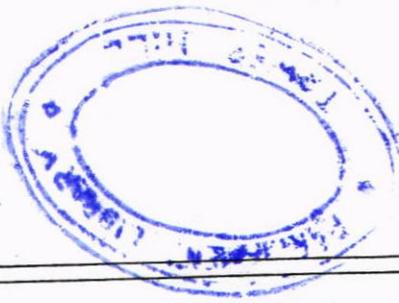


AGR
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Project No: SLE-1013

AGENCY AGREEMENT
INSTALMENT SALE FINANCING FOR
REGIONAL RICE VALUE CHAIN DEVELOPMENT PROGRAM

BETWEEN

REPUBLIC OF SIERRA LEONE

AND

ISLAMIC DEVELOPMENT BANK

Dated ____/____/1440H (____/____/2019G)

AGENCY AGREEMENT

AGREEMENT dated ____/____/1440H corresponding to ____/____/2019G between

REPUBLIC OF SIERRA LEONE ("Agent"); and
ISLAMIC DEVELOPMENT BANK ("IsDB" or "Bank").

IsDB and the Agent are individually referred to as the "Party" and collectively as the "Parties".

WHEREAS

- (A) Pursuant to the Framework Agreement concluded between the Bank and the Republic of Sierra Leone THE Bank has agreed to participate in the financing of certain Assets pertaining to the Project described in Schedule-I to this Agreement;
- (B) The participation of the Bank is through Instalment Sale Financing for an amount not exceeding USD 20,000,000.00 (Twenty Million United States Dollars) as blended financing comprising 65% ordinary financing (equivalent to USD 13 million) and 35% grant (equivalent to USD 7 million);
- (C) The Bank wishes to appoint the Republic of Sierra Leone as Agent for implementing the Project and procuring the Assets;
- (D) Under this Agreement, the relationship between the Bank and the Agent is that of a *muwakeel* (principal) and *wakeel* (agent) in accordance with the principles of Shari'ah.

NOW THEREFORE the Parties agree as follows:

ARTICLE I - DEFINITIONS

All capitalized terms in this Agreement, unless the context otherwise requires, shall have the same meaning as stipulated in the Framework Agreement. Additional terms used in this Agreement have the following meaning.

- "Acceptance Certificate": means the certificate to be issued by the Agent to the Contractor upon delivery and acceptance of the Assets pursuant to the relevant Contract and the provisions of this Agreement.
- "Agreement": means the present Agency Agreement.
- "Available Financing Amount": means the balance of the Financing Amount which is available for Disbursement after deducting amounts previously disbursed by the Bank.

- "Boycott Regulations": means the boycott regulations of (i) the Organization of Islamic Cooperation (including those relating to dealing with Israel); (ii) the Arab League; and (iii) the African Union.
- "Closing Date": means the date corresponding to the end of the period stipulated in Article 3.4 hereunder.
- "Contract Price": means the price payable to the Contractor under the Contract and in accordance with the financing plan of the Project as approved by the Bank.
- "Delivery Notice": means the notice substantially in the form set out in Schedule-III to be issued by the Agent informing the Bank that it has taken delivery of the Assets.
- "Event of Default": means any of the default set out in Article 8 hereunder
- "Framework Agreement": means the framework agreement executed between the Bank and the Recipient on the date of this Agreement in relation to the Project.
- "Procurement Policies and Guidelines": means all regulations, rules, policies, procedures or guidelines as the Bank may adopt from time to time for procurement of certain activities under a Project.
- "Procurement Arrangements": means any contractual arrangements to be made by the Agent for the procurement of any activities (supply or construction or services) towards the delivery of the Assets.

ARTICLE II - AGENCY

- 2.1 The Bank hereby appoints the Agent to:
- 2.1.1 negotiate and agree the Procurement Arrangements and all specifications of the Assets;
 - 2.1.2 conclude the Procurement Arrangements and supervise the delivery of the Assets; and
 - 2.1.3 take delivery of the Assets in accordance with the Procurement Arrangements.
- 2.2 The Agent hereby agrees to the appointment and undertakes to perform the agency in accordance with the terms of this Agreement free of any remuneration or other payment by the Bank.
- 2.3 Without prejudice to Articles 2.1 and 2.2 of this Agreement, the Agent appoints the Executing Agency to be responsible for the implementation of the Project for and on behalf of the Agent. However, the Agent undertakes and acknowledges that it shall be responsible for any action or omission of the Executing Agency in relation to the Agent's obligations under this Agreement.

ARTICLE III – PROCUREMENT

- 3.1 Except as the Bank may otherwise agree, the Agent shall procure, or cause to be procured, the Assets in accordance with the Bank's Procurement Policies and Guidelines, Schedule-II to this Agreement and the undertakings set out in Articles 3.2, 3.3 and 3.4 hereunder.
- 3.2 **Procurement Arrangements:** The Agent undertakes that it shall carry out the Procurement Arrangements, and conclude any contract thereunder, in accordance with the following terms:
- 3.2.1 the terms and conditions under the Procurement Arrangements shall, prior to the launch of the bidding process, be agreed upon between the Bank and the Agent;
 - 3.2.2 the Agent shall involve the Bank in the negotiations of the Procurement Arrangements and obtain the approval of the Bank thereon;
 - 3.2.3 the amounts to be committed under the Procurement Arrangements shall not exceed the amounts allocated under the financing plan of the Project as approved or as otherwise amended by the Bank;
 - 3.2.4 the period for the procurement of the project activities shall not exceed the period specified in Article 3.4 of this Agreement or as otherwise extended by the Bank;
 - 3.2.5 the specifications of the Assets to be procured under the Procurement Arrangements shall be as approved by the Bank and described in Schedule-II hereto; and
 - 3.2.6 the Procurement Arrangements shall, where required, include the provision of an all risk insurance as customary in the trade, and the proceeds of the insurance shall be payable to the Bank in the currency acceptable to the Bank.
- 3.3 **Implementation:** The Agent undertakes that during the implementation of the Procurement Arrangements and any contract thereunder, it shall:
- 3.3.1 exercise the highest standard of diligence and care in monitoring the punctual and correct performance of contractual obligations under the Procurement Arrangements with a view to ensuring that the Assets will be procured in accordance with the specifications or terms of reference, within the specified timeframe, and within the limits of the contracted amounts;
 - 3.3.2 advise the Bank, as soon as reasonably practicable, of any delay or anticipated delay in the delivery of the Assets with full details thereof;

3.3.3 deal with all regulatory and administrative matters relating to the procurement of the Assets in accordance with the relevant applicable laws;

3.3.4 not make, without the prior written consent of the Bank, any amendments, alterations or modifications to the Procurement Arrangements which may:

- (i) result in an increase in the contracted amounts; or
- (ii) result in an extension of the completion date; or
- (iii) result in a change of the specifications; or
- (iv) not be in accordance with usual good practice.

If in breach of this provision, the Agent gives any instructions, as a result of which there is an increase in the contracted amounts or the Bank becomes liable to any party for any claim, loss, damage or expense, then the Agent agrees to bear the increase to indemnify the Bank for any such claim, loss, damage or expense.

3.4 The period for completion of the procurement of the Assets shall not exceed 5 (five) years from the date of first Disbursement.

3.5 The specifications of the Assets shall be as generally described in Schedule-II of this Agreement and specified in the Contract.

ARTICLE IV – DISBURSEMENT

4.1 The Bank shall make Disbursements in accordance with the Disbursement Policies and Guidelines and subject to the conditions set out in Article 4.2 hereunder.

