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**OFID** The OPEC Fund for International Development

LOAN NO. 1500P

FOURAH BAY COLLEGE DEVELOPMENT PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF SIERRA LEONE

AND

THE OPEC FUND FOR  
INTERNATIONAL DEVELOPMENT (OFID)

DATED

APRIL 18, 2013



AGREEMENT dated April 18, 2013, between the Republic of Sierra Leone ("the Borrower") and OFID.

Whereas the Borrower has requested a loan from OFID for part financing of the Project described in Schedule 1;

And whereas OFID has approved a loan to the Borrower in the amount of thirteen million Dollars (\$13,000,000) upon the terms and conditions set forth hereinafter;

Now, therefore, the parties to this Loan Agreement (the "Agreement") hereby agree as follows:

Article 1  
GENERAL CONDITIONS; DEFINITIONS

1.01 The General Conditions attached hereto shall constitute an integral part of this Agreement.

1.02 In addition to the terms defined in the preamble, the following terms and expressions shall have the following meanings or, where they duplicate terms and expressions in the General Conditions, the following specific meanings:

- (a) "Authorized Representative of the Borrower" means the Minister of Finance and Economic Development of the Borrower;
- (b) "Closing Date" means December 31, 2017;
- (c) "Dollar and the sign \$" mean and refer to the lawful currency of the United States of America;



- (d) "Eligible Expenditure Commencement Date" means December 13, 2012;
- (e) "Executing Agency" means the Engineering Department, Fourah Bay College;
- (f) "General Conditions" means OFID General Conditions Applicable to Public Sector Loan Agreements, December 2007;
- (g) "Grace Period" means the period beginning on April 18, 2013, and ending five (5) years from that Date; and
- (h) "Loan Administrator" means the Arab Bank for Economic Development in Africa (BADEA).

\* \* \*

## Article 2 THE LOAN

2.01 OFID agrees to lend to the Borrower and the Borrower agrees to borrow from OFID the Loan in the amount of thirteen million Dollars (\$13,000,000) on the terms and conditions set forth in this Agreement.

2.02 The Borrower shall pay interest at the rate of one per cent (1%) per annum on the principal amount of the Loan withdrawn and outstanding.

2.03 The Borrower shall pay a Service Charge at the rate of one per cent (1%) per annum on the principal amount of the Loan withdrawn and outstanding.

2.04 Interest and Service Charges shall be paid semi-annually on May 15 and November 15 in each year into OFID Account.



2.05 Immediately following the end of the Grace Period, the Borrower shall repay the principal of the Loan in Dollars, or in any other freely convertible currency acceptable to OFID Management, in an amount equivalent to the Dollar amount due according to the market exchange rate prevailing at the time and place of repayment. Repayment shall be effected in thirty (30) semi-annual instalments in the amounts, and on the dates, all as specified in Schedule 3 (AMORTIZATION).

\* \* \*

### Article 3 EFFECTIVENESS

3.01 This Agreement shall enter into force and effect in accordance with Section 3.02 upon receipt by OFID of:

- (a) satisfactory evidence that the execution and delivery of this Agreement on behalf of the Borrower have been duly authorized and ratified according to the constitutional requirements of the Borrower;
- (b) a certificate issued by the Minister of Justice or the Attorney General or any other competent legal authority of the Borrower confirming that this Agreement has been duly authorized and ratified by the Borrower and constitutes a valid and binding obligation of the Borrower in accordance with its terms; and
- (c) evidence that the loan or other financing agreement between the Loan Administrator and the Borrower for financing the Project has been declared effective or will be declared effective concurrently with this Agreement.

3.02 As soon as possible after the conditions specified in Section 3.01 shall have been satisfactorily fulfilled, this Agreement shall enter into full force and effect on the Date of Effectiveness.





3.03 If this Agreement shall not have become effective within ninety (90) days after the Date of the Agreement, the Agreement and all obligations of the parties hereunder shall terminate, unless OFID Management, after consideration of the reasons for the delay, shall establish a later date for the purposes of this Section.

\* \* \*

#### Article 4 ADDRESSES

4.01 The parties' addresses are as specified below:

For the Borrower:

The Ministry of Finance and Economic Development  
Treasury Building  
George Street  
Freetown  
REPUBLIC OF SIERRA LEONE  
Facsimile: (++232-22) 22 84 72

For OFID:

The OPEC Fund for International Development  
Parkring 8  
A-1010 Vienna  
AUSTRIA  
Facsimile: (++43-1) 513 92 38

\* \* \*



IN WITNESS whereof the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed and delivered at Washington D.C., in two copies in the English language, each considered an original and both to the same and one effect as of the day and year first above written.

FOR THE BORROWER:

Signature:

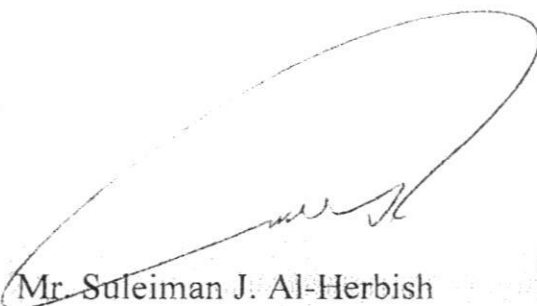


Name: H.E. Dr. Kaifala Marah

Title: Minister of Finance and Economic Development

FOR THE OPEC FUND FOR INTERNATIONAL DEVELOPMENT  
(OFID):

Signature:

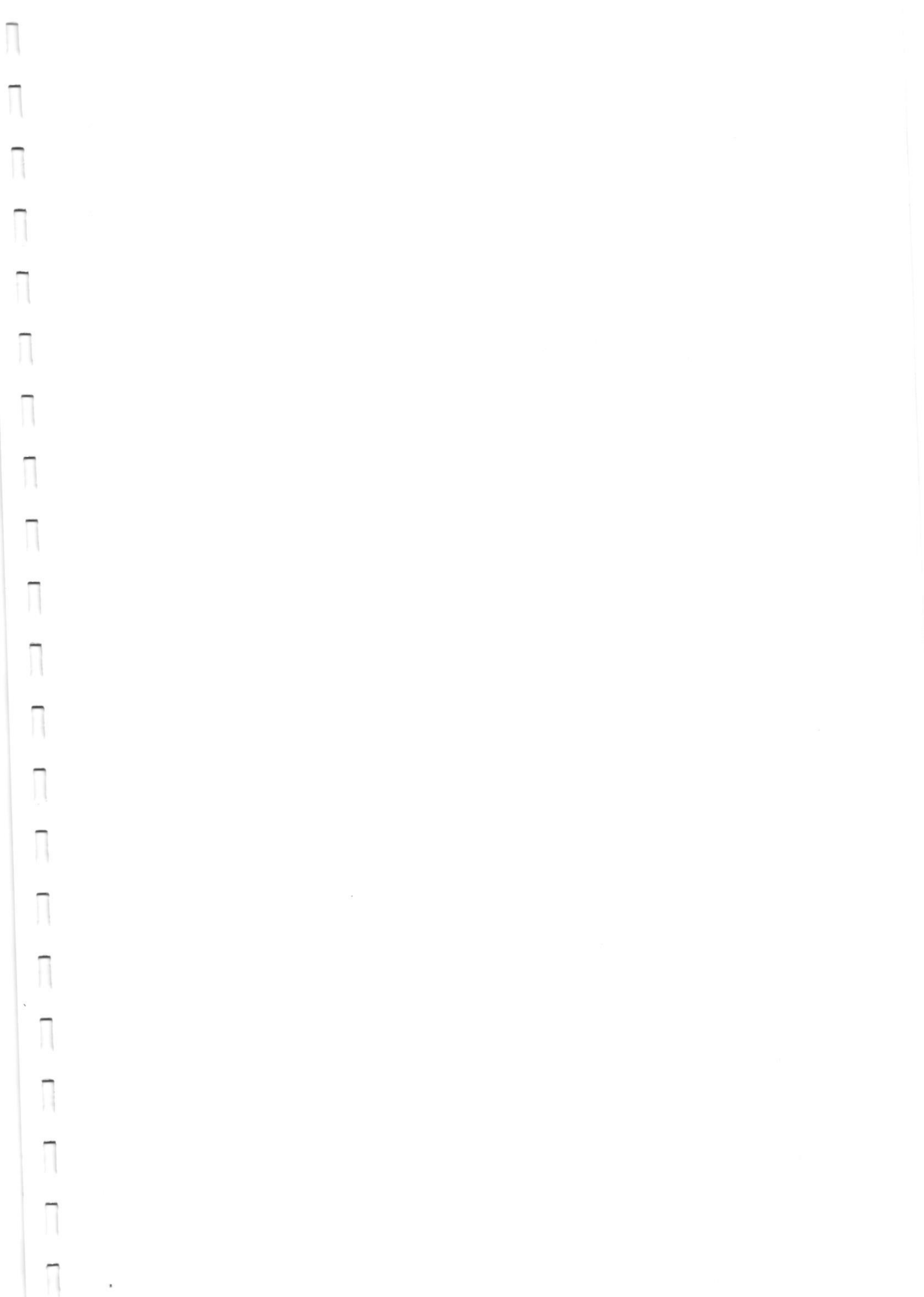


Name: Mr. Suleiman J. Al-Herbish

Title: Director-General



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REPUBLIC OF SIERRA LEONE  
FOURAH BAY COLLEGE DEVELOPMENT PROJECT

SCHEDULE 1  
DESCRIPTION OF THE PROJECT

The Project consists of the rehabilitation of existing buildings and facilities, as well as the construction of new structures to provide additional facilities for new collegiate programs such as mining, engineering and architecture in line with the short and medium term demands of the college.

The Project encompasses the following components:

**1. Civil Works and Ancillaries:**

- (a) Rehabilitation of existing facilities with a total area of 47,208 m<sup>2</sup>: academic buildings, administrative buildings, student hostels, staff housing and social amenities.
- (b) Expansion and construction of new facilities with a total area of 25,456 m<sup>2</sup>: four additional student hostels, two academic blocks each with two classrooms and one lecture theater, two senior staff quarters, each consisting of 6 flats, four junior staff quarters each with 2 flats, two guest house/visitors quarters each with 14 flats, School of Architecture building, multi-purpose hall, kitchen, canteen, bakery, dining hall, mini market, and clinic.
- (c) Rehabilitation of the public utility networks: water supply system of the campus, including pipe works, storage and pumping facilities, as well as the rehabilitation of internal roads of a total of 5 km and installation of a pilot solar system.

**2. Furniture and Equipment:**

Provision of educational/laboratory equipment and housing furniture, for use by staff and students, including air meters, balances, molds, compaction tools, testing machines, teaching aids, computers, projectors, printers, desks, tables, drawers, cupboards, filing cabinets, book cases, and racks for use in libraries and classrooms.



3. **Support to Project Implementation :**

Provision of one four wheel drive vehicle, office furniture, 2 printers and photocopiers, and operating costs of the project implementation team for 48 months.

