

Project No: GMB1014-60000456

AGENCY AGREEMENT
(IMPLEMENTATION STAGE)

SMALL RUMINANT PRODUCTION ENHANCEMENT PROJECT

BETWEEN

REPUBLIC OF THE GAMBIA

AND

ISLAMIC DEVELOPMENT BANK

Dated ____ / ____ /1439H (____ / ____ /2018G)

AGENCY AGREEMENT

AGREEMENT dated ____/____/____ H corresponding to ____/____/____ G between

REPUBLIC OF THE GAMBIA ("Agent"); and

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

IDB and the Agent are individually referred to as the "**Party**" and collectively as the "**Parties**".

WHEREAS

- (A) Pursuant to the Framework Agreement concluded between the Bank and the Insert country name here* the Bank has agreed to participate in the financing of certain Assets pertaining to the Project described in Schedule-I to this Agreement;
- (B) The participation of the Bank is through Instalment Sale Financing for an amount not exceeding **USD 5,170,000.00 (United States Dollars Five Million, One Hundred and Seventy Thousand)**;
- (C) The Bank wishes to appoint the Republic of The Gambia as Agent for implementing the Project and procuring the Assets;
- (D) Under this Agreement, the relationship between the Bank and the Agent is that of a *muwakeel* (principal) and *wakeel* (agent) in accordance with the principles of Shari'ah.

NOW THEREFORE the Parties agree as follows:

ARTICLE I - DEFINITIONS

All capitalized terms in this Agreement, unless the context otherwise requires, shall have the same meaning as stipulated in the Framework Agreement. Additional terms used in this Agreement have the following meaning.

"Acceptance Certificate":	means the certificate to be issued by the Agent to the Contractor upon delivery and acceptance of the Assets pursuant to the relevant Contract and the provisions of this Agreement.
"Agreement":	means the present agency agreement.
"Available Financing Amount":	means the balance of the Financing Amount which is available for Disbursement after deducting amounts previously disbursed by the Bank.
"Boycott Regulations":	means the boycott regulations of (i) the Organization of Islamic Cooperation; (ii) the Arab League; and (iii) the African Union.
"Closing Date":	means the date corresponding to the end of the period stipulated in Article 3.4 hereunder.
"Contract Price":	means the price payable to the Contractor under the Contract and in accordance with the financing plan of the Project as approved by the Bank.

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"Delivery Notice":	means the notice substantially in the form set out in Schedule-III to be issued by the Agent informing the Bank that it has taken delivery of the Assets.
"Event of Default":	means any of the default set out in Article 8 hereunder
"Framework Agreement":	means the framework agreement executed between the Bank and the Recipient on the date of this Agreement in relation to the Project.
"Procurement Policies and Guidelines":	means all regulations, rules, policies, procedures or guidelines as the Bank may adopt from time to time for procurement of certain activities under a Project.
"Procurement Arrangements":	means any contractual arrangements to be made by the Agent for the procurement of any activities (supply or construction or services) towards the delivery of the Assets.

ARTICLE II - AGENCY

- 2.1 The Bank hereby appoints the Agent to:
- 2.1.1 negotiate and agree the Procurement Arrangements and all specifications of the Assets;
 - 2.1.2 conclude the Procurement Arrangements and supervise the delivery of the Assets; and
 - 2.1.3 take delivery of the Assets in accordance with the Procurement Arrangements.
- 2.2 The Agent hereby agrees to the appointment and undertakes to perform the agency in accordance with the terms of this Agreement free of any remuneration or other payment by the Bank.
- 2.3 Without prejudice to Articles 2.1 and 2.2 of this Agreement, the Agent appoints the Executing Agency to be responsible for the implementation of the Project for and on behalf of the Agent. However, the Agent undertakes and acknowledges that it shall be responsible for any action or omission of the Executing Agency in relation to the Agent's obligations under this Agreement.

ARTICLE III – PROCUREMENT

- 3.1 Except as the Bank may otherwise agree, the Agent shall procure, or cause to be procured, the Assets in accordance with the Bank's Procurement Policies and Guidelines, Schedule-II to this Agreement and the undertakings set out in Articles 3.2, 3.3 and 3.4 hereunder.
- 3.2 **Procurement Arrangements:** The Agent undertakes that it shall carry out the Procurement Arrangements, and conclude any contract thereunder, in accordance with the following terms:
- 3.2.1 the terms and conditions under the Procurement Arrangements shall, prior to the launch of the bidding process, be agreed upon between the Bank and the Agent;
 - 3.2.2 the Agent shall involve the Bank in the negotiations of the Procurement Arrangements and obtain the approval of the Bank thereon;

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- 3.2.3 the amounts to be committed under the Procurement Arrangements shall not exceed the amounts allocated under the financing plan of the Project as approved or as otherwise amended by the Bank;
- 3.2.4 the period for the procurement of the project activities shall not exceed the period specified in Article 3.4 of this Agreement or as otherwise extended by the Bank;
- 3.2.5 the specifications of the Assets to be procured under the Procurement Arrangements shall be as approved by the Bank and described in Schedule-II hereto; and
- 3.2.6 the Procurement Arrangements shall, where required, include the provision of an all risk insurance as customary in the trade, and the proceeds of the insurance shall be payable to the Bank in the currency acceptable to the Bank.
- 3.3 **Implementation:** The Agent undertakes that during the implementation of the Procurement Arrangements and any contract thereunder, it shall:
- 3.3.1 exercise the highest standard of diligence and care in monitoring the punctual and correct performance of contractual obligations under the Procurement Arrangements with a view to ensuring that the Assets will be r procured in accordance with the specifications or terms of reference, within the specified timeframe, and within the limits of the contracted amounts;
- 3.3.2 advise the Bank, as soon as reasonably practicable, of any delay or anticipated delay in the delivery of the Assets with full details thereof;
- 3.3.3 deal with all regulatory and administrative matters relating to the procurement of the Assets in accordance with the relevant applicable laws;
- 3.3.4 not make, without the prior written consent of the Bank, any amendments, alterations or modifications to the Procurement Arrangements which may:
- (i) result in an increase in the contracted amounts; or
 - (ii) result in an extension of the completion date; or
 - (iii) result in a change of the specifications; or
 - (iv) not be in accordance with usual good practice.
- If in breach of this provision, the Agent gives any instructions, as a result of which there is an increase in the contracted amounts or the Bank becomes liable to any party for any claim, loss, damage or expense, then the Agent agrees to bear the increase to indemnify the Bank for any such claim, loss, damage or expense.
- 3.4 The period for completion of the procurement of the Assets shall not exceed 4 years from the date of first Disbursement.
- 3.5 The specifications of the Assets shall be as generally described in Schedule-II of this Agreement and specified in the Contract.

ARTICLE IV – DISBURSEMENT

- 4.1 The Bank shall make Disbursements in accordance with the Disbursement Policies and Guidelines and subject to the conditions set out in Article 4.2 hereunder.
- 4.2 The Bank shall accept a Disbursement Request and approve a Disbursement only if:
- 4.2.1 the first Disbursement Request is submitted to the Bank no later than six (6) months after the Effective Date;
 - 4.2.2 the Disbursement Request has been received by the Bank by the Closing Date;
 - 4.2.3 the amount under the Disbursement Request does not exceed the Available Financing Amount;
 - 4.2.4 the Disbursement Request is accompanied by a copy of the relevant contracts together with a copy of any applicable supporting documents relevant to the Disbursement Request;
 - 4.2.5 where under the Procurement Arrangements a consultant is to be contracted to supervise the delivery of the Assets, the Agent shall not submit any Disbursement Requests without such consultant verifying the Disbursement Requests and ensuring that all the Bank's policies and procedures are strictly followed;
 - 4.2.6 if requested by the Bank, a copy of the relevant insurance policy is provided;
 - 4.2.7 the requirements of the Disbursement Policies and Guidelines have been satisfied in relation to that Disbursement;
 - 4.2.8 on the date of the Disbursement Request:
 - (i) no Event of Default is continuing or would result from the Disbursement;
 - (ii) the Agent is in compliance with all its obligations hereunder in all material respects; and
 - (iii) no event or series of event has occurred which, in the opinion of the Bank might reasonably be expected to have a Material Adverse Effect.
- 4.3 The Agent shall be responsible for any delay in effecting Disbursement if such delay is due to the application being not in conformity with this Agreement or due to insufficiency of or discrepancy in the required documents.

