

---

---

Project No: GMB1014-60000456

**FRAMEWORK AGREEMENT**

(INSTALMENT SALE FINANCING - IMPLEMENTATION STAGE)

**SMALL RUMINANT PRODUCTION ENHANCEMENT PROJECT**

**BETWEEN**

**REPUBLIC OF THE GAMBIA**

**AND**

**ISLAMIC DEVELOPMENT BANK**

Dated \_\_\_\_ / \_\_\_\_ /1439H ( \_\_\_\_ / \_\_\_\_ /2018G)

---

---

## FRAMEWORK AGREEMENT

Framework Agreement dated \_\_\_/\_\_\_/\_\_\_ H corresponding to \_\_\_/\_\_\_/\_\_\_ G between:

**REPUBLIC OF THE GAMBIA ("Recipient")**

AND

**ISLAMIC DEVELOPMENT BANK ("IDB" or "Bank").**

The Recipient and the Bank are hereinafter referred to as the "Parties".

### WHEREAS

- (A) The Recipient has requested the Bank to participate in the financing of certain Assets pertaining to the Project described in Schedule-I to this Agreement;
- (B) The Bank has on 05/04/1439H (23/12/2017G approved and agreed on the basis, inter alia, of the foregoing to finance the Assets through Instalment Sale Financing for an amount not exceeding **USD 5,170,000.00 (United States Dollars Five Million, One Hundred and Seventy Thousand)** upon the terms and conditions hereinafter set forth.
- (C) The purpose of this Agreement is to set out the parties' common understanding with regards to the implementation of the Project.

NOW THEREFORE the parties agree as follows:

### ARTICLE I - DEFINITIONS

In this Agreement, unless the context otherwise requires, the following terms shall have the meaning appearing against each of them hereunder:

<b>Acceptance Certificate:</b>	has the meaning given to it in the Agency Agreement.
<b>Agent:</b>	the Recipient acting for and on behalf of the Bank pursuant to the Agency Agreement.
<b>Agency Agreement:</b>	means the agency agreement executed between the Bank and the Recipient on the date of this Agreement and pursuant to which the Bank appoints the Recipient as Agent to, inter alia, negotiate/execute the Procurement Contracts and take delivery of the Assets.
<b>Agreement</b>	the present framework agreement.
<b>Asset:</b>	As the case may be, the physical assets (works and/or equipment) and/or services specified in Schedule-I.
<b>Business Day:</b>	any day on which banks are officially open for business in the place where a sum or sums are payable by the Recipient to the Bank in the currency in which such payments shall be effected.
<b>Contemplated Sale Acceptance Date:</b>	The date corresponding to the seventh (7 <sup>th</sup> ) Business Days from the date of receiving the Sale Offer.

<b>Contract:</b>	the contract for the procurement of the Asset concluded by the Recipient, acting for and on behalf of the Bank, with the Contractor.
<b>Contractor:</b>	the contractor or the supplier or the service provider (as the case may be) who shall be entrusted with the provision of the Assets in accordance with the Contract.
<b>Delivery Notice:</b>	has the meaning given to it in the Agency Agreement.
<b>Delivery Date:</b>	the date on which the Recipient issues the Acceptance Certificate.
<b>Disbursement:</b>	payment made in accordance with the applicable rules of the Bank, of any part of the Financing Amount for the procurement of the Asset.
<b>Disbursement Request:</b>	each notice delivered by the Agent to the Bank in order for the Bank to make a Disbursement.
<b>Disbursement Policies and Guidelines:</b>	all regulations, policies, circulars and other rules as the Bank may adopt from time to time setting out the procedures and the requirements for the Bank making Disbursements.
<b>Effective Date:</b>	the date on which the Bank declares this Agreement effective in accordance with Article 7.
<b>Event of Default:</b>	any of the events set out in Article 5.
<b>Executing Agency:</b>	refers to Ministry of Agriculture of The Gambia.
<b>Financing Amount:</b>	the amount approved by the Bank and specified in Recital-B above.
<b>Material Adverse Effect:</b>	means in the reasonable opinion of the Bank, a material adverse effect on: <ul style="list-style-type: none"> <li>(a) the business, operations, property, condition (financial or otherwise) or prospects of the Recipient;</li> <li>(b) the ability of the Recipient to perform its obligations under this Agreement;</li> <li>(c) the ability of the Agent to perform its obligations under the Agency Agreement; or</li> <li>(d) the validity or enforceability of this Agreement or the Agency Agreement; or the rights or remedies of the Bank thereunder.</li> </ul>
<b>Payment Instalments:</b>	has the meaning given to it in the Sale General Terms and Conditions.
<b>Procurement Contracts:</b>	has the meaning given to it in the Agency Agreement.
<b>Project:</b>	has the meaning ascribed to it in Recital-A above.
<b>Sactionable Practices:</b>	any of Corrupt Practice, Coercive Practice, Collusive Practice, Fraudulent Practice or Obstructive Practice as defined below: <ul style="list-style-type: none"> <li>(i) <b>Corrupt Practice:</b> means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;</li> </ul>



	<p>(ii) <b>Coercive Practice:</b> means any act or omission impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.</p> <p>(iii) <b>Collusive Practice:</b> means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.</p> <p>(iv) <b>Fraudulent Practice:</b> means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.</p> <p>(v) <b>Obstructive Practice:</b> means,</p> <p>(i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making of false statements to investigators, in order to materially impede the Bank investigation into allegations of a Corrupt, Fraudulent, Coercive or Collusive practice, and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or</p> <p>(ii) acts intended to materially impede the exercise of the Bank's access to contractually required information in connection with the Bank's investigation into allegations of a Corrupt, Fraudulent, Coercive or Collusive practice.</p>
<b>Sale Acceptance:</b>	the acceptance by the Recipient to purchase the Assets from the Bank on the Sale Acceptance Date.
<b>Sale Acceptance Date:</b>	the date on which the Recipient countersigns the Sale Offer, which shall be no later than the Contemplated Sale Acceptance Date.
<b>Sale General Terms and Conditions:</b>	the general terms and conditions set out in Schedule-III to this Agreement.
<b>Sale Offer:</b>	the offer to purchase to be submitted by the Bank and to be accepted by the Recipient substantially in the form set out in Schedule-II to this Agreement.
<b>Sale Price</b>	has the meaning given to it in the Sale General Terms and Conditions.
<b>Tax:</b>	any tax, levy, impost, duty or other charge of similar nature (including without limitation any penalty payable in connection with any failure to pay or delay in paying any of the same).