4. **Consultancy Services:**

Provision of the costs of the project consultant assisting the PIU in engineering design, preparation of tender documents, and supervision of project works.

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REPUBLIC OF SIERRA LEONE  
FOURAH BAY COLLEGE DEVELOPMENT PROJECT

SCHEDULE 2  
LOAN ALLOCATION

1. Unless otherwise agreed between the Borrower and OFID Management, the Loan proceeds of \$ 13,000,000 shall be utilized towards financing 39.44% of the Civil Works and Ancillaries component of the Project as described in paragraph (a) of Schedule 1 of this Agreement.
2. Notwithstanding the allocation of the Loan proceeds or the disbursement percentage set forth in paragraph 1 above, if OFID Management has reasonably estimated that the amount of the Loan then allocated to the component specified above will be insufficient to finance the agreed percentage of all expenditures in that component, OFID Management may, by notice to the Borrower, reduce the disbursement percentage then applicable to such expenditures in order that further withdrawals in respect of the said component may continue until all expenditures thereunder shall have been made.

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REPUBLIC OF SIERRA LEONE  
FOURAH BAY COLLEGE DEVELOPMENT PROJECT

SCHEDULE 3  
AMORTIZATION

<u>No.</u>	<u>Date of Repayment</u>	<u>Amount Due</u> (Expressed in Dollars)
1	May 15, 2018	433,330
2	November 15, 2018	433,330
3	May 15, 2019	433,330
4	November 15, 2019	433,330
5	May 15, 2020	433,330
6	November 15, 2020	433,330
7	May 15, 2021	433,330
8	November 15, 2021	433,330
9	May 15, 2022	433,330
10	November 15, 2022	433,330
11	May 15, 2023	433,330
12	November 15, 2023	433,330
13	May 15, 2024	433,330
14	November 15, 2024	433,330
15	May 15, 2025	433,330
16	November 15, 2025	433,330
17	May 15, 2026	433,330
18	November 15, 2026	433,330
19	May 15, 2027	433,330
20	November 15, 2027	433,330
21	May 15, 2028	433,330
22	November 15, 2028	433,330
23	May 15, 2029	433,330
24	November 15, 2029	433,330
25	May 15, 2030	433,330
26	November 15, 2030	433,330
27	May 15, 2031	433,330
28	November 15, 2031	433,330
29	May 15, 2032	433,330
30	November 15, 2032	433,430
Total:		<u>13,000,000</u>



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