4.2 The Bank shall accept a Disbursement Request and approve a Disbursement only if:

4.2.1 the first Disbursement Request is submitted to the Bank no later than six (6) months after the Effective Date;

4.2.2 the Disbursement Request has been received by the Bank by the Closing Date;

4.2.3 the amount under the Disbursement Request does not exceed the Available Financing Amount;

4.2.4 the Disbursement Request is accompanied by a copy of the relevant contracts together with a copy of any applicable supporting documents relevant to the Disbursement Request;

4.2.5 where under the Procurement Arrangements a consultant is to be contracted to supervise the delivery of the Assets, the Agent shall not submit any

Disbursement Requests without such consultant verifying the Disbursement Requests and ensuring that all the Bank's policies and procedures are strictly followed;

- 4.2.6 if requested by the Bank, a copy of the relevant insurance policy is provided;
- 4.2.7 the requirements of the Disbursement Policies and Guidelines have been satisfied in relation to that Disbursement;
- 4.2.8 on the date of the Disbursement Request:
 - (i) no Event of Default is continuing or would result from the Disbursement;
 - (ii) the Agent is in compliance with all its obligations hereunder in all material respects; and
 - (iii) no event or series of event has occurred which, in the opinion of the Bank might reasonably be expected to have a Material Adverse Effect.
- 4.3 The Agent shall be responsible for any delay in effecting Disbursement if such delay is due to the application being not in conformity with this Agreement or due to insufficiency of or discrepancy in the required documents.
- 4.4 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 USD 2,000,000.00 (United States Dollars Two Million) 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 V – ACCEPTANCE; DELIVERY

- 5.1 The Agent shall accept and take delivery of the Project Assets in compliance with the following provisions.
- 5.2 Acceptance and delivery of the Project Assets: Prior to accepting and taking delivery of the Assets, the Agent shall:
 - 5.2.1 review the Assets to ensure conformity to the specifications set out in the Contract;
 - 5.2.2 inform the Bank of the outcome of the review of the Assets immediately after completing the review. In particular, the Agent shall immediately inform the Bank (i) whether it has found the Assets conforming in all respects to the Contract and has taken delivery thereof; or (ii) whether it has found the same not in conformity with the Contract, in which case it shall seek the guidance of the Bank as to whether to reject the Assets or accept them "as-is" and sue the Contractor, as the case may be, for damages;

- 5.2.3 Immediately issue an Acceptance Certificate if the review of the Assets conform to the Contract. The Agent shall be deemed to have irrevocably accepted the Assets for all purposes thereof upon the issuance of the Acceptance Certificate.
- 5.3 Delivery Notice. Subsequent to issuing the Acceptance Certificate, the Agent shall provide Delivery Notice to the Bank. If the Agent fails to issue the Delivery Notice to the Bank within Seven (7) Business Days after issuing the Acceptance Certificate, the Agent shall be deemed to have irrevocably and unconditionally taken delivery of the Assets on the date of issuing the Acceptance Certificate. The Agent shall indemnify the Bank for any costs, expenses or loss resulting from its failure, for any reason whatsoever, to take delivery of the Assets after issuing the Acceptance Certificate.

ARTICLE VI – SPECIAL UNDERTAKINGS

6.1 Execution of the Project. The Agent undertakes to:

- 6.1.1 ensure that all Disbursements shall be used solely for the purposes of financing the Project and shall not be used to finance any expenditure with respect to which the Bank determines that any Sanctionable Practices were engaged in by representatives of the Agent or other recipients of the Financing Amount, without the Agent having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur;
- 6.1.2 implement the Project and conduct its operations 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 budgets, plans and specifications concerning the Project approved by the Bank;
- 6.1.3 ensure that, the Contractor and any consultant, carry out their activities with due diligence and efficiency and in accordance with sound, technical, economic, financial, managerial, environmental and social standards and practices, and in accordance with any applicable anti-corruption guidelines;
- 6.1.4 submit to the Bank for its approval, in such detail as the Bank may reasonably request, any envisaged material modifications to the budget, plans and specifications of the Project as well as any draft Contract to be entered into by the Agent for the execution of the Project and substantial changes thereto;
- 6.1.5 afford, during the implementation of the Project, all reasonable opportunity for accredited representatives of the Bank to visit and inspect the Project and any relevant records and documents in relation thereto;
- 6.1.6 take all action which shall be necessary on its part to enable the execution of the Project and refrain from taking, or permitting 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;

- 6.1.7 ensure that the Project is implemented in accordance with the Procurement Policies and Guidelines, in conformity with all applicable laws and regulations, appropriate administrative, technical, financial, economic, environmental and social standard and practices;
 - 6.1.8 inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Project or the performance of its obligations under this Agreement;
 - 6.1.9 ensure that the Executing Agency has the skills and experience required for successful implementation of the Project.
 - 6.1.10 ensure that the Executing Agency is fully aware of the undertakings under this Article and that it shall act accordingly in dealing with the Bank.
- 6.2 The Agent 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 Agent, the Contractor and other parties involved in the implementation of the Project.

ARTICLE VII – REPRESENTATIONS

- 7.1 The Agent represents and warrants that:
- 7.1.1 All governmental authorizations and actions of any kind necessary to authorize or required for the validity or enforceability of the obligations contemplated under this Agreement have been obtained or performed and are valid and subsisting in full force and effect.
 - 7.1.2 Under the laws of the Republic of Sierra Leone in force at the date of this Agreement, the claims of the Bank against the Agent under this Agreement will rank at least pari passu with the claims of all other unsecured creditors.
 - 7.1.3 Its execution of this Agreement constitutes, and its exercise of its rights and performance of its obligations thereunder shall constitute, private and commercial acts done and performed for private and commercial purposes.
 - 7.1.4 It shall at all times comply with the Boycott Regulations.

ARTICLE VIII – EVENTS OF DEFAULT

- 8.1 If one of the events specified in this Article shall have happened and be continuing, then the Bank, by notice to the Agent, may exercise its rights under this Agreement, including those provided under Article 11 without any further notice:

- (a) default shall have occurred in the performance of any obligation of the Agent under this Agreement and any such default shall have continued for a period of 30 (Thirty) days from the date of the notification of such default to the Agent;
 - (b) any representation or warranty confirmed or made by the Agent in connection with the execution and delivery of this Agreement shall be found to have been incorrect in any material respect and shall continue to be incorrect for a period of 30 (Thirty) days after notice thereof shall have been given to the Agent by the Bank;
 - (c) any obligation or purported obligation of the Agent under or arising out of this Agreement being or becoming wholly or in part invalid or unenforceable whether or not always known to the Bank.
- 8.2 If any Event of Default or any event which, with lapse of time or notice and lapse of time, would become an Event of Default shall have happened, the Agent shall immediately give the Bank notice thereof by telex or facsimile, specifying the nature of such Event of Default or such event and any steps the Agent is taking to remedy the same.
- 8.3 No course of dealing and no delay in exercising, or omission to exercise, any right, power or remedy accruing to the Bank upon any default under this Agreement or any other agreement shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence therein; nor shall the action of the Bank in respect of any such default, or any acquiescence by it therein, affect or impair any right, power or remedy of the Bank in respect of any other default.

ARTICLE IX – INDEMNITY

- 9.1 The Agent shall indemnify the Bank, on a net after-tax basis (at the applicable local and foreign tax rates) against, and agrees to protect, save and keep harmless, the Bank from any, and all obligations, fees, liabilities, losses, damages, penalties, demands, actions, judgments and expenses, including reasonable legal fees and expenses (including such legal fees and expenses incurred in connection with the enforcement of the Agency Agreement), of every kind and nature whatsoever imposed on, incurred by, or asserted against the Bank arising out of the occurrence of any default or any other failure on the part of the Agent to perform or comply with any term of this Agreement, or any document, agreement or contract entered into by the Agent in relation hereto or otherwise in relation to the Project but excluding any claim based upon any failure on the part of the Bank to comply with its obligations under this Agreement or any document, agreement or contract entered into by the Bank in relation to the Project. Without prejudice to the above, the Agent shall ensure that the Contract has sufficient indemnity provisions.

- 9.2 The Agent shall give the Bank prompt notice of any occurrence or condition known to the Agent as a consequence of which the Bank is or is reasonably likely to be entitled to indemnification. The indemnification provided in Article 9.1 shall specifically apply to and include claims or actions brought by or on behalf of employees of the Agent and the Agent expressly waives, as against the Bank, any immunity to which the Agent might otherwise be entitled under any applicable laws. The Agent shall promptly upon request by the Bank (but in any event within fifteen days of such request) reimburse the Bank for amounts expended by it in connection with any of the foregoing or pay such amounts directly.
- 9.3 The Agent shall be subrogated to the Bank's rights in any matter with respect to which the Agent has actually reimbursed the Bank for amounts expended by it or has actually paid such amounts directly pursuant to Article 9.1. In case any action or proceeding is brought against the Bank in connection with any indemnified claim, the Bank shall, after receipt of notice of the commencement of such action or proceeding, notify the Agent thereof, enclosing a copy of all papers served upon the Bank. The Agent may, and upon the Bank's request shall, resist and defend such action or proceeding at the Agent's expense, or cause the same to be resisted or defended by counsel selected by the Agent or any other authorized person. In the event of any failure by the Agent to do so, the Agent shall pay all costs and expenses (including reasonable attorney's fees and expenses) incurred by the Bank in connection with such action or proceeding.

ARTICLE X – EFFECTIVENESS

- 10.1 This Agreement shall become effective from the Effective Date of the Framework Agreement.

ARTICLE XI – SUSPENSION, CANCELLATION, TERMINATION

- 11.1 Suspension. The Bank may, in accordance with the applicable policies of the Bank, suspend its obligations under this Agreement if:
- 11.1.1 any event or circumstance occurs that the Bank reasonably believes has or is likely to have a Material Adverse Effect; or
 - 11.1.2 an Event of Default has occurred; or
 - 11.1.3 the Framework Agreement has been suspended in accordance with its Article 6.1.
- 11.2 Any suspension pursuant to the Article 11.1 shall continue until the event or events that have given rise to such suspension cease to exist and the Bank notifies the Agent that its rights under this Agreement have been restored.
- 11.3 Cancellation by the Agent. This Agreement shall be cancelled if the obligations under the Framework Agreement have been cancelled pursuant to its Article 6.3.

- 11.4 Termination. This Agreement shall be terminated immediately if any of the following circumstances shall occur:
- 11.4.1 if the Framework Agreement is terminated in accordance with its Article 6.4.
 - 11.4.2 if the Agent requests to terminate this Agreement, but in any case, before the conclusion of the Contract;
 - 11.4.3 upon termination of the Contract for up to sixty (60) days due to the Contractor's failure to fulfil any of its obligations under the Contract and the Agent's failure to take, within such period and to the satisfaction of the Bank, appropriate action to remedy the situation; and
 - 11.4.4 when all obligations hereunder have been irrevocably and unconditionally discharged in full.
- 11.5 Neither cancellation nor termination in accordance with this Article shall affect any commitment made, obligations incurred, or rights accrued prior to the date of such cancellation or termination.
- 11.6 Articles 6.1.6 and 6.1.9 shall survive the termination of this Agreement following delivery of the Asset.

ARTICLE XII – GOVERNING LAW, SETTLEMENT OF DISPUTES

- 12.1 This Agreement shall be governed by and be construed in accordance with the principles of Shari'ah as pronounced by the Islamic Fiqh Academy, Jeddah as enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and as interpreted by the Bank's Shari'ah Committee.
- 12.2 Any dispute between the Parties and any claim by any Party against the other Party arising under this Agreement 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 or any claim by any Party against the other party arising thereunder.
- 12.3 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.
- 12.4 To the extent that the Agent 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 Agent hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

- 12.5 Service of any notice or process in connection with any proceedings under Article 12.2 or in connection with any proceedings to enforce any award rendered pursuant to Article 12.3 may be made in the manner provided in Article 13. The Parties waive any and all other requirements for the service of any such notice or process.

ARTICLE XIII – COMMUNICATIONS

- 13.1 The Agent hereby appoints the Ministry of Finance, Republic of Sierra Leone to act as its authorized representative (the "Agent's Representative") for the purposes of coordinating with the Bank on all matters pertaining to this Agreement and for all intents and purposes without limitation. Any notice in connection with this Agreement shall be sent to the following addresses of the Agent and the Bank:

For the Bank
8111 King Khalid St. Al Nuzlah Al Yamanian
Dist. Unit No.1
Jeddah-22332-2444
Kingdom of Saudi Arabia
Tel: +966 12 6361400
Fax: +966 12 6366871
Email: idbarchives@isdb.org

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

ARTICLE XIV - MISCELLANEOUS

- 14.1 The recital and schedules are an integral part of this Agreement.
- 14.2 The person signing this Agreement on behalf of each Party hereby represents and warrants to the other Party that he or she has the requisite legal power and authority to execute this Agreement on behalf of the Party and bind the Party to the obligations herein.
- 14.3 This Agreement, including any amendments, may be executed in counterparts which, when taken together, will 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.
- 14.4 This Agreement may only be amended by a mutual written agreement of the Parties.

SCHEDULE I

PROJECT DESCRIPTION AND FINANCING PLAN

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 offtakers 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).

Project Financing Plan US\$ 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

SCHEDULE II
PROCUREMENT OF THE PROJECT ASSETS

1. Civil Works

Works will be undertaken through International Competitive Bidding limited to Member Countries (ICB/MC) and National Competitive Bidding (NCB)

2. Goods

ICB Open will be used for the supply of fertilizers, agrochemicals and pesticides. National Shopping will be used for the supply of furniture and equipment whilst NCB will be used for the procurement of the remaining Goods

3. Consultancy Services

Consultants shall be selected through International Shortlist limited to Member Countries for the design supervision of Civil Works and Irrigation Infrastructure. National Shortlist will be used in selecting Consultants for activities under Financial Audit, Training, Capacity building etc.

SCHEDULE III
FORM OF DELIVERY NOTICE

To: Islamic Development Bank
8111 King Khalid St. Al Nuzlah Al Yamania Dist.
Unit No.1
Jeddah 22332-2444
Kingdom of Saudi Arabia

Dear Sirs,

DELIVERY NOTICE

We refer to the Framework Agreement and the Agency Agreement both dated |__/__/__|G concluded between us (the "Financing Agreements").

Terms defined in the Financing Agreements shall have the same meanings when used in this Delivery Notice.

1. This Delivery Notice is issued pursuant to the Financing Agreements and the undersigned is duly authorized to execute and deliver this Delivery Notice on behalf of the |Republic of Sierra Leone|
2. The Bank is hereby notified that the Assets, as listed in Annex to this Delivery Notice, have been delivered to us by the Contractor.
3. We have reviewed the Assets and found them in conformity with the specification set out in the Contract and the Agency Agreement, and accordingly accepted the Assets.
4. In issuing this Delivery Notice, we confirm that the implementation of the relevant components of the Project has been completed.

In witness whereof, this Delivery Notice is executed and delivered as of the date hereof.

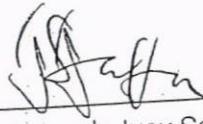
For and on behalf of
|Republic of Sierra Leone|

Name | Title of the Signatory

EXECUTION PAGE:

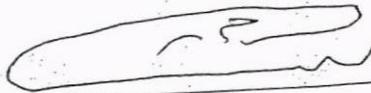
THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

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



Dr. Bandar. M. H. Hajjar
President

Project No: SLE-1013

FRAMEWORK AGREEMENT
|INSTALMENT SALE FINANCING FOR|
|REGIONAL RICE VALUE CHAIN DEVELOPMENT PROGRAM|

BETWEEN

|REPUBLIC OF SIERRA LEONE|

AND

ISLAMIC DEVELOPMENT BANK

Dated |___/___/1440|H (|___/___/2019|G)

FRAMEWORK AGREEMENT

28/07/1940H

Framework Agreement dated ~~01/04/1440H~~ corresponding to ~~4/4/2019G~~ between:

REPUBLIC OF SIERRA LEONE ("Recipient")

AND

ISLAMIC DEVELOPMENT BANK ("IsDB" or "Bank").

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

WHEREAS

- (A) The Recipient has requested the Bank to participate in the financing of certain Assets pertaining to the Project described in Schedule-I to this Agreement;
- (B) The Bank has on 16/12/2018G approved and agreed on the basis, inter alia, of the foregoing to finance the Assets through Instalment Sale Financing for an amount not exceeding USD 20,000,000.00 (Twenty Million United States Dollars) as blended financing comprising 65% ordinary financing (equivalent to USD13.0 million) and 35% grant (equivalent to USD7.0 million) upon the terms and conditions hereinafter set forth.
- (C) The purpose of this Agreement is to set out the parties' common understanding with regards to the implementation of the Project.

NOW THEREFORE the parties agree as follows:

ARTICLE I - DEFINITIONS

In this Agreement, unless the context otherwise requires, the following terms shall have the meaning appearing against each of them hereunder:

Acceptance Certificate:	has the meaning given to it in the Agency Agreement.
Agent:	the Recipient acting for and on behalf of the Bank pursuant to the Agency Agreement.
Agency Agreement:	means the Agency Agreement executed between the Bank and the Recipient on the date of this Agreement and pursuant to which the Bank appoints the Recipient as Agent to, inter alia, negotiate/execute the Procurement Contracts and take delivery of the Assets.
Agreement	the present Framework Agreement.

Asset:	As the case may be, the physical assets (works and/or equipment) and/or services specified in Schedule-I.
Business Day:	any day on which banks are officially open for business in the place where a sum or sums are payable by the Recipient to the Bank in the currency in which such payments shall be effected.
Contemplated Sale Acceptance Date:	The date corresponding to the seventh (7 th) Business Days from the date of receiving the Sale Offer.
Contract:	the Contract for the procurement of the Assets concluded by the Recipient, acting for and on behalf of the Bank, with the Contractor.
Contractor:	the contractor or the supplier or the service provider (as the case may be) who shall be entrusted with the provision of the Assets in accordance with the Contract.
Delivery Notice:	has the meaning given to it in the Agency Agreement.
Delivery Date:	the date on which the Recipient issues the Acceptance Certificate.
Disbursement:	payment made in accordance with the applicable rules of the Bank, of any part of the Financing Amount for the procurement of the Asset.
Disbursement Request:	each notice delivered by the Agent to the Bank in order for the Bank to make a Disbursement.
Disbursement Policies and Guidelines:	all regulations, policies, circulars and other rules as the Bank may adopt from time to time setting out the procedures and the requirements for the Bank making Disbursements.
Effective Date:	the date on which the Bank declares this Agreement effective in accordance with Article 7.
Event of Default:	any of the events set out in Article 5.
Executing Agency:	refers to the Ministry of Agriculture and Forestry of the Republic of Sierra Leone.
Financing Amount:	the amount approved by the Bank and specified in Recital-B above.
Material Adverse Effect:	means in the reasonable opinion of the Bank, a material adverse effect on: <ul style="list-style-type: none"> (a) the business, operations, property, condition (financial or otherwise) or prospects of the Recipient; (b) the ability of the Recipient to perform its obligations under this Agreement;

	<p>(c) the ability of the Agent to perform its obligations under the Agency Agreement; or</p> <p>(d) the validity or enforceability of this Agreement or the Agency Agreement; or the rights or remedies of the Bank thereunder.</p>
Payment Instalments:	has the meaning given to it in the Sale General Terms and Conditions.
Procurement Contracts:	has the meaning given to it in the Agency Agreement.
Project:	has the meaning ascribed to it in Recital-A above.
Sanctionable Practices:	<p>any of Corrupt Practice, Coercive Practice, Collusive Practice, Fraudulent Practice or Obstructive Practice as defined below:</p> <p>(i) Corrupt Practice: means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(v) Obstructive Practice: means,</p> <p>(i) 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</p>

	(ii) 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.
Sale Acceptance:	the acceptance by the Recipient to purchase the Assets from the Bank on the Sale Acceptance Date.
Sale Acceptance Date:	the date on which the Recipient countersigns the Sale Offer which shall be no later than the Contemplated Sale Acceptance Date.
Sale General Terms and Conditions:	the General Terms and Conditions set out in Schedule-III to this Agreement.
Sale Offer:	the offer to purchase to be submitted by the Bank and to be accepted by the Recipient substantially in the form set out in Schedule-II to this Agreement.
Sale Price	has the meaning given to it in the Sale General Terms and Conditions.
Tax:	any tax, levy, impost, duty or other charge of similar nature (including without limitation any penalty payable in connection with any failure to pay or delay in paying any of the same).

ARTICLE II – THE FINANCING FACILITY

- 2.1 Purpose: the purpose of this Agreement is to make available the Financing Amount for acquiring the Assets, and thereafter selling the same to the Recipient.
- 2.2 Promise to purchase: the Recipient acknowledges that the provision of the Financing Amount by the Bank is subject to the Recipient undertaking to purchase the Assets from the Bank, "as is" and "where is", upon delivery of the Assets. Accordingly, the Recipient hereby undertakes to the Bank that it shall purchase the Assets from the Bank upon issuing the Acceptance Certificate. The Recipient also undertakes to indemnify the Bank against any costs, expenses, damages or losses suffered by the Bank in relying upon this provision in circumstances where the Recipient is in default of its obligations thereto.
- 2.3 Implementation mechanism: the Recipient acknowledges that the process for utilizing the Financing Amount shall be as follows:
- 2.3.1 Pursuant to the Agency Agreement, the Bank shall authorize the Agent to negotiate and execute the Contract and take delivery of the Assets for and on behalf of the Bank.

- 2.3.2 In order for the Bank to make a Disbursement, the Agent shall deliver to the Bank a duly completed Disbursement Request. Subject to approving the Disbursement Request, the Bank shall make Disbursement in accordance with the Disbursement Policies and Guidelines.
- 2.3.3 Upon issuing an Acceptance Certificate, the Agent shall submit to the Bank a Delivery Notice within seven (7) Business Days therefrom in accordance with Article 5.3 of the Agency Agreement.
- 2.3.4 Upon the Bank receiving the Delivery Notice, the Bank shall issue immediately to the Recipient a Sale Offer, no later than seven (7) Business Days from the date of receiving the Delivery Notice.
- 2.3.5 Upon the Recipient receiving the Sale Offer, the Recipient shall, in execution of its obligation under Article 2.2 above, issue a Sale Acceptance no later than seven (7) Business Days from the date of the receiving the Sale Offer. If, for any reason whatsoever, the Recipient shall reject the Sale Offer, the Recipient shall indemnify the Bank in accordance with Article 5.2. The Bank shall also have the right to take whatever steps it deems necessary to obtain indemnification.
- 2.3.6 The ownership of the Assets shall pass from the Bank to the Recipient on Sale Acceptance Date.
- 2.3.7 Thereafter, the Recipient undertakes pay the Sale Price to the Bank by way of Payment Instalments in accordance with the Sale General Terms and Conditions.

ARTICLE III – UNDERTAKINGS

3.1 The Recipient undertakes to:

- 3.1.1 ensure that all amounts withdrawn from the Financing Amount will be used solely for the purposes of the Project and that the proceeds of the Financing Amount will not be used to finance any expenditure with respect to which the Bank determines that any Sanctionable Practices were engaged in by representatives of the Recipient or other recipient of the proceeds of the Financing Amount, without the Recipient having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.
- 3.1.2 Cause the Executing Agency to implement the Project and to conduct its operations and affairs 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 budgets, plans and specifications concerning the Project approved by the Bank;

- 3.1.3 Ensure that, all the Project stakeholders carry out their activities with due diligence and efficiency and in accordance with sound, technical, economic, financial, managerial, environmental and social standards and practices, including with the provisions of any applicable anti-corruption guidelines;
- 3.1.4 Submit, or cause to be submitted 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 relating to the execution of the Project.
- 3.1.5 Ensure, or cause to be ensured that, during the implementation of the Project and until full payment of the Sale Price, all reasonable opportunity is given for accredited representatives of the Bank to make visits and inspect the Project and any relevant records and documents in relation thereto; and furnish, or cause to be furnished to the Bank, all such information as the Bank shall reasonably request concerning the Project.
- 3.1.6 take all action which shall be necessary on its part to enable the execution of the Project and refrain from taking or permitting to be taken, any action that would prevent or interfere with the implementation or operation of the Project or the performance of any obligations under this Agreement.
- 3.2 The Recipient shall submit, or cause to be submitted, the following reports to the Bank:
 - 3.2.1 a report on the progress and implementation of the Project in such manner as the Bank may from time to time specify;
 - 3.2.2 a completion report of such scope and in such detail as the Bank may reasonably request;
 - 3.2.3 an annual audit report by the financial auditor of the Project throughout the Project's lifecycle.
 - 3.2.4 any other report or information which the Bank may from time to time reasonably request.

ARTICLE IV – REPRESENTATIONS

- 4.1 The Recipient represents and warrants that:
 - 4.1.1 All governmental authorizations and actions of any kind necessary to authorize or required for the validity or enforceability of the obligations contemplated under this Agreement have been obtained or performed and are valid and subsisting in full force and effect.

4.1.2 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.

4.1.3 The concerned department or unit charged with servicing external debt has been instructed to make payment of the Sale Price on due dates.

ARTICLE V – EVENTS OF DEFAULT

5.1 If one of the events specified in this Article shall have happened and be continuing, then the Bank, by notice to the Recipient, may terminate this Agreement and declare any amount disbursed and any indemnity payable to the Bank pursuant to this Agreement immediately due and payable without any further notice:

5.1.1 the Recipient has failed to discharge its obligations to pay any amount due to any affiliated body to the Bank;

5.1.2 a default shall have occurred in the performance of any obligation of the Recipient under this Agreement (including a default pursuant to Article 2.2 and Article 2.3.5) and any such default shall have continued for a period of 30 (Thirty) days from the date of the notification of such default to the Recipient;

5.1.3 any representation or warranty confirmed or made by the Recipient in connection with the execution and delivery of this Agreement shall be found to have been incorrect in any material respect and shall continue to be incorrect for a period of 30 (Thirty) days after notice thereof shall have been given to the Recipient by the Bank; and

5.1.4 the Recipient shall have become unable to pay its debts; and any obligation or purported obligation of the Recipient under or arising out of this Agreement being or becoming wholly or in part invalid or unenforceable whether or not always known to the Bank.

5.1.5 the Bank finds that any Sanctionable Practices has been committed in implementing the Project.

5.2 Upon termination of this Agreement on account of Event of Default occurring pursuant to Article 2.3.5, the Recipient shall indemnify the Bank by an amount equal to the Sale Price which otherwise would have been payable on the Contemplated Sale Acceptance Date, provided that if any advance payment has been made by the Recipient in accordance with section 3.6 of the Sale General Terms and Conditions, the amount of the indemnity payable under this section shall be net of any such advance payments.

5.3 Upon termination of this Agreement on account of Event of Default occurring prior to the delivery of the Asset, the Recipient shall indemnify the Bank by an amount

equal to the total Disbursements. In application of this provision, the Bank may indemnify itself by netting off the advance payment amounts received by the Bank pursuant to section 3.6 of the Sale General Terms and Conditions.

- 5.4 Without prejudice to Articles 5.2 and 5.3, the Recipient hereby undertake to indemnify the Bank, on a net after-Tax basis against, and agrees to protect, save and keep harmless, the Bank from any, and all obligations, fees, liabilities, losses, damages, penalties, demands, actions, judgements and expenses, including reasonable legal fees and expenses (including such legal fees and expenses incurred in connection with the enforcement of this Agreement), of every kind and nature whatsoever imposed on, incurred by, or asserted against the Bank arising out of:
- 5.4.1 ownership, possession, use, maintenance, licensing, documentation, removal, return, or other applications or dispositions of the Asset, including of such as may arise from:
- (i) any loss or damage to any property or death or injury to any person;
 - (ii) any claims based on strict liability in tort or otherwise;
 - (iii) any claim based on patent, trademark or copyright infringement;
 - (iv) any claims based on liability arising under the applicable environmental laws or environmental approvals;
 - (v) any claim regarding title to, or condition of, the Asset;
- 5.4.2 the occurrence of any Event of Default or any other failure on the part of the Recipient to perform or comply with any term of this Agreement, or any document, agreement or contract entered into in relation hereto or otherwise in relation to the Asset, but excluding any claim based upon any failure on the part of the Bank to comply with its obligations under this Agreement or any document, agreement or contract entered into by the Bank in relation hereto or otherwise in relation to the Project or the Asset.
- 5.4.3 any claims, encumbrances, security interests, and liens or legal processes regarding the Bank's title to or interests in the Asset.
- 5.5 The Recipient shall give the Bank prompt notice of any occurrence or condition known to the Recipient as a consequence of which the Bank is or is reasonably likely to be entitled to indemnification. The indemnification provided in Article 5.4 and this Article shall specifically apply to and include claims or actions brought by or on behalf of employees of the Bank and the Recipient hereby expressly waives, as against the Bank, any immunity to which the Recipient might otherwise be entitled under any applicable law. The Recipient shall promptly upon request by the Bank (but in any event within 30 (Thirty) days of such request) reimburse the Bank for amounts expended by it in connection with any of the foregoing or pay such amounts directly. The Recipient shall be subrogated to the Bank's rights in

any matter with respect to which the Recipient has actually reimbursed the Bank for amounts expended by it or has actually paid such amounts directly pursuant to Article 5.4 and this Article. In case any action or proceeding is brought against the Bank in connection with any indemnified claim, the Bank will, after receipt of notice of the commencement of such action or proceeding, notify the Recipient thereof, enclosing a copy of all papers served upon the Bank. The Recipient may, and upon the Bank's request, resist and defend such action or proceeding at the Recipient's expense, or cause the same to be resisted or defended by counsel selected by the Recipient and reasonably satisfactory to the Bank. In the event of any failure by the Recipient to do so, the Recipient shall pay all costs and expenses (including reasonable attorney's fees and expenses) incurred by the Bank in connection with such action or proceeding.

- 5.6 The provisions of Articles 5.4, and 5.5 shall survive the expiry or earlier termination of this Agreement and all documents, agreements and contracts entered into in relation hereto or otherwise in relation to the Asset are expressly made for the benefit of and are enforceable solely by the Bank.
- 5.7 If any sum due from the Recipient under this Agreement or any award, order or judgement given or made in relation hereto has to be converted from the currency (the "first currency") in which the same is payable under this Agreement or under such award, order or judgement into another currency (the "second currency") for the purpose of (i) making or filing a claim or proof against the Recipient; (ii) obtaining an award, order or judgement in any court or tribunal; or (iii) enforcing any award, order or judgement given or made in relation to this Agreement, then the Recipient shall indemnify and hold harmless the Bank from and against any loss suffered as a result of any difference between: (a) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency; and (b) the rate or rates of exchange at which the Bank may in the ordinary course of business purchase the first currency with the second currency. Any amount due from the Recipient under this Article, shall be due as a separate debt, and shall not be affected by judgement being obtained for any other sums due under or in respect of this Agreement, and the term "rate of exchange" includes any premium and costs of exchange payable in connection with the purchase of the first currency with the second currency.
- 5.8 Any payments under this Article shall be made on first demand.
- 5.9 If any Event of Default or any event which, with lapse of time or notice and lapse of time, would become an Event of Default shall have happened, the Recipient shall immediately give the Bank notice thereof by telex or facsimile, specifying the nature of such Event of Default or such event and any steps the Recipient is taking to remedy the same.
- 5.10 No course of dealing and no delay in exercising, or omission to exercise, any right, power or remedy accruing to the Bank upon any default under this Agreement or any other agreement shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence therein; nor shall the action of the Bank in

respect of any such default, or any acquiescence by it therein, affect or impair any right, power or remedy of the Bank in respect of any other default.

ARTICLE VI – SUSPENSION, CANCELLATION, TERMINATION

- 6.1 Suspension: The Bank may decide to suspend this Agreement or the utilization of the Financing Amount in the occurrence of:
- 6.1.1 An extraordinary situation which, in the opinion of the Bank, is likely to result in a Material Adverse Effect; and
 - 6.1.2 An Event of Default.
- 6.2 Any suspension of the Agreement or the utilization of the Financing Amount shall continue until the event or events which gave rise to such suspension shall have ceased to exist and until the Bank shall have notified the Recipient that the Financing Amount has been restored; provided, however, that the Recipient shall continue to perform its obligations in accordance with any conditions specified in such notice, and no such notice shall affect or impair any right, power or remedy of the Bank in respect of any other provision of this Agreement.
- 6.3 Cancellation: The Bank may decide to cancel the Financing Amount or any part of the Financing Amount when the Parties, by mutual agreement, determine that the Project or any component thereof does not require to be financed anymore by the Bank.
- 6.4 Termination: The Agreement shall automatically be terminated in any of the following cases:
- 6.4.1 if within 180 days from the date of the Agreement, the Agreement has not become effective;
 - 6.4.2 if within 180 days from the Effective Date of the Agreement, the Recipient has not submitted the first Disbursement Request;
 - 6.4.3 when requested by the Recipient, but in any case, before the conclusion of the Contract;
 - 6.4.4 if the Agency Agreement has been terminated;
 - 6.4.5 when a suspension continues for more than 180 days;
 - 6.4.6 when all obligations of the parties under this Agreement have been fully discharged.
- 6.5 Neither cancellation of any part of the Financing Amount or any part thereof nor termination of the Agreement shall affect any commitment made, obligations incurred, or rights accrued prior to the date of such cancellation or termination.

ARTICLE VII - EFFECTIVENESS

- 7.1 This Agreement shall not be effective unless and until the Recipient furnishes the Bank with the following documents:

7.1.1 Ratification instruments of the Agreement or any applicable documents evidencing that the execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified;

7.1.2 Legal opinion acceptable to the Bank emanating from the chief legal counsel of the Recipient confirming that the terms and conditions of the Agreement constitute enforceable binding obligations upon the Recipient substantially in the form provided in Schedule-IV to this Agreement;

7.1.3 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 Sale Price by the Recipient under this Agreement shall be effected by the Central Bank on the dates on which Payment Instalments fall due; &

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 Payment Instalments on due dates; and

7.1.4 Documentary evidence to the effect that all conditions precedent to the Recipient's right to obtain funds from other financiers of the Project shall have been fulfilled

7.2 If this Agreement shall not have entered into effect within 180 days from the date of signature, Article 6.4.1 above shall apply. |

ARTICLE VIII – GOVERNING LAW, SETTLEMENT OF DISPUTES

8.1 This Agreement shall be governed by and be construed in accordance with the principles of Shari'ah as pronounced by the Islamic Fiqh Academy, Jeddah as enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and as interpreted by the Bank's Shari'ah Committee.

8.2 Any dispute between the Parties and any claim by any Party against the other Party arising under this Agreement, which cannot be settled amicably within a period of sixty (60) days, 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 or any claim by any Party against the other party arising thereunder.

8.3 If within thirty (30) 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.

- 8.4 To the extent that the Recipient 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.
- 8.5 Service of any notice or process in connection with any proceedings under Article 8.2 or in connection with any proceedings to enforce any award rendered pursuant to Article 8.3 may be made in the manner provided in Article 9. The Parties waive any and all other requirements for the service of any such notice or process.

ARTICLE IX – COMMUNICATIONS

9.1 The Recipient hereby appoints the Ministry of Finance, Republic of Sierra Leone to act as its authorized representative (the "Recipient's Representative") for the purposes of coordinating with the Bank on all matters pertaining to this Agreement and for all intents and purposes without limitation. Any notice in connection with this Agreement shall be sent to the following addresses of the Recipient and the Bank:

For the Bank	For the Recipient
8111 King Khalid St. Al Nuzlah Al Yamania Dist. Unit No.1 Jeddah-22332-2444 Kingdom of Saudi Arabia Tel: +966 12 6361400 Fax: +966 12 6366871 Email: idbarchives@isdb.org	Ministry of Finance George Street, Freetown Sierra Leone. Ministry of Agriculture, Forestry and Food Security Fourth Floor, Youyi Building, Brookfields, Freetown, Sierra Leone

- 9.2 All communications of any kind given by the Bank to the Recipient's Representative shall be deemed to have been duly given to the Recipient and vice-versa.
- 9.3 Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter or by electronic communication to the address stated above.

ARTICLE X - MISCELLANEOUS

- 10.1 The recital and schedules are an integral part of this Agreement.
- 10.2 The person signing this Agreement on behalf of the Recipient hereby represents and warrants to the Bank that he or she has the requisite legal power and authority to

execute this Agreement on behalf of the Recipient and bind the Recipient to the obligations herein.

10.3 This Agreement may only be amended by a mutual written agreement of the Parties.

10.4 The date of this Agreement shall, for all purposes of this Agreement, be that appearing in the Preamble.

1500

SCHEDULE I

PROJECT DESCRIPTION AND FINANCING PLAN

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 offtakers 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).

Project Financing Plan

US\$ 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

SCHEDULE II
FORM OF SALE OFFER

From: Islamic Development Bank
8111 King Khalid St. Al Nuzlah Al Yamania Dist.
Unit No.1, Jeddah-22332-2444
Kingdom of Saudi Arabia

To: [Insert the Recipient]
Address:
Tel. and Fax:
Email: |

Ref: SALE OFFER RELATING TO REGIONAL RICE VALUE CHAIN DEVELOPMENT PROGRAM

Dear Sirs,

We refer to:

- (i) The Framework Agreement (the "Framework Agreement") executed between the Republic of Sierra Leone (the "Recipient"), and the Islamic Development Bank ("IsDB") on []/ []/ []
- (ii) The Sale General Terms and Conditions included as Schedule-III of the Framework Agreement; and
- (iii) The Delivery Notice certifying that the Agent has duly taken delivery of the Assets (copy attached).

Unless the context requires otherwise, capitalized terms used in this Sale Offer shall have the same meanings as in the Framework Agreement and or/the Sale General Terms and Conditions (whether as set out therein or by reference to another document).

In accordance with Article 2.3.4 of the Framework Agreement, we (as Vendor), hereby offer you (as Purchaser), to purchase from us the Assets listed in the Delivery Notice. The terms of this Sale Offer are as follows:

- (a) Sale Price: the Sale Price is [Insert fixed amount here]. This amount is net of all Advance Payments.
- (b) Payment Instalments: you shall pay us the Sale Price in [Thirty (30) semi-annual] Payment Instalments in accordance with the Payment Schedule attached hereto¹
- (c) Payment account: each Payment Instalment shall be made in any convertible currency acceptable to us for value on the due date to our following account: [insert account details]. Note that if any payment falls due hereunder on a day which is not a Business Day, payment shall be made on the next following business day.

¹ Attach payment schedule. The Payment Schedule should reflect any advance payments already made by the Recipient during Gestation Period in accordance with section 3.6 of the Sale General Terms and Conditions.

- (d) Late payment charges: If you fail to pay any amount payable hereunder when it is due, you shall, in addition to the amount due and in accordance with the Principles of Islamic Shari'ah:
- (i) compensate us for any loss, damage, reasonable actual costs and expenses (including, but not limited to any legal, or collecting agent's costs and expenses) we have incurred as a result of the delay in payment; and
 - (ii) pay us 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 us 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).
 - (iii) We shall, after the deduction of all actual costs and expenses incurred, pay any amount received pursuant to this paragraph to the IsDB Waqf Fund Account, the details of which are as follows:

Account No:	0000 100 102
Bank Name:	The British Arab Commercial Bank
SWIFT Code:	BACMGB2L
IBAN:	GB69 BACM 4051 3200 100 102
 - (iv) We shall not apply the late payment charge set out above if you are able to demonstrate, to our satisfaction, that your failure to make the payment is not due to a willful default.
- (e) No deduction: all payments to be made to us hereunder shall be made free and clear of and without deduction of or on account of any Tax, set-off, counter-claim or other matter. If you are required by law to make any deduction or withholding from any sum payable by it hereunder, the sum payable by you in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, we receive and retain (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which we would have received and so retained had no such deduction or withholding been made.
- (f) Breach of obligations: you will be deemed to have committed a breach of your obligations if: (i) you fail to make payment in full of any amount due to us within thirty (30) days after the same shall have become due (our acceptance of partial payment shall not constitute a waiver of your failure to make payments in full); or (ii) any representation or warranty made to us shall prove to be incorrect or untrue in any material respect as of the date when made; or (iii) you shall fail to perform or shall violate material provisions of the terms of this Sale Offer.

- (g) Remedies: if you shall commit a breach of any of your obligations hereunder, which breach shall remain uncured thirty (30) days after the date on which we have notified you of such breach, we may declare the outstanding unpaid balance of the Sale Price to be forthwith due and payable, whereupon you shall immediately pay to us the outstanding unpaid balance of the Sale Price together with any other amount payable to us hereunder.
- (h) No responsibility: from the Sale Agreement, we shall not have any responsibility or liability whatsoever to you or any other person or entity, with respect to any liability, loss or damage: (i) caused (or alleged to be caused) directly or indirectly by the Asset or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; or (ii) resulting from the use or operation of the Asset or any risks relating thereto; or (iii) resulting from any interruption of service, loss of business or anticipated profit or consequential damages.
- (i) Assignment: upon the Sale Agreement, we undertake to assign you our rights and benefits under any guarantee, condition or warranty relating to the Asset which may have been given to us by the Contractor and all other warranties or guarantees as may be implied by law or recognized by custom in our favor.
- (j) Non-waiver: our failure or delay to exercise or assert any of our rights hereunder shall not prejudice such right or remedy and shall not be construed as a waiver of such right or remedy.
- (k) Governing Law and Dispute Resolution: this Sale Offer shall be governed by and be construed in accordance with the principles of Shari'ah as pronounced by the Islamic Fiqh Academy, Jeddah and as enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and interpreted by the Islamic Development Bank's Shari'ah Committee. Furthermore, we shall endeavor to settle amicably any dispute regarding the interpretation or implementation of this Sale Offer provided that any dispute that cannot be resolved amicably within a period of sixty (60) days shall be referred to arbitration in accordance with the arbitration procedure set out in Article 8 of the Framework Agreement.

Pursuant to Section 2.3 of the Sale General Terms and Conditions, if you do not notify us your rejection of this Sale Offer within seven (7) Business Days from the date of receiving this Sale Offer, you will be deemed to have accepted this Sale Offer, and a Sale Agreement shall be deemed to have been concluded between us on the Contemplated Sale Acceptance Date.

Please, kindly indicate your acceptance of this Sale Offer on the terms set out hereinabove by countersigning this Sale Offer herein below.

In Witness Whereof, we have executed and delivered this Sale Offer as of / /

For and on behalf of
ISLAMIC DEVELOPMENT BANK

 Signature| Name| Title

SALE ACCEPTANCE

The undersigned being duly authorized to execute and deliver this Sale Acceptance for and on behalf of the Republic of Sierra Leone, hereby confirms acceptance of the Sale Offer above and agreement to buy the Assets from the Islamic Development Bank on the terms set out hereinabove.

By executing this Sale Acceptance, we acknowledge that we have executed a Sale Agreement with the Islamic Development Bank.

In Witness Whereof, we have executed this Sale Acceptance as of ___/___/___

For and on behalf of
Republic of Sierra Leone

Name:

Title:

Date: ___/___/2019G |

ISDB

SCHEDULE III
SALE GENERAL TERMS AND CONDITIONS

1. Definitions:

All capitalized terms in these General Terms and Conditions, unless the context otherwise requires, shall have the same meaning as stipulated in the Framework Agreement (the "Agreement"). Additional terms used in these General Terms and Conditions have the following meaning:

"Advance Payment":	Means the advance payment to be made to the Vendor by the Purchaser during the Gestation Period in accordance with section 3.6 hereunder.
"Gestation Period":	means the period starting from the date of first Disbursement and ending 5 (five) years thereafter with the issuance of the Delivery Notice.
"Payment Instalments":	means the instalments payable by the Purchaser towards the payment of the Sale Price, in accordance with these General Terms and Conditions.
"Payment Period":	means the period of 15 (fifteen) years starting from the end of the Gestation Period.
"Payment Schedule":	means the schedule to be attached to the Sale Offer and indicating the Payment Period and the Payment Instalments.
"Purchaser":	means the Recipient, as purchaser of the Assets
"Sale Agreement":	means the definitive sale of the Assets by the Vendor to the Purchaser as effective from the Sale Acceptance Date.
"Sale Price":	means the fixed amount payable to the Vendor by the Purchaser in consideration for the Assets, as determined by the Vendor in accordance with section 3.1 hereunder and stated in the Sale Offer.
"Vendor":	means the Bank as seller of the Assets

2. Transfer of Asset:

- 2.1 The Vendor shall transfer the ownership of the Asset to the Purchaser on the Sale Acceptance Date. Henceforward possession of the Asset by the Purchaser shall be deemed to be possession in its capacity as owner thereof and shall bear, from that date, the risk of damage, loss or destruction.
- 2.2 On the Sale Acceptance Date, the Vendor and the Purchaser shall be deemed to have concluded a Sale Agreement.
- 2.3 If the Purchaser fails to notify the Vendor of its rejection of the Sale Offer by the Contemplated Sale Acceptance Date, the Purchaser will be deemed to have accepted the Sale Offer, and a Sale Agreement shall be deemed to have been concluded between the Vendor and the Purchaser on the Contemplated Sale Acceptance Date.

- 2.4 The Vendor shall not have any responsibility or liability whatsoever to the Purchaser or any other person or entity, with respect to any liability, loss or damage:
- (a) caused (or alleged to be caused) directly or indirectly by the Asset or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith;
 - (b) resulting from the use or operation of the Asset or any risks relating thereto;
 - (c) resulting from any interruption of service, loss of business or anticipated profit or consequential damages.

2.5 From the Sale Agreement, the Vendor undertakes to assign to the Purchaser its rights and benefits under any guarantee, condition or warranty relating to the Asset which may have been given to the Agent by the Contractor and which has been examined and accepted by the Agent and all other warranties or guarantees as may be implied by law or recognized by custom in favor of the Vendor. In addition to the assignment to the Purchaser as herein indicated, the Vendor shall take such other action as the Purchaser shall reasonably request to enable the Purchaser to claim against the Contractor.

3. Payments:

- 3.1 In accordance with the Bank's pricing policy, the Sale Price shall be determined based on the total disbursements at the end of the Gestation Period or at the time of sale. The mark up rate shall be applied to each disbursement, the sum of:
- (a) Reference rate of 10-year US Dollar mid swap rates as of the disbursement date fixed for the entire duration of financing;
 - (b) Contractual spread of 60 bps fixed for the entire duration of financing and
 - (c) Funding spread prevailing at the time of disbursement from 1 January 2019 to 30 June 2019 is 100 bps.

Provided that the calculation of the sale price shall exclude the corresponding disbursed grant amount.

- 3.2 The funding spread is subject to semi-annual update by the Bank to reflect cost of funding as published on the Bank's website.
- 3.3 In the event that the reference rate is negative, the reference rate shall be deemed to be zero.
- 3.4 In consideration of the Vendor selling the Asset to the Purchaser, the Purchaser undertakes to pay to the Vendor the Sale Price in 15 (fifteen) years after a Gestation Period of 5 (five) years as indicated in the Payment Schedule to be provided by the Vendor to the Purchaser with the Sale Offer. Payment shall be made in 30 (thirty) semi-annual, equal and consecutive Payment Installments. The first Payment Instalment shall be due and payable after Six (6) months from the end of the Gestation Period and each subsequent installment shall be due and payable at the end of six (6) months from the date of the Payment Installment immediately

preceding it, provided that the period from the first Disbursement up to the last Payment Instalment shall not exceed twenty (20) years.

- 3.5 If, according to the Contract, different items of the Asset are to be delivered on different dates, the Payment Installments and the due dates shall be determined and notified to the Purchaser after the Delivery Date of the last item of the Asset, provided that the period from the first Disbursement up to the last Payment Instalment shall not exceed 20 years.
- 3.6 The Purchaser shall make Advance Payments to the Bank semi-annually following the first Disbursement throughout the Gestation Period in accordance with an advance payment schedule to be provided to the Purchaser by the Vendor. The Sale Price payable by the Purchaser during the Payment Period, as reflected in the Payment Schedule, shall be net of any such Advance Payment.
- 3.7 Each payment to be made by the Purchaser to the Vendor shall be made in any convertible currency acceptable to the Vendor for value on the due date to the account of the Vendor or in such other manner as the Vendor may from time to time notify to the Purchaser in writing.
- 3.8 All payments due to the Vendor shall be deemed to have been duly paid when any of the following banks confirms to the Vendor the receipt of such payment in the Vendor's account with it:

US Dollars A/c No:
GB36SINT60928000159111
Gulf International Bank (UK)
Ltd, One Knightsbridge
London SW1X 7XS
United Kingdom
Telex No. 8812261/2
Swift Code: SINTGB2L

Pounds Sterling A/c No:
GB13SINT60928000159137
Gulf International Bank (UK)
Ltd, One Knightsbridge
London SW1X 7XS
United Kingdom
Telex No. 8812261/2
Swift Code: SINTGB2L

EURO A/c No:
FR7643899000019696500151088
Union De Banques Arabes Et
Françaises (UBAF)
92523 Paris, Neuilly Cedex
France
Télex No. 610334 UBAF
Swift Code: UBAFRPPXXX

- 3.9 If any payment falls due hereunder on a day that is not a business day, payment shall be made on the next following business day.

- 3.10 If the Purchaser fails to pay any amount payable hereunder when it is due, the Purchaser, in addition to the amount due, shall, in accordance with the principles of Islamic Sharī'ah:

- (i) compensate the Vendor 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 Vendor as a result of delay in payment to the Vendor; and
- (ii) pay the Vendor 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 Vendor 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 Vendor shall, after the deduction of all actual costs and expenses incurred, pay any amount received pursuant to this paragraph to the Islamic Development 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

- 3.11 The Vendor shall not apply the late payment charge set out above if the Purchaser is able to demonstrate, to the satisfaction of the Vendor, that the Purchaser's failure to make the payment is not due to its willful default.
- 3.12 All payments made by the Purchaser shall be made free and clear of and without deduction of or on account of any Tax, set-off, counter-claim or other matter. If the Purchaser is required by law to make any deduction or withholding from any sum payable by it, the sum payable by it in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Vendor receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made.

4. Breach of the Purchaser's Obligations:

The Purchaser shall be deemed to have committed a breach of its obligations under the Sale Agreement if:

- 4.1 the Purchaser shall fail to make payment in full of any amount due under the Sale Agreement within 30 (Thirty) days after the same shall have become due (acceptance of partial payment by the Vendor shall not constitute a waiver of the Purchaser's failure to make payments in full); or
- 4.2 any representation or warranty made by the Purchaser in the Agreement shall prove to be incorrect or untrue in any material respect as of the date when made; or
- 4.3 the Purchaser shall fail to perform or shall violate material provisions of the Sale Agreement.

5. Remedies:

If the Purchaser shall commit a breach of any of its obligations, which breach shall remain uncured thirty (30) days after the date on which the Vendor has notified the Purchaser of such breach, the Vendor may declare the outstanding unpaid balance of the Sale Price to be forthwith due and payable, whereupon the Purchaser shall immediately pay to the Vendor the outstanding unpaid balance of the Sale Price together with any other amount payable by the Vendor hereunder.

6. Waiver:

Failure of the Vendor to exercise or assert any of its rights under the Sale Agreement or its delay in the same or its failure to exercise or assert any remedy it may have against the Purchaser or its delay in the same, shall not prejudice such right or remedy and shall not be construed as a waiver of such right or remedy.

7. Governing Law, Settlement of Disputes:

7.1 The Sale Agreement shall be governed by and be construed in accordance with the principles of Shari'ah as pronounced by the Islamic Fiqh Academy, Jeddah and as enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and interpreted by the Islamic Development Bank's Shari'ah Committee.

7.2 The Vendor and the Purchaser shall endeavor to settle amicably any dispute regarding the interpretation or implementation of the Sale Agreement. Any dispute that cannot be resolved amicably shall be referred to arbitration in accordance with the Arbitration Procedure set out in Article 8 of the Agreement.

8. Communications:

Any notice or request required to be given or made under the Sale Agreement to either Party shall be in writing and may be given by telex or letter or telefax at the Parties addresses specified in Article 9 of the Agreement.

SCHEDULE IV
FORM OF LEGAL OPINION

[TO BE PRINTED AND PROVIDED ON THE LETTERHEAD]

Islamic Development Bank,
8111 King Khalid St. Al Nuzlah Al Yamanian Dist.
Unit No.1
Jeddah-22332-2444
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 [Installment Sale Framework and Agency Agreements] dated []/[]/[] H. ([]/[]/[] G) entered into between [the Republic of Sierra Leone] and the Islamic Development Bank (the "Agreements") for the construction of the works as described in Annex-II to the Agreements (the "Asset") for use in the Regional Rice Value Chain Development Program (the "Project") in an amount [USD 20,000,000/-].

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

- (a) the Agreements;
- (b) the authorization to enter into and sign the Agreements;
- (c) all laws, rules, regulations, orders, decrees and the like of [the Republic of Sierra Leone]; and
- (d) such other documents and instruments as I deemed necessary.

Accordingly, I am of the opinion that the said Agreements signed for and on behalf of [the Republic of Sierra Leone] by [Name and Title/Position of the signatory] on []/[]/[] H. ([]/[]/[] G):

- (a) has been duly authorized, executed, delivered and ratified in accordance with applicable governmental, corporate 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];
- (c) constitute legal valid and binding obligations of [the Republic of Sierra Leone] enforceable against the [Republic of Sierra Leone] in accordance with its terms and conditions stipulated in the said Agreements.

DONE at [Insert data] on []/[]/[] H. (corresponding to []/[]/[] G).

Yours truly,

Signature | Name | Designation

EXECUTION PAGE

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

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



Dr. Bandar. M. H. Hajjar
President