## ARTICLE II – THE FINANCING FACILITY

- 2.1 **Purpose:** the purpose of this Agreement is to make available the Financing Amount for acquiring the Assets, and thereafter selling the same to the Recipient.
- 2.2 **Promise to purchase:** the Recipient acknowledges that the provision of the Financing Amount by the Bank is subject to the Recipient undertaking to purchase the Assets from the Bank, "as is" and "where is", upon delivery of the Assets. Accordingly, the Recipient hereby undertakes to the Bank that it shall purchase the Assets from the Bank upon issuing the

Acceptance Certificate. The Recipient also undertake to indemnify the Bank against any costs, expenses, damages or losses suffered by the Bank in relying upon this provision in circumstances where the Recipient is in default of its obligations thereto.

2.3 **Implementation mechanism:** the Recipient acknowledges that the process for utilizing the Financing Amount shall be as follows:

2.3.1 Pursuant to the Agency Agreement, the Bank shall authorize the Agent to negotiate and execute the Contract, and take delivery of the Assets for and on behalf of the Bank.

2.3.2 In order for the Bank to make a Disbursement, the Agent shall deliver to the Bank a duly completed Disbursement Request. Subject to approving the Disbursement Request, the Bank shall make Disbursement in accordance with the Disbursement Policies and Guidelines.

2.3.3 Upon issuing an Acceptance Certificate, the Agent shall submit to the Bank a Delivery Notice within seven (7) Business Days therefrom in accordance with Article 5.3 of the Agency Agreement.

2.3.4 Upon the Bank receiving the Delivery Notice, the Bank shall issue immediately to the Recipient a Sale Offer, no later than seven (7) Business Days from the date of receiving the Delivery Notice.

2.3.5 Upon the Recipient receiving the Sale Offer, the Recipient shall, in execution of its obligation under Article 2.2 above, issue a Sale Acceptance no later than seven (7) Business Days from the date of the receiving the Sale Offer. If, for any reason whatsoever, the Recipient shall reject the Sale Offer, the Recipient shall indemnify the Bank in accordance with Article 5.2. The Bank shall also have the right to take whatever steps it deems necessary to obtain indemnification.

2.3.6 The ownership of the Assets shall pass from the Bank to the Recipient on Sale Acceptance Date.

2.3.7 Thereafter, the Recipient undertakes pay the Sale Price to the Bank by way of Payment Instalments in accordance with the Sale General Terms and Conditions.

### ARTICLE III – UNDERTAKINGS

3.1 The Recipient undertakes to:

3.1.1 ensure that all amounts withdrawn from the Financing Amount will be used solely for the purposes of the Project and that the proceeds of the Financing Amount will not be used to finance any expenditure with respect to which the Bank determines that any Sanctionable Practices were engaged in by representatives of the Recipient or other recipient of the proceeds of the Financing Amount, without the Recipient having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

3.1.2 Cause the Executing Agency to implement the Project and to conduct its operations and affairs with due diligence and efficiency and in accordance with sound administrative, financial, engineering and economic practices, under the supervision of qualified and experienced management and personnel and in

HP



accordance with the budgets, plans and specifications concerning the Project approved by the Bank;

- 3.1.3 Ensure that, all the Project stakeholders carry out their activities with due diligence and efficiency and in accordance with sound, technical, economic, financial, managerial, environmental and social standards and practices, including with the provisions of any applicable anti-corruption guidelines;
- 3.1.4 Submit, or cause to be submitted to the Bank for its approval, in such detail as the Bank may reasonably request, any envisaged important modifications to the budget, plans and specifications of the Project as well as any substantial changes in any contract relating to the execution of the Project.
- 3.1.5 Ensure, or cause to be ensured that, during the implementation of the Project and until full payment of the Sale Price, all reasonable opportunity is given for accredited representatives of the Bank to make visits and inspect the Project and any relevant records and documents in relation thereto; and furnish, or cause to be furnished to the Bank, all such information as the Bank shall reasonably request concerning the Project.
- 3.1.6 take all action which shall be necessary on its part to enable the execution of the Project and refrain from taking or permitting to be taken, any action that would prevent or interfere with the implementation or operation of the Project or the performance of any obligations under this Agreement.

3.2 The Recipient shall submit, or cause to be submitted, the following reports to the Bank:

- 3.2.1 a report on the progress and implementation of the Project in such manner as the Bank may from time to time specify;
- 3.2.2 a completion report of such scope and in such detail as the Bank may reasonably request;
- 3.2.3 an annual audit report by the financial auditor of the Project throughout the Project's lifecycle.
- 3.2.4 any other report or information which the Bank may from time to time reasonably request.

#### ARTICLE IV – REPRESENTATIONS

4.1 The Recipient represents and warrants that:

- 4.1.1 All governmental authorizations and actions of any kind necessary to authorize or required for the validity or enforceability of the obligations contemplated under this Agreement have been obtained or performed and are valid and subsisting in full force and effect.
- 4.1.2 Under the laws of The Gambia in force at the date of this Agreement, the claims of the Bank against the Recipient under this Agreement will rank at least pari passu with the claims of all other unsecured creditors for any indebtedness of the Recipient.

- 4.1.3 The concerned department or unit charged with servicing external debt has been instructed to make payment of the Sale Price on due dates.

## ARTICLE V – EVENTS OF DEFAULT

- 5.1 If one of the events specified in this Article shall have happened and be continuing, then the Bank, by notice to the Recipient, may terminate this Agreement and declare any amount disbursed and any indemnity payable to the Bank pursuant to this Agreement immediately due and payable without any further notice:
- 5.1.1 the Recipient has failed to discharge its obligations to pay any amount due to any affiliated body to the Bank;
  - 5.1.2 a default shall have occurred in the performance of any obligation of the Recipient under this Agreement (including a default pursuant to Article 2.2 and Article 2.3.5) and any such default shall have continued for a period of 30 (Thirty) days from the date of the notification of such default to the Recipient;
  - 5.1.3 any representation or warranty confirmed or made by the Recipient in connection with the execution and delivery of this Agreement shall be found to have been incorrect in any material respect and shall continue to be incorrect for a period of 30 (Thirty) days after notice thereof shall have been given to the Recipient by the Bank; and
  - 5.1.4 the Recipient shall have become unable to pay its debts; and any obligation or purported obligation of the Recipient under or arising out of this Agreement being or becoming wholly or in part invalid or unenforceable whether or not always known to the Bank.
  - 5.1.5 the Bank finds that any Sanctionable Practices has been committed in implementing the Project.
- 5.2 Upon termination of this Agreement on account of Event of Default occurring pursuant to Article 2.3.5, the Recipient shall indemnify the Bank by an amount equal to the Sale Price which otherwise would have been payable on the Contemplated Sale Acceptance Date, provided that if any advance payment has been made by the Recipient in accordance with section 3.6 of the Sale General Terms and Conditions, the amount of the indemnity payable under this section shall be net of any such advance payments.
- 5.3 Upon termination of this Agreement on account of Event of Default occurring prior to the delivery of the Asset, the Recipient shall indemnify the Bank by an amount equal to the total Disbursements. In application of this provision, the Bank may indemnify itself by netting off the advance payment amounts received by the Bank pursuant to section 3.6 of the Sale General Terms and Conditions.
- 5.4 Without prejudice to Articles 5.2 and 5.3, the Recipient hereby undertake to indemnify the Bank, on a net after-Tax basis against, and agrees to protect, save and keep harmless, the Bank from any, and all obligations, fees, liabilities, losses, damages, penalties, demands, actions, judgements and expenses, including reasonable legal fees and expenses (including such legal fees and expenses incurred in connection with the enforcement of this Agreement), of every kind and nature whatsoever imposed on, incurred by, or asserted against the Bank arising out of:



5.4.1 ownership, possession, use, maintenance, licensing, documentation, removal, return, or other applications or dispositions of the Asset, including of such as may arise from:

- (i) any loss or damage to any property or death or injury to any person;
- (ii) any claims based on strict liability in tort or otherwise;
- (iii) any claim based on patent, trademark or copyright infringement;
- (iv) any claims based on liability arising under the applicable environmental laws or environmental approvals;
- (v) any claim regarding title to, or condition of, the Asset;

5.4.2 the occurrence of any Event of Default or any other failure on the part of the Recipient to perform or comply with any term of this Agreement, or any document, agreement or contract entered into in relation hereto or otherwise in relation to the Asset, but excluding any claim based upon any failure on the part of the Bank to comply with its obligations under this Agreement or any document, agreement or contract entered into by the Bank in relation hereto or otherwise in relation to the Project or the Asset.

5.4.3 any claims, encumbrances, security interests, and liens or legal processes regarding the Bank's title to or interests in the Asset.

5.5 The Recipient shall give the Bank prompt notice of any occurrence or condition known to the Recipient as a consequence of which the Bank is or is reasonably likely to be entitled to indemnification. The indemnification provided in Article 5.4 and this Article shall specifically apply to and include claims or actions brought by or on behalf of employees of the Bank and the Recipient hereby expressly waives, as against the Bank, any immunity to which the Recipient might otherwise be entitled under any applicable law. The Recipient shall promptly upon request by the Bank (but in any event within 30 (Thirty) days of such request) reimburse the Bank for amounts expended by it in connection with any of the foregoing or pay such amounts directly. The Recipient shall be subrogated to the Bank's rights in any matter with respect to which the Recipient has actually reimbursed the Bank for amounts expended by it or has actually paid such amounts pursuant to Article 5.4 and this Article. In case any action or proceeding is brought against the Bank in connection with any indemnified claim, the Bank will, after receipt of notice of the commencement of such action or proceeding, notify the Recipient thereof, enclosing a copy of all papers served upon the Bank. The Recipient may, and upon the Bank's request, resist and defend such action or proceeding at the Recipient's expense, or cause the same to be resisted or defended by counsel selected by the Recipient and reasonably satisfactory to the Bank. In the event of any failure by the Recipient to do so, the Recipient shall pay all costs and expenses (including reasonable attorney's fees and expenses) incurred by the Bank in connection with such action or proceeding.

5.6 The provisions of Articles 5.4, and 5.5 shall survive the expiry or earlier termination of this Agreement and all documents, agreements and contracts entered into in relation hereto or otherwise in relation to the Asset are expressly made for the benefit of, and are enforceable solely by the Bank.

5.7 If any sum due from the Recipient under this Agreement or any award, order or judgement given or made in relation hereto has to be converted from the currency (the "first currency") in which the same is payable under this Agreement or under such award, order or judgement



into another currency (the "second currency") for the purpose of (i) making or filing a claim or proof against the Recipient; (ii) obtaining an award, order or judgement in any court or tribunal; or (iii) enforcing any award, order or judgement given or made in relation to this Agreement; then the Recipient shall indemnify and hold harmless the Bank from and against any loss suffered as a result of any difference between: (a) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency; and (b) the rate or rates of exchange at which the Bank may in the ordinary course of business purchase the first currency with the second currency. Any amount due from the Recipient under this Article, shall be due as a separate debt, and shall not be affected by judgement being obtained for any other sums due under or in respect of this Agreement, and the term "rate of exchange" includes any premium and costs of exchange payable in connection with the purchase of the first currency with the second currency.

- 5.8 Any payments under this Article shall be made on first demand.
- 5.9 If any Event of Default or any event which, with lapse of time or notice and lapse of time, would become an Event of Default shall have happened, the Recipient shall immediately give the Bank notice thereof by telex or facsimile, specifying the nature of such Event of Default or such event and any steps the Recipient is taking to remedy the same.
- 5.10 No course of dealing and no delay in exercising, or omission to exercise, any right, power or remedy accruing to the Bank upon any default under this Agreement or any other agreement shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence therein; nor shall the action of the Bank in respect of any such default, or any acquiescence by it therein, affect or impair any right, power or remedy of the Bank in respect of any other default.

#### ARTICLE VI – SUSPENSION, CANCELLATION, TERMINATION

- 6.1 **Suspension:** The Bank may decide to suspend this Agreement or the utilization of the Financing Amount in the occurrence of:
- 6.1.1 An extraordinary situation which, in the opinion of the Bank, is likely to result in a Material Adverse Effect; and
- 6.1.2 An Event of Default.
- 6.2 Any suspension of the Agreement or the utilization of the Financing Amount shall continue until the event or events which gave rise to such suspension shall have ceased to exist and until the Bank shall have notified the Recipient that the Financing Amount has been restored; provided, however, that the Recipient shall continue to perform its obligations in accordance with any conditions specified in such notice, and no such notice shall affect or impair any right, power or remedy of the Bank in respect of any other provision of this Agreement.
- 6.3 **Cancellation:** The Bank may decide to cancel the Financing Amount or any part of the Financing Amount when the Parties, by mutual agreement, determine that the Project or any component thereof does not require to be financed anymore by the Bank.
- 6.4 **Termination:** The Agreement shall automatically be terminated in any of the following cases:
- 6.4.1 if within 180 days from the date of the Agreement, the Agreement has not become effective;
- 6.4.2 if within 180 days from the Effective Date of the Agreement, the Recipient has not submitted the first Disbursement Request;
- 6.4.3 when requested by the Recipient, but in any case before the conclusion of the Contract;

- 6.4.4 if the Agency Agreement has been terminated;
  - 6.4.5 when a suspension continues for more than 180 days;
  - 6.4.6 when all obligations of the parties under this Agreement have been fully discharged.
- 6.5 Neither cancellation of any part of the Financing Amount or any part thereof nor termination of the Agreement shall affect any commitment made, obligations incurred or rights accrued prior to the date of such cancellation or termination.

#### **ARTICLE VII - EFFECTIVENESS**

- 7.1 This Agreement shall not be effective unless and until the Recipient furnishes the Bank with the following documents:
- 7.1.1 Ratification instruments of the Agreement or any applicable documents evidencing that the execution and delivery of this Agreement on behalf of the Recipient has been duly authorized or ratified;
  - 7.1.2 Legal opinion acceptable to the Bank emanating from the chief legal counsel of the Recipient confirming that the terms and conditions of the Agreement constitute enforceable binding obligations upon the Recipient substantially in the form provided in Schedule-IV to this Agreement;
  - 7.1.3 A letter issued by the Ministry of Finance or any other duly authorized organ of the Recipient to the Central Bank of The Gambia instructing/authorizing the Central Bank that payment of the Sale Price by the Recipient under this Agreement shall be effected by the Central Bank on the dates on which Payment Instalments fall due; &  
The Central Bank acknowledging that it has received the said letter of instruction/authorization and that it will adhere to the instructions contained therein;  
OR  
The Recipient, through its Ministry of Finance or any other duly authorized organ, shall provide the Bank with a letter confirming that the concerned department or unit charged with servicing external debt has been instructed to make payment of Payment Instalments on due dates; and
  - 7.1.4 Award of contract for design and supervision consultant for the necessary production, processing, and marketing infrastructures to be established in 39 districts of the targeted regions;
  - 7.1.5 Duly signed Agreement between the Recipient and selected Microfinance Institutions for the deployment of the micro credit scheme of the Project; and
  - 7.1.6 Documentary evidence to the effect that all conditions precedent to the Recipient's right to obtain funds from other financiers of the Project shall have been fulfilled.
- 7.2 If this Agreement shall not have entered into effect within 180 days from the date of signature, Article 6.4.1 above shall apply.

#### **ARTICLE VIII – GOVERNING LAW, SETTLEMENT OF DISPUTES**

- 8.1 This Agreement shall be governed by and be construed in accordance with the principles of Shari'ah as pronounced by the Islamic Fiqh Academy, Jeddah as enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and as interpreted by the Bank's Shari'ah Committee.



- 8.2 Any dispute between the Parties and any claim by any Party against the other Party arising under this Agreement, which cannot be settled amicably within a period of sixty (60) days, shall be submitted to an arbitration panel for final and binding decision in accordance with the rules and procedures of the International Islamic Centre for Reconciliation and Arbitration (IICRA), Dubai, United Arab Emirates. The arbitration rules and procedures of IICRA shall be in lieu of any other procedure for the determination of disputes between the Parties or any claim by any Party against the other party arising thereunder.
- 8.3 If within thirty (30) days after counterparts of the award shall have been delivered to the Parties, the award is not complied with, any Party may enter judgment upon, or institute a proceeding to enforce the award, in any court of competent jurisdiction against the other Party, may enforce such judgment by execution or may pursue any other appropriate remedy against the other Party for the enforcement of the award or the provisions of this Agreement.
- 8.4 To the extent that the Recipient may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid or execution, before award or judgment or otherwise) or other legal process or to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Recipient hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.
- 8.5 Service of any notice or process in connection with any proceedings under Article 8.2 or in connection with any proceedings to enforce any award rendered pursuant to Article 8.3 may be made in the manner provided in Article 9. The Parties waive any and all other requirements for the service of any such notice or process.

#### ARTICLE IX – COMMUNICATIONS

- 9.1 The Recipient hereby appoints Ministry of Finance and Economic Affairs of The Gambia to act as its authorized representative (the “**Recipient’s Representative**”) for the purposes of coordinating with the Bank on all matters pertaining to this Agreement and for all intents and purposes without limitation. Any notice in connection with this Agreement shall be sent to the following addresses of the Recipient and the Bank:

For the Bank	For the Recipient
8111 King Khalid St. Al Nuzlah Al Yamaniah Dist. Unit No.1 Jeddah-22332-2444 Kingdom of Saudi Arabia Tel: +966 12 6361400 Fax: +966 12 6366871 Email: idbarchives@isdb.org	Ministry of Finance and Economic Affairs Banjul Republic of The Gambia

- 9.2 All communications of any kind given by the Bank to the Recipient’s Representative shall be deemed to have been duly given to the Recipient and vice-versa.
- 9.3 Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter or by electronic communication to the address stated above.

#### ARTICLE X - MISCELLANEOUS

- 10.1 The recital and schedules are an integral part of this Agreement.

- 10.2 The person signing this Agreement on behalf of the Recipient hereby represents and warrants to the Bank that he or she has the requisite legal power and authority to execute this Agreement on behalf of the Recipient and bind the Recipient to the obligations herein.
- 10.3 This Agreement may only be amended by a mutual written agreement of the Parties.
- 10.4 The date of this Agreement shall, for all purposes of this Agreement, be that appearing in the Preamble.



## **SCHEDULE I**

### **PROJECT DESCRIPTION AND FINANCING PLAN**

#### ***Project Location***

1. The project will be implemented in 39 districts in the Central River Region (CRR), North Bank Region (NBR), Upper River Region (URR), Lower River Region (LRR), and in the West Coast Region with the Project Management Unit to be based in Banjul. Individuals as well as producers organizations in these regions will be targeted for priorities activities on the basis current situation but also on recorded potentials.

#### ***Project Description***

2. The project is a sheep and goats husbandry enhancement intervention targeting rural and peri-urban communities in the Gambia. Through a value chain approach, it will cover production management, genetic improvement, and diseases control, access to finance, infrastructure modernization, and human capital development. The focused intervention consists of four keys specialized and strategically designed components in addition to the management and coordination unit of the project. The components are: (i) Improvement of small ruminant production, Processing, and marketing; (ii) Access to Islamic Financing and support to Capacity building; (iii) Master plan development for livestock value chains; and (iv) Project Management. These components are summarized below while details of the activities and interventions are provided in the project appraisal document. Direct beneficiaries of the project will include individuals and organizations in rural and peri-urban areas and target specially women and youth who can be smallholder producers, traders, transporters, processors, wholesalers, retailers, and middlemen. Also, staff of the executing agency as well as private veterinary services providers along with feed producers and sellers will benefit from the project.

3. **Component-A: Improvement of small ruminant production, processing, and marketing.** This component will finance construction of necessary production, processing, and marketing infrastructures to be established in 39 districts of the targeted regions. The facilities will include grazing plots, forage production plots, lamb feeding stations, breeding stock management lots, feed storages, slaughter slats, mini dairies, boreholes to be solar energy powered, small ruminants markets, and modern meat stalls/stores (Details are provided in the PAD). The project will also finance (i) basic operationalization equipment such as weighing instruments, water troughs, feeders, meat and milk handling equipment; (ii) genetic improvement of sheep and goat breeding stock, stimulating better animal health, and feed availability for increased productivity and low mortality. For this, the project will provide the International Trypanotolerant Center (ITC) nucleus scheme (pure breeding program) and the Yero Beri Kunda multiplication and demonstration center with breeding stock, production input, and laboratory equipment and supplies. The component will also support village based breeding schemes (pure and cross breeding) as well as ram fattening operations in rural areas and in peri-urban settings. It will extend support to veterinary services (intervention in vaccination campaigns, promotion of private veterinary clinics),

4. **Component-B: Access to Islamic Finance and Support to Capacity Building.** The component will consist of providing a participatory and sharia-compatible financing USD 3.00 million for actors operating or interested in small ruminant enterprises. Activities to be financed will include purchase of animals, feeding facilities, and animal health related operations, downstream meat processing and sales. Funds will also be provided for the financing of processing equipment and inputs, dairy production including solar panels and coolers, fodder production, means of transport and working capital, among others. In all the program, through a



revolving fund, will directly benefit up to 10000 women/ youth entrepreneurs in various segments of the value chain. Two local Financial Institutions (FIs) to be in charge with the implementation of the program will be selected through a shortlist of national MFIs based on a consultant set criteria. Capacity building activities will encompass initiatives for organizing producers, conducting workshops/seminars in relevant subject matters such as herd health control, selection and breeding management, products processing and marketing, feeding and grazing management, and entrepreneurship development. Training programs will target producers, project team members as well as members of relevant technical partners. Capacity building will also cover skills development for selected MFIs for use of Islamic microfinance instruments. The program will include the establishment of a MIS by the consultant to ensure proper funds management and an effective financial control mechanisms.

5. **Component-C: Master plan development for Livestock value chains.** This will consist of the study aimed at taking stock and deriving lessons from the broader Gambian livestock sector and it will be carried by the International Livestock Research Institute (ILRI) to prepare a 5 to 10 years investment program in the sector.

a) Key livestock value chains will be subject of an assessment of their potential and challenges for an effective contribution to economy of the country at a critical moment. Areas of concentration of the study will include the modernization of the dairy sector, Poultry development avenues, and processing of animal products. In particular, the assessment of existing conditions to support the establishment of a state – of – the – art halal slaughterhouse in the Gambia for domestic market but also for export market will be a priority. The study will spell out detailed executable projects in the above value chains. Proposed projects will be presented with all necessary designs and costs information on the basis of which financing can be sought by the country.

b) ILRI is a member of the Consultative Group for International Agriculture Research (CGIAR). It focuses on research on building sustainable livestock pathways out of poverty in low-income countries. ILRI is the unique livestock research specialized organization which works with partners worldwide to help poor people keep their farm animals alive and productive, increase and sustain their livestock and farm productivity and find profitable markets for their animal products. More specifically, ILRI has experience of handling such assignments and thus has exceptional worth for undertaking the study for the livestock value chains. During the appraisal of the project, it was ascertained that the proposed price is reasonable and consistent to the market rates for such services.

6. **Component-D: Project Management and coordination.** The objective of this component is to establish a Project Management Unit (PMU) and provide it with means to fulfil its role of implementation and management of project plans. The management and coordination of the project will be ensured by the establishment of a fully dedicated team to be led by a Project Coordinator with extensive experience in managing multi-faceted operations. Also, a consultant will undertake activities relating to the studies, detailed designs, and supervision of all infrastructures that are financed under component A. As part of this component, the project will finance office furniture, equipment, stationary, office consumables and utilities, vehicles, staff development programs, staff allowances and salaries from special account for all eligible expenditures. Details on the project monitoring, planning and progress reporting, field supervision, review seminars, familiarization visits and start-up workshop special accounts, and project audit activities.



## II. PROJECT COST ESTIMATE & FINANCING PLAN

The total cost of the project is estimated to be USD 26.81 million. The breakdown of various cost items of the project is shown in the Table below.

**Table: Project Cost Estimate and Financing Plan**

*Amount in USD million*

Sr. No	Components	Step-1	Step-2			TOTAL IDB		GOTG		Total Cost
		IDB Loan	IDB Loan	ISFD Loan	Inst. Sale	Amount	%	Amount	%	
A-	Improvement of Small Ruminant Production, Processing and Marketing	-	6.72	5.11	4.70	16.53	100	0.05	0	16.58
B-	Access to Islamic Microfinance & Capacity Building	0.10	0.13	4.25	-	4.48	94	0.27	6	4.75
C-	Master Development Plan for livestock value chains	0.40			-	0.40	100	-	0	0.40
D-	Project Management and Coordination	1.74	-	-	-	1.74	60	1.17	40	2.91
<b>Sub Total</b>		<b>2.24</b>	<b>6.85</b>	<b>9.36</b>	<b>4.70</b>	<b>23.16</b>	<b>94</b>	<b>1.49</b>	<b>6</b>	<b>24.65</b>
Contingencies		0.22	0.69	0.64	0.47	2.02		0.15		2.16
<i>Excluding line of microfinance</i>										
<b>TOTAL PROJECT COST</b>		<b>2.46</b>	<b>7.54</b>	<b>10.00</b>	<b>5.17</b>	<b>25.17</b>	<b>94</b>	<b>1.64</b>	<b>6</b>	<b>26.81</b>

## SCHEDULE II

### FORM OF SALE OFFER

**From:** Islamic Development Bank  
8111 King Khalid St. Al Nuzlah Al Yamaniah Dist.  
Unit No.1  
Jeddah-22332-2444  
Kingdom of Saudi Arabia

**To:** [Insert the Recipient]  
**Address:**  
**Tel. and Fax:**  
**Email:**

**Ref:** SALE OFFER RELATING TO [Insert Project Details – Title and Code]

Dear Sirs,

We refer to:

- (i) The Framework Agreement (the “**Framework Agreement**”) executed between *Insert here country/recipient name* (the “Recipient”); and the Islamic Development Bank (“**IDB**”) on     /    /
- (ii) The Sale General Terms and Conditions included as Schedule-III of the Framework Agreement; and
- (iii) The Delivery Notice certifying that the Agent has duly taken delivery of the Assets (copy attached).

Unless the context requires otherwise, capitalized terms used in this Sale Offer shall have the same meanings as in the Framework Agreement and/or the Sale General Terms and Conditions (whether as set out therein or by reference to another document).

In accordance with Article 2.3.4 of the Framework Agreement, we (as Vendor), hereby offer you (as Purchaser), to purchase from us the Assets listed in the Delivery Notice. The terms of this Sale Offer are as follows:

- (a) **Sale Price:** the Sale Price is [Insert fixed amount here]. This amount is net of all Advance Payments.
- (b) **Payment Instalments:** you shall pay us the Sale Price in [insert number] Payment Instalments in accordance with the Payment Schedule attached hereto<sup>1</sup>
- (c) **Payment account:** each Payment Instalment shall be made in any convertible currency acceptable to us for value on the due date to our following account: [insert account details]. Note that if any payment falls due hereunder on a day which is not a Business Day, payment shall be made on the next following business day.
- (d) **Late payment charges:** If you fail to pay any amount payable hereunder when it is due, you shall, in addition to the amount due and in accordance with the Principles of Islamic Shari’ah:

<sup>1</sup> Attach payment schedule. The Payment Schedule should reflect any advance payments already made by the Recipient during Gestation Period in accordance with section 3.6 of the Sale General Terms and Conditions.



(i) compensate us for any loss, damage, reasonable actual costs and expenses (including, but not limited to any legal, or collecting agent's costs and expenses) we have incurred as a result of the delay in payment; and

(ii) pay us a late payment charge in respect of the overdue amount, any such late payment charge shall be calculated and applied as a sum determined by us after applying the formula indicated below:

$$\frac{A \times B \times C}{360}$$
 Where: "A" means the unpaid amount;  
"B" means 01% per annum; and  
"C" means the number of days from and including such due date to, and, including the date of actual payment (whether before or after judgment).

(iii) We shall, after the deduction of all actual costs and expenses incurred, pay any amount received pursuant to this paragraph to the IDB Waqf Fund Account, the details of which are as follows:

**Account No:** 0000 100 102  
**Bank Name:** The British Arab Commercial Bank  
**SWIFT Code:** BACMGB2L  
**IBAN:** GB69 BACM 4051 3200 100 102

(iv) We shall not apply the late payment charge set out above if you are able to demonstrate, to our satisfaction, that your failure to make the payment is not due to a willful default.

(e) **No deduction:** all payments to be made to us hereunder shall be made free and clear of and without deduction of or on account of any Tax, set-off, counter-claim or other matter. If you are required by law to make any deduction or withholding from any sum payable by it hereunder, the sum payable by you in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, we receive and retain (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which we would have received and so retained had no such deduction or withholding been made.

(f) **Breach of obligations:** you will be deemed to have committed a breach of your obligations if: (i) you fail to make payment in full of any amount due to us within thirty (30) days after the same shall have become due (our acceptance of partial payment shall not constitute a waiver of your failure to make payments in full); or (ii) any representation or warranty made to us shall prove to be incorrect or untrue in any material respect as of the date when made; or (iii) you shall fail to perform or shall violate material provisions of the terms of this Sale Offer.

(g) **Remedies:** if you shall commit a breach of any of your obligations hereunder, which breach shall remain uncured thirty (30) days after the date on which we have notified you of such breach, we may declare the outstanding unpaid balance of the Sale Price to be forthwith due and payable, whereupon you shall immediately pay to us the outstanding unpaid balance of the Sale Price together with any other amount payable to us hereunder.

(h) **No responsibility:** from the Sale Agreement, we shall not have any responsibility or liability whatsoever to you or any other person or entity, with respect to any liability, loss or damage: (i) caused (or alleged to be caused) directly or indirectly by the Asset or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; or (ii) resulting from the use or operation of the Asset or any risks

relating thereto; or (iii) resulting from any interruption of service, loss of business or anticipated profit or consequential damages.

- (i) **Assignment:** upon the Sale Agreement, we undertake to assign you our rights and benefits under any guarantee, condition or warranty relating to the Asset which may have been given to us by the Contractor and all other warranties or guarantees as may be implied by law or recognized by custom in our favor.
- (j) **Non-waiver:** our failure or delay to exercise or assert any of our rights hereunder shall not prejudice such right or remedy and shall not be construed as a waiver of such right or remedy.
- (k) **Governing Law and Dispute Resolution:** this Sale Offer shall be governed by and be construed in accordance with the principles of Shari'ah as pronounced by the Islamic Fiqh Academy, Jeddah and as enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and interpreted by the Islamic Development Bank's Shari'ah Committee. Furthermore, we shall endeavor to settle amicably any dispute regarding the interpretation or implementation of this Sale Offer provided that any dispute that cannot be resolved amicably within a period of sixty (60) days shall be referred to arbitration in accordance with the arbitration procedure set out in Article 8 of the Framework Agreement.

Pursuant to Section 2.3 of the Sale General Terms and Conditions, if you do not notify us your rejection of this Sale Offer within seven (7) Business Days from the date of receiving this Sale Offer, you will be deemed to have accepted this Sale Offer, and a Sale Agreement shall be deemed to have been concluded between us on the Contemplated Sale Acceptance Date.

Please, kindly indicate your acceptance of this Sale Offer on the terms set out hereinabove by countersigning this Sale Offer herein below.

In Witness Whereof, we has executed and delivered this Sale Offer as of \_\_\_\_/\_\_\_\_/\_\_\_\_.

For and on behalf of  
**ISLAMIC DEVELOPMENT BANK**

Signature| Name| Title

#### SALE ACCEPTANCE

The undersigned being duly authorized to execute and deliver this Sale Acceptance for and on behalf of *Insert here country/recipient name*, hereby confirms acceptance of the Sale Offer above and agreement to buy the Asset from the Islamic Development Bank on the terms set out hereinabove.

By executing this Sale Acceptance, we acknowledge that we have executed a Sale Agreement with the Islamic Development Bank.

In Witness Whereof, we have executed this Sale Acceptance as of \_\_\_\_/\_\_\_\_/\_\_\_\_.

For and on behalf of  
*Insert here country/recipient name*

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_/\_\_\_\_/2017G



### **SCHEDULE III**

#### **SALE GENERAL TERMS AND CONDITIONS**

#### **1. Definitions:**

All capitalized terms in these General Terms and Conditions, unless the context otherwise requires, shall have the same meaning as stipulated in the Framework Agreement (the "Agreement"). Additional terms used in these General Terms and Conditions have the following meaning:

<b>"Advance Payment":</b>	Means the advance payment to be made to the Vendor by the Purchaser during the Gestation Period in accordance with section 3.6 hereunder.
<b>"Gestation Period":</b>	means the period starting from the date of first Disbursement and ending 4 thereafter with the issuance of the Delivery Notice.
<b>"Payment Period":</b>	means the period of 16 years starting from the end of the Gestation Period.
<b>"Sale Agreement":</b>	means the definitive sale of the Assets by the Vendor to the Purchaser as effective from the Sale Acceptance Date.
<b>"Payment Instalments":</b>	means the instalments payable by the Purchaser towards the payment of the Sale Price, in accordance with these General Terms and Conditions.
<b>"Payment Schedule":</b>	means the schedule to be attached to the Sale Offer and indicating the Payment Period and the Payment Instalments.
<b>"Purchaser":</b>	means the Recipient, as purchaser of the Assets
<b>"Vendor":</b>	means the Bank as seller of the Assets
<b>"Sale Price":</b>	means the fixed amount payable to the Vendor by the Purchaser in consideration for the Assets, as determined by the Vendor in accordance with section 3.1 hereunder and stated in the Sale Offer.

#### **2. Transfer of Asset:**

- 2.1 The Vendor shall transfer the ownership of the Asset to the Purchaser on the Sale Acceptance Date. Henceforward possession of the Asset by the Purchaser shall be deemed to be possession in its capacity as owner thereof and shall bear, from that date, the risk of damage, loss or destruction.
- 2.2 On the Sale Acceptance Date, the Vendor and the Purchaser shall be deemed to have concluded a Sale Agreement.
- 2.3 If the Purchaser fails to notify the Vendor of its rejection of the Sale Offer by the Contemplated Sale Acceptance Date, the Purchaser will be deemed to have accepted the Sale Offer, and a Sale Agreement shall be deemed to have been concluded between the Vendor and the Purchaser on the Contemplated Sale Acceptance Date.
- 2.4 The Vendor shall not have any responsibility or liability whatsoever to the Purchaser or any other person or entity, with respect to any liability, loss or damage:

- (a) caused (or alleged to be caused) directly or indirectly by the Asset or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith;
  - (b) resulting from the use or operation of the Asset or any risks relating thereto;
  - (c) resulting from any interruption of service, loss of business or anticipated profit or consequential damages.
- 2.5 From the Sale Agreement, the Vendor undertakes to assign to the Purchaser its rights and benefits under any guarantee, condition or warranty relating to the Asset which may have been given to the Agent by the Contractor and which has been examined and accepted by the Agent and all other warranties or guarantees as may be implied by law or recognized by custom in favor of the Vendor. In addition to the assignment to the Purchaser as herein indicated, the Vendor shall take such other action as the Purchaser shall reasonably request to enable the Purchaser to claim against the Contractor.

3. Payments:

- 3.1 In accordance with the Bank's pricing policy, the Sale Price shall be determined based on the total disbursements at the end of the Gestation Period or at the time of sale. The mark up rate shall be applied to each disbursement, the sum of:
- (a) Reference rate of 10-year US Dollar mid swap rates as of the disbursement date fixed for the entire duration of financing;
  - (b) Contractual spread of 60 bps fixed for the entire duration of financing; and
  - (c) Funding spread prevailing at the time of disbursement from **1 April to 31 December 2017** is 110 bps.
- 3.2 The funding spread is subject to semi-annual update by the Bank to reflect cost of funding as published on the Bank's website.
- 3.3 In the event that the reference rate is negative, the reference rate shall be deemed to be zero.
- 3.4 In consideration of the Vendor selling the Asset to the Purchaser, the Purchaser undertakes to pay to the Vendor the Sale Price in Insert Data years after a Gestation Period of Insert Data years as indicated in the Payment Schedule to be provided by the Vendor to the Purchaser with the Sale Offer. Payment shall be made in 32 semi-annual, equal and consecutive Payment Installments. The first Payment Instalment shall be due and payable after Six (6) months from the end of the Gestation Period and each subsequent installment shall be due and payable at the end of six (6) months from the date of the Payment Installment immediately preceding it, provided that the period from the first Disbursement up to the last Payment Instalment shall not exceed twenty (20) years.
- 3.5 If, according to the Contract, different items of the Asset are to be delivered on different dates, the Payment Installments and the due dates shall be determined and notified to the Purchaser after the Delivery Date of the last item of the Asset, provided that the period from the first Disbursement up to the last Payment Instalment shall not exceed 20 years.
- 3.6 The Purchaser shall make Advance Payments to the Bank semi-annually following the first Disbursement throughout the Gestation Period in accordance with an advance payment schedule to be provided to the Purchaser by the Vendor. The Sale Price payable by the Purchaser during the Payment Period, as reflected in the Payment Schedule, shall be net of any such Advance Payment.



3.7 Each payment to be made by the Purchaser to the Vendor shall be made in any convertible currency acceptable to the Vendor for value on the due date to the account of the Vendor or in such other manner as the Vendor may from time to time notify to the Purchaser in writing.

3.8 All payments due to the Vendor shall be deemed to have been duly paid when any of the following banks confirms to the Vendor the receipt of such payment in the Vendor's account with it:

US Dollars A/c No:  
GB36SINT60928000159111  
Gulf International Bank (UK)  
Ltd, One Knightsbridge  
London SW1X 7XS  
United Kingdom  
Telex No. 8812261/2  
Swift Code: SINTGB2L

Pounds Sterling A/c No:  
GB13SINT60928000159137  
Gulf International Bank (UK)  
Ltd, One Knightsbridge  
London SW1X 7XS  
United Kingdom  
Telex No. 8812261/2  
Swift Code: SINTGB2L

EURO A/c No:  
FR7643899000019696500151088  
Union De Banques Arabes Et  
Françaises (UBAF)  
92523 Paris, Neuilly Cedex  
France  
Télex No. 610334 UBAF  
Swift Code: UBAFRPPXXX

3.9 If any payment falls due hereunder on a day that is not a business day, payment shall be made on the next following business day.

3.10 If the Purchaser fails to pay any amount payable hereunder when it is due, the Purchaser, in addition to the amount due, shall, in accordance with the principles of Islamic Shari'ah:

- (i) compensate the Vendor for any loss, damage, reasonable actual costs and expenses (including, but not limited to any legal, or collecting agent's costs and expenses) incurred by the Vendor as a result of delay in payment to the Vendor; and
- (ii) pay the Vendor a late payment charge in respect of the overdue amount, any such late payment charge shall be calculated and applied as a sum determined by the Vendor after applying the formula indicated below:

$$\frac{A \times B \times C}{360}$$

Where: "A" means the unpaid amount;  
"B" means 01% per annum; and  
"C" means the number of days from and including such due date to, and, including the date of actual payment (whether before or after judgment).

The Vendor shall, after the deduction of all actual costs and expenses incurred, pay any amount received pursuant to this paragraph to the Islamic Development Bank's Waqf Fund Account.

Account No: 0000 100 102  
Bank Name: The British Arab Commercial Bank  
SWIFT Code: BACMGB2L  
IBAN: GB69 BACM 4051 3200 100 102

3.11 The Vendor shall not apply the late payment charge set out above if the Purchaser is able to demonstrate, to the satisfaction of the Vendor, that the Purchaser's failure to make the payment is not due to its willful default.

3.12 All payments made by the Purchaser shall be made free and clear of and without deduction of or on account of any Tax, set-off, counter-claim or other matter. If the Purchaser is required by law to make any deduction or withholding from any sum payable by it, the sum payable by it in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Vendor receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made.

4. **Breach of the Purchaser's Obligations:**

The Purchaser shall be deemed to have committed a breach of its obligations under the Sale Agreement if:

- 4.1 the Purchaser shall fail to make payment in full of any amount due under the Sale Agreement within 30 (Thirty) days after the same shall have become due (acceptance of partial payment by the Vendor shall not constitute a waiver of the Purchaser's failure to make payments in full); or
- 4.2 any representation or warranty made by the Purchaser in the Agreement shall prove to be incorrect or untrue in any material respect as of the date when made; or
- 4.3 the Purchaser shall fail to perform or shall violate material provisions of the Sale Agreement.

5. **Remedies:**

If the Purchaser shall commit a breach of any of its obligations, which breach shall remain uncured thirty (30) days after the date on which the Vendor has notified the Purchaser of such breach, the Vendor may declare the outstanding unpaid balance of the Sale Price to be forthwith due and payable, whereupon the Purchaser shall immediately pay to the Vendor the outstanding unpaid balance of the Sale Price together with any other amount payable by the Vendor hereunder.

6. **Waiver:**

Failure of the Vendor to exercise or assert any of its rights under the Sale Agreement or its delay in the same or its failure to exercise or assert any remedy it may have against the Purchaser or its delay in the same, shall not prejudice such right or remedy and shall not be construed as a waiver of such right or remedy.

7. **Governing Law, Settlement of Disputes:**

- 7.1 The Sale Agreement shall be governed by and be construed in accordance with the principles of Shari'ah as pronounced by the Islamic Fiqh Academy, Jeddah and as enunciated in the Shari'ah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and interpreted by the Islamic Development Bank's Shari'ah Committee.
- 7.2 The Vendor and the Purchaser shall endeavor to settle amicably any dispute regarding the interpretation or implementation of the Sale Agreement. Any dispute that cannot be resolved amicably shall be referred to arbitration in accordance with the Arbitration Procedure set out in Article 8 of the Agreement.

8. **Communications:**

Any notice or request required to be given or made under the Sale Agreement to either Party shall be in writing and may be given by telex or letter or telefax at the Parties addresses specified in Article 9 of the Agreement.



**SCHEDULE IV**  
**FORM OF LEGAL OPINION**

[TO BE PRINTED AND PROVIDED ON THE LETTERHEAD]

Islamic Development Bank,  
8111 King Khalid St. Al Nuzlah Al Yamaniah Dist.  
Unit No.1  
Jeddah-22332-2444  
Kingdom of Saudi Arabia

Dear Sirs,

In my capacity as the chief legal and/or judicial authority of Name of the State, under the powers vested in me under the laws of Name of the Country, I hereby certify that this document constitutes the Legal Opinion issued in relation to Installment Sale Framework and Agency Agreements dated \_\_\_/\_\_\_/\_\_\_ H (\_\_\_/\_\_\_/\_\_\_ G) entered into between Name of the State and the Islamic Development Bank (the "Agreements") for the construction of the works as described in Annex-II to the Agreements (the "Asset") for use Insert Project Title (the "Project") in an amount Insert Data.

For the purpose of this Legal Opinion, I have examined,

- (a) the Agreements;
- (b) the authorization to enter into and sign the Agreements;
- (c) all laws, rules, regulations, orders, decrees and the like of Name of the Country; and
- (d) such other documents and instruments as I deemed necessary.

Accordingly, I am of the opinion that the said Agreements signed for and on behalf of Name of the State by Name and Title/Position of the signatory on \_\_\_/\_\_\_/\_\_\_ H (\_\_\_/\_\_\_/\_\_\_ G):

- (a) has been duly authorized, executed, delivered and ratified in accordance with applicable governmental, corporate and/or legislative procedures;
- (b) does not violate any provision of the Constitution, any law, rule, regulation, order or decree of Name of the Country;
- (c) constitute legal valid and binding obligations of Insert Data enforceable against the Insert Data in accordance with its terms and conditions stipulated in the said Agreements.

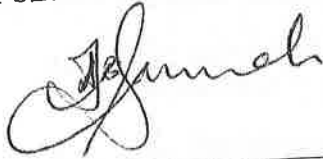
**DONE** at Insert data on \_\_\_/\_\_\_/\_\_\_ H (corresponding to \_\_\_/\_\_\_/\_\_\_ G).

Yours truly,

Signature| Name| Designation

**EXECUTION PAGE**

**FOR AND ON BEHALF OF  
REPUBLIC OF THE GAMBIA**



Name: Amadou SARRNEH

Title: MINISTER OF FINANCE  
& ECONOMIC AFFAIRS

**FOR AND ON BEHALF OF  
ISLAMIC DEVELOPMENT BANK**



Name:

Title: