

---

---

**GRANT NUMBER E249-GM**  
**GRANT NUMBER E250-GM**

# **Financing Agreement**

**(The Gambia First Boosting Resilience and Unlocking Productive Potential  
Development Policy Financing with a Catastrophe Deferred Drawdown Option)**

**between**

**REPUBLIC OF THE GAMBIA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

---

---

## **FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF THE GAMBIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of providing financing in support of the Program (as defined in the Appendix to this Agreement). The Association has decided to provide this financing on the basis, *inter alia*, of: (i) the actions which the Recipient has already taken under the Program and which are described in Section I [A] of Schedule 1 to this Agreement; and (ii) the Recipient’s maintenance of an adequate macroeconomic policy framework. The Recipient and the Association therefore hereby agree as follows:

### **ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

### **ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, as follows:
  - (a) an amount equivalent to thirty million five hundred thousand Special Drawing Rights (SDR 30,500,000) (“Grant (A)”); and
  - (b) an amount equivalent to fifteen million three hundred thousand Special Drawing Rights (SDR 15,300,000) which includes a deferred drawdown option (“Grant (b)”);

(Grant (A) and Grant (B), collectively “Financing”).
- 2.02. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance of Grant A.
- 2.03. The Payment Dates are March 15 and September 15 in each year.
- 2.04. The Payment Currency is Dollar.
- 2.05. (a) If, prior to the Closing Date, the Recipient requests an extension of the Closing Date for Grant B, the Association may provide such extension on such terms and conditions as agreed by the Association.

- (b) Notwithstanding the provisions of sub-paragraph (a) above, the Closing Date for Grant B shall not be extended if at the time of Recipient's request, the events specified in sub-paragraph (b) (i) of Section 3.05 of the General Conditions have occurred.
- 2.06. Without limitation upon the provisions of Section 5.05 of the General Conditions, the Recipient shall promptly furnish to the Association such information relating to the provisions of this Article II as the Association may, from time to time, reasonably request.

### **ARTICLE III — PROGRAM**

- 3.01. The Recipient declares its commitment to the Program and its implementation. To this end, and further to Section 5.05 of the General Conditions<sup>1</sup>:
- (a) the Recipient and the Association shall from time to time, at the request of either party, exchange views on the Recipient's macroeconomic policy framework and the progress achieved in carrying out the Program;
  - (b) prior to each such exchange of views, the Recipient shall furnish to the Association for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the Association shall reasonably request; and
  - (c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, the Recipient shall promptly inform the Association of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program including any action specified in Section I of Schedule 1 to this Agreement.

### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Events of Suspension consists of the following, namely that a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

### **ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Association is satisfied with the progress achieved by the Recipient in carrying out the Program and with the adequacy of the Recipient's macroeconomic policy framework.
-

- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the Signature Date.

**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

- 6.01. The Recipient's Representative is its minister responsible for finance.
- 6.02. For purposes of Section 11.01 of the General Conditions:

the Recipient's address is:

Ministry of Finance and Economic Affairs  
The Quadrangle  
Banjul, Republic of The Gambia; and

- 6.03. For purposes of Section 11.01 of the General Conditions:

- (a) the Association's address is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America; and

- (b) the Association's Electronic Address is:

Telex:	Facsimile:
248423 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

**REPUBLIC OF THE GAMBIA**

**By**

*Seedy Keita*

---

**Authorized Representative**

**Name:** Seedy Keita

**Title:** Minister

**Date:** 27-Nov-2023

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

**Keiko Miwa**

---

**Authorized Representative**

**Name:** Keiko Miwa

**Title:** Country Director

**Date:** 27-Nov-2023

## SCHEDULE 1

### Program Actions; Availability of Financing Proceeds

#### Section I. Actions under the Program

**Actions Taken Under the Program.** The actions taken by the Recipient under the Program include the following:

#### **PILLAR 1: Unlocking the Productive Potential**

1. To facilitate private sector in the energy sector and facilitate renewable energy penetration, the Recipient has issued the Gambia Green Mini-Grid Regulations, 2023 setting out rules and conditions for concession agreements, community contracts, generation and distribution licenses for green mini grids.
2. To revitalize commercial agriculture and food safety, the Recipient has issued the Groundnuts and Groundnut Products Regulations 2023, establishing rules and enforcement mechanisms for the maximum limits of aflatoxin levels, including the roles of food business operators in complying with the safety standards.
3. To increase access to affordable financial services, the Recipient has issued the Provision of Retail Payment Services Regulations, 2023, to include the full scope of electronic payment services, as well as more innovative payment instruments.

#### **PILLAR 2: Strengthening Procurement, Economic Governance of SOEs, and Domestic Resource Mobilization**

1. To enhance the efficiency of public procurement, the Recipient, has issued the Gambia Public Procurement Regulations, 2023, defining the roles of all stakeholders, establishing transparency and oversight mechanisms, and clearly defining emergency and single source rules.
2. To improve governance, performance and oversight of SOEs, the Recipient has enacted the State-Owned Enterprises Act No.5 of 2023 establishing a framework to monitor and provide oversight of SOEs primary and performance objectives and mandating the publication of the audited annual financial statements of SOEs.
3. To boost tax revenue collection, the Recipient has (i) issued the Petroleum (Marking and Quality Control Regulations, 2023 and the Excise Stamps Regulations, 2023, and (ii) issued a circular standardizing border clearance procedure and establishing a new risk management system at all borders and inland control posts.

**PILLAR 3: Strengthen Climate and Social Resilience.**

1. To ensure a sustainable, adaptive, social protection system, the Recipient, has approved the National Social Protection Bill, establishing the institutional arrangements, mandate, scope and the principles for social assistance to the most vulnerable and submitted it to Parliament.
2. To streamline and strengthen disaster risk management (DRM) frameworks the Recipient has issued the National Disaster Management Prevention Regulations 2023 setting up the roles and responsibilities of stakeholders and coordination mechanisms in response to climate shocks, and detailing emergency prevention efforts at the community level and mandating women’s representation in decision-making roles in local DRM committees.

**Section II. Availability of Financing Proceeds**

- A. General.** The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of this Section and such additional instructions as the Association may specify by notice to the Recipient.
- B. Allocation of Financing Amounts.** The Financing is allocated in a single withdrawal tranche, from which the Recipient may make withdrawals of the Financing proceeds. The allocation of the amounts of the Financing to this end is set out in the table below:

<b>Allocations</b>	<b>Amount of the Financing Allocated (expressed in SDR) for Grant A</b>	<b>Amount of the Financing Allocated (expressed in SDR) for Grant B</b>
(1) First Withdrawal Tranche	30,500,000	0
(2) CAT-DDO withdrawal Tranche	0	15,300,000
<b>TOTAL AMOUNT</b>	<b>30,500,000</b>	<b>15,300,000</b>

**C Withdrawal Tranche Release Conditions**

1. No withdrawal shall be made of the Single Withdrawal Tranche for Grant (A) unless the Association is satisfied: (a) with the Program being carried out by the

Recipient; and (b) with the adequacy of the Recipient's macroeconomic policy framework.

2. (a) No withdrawal shall be made of the CAT-DDO Withdrawal Tranche unless the Association is satisfied, based on evidence satisfactory to it, that a declaration of a state of public emergency made pursuant to the National Disaster Management Act, 2008, has been issued to respond to an imminent or occurring natural disaster including a health emergency.
- (b) Notwithstanding the foregoing, if, at any time prior to the receipt by the Association of a request for withdrawal of an amount of the CAT-DDO Withdrawal Tranche, the Association determines that a review of the Recipient's progress in carrying out the Program is warranted, the Association shall give notice to the Recipient to that effect. Upon the giving of such notice, no withdrawals shall be made of the Unwithdrawn Financing Balance with respect to Grant B unless and until the Association has notified the Recipient of its satisfaction, after an exchange of views as described in paragraphs (a) and (b) of Section 3.01 of Article III of this Agreement, with the progress achieved by the Recipient in carrying out the Program.
- (c) No withdrawal shall be made of the CAT-DDO Withdrawal Tranche unless the Association is satisfied, based on evidence satisfactory to it, that the situation described in paragraph (c) of Section 3.01 of Article III of this Agreement has been resolved.

**D. Deposit of Financing Amounts.**

The Recipient, within thirty (30) days after the withdrawal of the First Withdrawal Tranche and the CAT-DDO Withdrawal Tranche from the Financing Account, shall report to the Association: (a) the exact sum received into the account referred to in Section 2.03 (a) of the General Conditions; (b) the details of the account to which the Dalasi equivalent of the Financing proceeds will be credited; (c) the record that an equivalent amount has been accounted for in the Recipient's budget management systems; and (d) the statement of receipts and disbursement of the account referred to in Section 2.03 (a) of the General Conditions.

**E. Audit.**

Upon the Association's request, the Recipient shall:

1. have the account referred to in Section 2.03 (a) of the General Conditions audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association;



2. furnish to the Association as soon as available, but in any case, not later than four months after the date of the Association's request for such audit, a certified copy of the report of such audit, of such scope and in such detail as the Association shall reasonably request, and make such report publicly available in a timely fashion and in a manner acceptable to the Association and;
3. furnish to the Association such other information concerning the account referred to in Section 2.03 (a) of the General Conditions and their audit as the Association shall reasonably request

**F. Closing Date.**

1. The Closing Date for Grant (A) is December 31, 2024
2. The Closing Date for Grant (B) is December 31, 2027

## APPENDIX

### Section I. Definitions

1. “CAT-DDO Withdrawal Tranche” means the amount of the Financing allocated to the category entitled “CAT-DDO Withdrawal Tranche” in the table set forth in Part B of Section II of Schedule 1 to this Agreement.
2. “First Withdrawal Tranche” means the amount of Financing allocated to the category entitled “First Withdrawal Tranche” in the table set forth in Part B of Section II of Schedule 1 to this Agreement.
3. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Development Policy Financing”, dated December 14, 2018 (Last revised on July 15, 2023).
4. “Ministry of Finance and Economic Affairs” or the acronym “MOFEA” means the Recipient’s ministry responsible for finance, or any successor hereto.
5. “National Disaster Management Agency” means the Recipient’s agency established as a corporate body by the Recipient’s National Management Act of 2008.
6. “Program” means: the program of objectives, policies, and actions set forth or referred to in the letter dated October 12, 2023 from the Recipient to the Association declaring the Recipient’s commitment to the execution of the Program, and requesting assistance from the Association in support of the Program during its execution and comprising actions taken, including those set forth in Section I of Schedule 1 to this Agreement, and actions to be taken consistent with the program’s objectives.
7. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.