Food Price Crisis Response Trust Fund

FPCR TF Project Agreement

(Co-Financing of the National Social Action Project)

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as trustee of the Food Price Crisis Response Trust Fund

and

NATIONAL COMMISSION FOR SOCIAL ACTION

Dated August 18, 2008
AGREEMENT dated August 18, 2008, between INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as Trustee of the Food Price Crisis Response Trust Fund and NATIONAL COMMISSION FOR SOCIAL ACTION ("NaCSA") ("FPCR TF Project Agreement").

WHEREAS (A) Pursuant to a development credit agreement dated June 2, 2003 ("DCA"), as amended to the date hereof, entered into between the REPUBLIC OF SIERRA LEONE ("Recipient") and the World Bank, the Recipient has received a credit in an amount equivalent to twenty five million, four hundred thousand Special Drawing Rights (SDR 25,400,000) ("Credit") on the terms and conditions set forth in the DCA;

(B) Pursuant to a project agreement entered into between the World Bank and NaCSA, dated June 2, 2003 ("Original Project Agreement"), NaCSA has agreed to carry out the Project, on behalf of the Recipient, in accordance with the terms and conditions set forth in the DCA and the Original Project Agreement;

(C) The Recipient has agreed to make the proceeds of the Credit available to NaCSA under an agreement between the Recipient and NaCSA ("Subsidiary Financing Agreement") for purposes of carrying out the Project;

(D) The Recipient has recognized the necessity of undertaking certain additional activities under Part D of the Project which activities are aimed at alleviating the negative impact of high food prices, especially on the lives of the poor, in the territory of the Recipient;

(E) The International Bank for Reconstruction and Development ("IBRD") and the International Development Association, pursuant to Resolution of the Executive Directors of the IBRD No. 2008-0004 of May 29, 2008, and Resolution the Executive Directors of IDA No. 2008-0002 of May 29, 2008, have established the Food Price Crisis Response Trust Fund ("FPCR TF") to assist low income member countries of the World Bank in the carrying out of activities aimed at reducing the negative impact of high food prices on the lives of the poor in a timely way;

(F) The Recipient has further requested the World Bank, acting as trustee of the FPCR TF, to provide additional assistance from the resources of
the FPCR TF towards the financing of certain activities under Part D of the Project;

(G) By an agreement between the Recipient and the World Bank, acting as trustee of the FPCR TF (the “FPCR TF Grant Agreement”), the World Bank has agreed to provide such assistance in an amount not to exceed four million Dollars ($4,000,000) (“FPCR TF Grant”) and the Recipient has agreed to make available the proceeds of the FPCR TF Grant to NaCSA for purposes of carrying out Part D of the Project; and

WHEREAS NaCSA, in consideration of the World Bank’s entering into the FPCR TF Grant Agreement with the Recipient, has agreed to undertake the obligations set forth in this Agreement;

NOW THEREFORE the parties hereby agree as follows:”

ARTICLE I - GENERAL CONDITIONS; DEFINITIONS

1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 1, 2008 ("Standard Conditions") constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions, or in the DCA or in the FPCR TF Grant Agreement.

ARTICLE II - PROJECT

2.01. NaCSA declares its commitment to the objectives of the Project. To this end, the NaCSA shall carry out Part D of the Project in accordance with the provisions of Article II of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the World Bank and NaCSA shall otherwise agree, NaCSA shall carry out Part D of the Project in accordance with the provisions of the Schedule to this Agreement.
ARTICLE III - REPRESENTATIVE; ADDRESSES

3.01. NaCSA’s Representative is its Commissioner.

3.02. The Bank’s Address is:

International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America

Cable: INDEVAS
Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391

3.03. NaCSA’s Address is:

National Commission for Social Action
14-16 Charlotte Street
Freetown
Sierra Leone

Facsimile:
232 (22) 228577
232 (22) 227895
AGREED at the District of Columbia, United State of America, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Michel Wormser

Authorized Representative

NATIONAL COMMISSION FOR SOCIAL ACTION

By /s/ Bockarie Stevens

Authorized Representative
SCHEDULE

Execution of the Project

Section I. Implementation and Other Arrangements

A. The provisions of Section I of Schedule 2 to the Original Project Agreement shall apply to the respective activities under Part D of the Project financed by the Grant provided for under this Agreement, mutatis mutandis.

B. Anti-Corruption

NaCSA shall ensure that Part D of the Project is carried out in accordance with the provisions of the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. NaCSA shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators set forth in Section II.1(e) of Schedule 2 to the FPCR TF Grant Agreement. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the World Bank not later than fifteen days after the end of the period covered by such report; and

2. The NaCSA shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. NaCSA shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. NaCSA shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty five days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
3. NaCSA shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of NaCSA. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.

Section III. Procurement

All goods, works and services to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of Schedule 2 to the FPCR TF Grant Agreement.