ARTICLE V – ACCEPTANCE; DELIVERY

- 5.1 The Agent shall accept and take delivery of the Project Assets in compliance with the following provisions.
- 5.2 **Acceptance and delivery of the Project Assets:** Prior to accepting and taking delivery of the Assets, the Agent shall:
- 5.2.1 review the Assets to ensure conformity to the specifications set out in the Contract;
 - 5.2.2 inform the Bank of the outcome of the review of the Assets immediately after completing the review. In particular, the Agent shall immediately inform the Bank (i)

whether it has found the Assets conforming in all respects to the Contract and has taken delivery thereof; or (ii) whether it has found the same not in conformity with the Contract, in which case it shall seek the guidance of the Bank as to whether to reject the Assets or accept them "as-is" and sue the Contractor, as the case may be, for damages;

- 5.2.3 Immediately issue an Acceptance Certificate if the review of the Assets conform to the Contract. The Agent shall be deemed to have irrevocably accepted the Assets for all purposes thereof upon the issuance of the Acceptance Certificate.
- 5.3 Delivery Notice. Subsequent to issuing the Acceptance Certificate, the Agent shall provide Delivery Notice to the Bank. If the Agent fails to issue the Delivery Notice to the Bank within Seven (7) Business Days after issuing the Acceptance Certificate, the Agent shall be deemed to have irrevocably and unconditionally taken delivery of the Assets on the date of issuing the Acceptance Certificate. The Agent shall indemnify the Bank for any costs, expenses or loss resulting from its failure, for any reason whatsoever, to take delivery of the Assets after issuing the Acceptance Certificate.

ARTICLE VI – SPECIAL UNDERTAKINGS

6.1 Execution of the Project. The Agent undertakes to:

- 6.1.1 ensure that all Disbursements shall be used solely for the purposes of financing the Project and shall 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 Agent or other recipients of the Financing Amount, without the Agent having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur;
- 6.1.2 implement the Project and conduct its operations 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 accordance with the budgets, plans and specifications concerning the Project approved by the Bank;
- 6.1.3 ensure that, the Contractor and any consultant, carry out their activities with due diligence and efficiency and in accordance with sound, technical, economic, financial, managerial, environmental and social standards and practices, and in accordance with any applicable anti-corruption guidelines;
- 6.1.4 submit to the Bank for its approval, in such detail as the Bank may reasonably request, any envisaged material modifications to the budget, plans and specifications of the Project as well as any draft Contract to be entered into by the Agent for the execution of the Project and substantial changes thereto;
- 6.1.5 afford, during the implementation of the Project, all reasonable opportunity for accredited representatives of the Bank to visit and inspect the Project and any relevant records and documents in relation thereto;
- 6.1.6 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 which would prevent or interfere with the implementation or operation of the Project or the performance of any obligations under this Agreement;

- 6.1.7 ensure that the Project is implemented in accordance with the Procurement Policies and Guidelines, in conformity with all applicable laws and regulations, appropriate administrative, technical, financial, economic, environmental and social standard and practices;
 - 6.1.8 inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Project or the performance of its obligations under this Agreement;
 - 6.1.9 ensure that the Executing Agency has the skills and experience required for successful implementation of the Project.
 - 6.1.10 ensure that the Executing Agency is fully aware of the undertakings under this Article and that it shall act accordingly in dealing with the Bank.
- 6.2 The Agent shall ensure, or cause to be ensured, that anti-corruption and anti-fraud provisions acceptable to the Bank are included in all bidding documents and contracts, including provisions specifying the right of the Bank to audit and examine the records and accounts of the Agent, the Contractor and other parties involved in the implementation of the Project.

ARTICLE VII – REPRESENTATIONS

7.1 The Agent represents and warrants that:

- 7.1.1 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.
- 7.1.2 Under the laws of The Gambia in force at the date of this Agreement, the claims of the Bank against the Agent under this Agreement will rank at least pari passu with the claims of all other unsecured creditors.
- 7.1.3 Its execution of this Agreement constitutes, and its exercise of its rights and performance of its obligations thereunder shall constitute, private and commercial acts done and performed for private and commercial purposes.
- 7.1.4 It shall at all times comply with the Boycott Regulations.

ARTICLE VIII – EVENTS OF DEFAULT

- 8.1 If one of the events specified in this Article shall have happened and be continuing, then the Bank, by notice to the Agent, may exercise its rights under this Agreement, including those provided under Article 11 without any further notice:
- (a) default shall have occurred in the performance of any obligation of the Agent under this Agreement 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 Agent;
 - (b) any representation or warranty confirmed or made by the Agent 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 Agent by the Bank;

- (c) any obligation or purported obligation of the Agent 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.
- 8.2 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 Agent 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 Agent is taking to remedy the same.
- 8.3 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 IX – INDEMNITY

- 9.1 The Agent shall indemnify the Bank, on a net after-tax basis (at the applicable local and foreign tax rates) against, and agrees to protect, save and keep harmless, the Bank from any, and all obligations, fees, liabilities, losses, damages, penalties, demands, actions, judgments and expenses, including reasonable legal fees and expenses (including such legal fees and expenses incurred in connection with the enforcement of the Agency Agreement), of every kind and nature whatsoever imposed on, incurred by, or asserted against the Bank arising out of the occurrence of any default or any other failure on the part of the Agent to perform or comply with any term of this Agreement, or any document, agreement or contract entered into by the Agent in relation hereto or otherwise in relation to the Project 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 to the Project. Without prejudice to the above, the Agent shall ensure that the Contract has sufficient indemnity provisions.
- 9.2 The Agent shall give the Bank prompt notice of any occurrence or condition known to the Agent as a consequence of which the Bank is or is reasonably likely to be entitled to indemnification. The indemnification provided in Article 9.1 shall specifically apply to and include claims or actions brought by or on behalf of employees of the Agent and the Agent expressly waives, as against the Bank, any immunity to which the Agent might otherwise be entitled under any applicable laws. The Agent shall promptly upon request by the Bank (but in any event within fifteen days of such request) reimburse the Bank for amounts expended by it in connection with any of the foregoing or pay such amounts directly.
- 9.3 The Agent shall be subrogated to the Bank's rights in any matter with respect to which the Agent has actually reimbursed the Bank for amounts expended by it or has actually paid such amounts directly pursuant to Article 9.1. In case any action or proceeding is brought against the Bank in connection with any indemnified claim, the Bank shall, after receipt of notice of the commencement of such action or proceeding, notify the Agent thereof, enclosing a copy of all papers served upon the Bank. The Agent may, and upon the Bank's request shall, resist and defend such action or proceeding at the Agent's expense, or cause the same to be resisted or defended by counsel selected by the Agent or any other authorized person. In the event of any failure by the Agent to do so, the Agent shall pay all costs and expenses (including reasonable attorney's fees and expenses) incurred by the Bank in connection with such action or proceeding.

ARTICLE X – EFFECTIVENESS

- 10.1 This Agreement shall become effective from the Effective Date of the Framework Agreement.

ARTICLE XI – SUSPENSION, CANCELLATION, TERMINATION

- 11.1 **Suspension.** The Bank may, in accordance with the applicable policies of the Bank, suspend its obligations under this Agreement if:
- 11.1.1 any event or circumstance occurs that the Bank reasonably believes has or is likely to have a Material Adverse Effect; or
 - 11.1.2 an Event of Default has occurred; or
 - 11.1.3 the Framework Agreement has been suspended in accordance with its Article 6.1.
- 11.2 Any suspension pursuant to the Article 11.1 shall continue until the event or events that have given rise to such suspension cease to exist and the Bank notifies the Agent that its rights under this Agreement have been restored.
- 11.3 **Cancellation by the Agent.** This Agreement shall be cancelled if the obligations under the Framework Agreement have been cancelled pursuant to its Article 6.3.
- 11.4 **Termination.** This Agreement shall be terminated immediately if any of the following circumstances shall occur:
- 11.4.1 if the Framework Agreement is terminated in accordance with its Article 6.4.
 - 11.4.2 if the Agent requests to terminate this Agreement, but in any case before the conclusion of the Contract;
 - 11.4.3 upon termination of the Contract for up to sixty (60) days due to the Contractor's failure to fulfil any of its obligations under the Contract and the Agent's failure to take, within such period and to the satisfaction of the Bank, appropriate action to remedy the situation; and
 - 11.4.4 when all obligations hereunder have been irrevocably and unconditionally discharged in full.
- 11.5 Neither cancellation nor termination in accordance with this Article shall affect any commitment made, obligations incurred or rights accrued prior to the date of such cancellation or termination.
- 11.6 Articles 6.1.6 and 9 shall survive the termination of this Agreement following delivery of the Asset.

ARTICLE XII – GOVERNING LAW, SETTLEMENT OF DISPUTES

- 12.1 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.
- 12.2 Any dispute between the Parties and any claim by any Party against the other Party arising under this Agreement 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

conciliation and Arbitration (IICRA), Dubai, United Arab Emirates. The arbitration 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.

- 12.3 If within 30 (Thirty) 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.
- 12.4 To the extent that the Agent 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 Agent hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.
- 12.5 Service of any notice or process in connection with any proceedings under Article 12.2 or in connection with any proceedings to enforce any award rendered pursuant to Article 12.3 may be made in the manner provided in Article 13. The Parties waive any and all other requirements for the service of any such notice or process.

ARTICLE XIII – COMMUNICATIONS

- 13.1 The Agent hereby appoints Ministry of Finance and Economic Affairs of The Gambia to act as its authorized representative (the “Agent’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 Agent and the Bank:

For the Bank

8111 King Khalid St. Al Nuzlah
Al Yamania Dist. Unit No.1
Jeddah-22332-2444
Kingdom of Saudi Arabia
Tel: +966 12 6361400
Fax: +966 12 6366871
Email: idbarchives@isdb.org

For the Agent

Ministry of Finance and Economic
Affairs
Banjul
Republic of The Gambia

ARTICLE XIV - MISCELLANEOUS

- 14.1 The recital and schedules are an integral part of this Agreement.
- 14.2 The person signing this Agreement on behalf of each Party hereby represents and warrants to the other Party that he or she has the requisite legal power and authority to execute this Agreement on behalf of the Party and bind the Party to the obligations herein.
- 14.3 This Agreement, including any amendments, may be executed in counterparts which, when taken together, will constitute a single agreement. Copies of this Agreement will be equally binding as originals and faxed or scanned and emailed counterpart signatures will be sufficient to evidence execution, though the Parties may require original signed documents to be delivered.

14.4 This Agreement may only be amended by a mutual written agreement of the Parties.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

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 handing 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
	Sub Total	2.24	6.85	9.36	4.70	23.16	94	1.49	6	24.65
	Contingencies	0.22	0.69	0.64	0.47	2.02		0.15		2.16
	<i>Excluding line of microfinance</i>									
	TOTAL PROJECT COST	2.46	7.54	10.00	5.17	25.17	94	1.64	6	26.81

SCHEDULE II
PROCUREMENT OF THE PROJECT ASSETS

Goods and Works: Establishment of pasture lands and Ram Fattening Schemes and construction of livestock production, processing and marketing facilities (veterinary drug outlets, boreholes, training centres, laboratory, dairies, milk collection centres, markets, slaughterhouses and meat stalls **through national competitive bidding (NCB).**

Summary of Procurement Arrangements with components

Project Components	Goods & Works		Shortlist Services				
	NCB	National Shopping	QCBS/MC	QCBS/national	LCS/LC	IC/LC	Single Source
A- Improvement of Small Ruminant Production, Processing and Marketing							
Construction of livestock production, processing and marketing facilities (veterinary drug outlets, boreholes, training centres, laboratory, dairies, milk collection centres, markets, slaughterhouses and meat stalls)	X						
Establishment of pasture lands and Ram Fattening Schemes	X						
Acquisition of pasture and forage seeds and milk collection tri-cycle		X					
Provision of veterinary supplies and equipment, cold storage equipment, pasture and forage equipment, breeding stock, lab equipment, and communication equipment	X						
B- Access to Microfinance and Capacity Building							
Line of Microfinance				X			
Microfinance Study			X				
Capacity building for Microfinance Institutions			X				
C-master plan development for livestock value chains							X
D- Project Management and Support							
Vehicles for PMU	X						
Office equipment and furniture		X					
Consultancy services for detail design & supervision			X				
Financial Audit					X		
Individual Consultants (PMU Staff)						X	

Notes: ICB/MC (International Competitive Bidding limited for Member Countries), NCB (National Competitive Bidding), QCBS/MC (Quality and Cost Based Selection among Short-list of member country firms), QCBS/LC (Quality and Cost Based Selection among Short-list of Local firms), LCS/LC (Least Cost Selection among Short-list of Local firms), IC/LC (Individual Consultant among Short-list of Local candidates)

SCHEDULE III
FORM OF DELIVERY NOTICE

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

Dear Sirs,

DELIVERY NOTICE

We refer to the Framework Agreement and the Agency Agreement both dated ____/____/____ G
concluded between us (the "Financing Agreements").

Terms defined in the Financing Agreements shall have the same meanings when used in this Delivery Notice.

1. This Delivery Notice is issued pursuant to the Financing Agreements and the undersigned is duly authorized to execute and deliver this Delivery Notice on behalf of the Insert Name.
2. The Bank is hereby notified that the Assets, as listed in Annex to this Delivery Notice, have been delivered to us by the Contractor.
3. We have reviewed the Assets and found them in conformity with the specification set out in the Contract and the Agency Agreement, and accordingly accepted the Assets.
4. In issuing this Delivery Notice, we confirm that the implementation of the relevant components of the Project has been completed.

In witness whereof, this Delivery Notice is executed and delivered as of the date hereof.

For and on behalf of
[Insert Name]

Name | Title of the Signatory

EXECUTION PAGE

FOR AND ON BEHALF OF
THE REPUBLIC OF THE GAMBIA



Name: Amadou Sanyeh

Title: MINISTER OF FINANCE
& ECONOMIC AFFAIRS

FOR AND ON BEHALF OF
ISLAMIC DEVELOPMENT BANK



Name:

Title: