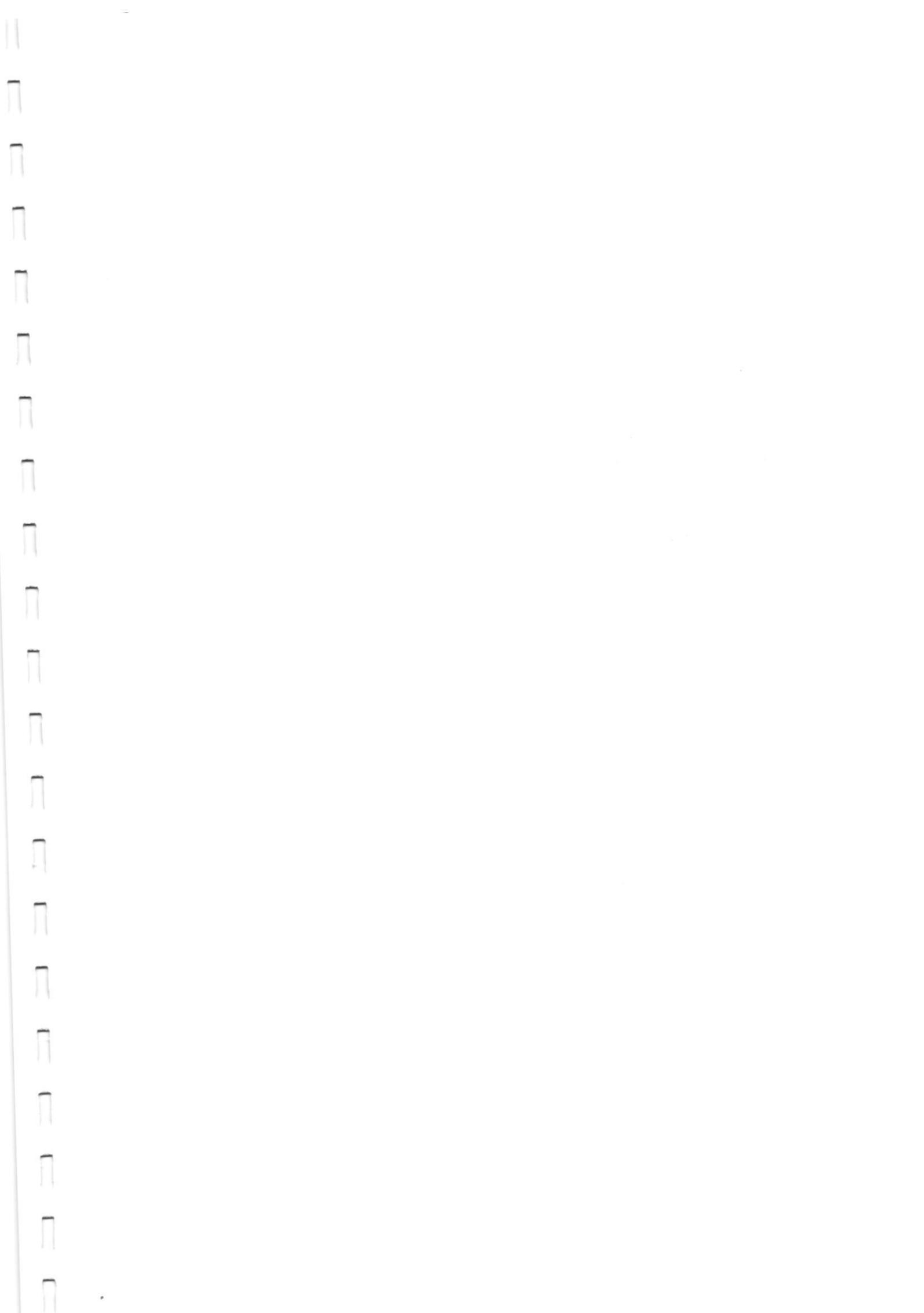
FOR THE AFRICAN DEVELOPMENT FUND



**YERO BALDEH
RESIDENT REPRESENTATIVE
SIERRA LEONE COUNTRY OFFICE**



ATTESTED BY: _____
**CECILIA AKINTOMIDE
VICE PRESIDENT AND SECRETARY GENERAL**

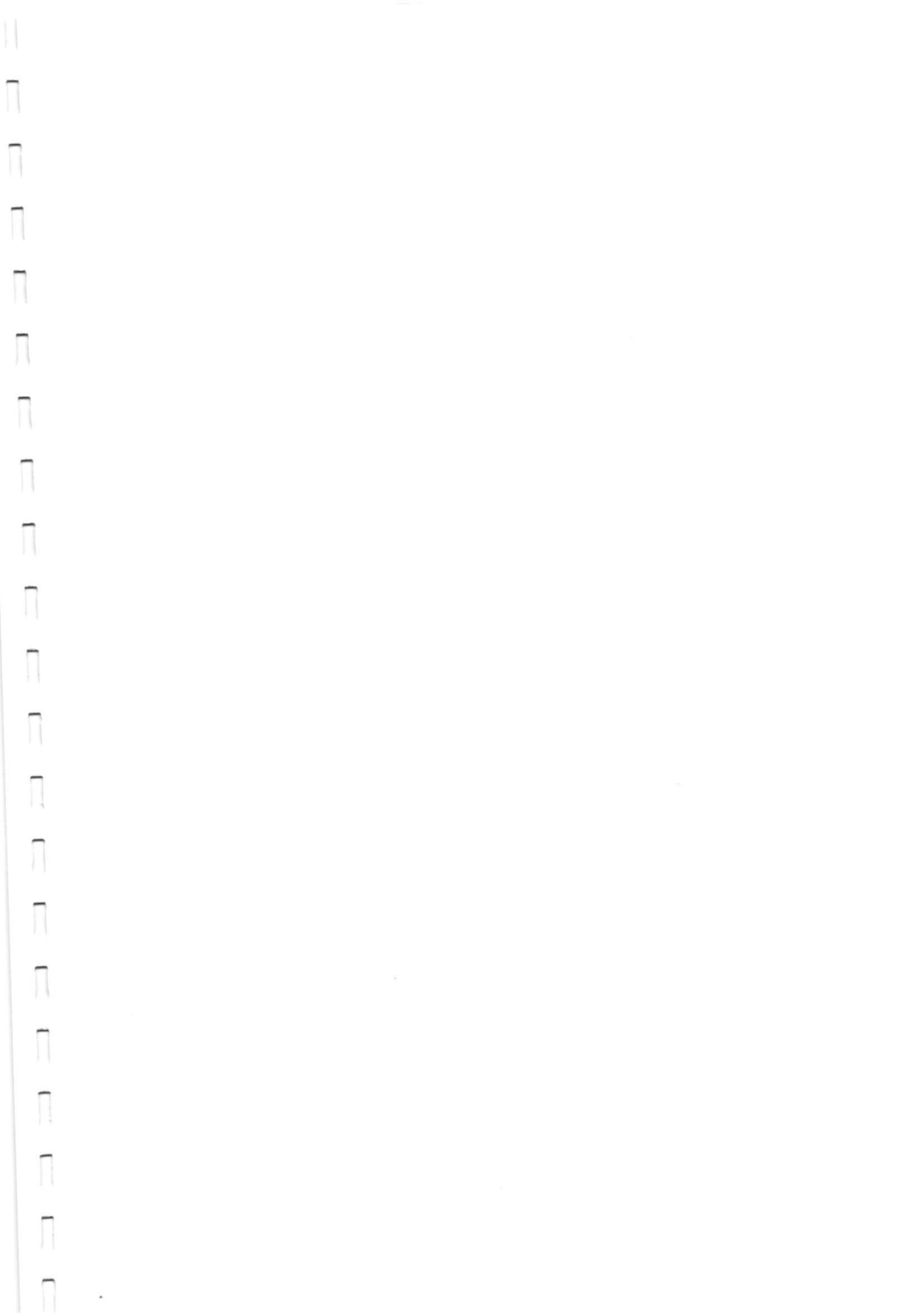


ANNEX I

PROJECT DESCRIPTION

The objective of the project is to: (i) increase sustainable access to safe water and basic sanitation in rural areas, and (ii) develop a comprehensive national framework for rural water supply and sanitation investments. The project will benefit an estimated 625,000 rural Sierra Leoneans, and result in nine percentage points increase in safe water coverage, including restored access, and at least six (6) percentage points increase in improved sanitation coverage, besides a better managed sector and improved knowledge, attitudes & practices of the primary beneficiaries. The project will be implemented in four (4) components as follows:

Component name	Component Description and activities
Water Supply and Sanitation Infrastructure	<p>The objective of this component is to provide water supply and sanitation infrastructure. The following will be financed:</p> <ul style="list-style-type: none">• Rehabilitation of old water points & construction of hand-dug wells and spring boxes, eighty four (84) boreholes, rainwater harvesting systems; and Gravity Flow Schemes and solar power pumped schemes.• Construction of sanitation facilities, including EcoSan toilets in public institutions;• Establishment of climate risk management infrastructure, including 100 rain-gauging stations and twenty (20) surface and groundwater monitoring stations
National Programme Development	<p>The objective of this component is to develop a comprehensive framework to facilitate effective sector management and resource mobilisation. The following will be undertaken:</p> <ul style="list-style-type: none">• National Rural Water Supply and Sanitation Programme development and Resource Mobilisation Conference.
Capacity Building	<p>This component includes a broad set of capacity development activities that, when considered collectively, will provide for durability and continued use of the infrastructure put in place by the project and thereafter. The following activities will be undertaken:</p> <ul style="list-style-type: none">• Training of professionals, including WASH, water resources management and climate change;• Training of small scale service providers, including pump mechanics and other artisans for infrastructure construction & maintenance;• Strengthening of CBOs, including Training and supporting Community leaders & Sanitation and Hygiene Education Trainers;• CLTS triggering & monitoring, WASH and Climate Change Adaptation education and sensitization at community level, including schools, and the setting-up and training of care-taker Committees;• Sanitation marketing;• Case studies, including technical and value for money audits;• Ground water mapping and monitoring, and development of guidelines for construction of water and sanitation facilities;



- Support to WASH stakeholder coordination and provision of field and office equipment and tools;
 - Implementation support and on-the-job training through Technical assistance for District Councils, WD, SALWACO and LGFD.
 - Sector coordination and development support, including Annual Sector Reviews (ASRs)
- Project Management
- Overall project coordination and administration;
 - Technical Oversight and quality assurance;
 - Supervision of service providers, Monitoring & Evaluation and Reporting, including Environmental and Water Quality Monitoring.

The project will be financed as follows:

ADF Loan: Activities to be finance from the ADF loan include design and construction of water supply and sanitation infrastructure; community mobilisation and empowerment; Community Led Total Sanitation and Technical Assistance for implementation support.

ADF Grant will finance construction of water supply facilities including boreholes and solar powered pumped schemes, sector coordination and management support activities, training of sector professionals and project operational expenses including performance based and project operational costs.

FSF Grant resources will be utilised for financing the rehabilitation of water supply facilities. DFID Grant resources channelled through the FSF will finance the construction of new water supply and sanitation infrastructure, technical assistance community mobilisation and empowerment activities, including youth training; Community Led Total Sanitation activities; Monitoring and evaluation activities including impact studies and technical audits. Resources will also be used for financing project operational costs.

RWSSI-TF Resources will be utilised for financing infrastructure design and construction; construction of the sanitation facilities; technical assistance and other capacity building activities including programme development, hydrogeological mapping, sector coordination and management, community mobilisation and empowerment, Community Led Total Sanitation and youth mobilisation. Grant resources will also be used to finance Operational costs including monitoring & evaluation activities.

Global Environment Facility (GEF) Grant resources will be used for financing climate risk management infrastructure activities including: design and supervision of installation of surface and ground water monitoring equipment and construction of rainwater harvesting facilities; and community sensitisation and training as well as training of water resources management related climate risk management professionals.



ANNEX II

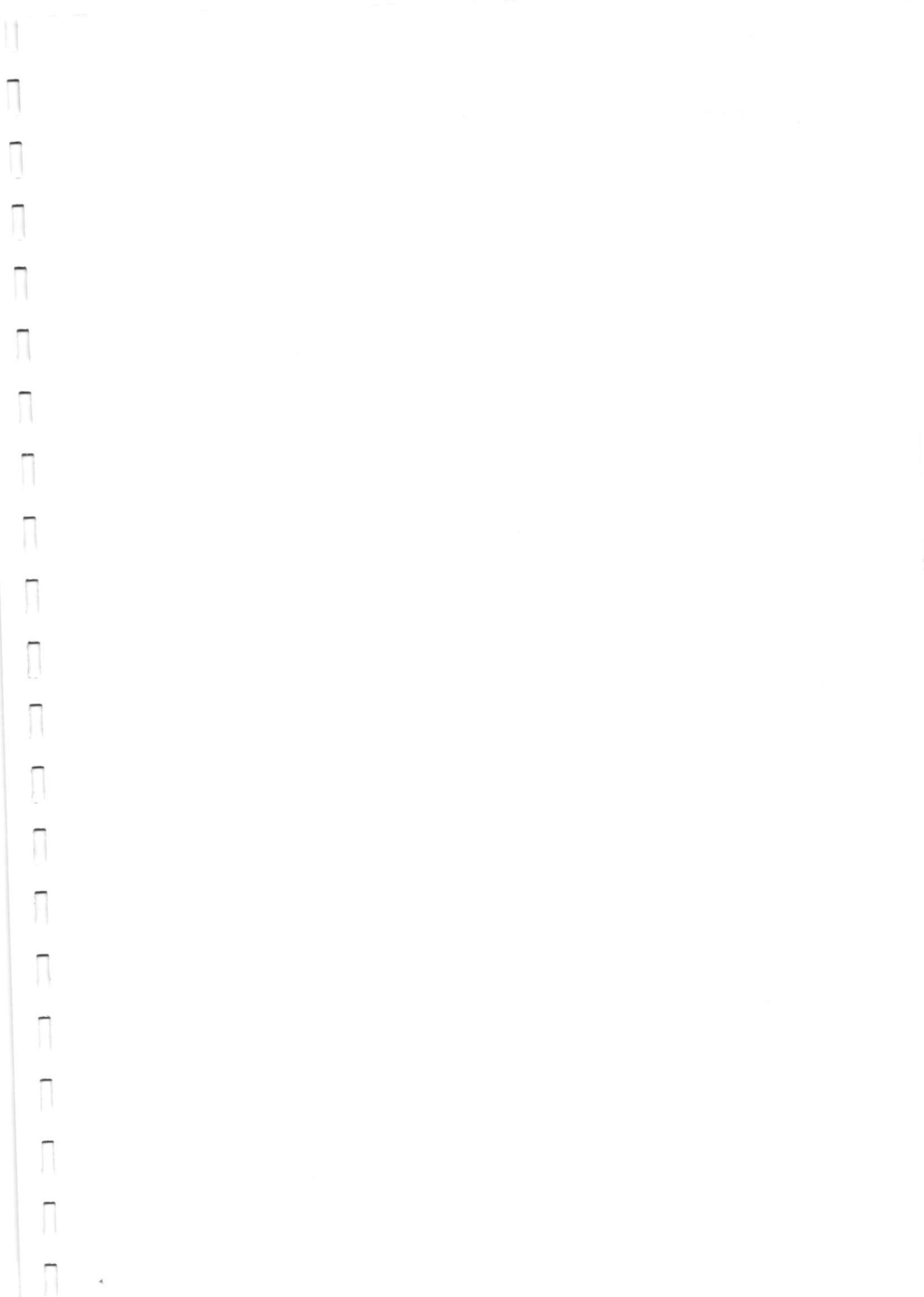
ALLOCATION OF THE GRANT

The present Annex indicates the category of expenditure to be financed out of the resources of the Grant and the allocation of the resources to the category financed.

Categories of Expenditure

In UA' millions

Category of Expenditure	Local	Foreign	Total
1. Civil Works	0.298	0.818	1.116
2. Goods	-	0.020	0.020
3. Services	0.091	0.549	0.640
4. Operating Costs	1.078	-	1.078
Total	1.467	1.387	2.854



11

10



THE UNIVERSITY OF CHICAGO
LIBRARY
540 EAST 57TH STREET
CHICAGO, ILL. 60637

PARLIAMENT LIBRARY
FLOWER HILL FREETOWN