

AG
113



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

*(ACTING AS EXECUTING
AGENCIES OF THE GLOBAL ENVIRONMENT FACILITY)*

(RURAL WATER SUPPLY AND SANITATION PROJECT)

**PARLIAMENT LIBRARY
TOWER HILL FREETOWN**

[Handwritten mark]

[Handwritten mark]

GEF

PROTOCOL OF AGREEMENT
AMONGST
THE REPUBLIC OF SIERRA LEONE
AND
THE AFRICAN DEVELOPMENT BANK
AND
THE AFRICAN DEVELOPMENT FUND

*(ACTING AS EXECUTING
AGENCIES OF THE GLOBAL ENVIRONMENT FACILITY)*

(RURAL WATER SUPPLY AND SANITATION PROJECT)

RECEIVED (1) ONE DULY EXECUTED ORIGINAL OF THE
ABOVE MENTIONED PROTOCOL OF AGREEMENT ON
BEHALF OF THE REPUBLIC OF SIERRA LEONE

NAME : SAM M ARUNA

TITLE : SENIOR ASSISTANT SECRETARY
MINISTRY OF FINANCE & ECONOMIC
DEVELOPMENT

SIGNATURE : 

COUNTRY: SIERRA LEONE DATE: 28/11/2013



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

*(ACTING AS EXECUTING
AGENCIES OF THE GLOBAL ENVIRONMENT FACILITY)*

(RURAL WATER SUPPLY AND SANITATION PROJECT)

**PROJECT ID No. : P-SL-E00-003
GRANT No. : 5550155000351**

This PROTOCOL OF AGREEMENT (hereinafter the "Protocol") is entered into this 22ND day of OCTOBER, amongst, on the one hand, the REPUBLIC OF SIERRA LEONE (hereinafter the "Recipient") and, on the other hand, the AFRICAN DEVELOPMENT BANK (hereinafter referred to as the "Bank") and the AFRICAN DEVELOPMENT FUND (hereinafter referred to as the "Fund"), with the Bank and the Fund, acting as Executing Agencies of the Global Environment Facility (the "GEF").

WHEREAS:

1. The GEF was established to provide grants and concessionary resources for projects that address global environmental issues in the focal areas of climate change, biodiversity, international waters, ozone depletion, land degradation, and persistent organic pollutants;
2. Pursuant to the *Instrument for the Establishment of the Restructured Global Environment Facility* and on the basis of the *Review of*





Experiences of Executing Agencies under Expanded Opportunities (document GEF/C.22/12), the Council to the GEF approved a proposal to expand direct access by all executing agencies, acting within their agreed scope for the GEF operations, to GEF resources;

3. Desirous to participate in the preparation and implementation of GEF projects pursuant to the expanded opportunities decision and the executing agencies direct access decision, the GEF Secretariat, the Bank and the Fund agreed to enter into a Memorandum of Understanding to govern the GEF allocations to the Bank and the Fund;
4. By Resolutions ADB/BD/WP /2004/130 and ADF/BD/WP/2004/16. the Boards of Directors of the Bank and the Fund, respectively, approved (i) a Memorandum of Understanding and (ii) a Financial Procedures Agreement between the Secretariat of the GEF, the Bank and the Fund, to govern the activities of the Bank and the Fund (collectively, hereinafter referred to as the "Bank") as Executing Agencies for the GEF;
5. The Recipient has requested the Bank to finance part of the foreign currency costs and party of the local currency costs of the Rural Water Supply and Sanitation Project (the " Project") from the resources of the GEF by providing a grant to it in the maximum amount specified hereunder;





6. By a letter of endorsement dated 25th January 2013, the GEF Chief Executive Officer endorsed the Project in an amount not exceeding Four Million United States Dollars (USD 4,000,000) to finance the Project;
7. The Recipient has declared its commitment to the execution of the Project;
8. The Project is technically feasible, economically viable, socially desirable, environmentally sustainable, and constitutes a suitable basis for financing under the GEF; and
9. The Recipient's Sierra Leone Water Company (hereinafter referred to as "SALWACO") shall be the Executing Agency for the Project;

NOW THEREFORE the parties to this Protocol of Agreement hereby agree as follows:

ARTICLE I

GENERAL CONDITIONS - DEFINITIONS

Section 1.01. General Conditions. The parties to this Protocol accept all the provisions of the *General Conditions Applicable to Protocols of Agreements for Grants* of the Fund (hereinafter referred to as the "General Conditions"), as may be 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 Protocol, unless the context otherwise requires, the several terms defined in the General Conditions shall have the respective meaning therein set forth.

ARTICLE II
THE GRANT

Section 2.01. Amount. The Bank agrees to grant to the Recipient, from the resources of the GEF an amount not exceeding Four Million United States Dollars (USD 4,000,000) (the "Grant").

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 Protocol.

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

ARTICLE III
CONDITIONS PRECEDENT TO ENTRY INTO FORCE

Section 3.01. Conditions Precedent to Entry into Force. This Protocol of Agreement shall enter into force on the date of its signature.





ARTICLE IV

CONDITION PRECEDENT TO FIRST DISBURSEMENT

Section 4.01. Conditions Precedent to First Disbursement. The obligation of the Bank 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 Bank:

- (i) of having opened a convertible foreign currency (United States Dollar) special account at a bank acceptable to the Bank for the deposit of the proceeds of the Grant and a local currency account for 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 that an amount of





Three Hundred and Ninety Seven Thousand Units of Account (UA 397,000) has been budgeted for the maintenance of project infrastructure beyond user community capacity.

ARTICLE V
UNDERTAKING

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

ARTICLE VI
RECORDS AND REPORTING

Section 6.01. Reporting. Notwithstanding the relevant provisions applicable in the General Conditions defined in Section 1.01 above, the Recipient shall submit, in a form and substance acceptable to the Bank:

- (i) annual financial accounts and reports, prepared in accordance with the accounting and reporting procedures reasonably requested by the Bank:
and
- (ii) such other reports, including reports on procurement of goods, works and services for activities financed by the Grant, as may reasonably be requested by the Bank.



Section 6.02. Auditing. The Recipient shall audit the Project financial statements as may be required by the Bank and submit a final audit report at the close of the Project.

ARTICLE VII
DISBURSEMENTS AND APPLICATION
OF AMOUNTS DISBURSED

Section 7.01. Disbursements. The amount of the Grant shall be disbursed by the Bank, in accordance with the provisions of this Protocol and the General Conditions, for expenditures made in respect of the cost of goods, works and services required for the Project.

Section 7.02. Closing Date. The deadline for the request by the Recipient of the final disbursement shall be **31 December 2018**, or such later date as shall be agreed upon between the Recipient and the Bank.

Section 7.03. Application of Disbursements. Amounts disbursed on account of this Protocol shall be applied by the Recipient 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 Bank'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 8.02. Procurement of Services. Services necessary for the execution of the Project will be procured in accordance with the Bank'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 Listing 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 Bank'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 method of selection shall be Single Sourcing.



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

- (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 Bank except for works with a contract value equal to or less than UA 70,000 for which post review procedures shall apply.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Authorized Representatives. The Minister of Finance and Development or any other person that the Minister may designate in writing shall be the authorized representative of the Recipient for purposes of Section 9.02 of the General Conditions.

Section 9.02. Date of the Agreement. For the purposes of this Agreement, the date thereof shall be that appearing in the opening sentence of the preamble hereof.





Section 9.03. Addresses. The following addresses are specified for 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 : ekoroma@mofed.gov.sl and
marahkml@yahoo.com

**For the Bank
& the Fund:**

Mail Address headquarters

African Development Bank
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 Bank
African Development Fund
13, Avenue du Ghana
B. P. 323, 1002 Tunis Belvedere
TUNISIA

Telephone : (216) 71 333 511

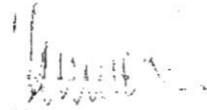
71 102 055





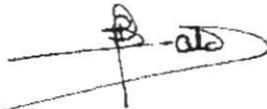
IN WITNESS WHEREOF the Recipient and the Bank and the Fund, each acting through its authorized representative, have signed this Protocol in two (2) equally valid originals in the English language on the date first above written.

FOR THE REPUBLIC SIERRA LEONE



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

**FOR THE AFRICAN DEVELOPMENT BANK
AND
FOR THE AFRICAN DEVELOPMENT FUND**



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



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 to be financed 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 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 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;





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

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.

ADF Loan: Activities to be financed 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

The project will be financed as follows:

- 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);
- Overall project coordination and administration;
- Technical Oversight and quality assurance;
- Supervision of service providers, Monitoring & Evaluation and Reporting, including Environmental and Water Quality Monitoring;



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 categories of expenditure to be financed out of the resources of the Grant and the allocation of the resources to the category financed therein.

Categories of Expenditure
(In million USD)

Category of Expenditure	Local	Foreign	Total
1. Civil Works	0.525	1.915	2.440
2. Goods	0.024	0.156	0.180
3. Services	0.511	0.839	1.350
4. Operating costs	0.030	-	0.030
Total	0.727	1.940	4.000

PARLIAMENT LIBRARY
TOWER HILL FREETOWN