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Project Code: SLE-1012

**AGENCY AGREEMENT  
(INSTALMENT SALE FINANCING)**

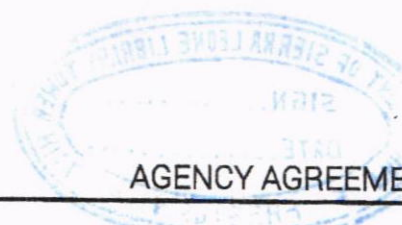
BETWEEN

| REPUBLIC OF SIERRA LEONE |

AND

ISLAMIC DEVELOPMENT BANK

| MATERNAL, NEONATAL AND CHILD HEALTH STRENGTHENING PROJECT |



**AGENCY AGREEMENT**

THIS AGREEMENT dated 07 / 11 / 1441H corresponding to 28 / 06 / 2020G

Between the

REPUBLIC OF SIERRA LEONE ("Agent")

And the

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

The Agent and the Bank are hereinafter referred to 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 13,440,000.00 (United States Dollars Thirteen Million, Four Hundred and Forty Thousand);
- 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-1. 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.

<b>"Event of Default":</b>	means any of the default set out in Article 8 hereunder
<b>"Framework Agreement":</b>	means the Framework Agreement executed between the Bank and the Recipient on the date of this Agreement in relation to the Project.
<b>"Procurement Policies and Guidelines":</b>	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.
<b>"Procurement Arrangements":</b>	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-2. 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-3. 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: