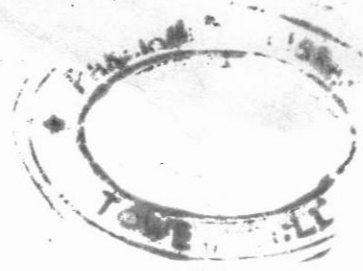




Investing in rural people  
Investir dans les populations rurales  
Invertir en la población rural  
الاستثمار في السكان الريفيين

667



20 November 2019

Re: Republic of Sierra Leone: IFAD Grant No. 2000002586 & Loan No. 2000002587  
*Agriculture Value Chain Development Project (AVDP)*  
Amendment to the Financing Agreement

Honourable Minister,

1. We refer to the Financing Agreement (the "Agreement") dated 1 March 2019, between the Republic of Sierra Leone (the "Borrower/Recipient") and the International Fund for Agricultural Development (the "Fund" or "IFAD") for the execution of the Project in reference.
2. We also refer to the request from the Borrower/Recipient dated 27 March 2019 requesting the Fund to allocate the full IFAD 11 amount to AVDP.
3. We are pleased to inform you that the Executive Board of the Fund approved on 9 September 2019 a Loan on highly concessional terms in an amount of twenty million eight hundred thousand United States dollars (USD 20 800 000) and a Debt Sustainability Framework (DSF) Additional Grant of seven million seven hundred thousand United States dollars (USD 7 700 000) for the Project. Therefore, the Agreement is hereby amended to read as follows:

1. Cover page and first page.

The following number shall be included in the cover page of the Financing Agreement, as well as in the first page of Financing Agreement:

Loan No.:	2000002587
Additional Loan No.:	2000003095
Grant Number:	2000002586
Additional Grant DSF No.:	2000003094

The Honourable  
Minister for Finance  
of the Republic of Sierra Leone  
Freetown

II. Section A, paragraph 3 shall be amended to read as follows:

"3. The Fund shall provide a Loan, and Additional Loan, a Grant and an Additional Grant to the Borrower/Recipient (all together the "Financing"), which the Borrower/Recipient shall use to implement the Project in accordance with the terms and conditions of this Agreement.";

III. Section B

(a) Paragraph 1. Two new subsections C and D shall be included to read as follows:

"C. The amount of the Additional Loan is twenty million eight hundred thousand United States dollars (USD 20 800 000)."

D. The amount of the Additional Grant is seven million seven hundred thousand United States dollars (USD 7 700 000).";

(b) Paragraph 2 becomes 2(a) and a new paragraph 2(b) shall be added to read as follows:

"2(b). The Additional Loan is granted on highly concessional terms. Accordingly it is free of interest but bears a service charge of 1.46 per cent per annum payable semi-annually in the Loan Service Payment Currency, and has a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board. Principal is to be repaid at 4.5 per cent of the total each year for years 11 to 30, and 1 per cent of the total per annum for years 31 to 40.";

(c) Paragraph 3 shall be replaced to read as follows:

"3. The Loan and Additional Loan Service Payment Currency shall be United States dollars.";

(d) Paragraph 6 shall be replaced to read as follows:

"6. There shall be two accounts designated to receive respectively IFAD loan and grant funds and IFAD additional loan and additional grant funds in advance (Designated Accounts) denominated in USD, to be maintained in a commercial bank. The funds in the Designated Accounts shall not be mingled with other funds.";

(e) Paragraph 7 shall be replaced to read as follows:

"7. There shall be a Project account denominated in SLL to receive the Financing from both the Designated Accounts in a commercial bank. In addition, there will be separate counterpart account to receive counterpart financing from the government.".

IV. Schedule 2. The Table in paragraph 1 is hereby being amended as reflected in Annex "A" to this letter.

4. Except as expressly modified hereby the Agreement remains unmodified and in full force and effect. If there is conflict between this amendment and the Agreement or any earlier amendment, the terms of this amendment will prevail.

5. If this proposal is acceptable to you, we have the honour to request that you countersign the two copies of this Letter and return one copy to the Fund, thereby constituting a formal agreement between the Republic of Sierra Leone and the Fund. This letter supersedes any other amendment letter regarding this Project signed by IFAD and dated 07 October 2019, which shall enter into force upon receipt by the Fund of the instrument of ratification.

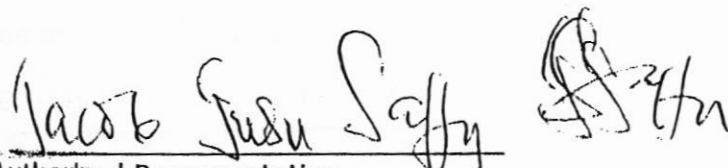
Accept, Honourable Minister, the assurances of my highest consideration.



Lisandro Martin  
Regional Director  
West and Central Africa Division  
Programme Management Department

CONFIRMED:

THE REPUBLIC OF SIERRA LEONE

  
Authorized Representative

Date and Place: 28/11/2019 - Sierra Leone

## SCHEDULE 2

*Allocation and Withdrawal of Loan,  
Additional Loan, Grant and Additional Grant Proceeds*

The table in paragraph 1 will be replaced with the table below:

Category	Loan Amount Allocated (expressed in USD)	Grant Amount Allocated (expressed in USD)	Additional Loan Allocated (expressed in USD)	Additional Grant Allocated (expressed in USD)
I. Civil Works	460 000	460 000	1 890 000	700 000
II. Goods, Equipment and Vehicles	295 000	295 000	-	-
III. Consultancies, (including technical assistance)	940 000	940 000	2 570 000	950 000
IV. Grants and Subsidies	2 080 000	2 080 000	11 770 000	4 360 000
V. Recurrent cost including salaries & allowances and operating cost	1 540 000	1 540 000	2 490 000	920 000
Unallocated(10%)	585 000	585 000	2 080 000	770 000
<b>TOTAL</b>	<b>5 900 000</b>	<b>5 900 000</b>	<b>20 800 000</b>	<b>7 700 000</b>