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LOAN AGREEMENT BETWEEN THE MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT, THE MINISTRY OF TRADE AND INDUSTRY AND THE SIERRA LEONE PRODUCE MARKETING COMPANY

THIS LOAN AGREEMENT is made this 15th day of February in the year of our Lord Two Thousand and Seventeen (2017) between the **MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT** (hereinafter referred to as 'MOFED') of the First Part, the **MINISTRY OF TRADE AND INDUSTRY** (hereinafter referred to as 'MTI') of the Second Part and the **SIERRA LEONE PRODUCE MARKETING COMPANY** (hereinafter referred to as 'SLPMC') of the Third Part.

WHEREAS as part of His Excellency the President's Recovery Priorities Initiatives, the Ministry of Trade and Industry was mandated to promote the Initiative of Local Content by sourcing local rice for security institutions such as the Ministry of Defence, the Sierra Leone Police, Prisons and the Sierra Leone Fire Force

AND WHEREAS the Local Content Act would require that such an Initiative should provide 10% locally-produced rice within the rice supply to the aforesaid Ministry of Defence, the Sierra Leone Police, Prisons and the Sierra Leone Fire Force

AND WHEREAS it was recognised and agreed that initial capital for a successful implementation of the institutional feeding would be provided by MOFED

AND WHEREAS the SLPMC is mandated to purchase locally-produced rice from Sierra Leonean farmers for the aforesaid institutional feeding programme to the aforesaid Ministry of Defence, the Sierra Leone Police, Prisons and the Sierra Leone Fire Force

AND WHEREAS the Ministry of Trade and Industry sought and obtained Executive Clearance from his Excellency the President for the release by MOFED of funds to SLPMC

NOW THEREFORE IT IS HEREBY AGREED between the Parties as follows:

1. This Loan Agreement, and its provisions, shall not come into operation until approved by Parliament in compliance with Section 71 (3) of the Public Financial Management Act 2016.
2. MOFED shall, by way of an interest-free loan, provide to SLPMC the lump sum of Five Billion Leones (Le5,000,000,000.00).
3. MOFED shall disburse the said lump sum into the following dedicated SLPMC account at Union Trust Bank:

SLPMC INSTITUTIONAL FEEDING RICE ACCOUNT

UNION TRUST BANK, HOWE STREET

ACCOUNT NUMBER: 210-023970-02

BBAN NUMBER: 004-001-210-023-970-254

4. SLPMP shall repay the sum of five billion Leones (Le5,000,000,000.00) to MOFED over a period of twenty four (24) months, with repayments commencing six (6) months after the date of receipt of the said loan amount, into the SLPMP Institutional Feeding Rice Account, aforesaid, in eight (8) equal quarterly instalments of Le 650,000,000.00 each.
5. At no cost or penalty to SLPMP, required instalment repayments, stipulated under this loan agreement, may be repaid earlier than the stipulated timeframe under this loan agreement if SLPMP is able to do so; provided that no such early repayment amount shall be less than the required instalment payment amount required under this loan agreement.
6. SLPMP shall pay all instalments of the said loan, totalling Le5,000,000,000.00, at the required intervals, into the Consolidated Revenue Fund, Treasury Main Account number: 1100501 held at the Bank of Sierra Leone, Freetown.
7. MTI shall provide oversight and monitoring of the sourcing and supply of the said rice by SLPMP.
8. The Loan Agreement shall be interpreted and construed in accordance with the Laws of the Republic of Sierra Leone and subject to the jurisdiction of the Courts in Sierra Leone.

IN WITNESS WHEREOF, the representatives of the Parties to this Loan Agreement, being duly authorized, have signed this Agreement as of the day, month and year first above written.

Signed for and on behalf of the
MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

 15/12/17
.....
MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT

Signed for and on behalf of the

MINISTRY OF TRADE AND INDUSTRY

R. Paton

14/2/17

MINISTER OF TRADE AND INDUSTRY

Witnessed by:

[Signature]

14/02/17

PERMANENT SECRETARY, MINISTRY OF TRADE AND INDUSTRY



Signed for and on behalf of the
SIERRA LEONE PRODUCE MARKETING COMPANY

[Signature]

CHAIRMAN BOARD OF DIRECTORS, SIERRA LEONE PRODUCE MARKETING COMPANY

Witnessed by:

[Signature]

MANAGING DIRECTOR, SIERRA LEONE PRODUCE MARKETING COMPANY

