

20201489



PROGRAMME ID No.: P-GM-K00-013
GRANT No.: 2100155040753

PROTOCOL OF AGREEMENT

BETWEEN

REPUBLIC OF THE GAMBIA

AND

AFRICAN DEVELOPMENT FUND

**(MULTI-COUNTRY COVID-19 CRISIS RESPONSE SUPPORT
PROGRAMME FOR THE GAMBIA, LIBERIA AND SIERRA LEONE)**

PROTOCOL OF AGREEMENT
MULTI-COUNTRY COVID-19 CRISIS RESPONSE SUPPORT PROGRAMME FOR
THE GAMBIA, LIBERIA AND SIERRA LEONE

PROGRAMME ID No.: P-GM-K00-013

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This **PROTOCOL OF AGREEMENT** (the "Agreement") is entered into this 18th day of August 2020, between the **REPUBLIC OF THE GAMBIA** (the "Recipient") and the **AFRICAN DEVELOPMENT FUND** (the "Fund").

WHEREAS:

- (A) The Recipient has requested the Fund to assist in the financing of the COVID-19 Crisis Response Support Programme for The Gambia, Liberia and Sierra Leone as further described in Schedule I (A) (*Programme Purpose, Objectives and Outcomes*) to this Agreement (the "Programme") by providing a grant to the Recipient in the amount specified in Section 2.01 (*Amount*) of this Agreement on the terms and conditions set forth or referred to in this Agreement;
- (B) The Recipient's Ministry of Finance and Economic Affairs shall be the executing agency for the Programme;
- (C) The Recipient has declared its commitment to the execution of the Programme; and
- (D) The Fund has agreed to provide the grant on the basis, inter alia of the Prior Actions which the Recipient has already taken under the Programme and which are further described in Schedule I (B) (*Prior Actions before Presentation to the Fund's Board of Directors*) to this Agreement.

NOW THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

GENERAL CONDITIONS-DEFINITIONS

Section 1.01. **General Conditions.** The *General Conditions Applicable to Protocols of Agreement for Grants of the African Development Fund dated February 2009* as amended from time to time (the "General Conditions") constitute an integral part of this Agreement.

Section 1.02. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in Schedule IV (*Definitions*) to this Agreement.

Section 1.03. **Schedules.** The Schedules to this Agreement form an integral part of this Agreement and shall have effect as if set out in full herein.

ARTICLE II

THE GRANT

Section 2.01. **Amount.** The Fund agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant of an amount not exceeding the equivalent of Five Million Units of Account (UA 5,000,000) (the "Grant"), to support the implementation of the Programme.

ARTICLE III

ENTRY INTO FORCE AND DISBURSEMENT

Section 3.01. **Entry into Force.** This Agreement shall enter into force on the Date of the Protocol of Agreement.

Section 3.02. **Disbursement.** The proceeds of the Grant shall be disbursed to the Recipient in accordance with the provisions of: (a) Article IV (*Disbursement of the Grant*) of the General Conditions; (b) the Disbursement Handbook; (c) the Disbursement Letter; (d) Article III (*Entry into Force and Disbursement*) of this Agreement; and (e) such additional instructions as the Fund may specify by notice to the Recipient.

Section 3.03. **Disbursement Tranche.** Subject to Section 3.04. (*Conditions Precedent to Disbursement of the Single Tranche*) of this Agreement, the Grant shall be disbursed to the Recipient in a single tranche.

Section 3.04. **Conditions Precedent to Disbursement of the Single Tranche.** In addition to the provisions of Section 3.01 (*Entry into Force*) of this Agreement, the obligation of the Fund to make the disbursement of the single tranche of the Grant shall be subject to the satisfaction of the following condition by the Recipient:

- (a) Submission of the evidence of the opening of a foreign currency special account (the "Special Account") in the Central Bank of The Gambia for the deposit of the proceeds of the Grant, in form and substance satisfactory to the Fund.

Section 3.05. **Non-Eligible Expenditures.** The Recipient undertakes that the proceeds of the Grant shall not be used to finance any of the items listed in Schedule II (Negative List) to this Agreement. If the Fund determines that at any time an amount of the Grant was used to make a payment for a Non-Eligible Expenditure, the Recipient shall, promptly, upon notice from the Fund, refund an amount equal to the amount of such payment to the Fund. Amounts refunded to the Fund upon such request shall be cancelled.

Section 3.06. **Closing Date.** For purposes of Section 5.03 (*Cancellation by the Fund*) of the General Conditions, the Closing Date shall be **31 December 2021**, or such later date as shall be agreed upon in writing between the Recipient and the Fund.

ARTICLE IV **UNDERTAKINGS**

Section 4.01. The Recipient declares its commitment to the objectives of the Programme. To this end, the Recipient shall carry out the Programme, and shall cause the Executing Agency, to carry out the Programme, in accordance with the provisions of Article VII (*Project Implementation - Cooperation and Information*) of the General Conditions and this Agreement.

Section 4.02. **Integrity.** The Recipient shall, and shall cause the Executing Agency to, carry out the Programme in accordance with the provisions of the Anti-Corruption Policies.

ARTICLE V **ADDITIONAL REMEDIES OF THE FUND**

Section 5.01. **Other Events of Suspension.** For the purpose of Section 5.02 (1) (i) (*Other Events of Suspension*) of the General Conditions, the other event of suspension of the Grant consists of the following:

- (a) Any circumstance arising which in the opinion of the Fund interferes with or threatens to interfere with the successful completion of the Programme or the accomplishment of its purposes.

Section 5.02. **Other Events of Cancellation.** In addition, to the events in Section 5.03 (*Cancellation by the Fund*) of the General Conditions, the other event of cancellation of the Grant consists of the following:

- (a) Any event specified in Section 5.01(*Other Events of Suspension*) of this Agreement which has occurred and is continuing for a period of thirty (30) days after notice of the event has been given by the Fund to the Recipient or such later date as shall be agreed upon in writing between the Recipient and the Fund.

ARTICLE VI **PROCUREMENT**

Section 6.01. **Procurement.** All Goods, Works, Non-Consulting Services and Consulting Services required for the Programme and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of the Procurement Framework.

Section 6.02. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Article VI (*Procurement*) including those describing particular procurement methods or methods of review by the Fund of particular contracts, have the meanings ascribed to them in the Procurement Framework.

Section 6.03. **Use of the Recipient's Procurement System.**

- (a) **Eligibility.** The proceeds of the Grant shall be used for the procurement of Goods, Works, Non-Consulting Services and Consulting Services satisfying the applicable country of origin requirements prescribed in the Public Procurement Act, 2014 and its Amendment Act, 2018 (the "Recipient's Procurement System"), except that, the proceeds of the Grant shall not be used for the procurement of :
- (i) firms from a country or goods manufactured in a country excluded in compliance with the decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and/ or
 - (ii) firms sanctioned by the Fund in accordance with the Anti-Corruption Policies.
- (b) **Methods.** Each contract for Goods, Works, Non-Consulting Services and Consulting Services required for the Programme shall be procured in accordance with the Recipient's Procurement System using the relevant National Standard Bidding Documents or National Model Bidding Documents.

Section 6.04. **Procurement Oversight and Audit.**

- (a) The Recipient shall cause the National Audit Office (NAO) in collaboration with the Gambia Public Procurement Authority (GPPA) to carry out a procurement audit of all COVID-19 related activities under the Programme in accordance with the Recipient's Procurement System at the end of the Programme. The procurement audit will be conducted in accordance with terms of reference approved by the Fund.
- (b) The procurement audit report shall be submitted to the Fund no later than nine (9) months after the Closing Date.
- (c) The Fund may, in its sole discretion, require independent procurement audits or inspections to be undertaken by independent auditors appointed by the Fund. The costs of such independent audits or inspections shall be borne by the Fund.

Section 6.05. **Reports and Retention of Documents.**

- (a) The Recipient shall and shall cause the Executing Agency to maintain and record all relevant information concerning the procurement activities undertaken for the Programme and shall include the said information in each Programme Report to be submitted to the Fund on a quarterly basis in accordance with the provisions of Section 7.01 (*Programme Report*) of this Agreement.
- (b) The Recipient shall and shall cause the Executing Agency to retain copies of all records (contracts, orders, invoices, bills, receipts and other documents) for periodic review and inspection by the Fund in accordance with Section 9.09 (c) (*Accounts, Records and Audit*) of the General Conditions.

Section 8.03. **External Audit.** The Recipient shall:

- (a) cause the National Audit Office to conduct an audit of the flow of funds under the Operation, to confirm inter alia the timing, accurate conversion of the funds (from US Dollars into Dalasi), and transferred from the Special Account into the Consolidated Revenue Fund (CRF) Account at the Central Bank of The Gambia. The audit will be conducted in accordance with terms of reference approved by the Fund. The audit reports shall be submitted to the Fund no later than six (6) months after the end of the fiscal year during which disbursement occurs; and
- (b) submit to the Fund, the annual audit reports on the Consolidated Revenue Fund Account (inclusive of covid-19 funding) for each year of the Programme. The audit reports shall be submitted to the Fund upon submission of the said audit reports to the National Assembly.

ARTICLE IX

ENVIRONMENTAL AND SOCIAL SAFEGUARDS

Section 9.01. **Environmental and Social Safeguards.** The Recipient shall, and shall cause the Executing Agency, all its contractors, sub-contractors and agents to carry out all Covid-19 related activities under the Programme in accordance with the Fund's Safeguards Policies and the applicable national legislation in a manner and in substance satisfactory to the Fund in particular, the Recipient will manage any biomedical waste in accordance with relevant national legislation, good international practice recommended by the World Health Organization or any other technically and financially feasible and efficient practice acceptable to the Fund.

Section 9.02. **Reporting.** The Recipient shall prepare and submit to the Fund, as part of the Completion Report, a report on the environmental and social aspects of the implementation of Covid-19 related activities under the Programme, in form and substance acceptable to the Fund, no later than six (6) months after the end of the Closing Date.

ARTICLE X

AUTHORIZED REPRESENTATIVES, DATE, ADDRESSES

Section 10.01. **Authorized Representatives.** The Minister of Finance and Economic Affairs or such other person as the Minister of Finance and Economic Affairs may designate in writing shall be the authorized representative for the purposes of Article IX (*Miscellaneous Provisions*) of the General Conditions.

Section 10.02. **Date of the Protocol of Agreement.** For all purposes of this Agreement, the date thereof shall be that appearing in the preamble hereof.

Section 10.03. **Addresses.** The following addresses are specified for the purposes of Article IX (*Miscellaneous Provisions*) of the General Conditions:

For the Recipient:

Mailing Address:

Ministry of Finance and Economic Affairs
The Quadrangle
Banjul
REPUBLIC OF THE GAMBIA
Tel: (220) 422 7221
Fax: (220) 422 7954

Attention:

Minister of Finance and Economic Affairs

For the Fund:

Headquarters:

African Development Fund
01 B.P. 1387
Abidjan 01
REPUBLIC OF COTE D'IVOIRE

Attention:

Director,
Governance and Public Financial Management
Department (ECGF)

Senegal Country Office Mailing Address:

2^e Etage Immeuble Coumba, Route de Ngor
Zone 12, Quartier des Almadies
BP 50544-CP 18524 RP Dakar
REPUBLIC OF SENEGAL
Tel: (221) 33 869 75 44
Fax: (221) 33 820 09 99

Attention:

Country Manager Senegal
Senegal Country Office

IN WITNESS WHEREOF the Recipient and the Fund, each acting through its authorized representative, have signed this Agreement in two (2) original counterparts in English on the date appearing in the opening sentence of this Agreement.

FOR REPUBLIC OF THE GAMBIA



MAMBURY NJIE
MINISTER OF FINANCE AND ECONOMIC AFFAIRS

FOR AFRICAN DEVELOPMENT FUND



**SERGE N'GUESSAN
DEPUTY DIRECTOR GENERAL
WEST AFRICA REGIONAL DEVELOPMENT
AND BUSINESS DELIVERY OFFICE**

SCHEDULE I
PROGRAMME DESCRIPTION

(A) Programme Purpose, Objectives and Outcomes:

- (i) **Purpose:** This is a Crisis Budget Support Programme.
- (ii) **Objectives:** The objective of the Programme is to contribute to rapid response to COVID-19 with a view to containing the spread of the pandemic, alleviate suffering of the vulnerable, and enhance economic resilience in The Gambia.

The Programme consists of the following three (3) components:

- (a) **Component 1 – Strengthening health systems to contain the COVID-19 pandemic:** This component will include the following short-term measures: (i) adoption of the updated response plan; (ii) defining modalities for allowing truck drivers into the country; (iii) training of staff in E-surveillance; and (iv) definition of the requirements for continuity.
- (b) **Component 2 – Safeguarding livelihoods through provision of social support to the most vulnerable:** This component will include the following measures: (i) designing and operationalizing a food support package (rice, sugar, cooking oil) targeting the most vulnerable households; and (ii) establishment of a regulated price list for essential commodities to ensure that the most vulnerable are protected against price-hikes in essential goods.
- (c) **Component 3 – Support Economic Stabilisation and Public Accountability:** This component will include the following measures: (i) extension by the Government for businesses to file their tax returns and payment of taxes by a period of at least three (3) months; (ii) Gambia Revenue Authority to reduce the Cost, Insurance, Freight (CIF) rate by 20% for businesses importing basic commodities such as rice, sugar and oil; and (iii) payment by the Government of taxes to municipalities on behalf of hotels affected by the pandemic.

The Programme is also expected in short-to-medium term to support implementation of Public Financial Management (PFM) and accountability reforms in areas such as procurement, internal controls, oversight, and anti-corruption to reduce fiduciary risks and enhance developmental impact.

- (iii) **Outcomes:** The Programme is expected to have the following outcomes: (a) reduced Case Fatality Rate; (b) about 100% increase in isolation beds from three hundred and ninety-eight (398) to about a thousand (1,000); (c) enhanced capacity of health facilities and health care workers for epidemic preparedness and response; (d) increased rate of tests and people tested; (e) expanded cash transfer and food distribution and school feeding programme; (f) provision of

support to Small and Medium Enterprises (SMEs) and other sectors through tax and non-tax measures; (g) reduced job losses; and (h) increased public accountability in use of COVID-19 funds.

(B) Prior Actions before Presentation to the Bank's Board of Directors:

The prior actions taken by the Recipient under the Programme are summarized in the table below:

S/N	Policy Measures	Required Evidence
1	Approval of the revised National Health Emergency Plan	Letter from the Minister of Finance and Economic Affairs transmitting to the Bank a copy of the revised National Health Emergency Plan
2	Approval of award of contracts for the supply of key food items for distribution of food kits	Letter from the Minister of Finance and Economic Affairs transmitting to the Bank a list of awarded contracts approved by The Gambia Public Procurement Authority for the supply of key food items and indicating: (i) awarded suppliers; (ii) unit prices for food items; (iii) share of women-led enterprises awarded contracts; and (iv) tender method.
3	Publication of a Notice on the extension of the period for businesses to file tax returns and make tax payments under the Income and Value Added Tax Act, 2012	Letter from the Minister of Finance and Economic Affairs confirming the publication of the Notice on extension of the period for businesses to file tax returns and make tax payments by three (3) months issued by the Commissioner General of The Gambia Revenue Authority
4	Submission to the National Assembly of a supplementary appropriation request for COVID-19 related expenditure	Letter from the Minister of Finance and Economic Affairs transmitting to the Bank a copy of the letter to the Clerk of the National Assembly requesting a supplementary appropriation

SCHEDULE II
NEGATIVE LIST

1. Production of, or trade in, any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
2. Production of, or trade in, radioactive materials, with the exception of medical materials and quality-control equipment for which the Fund considers the radioactive source to be trivial and adequately shielded.
3. Production of, or trade in, or use of, unbonded asbestos fibres or other products with bonded asbestos as dominant material.
4. Production of, or trade in, pharmaceuticals, chemical compounds and other harmful substances subject to international phase-outs or bans, including pesticides classified by the World Health Organization as Class Ia (extremely hazardous), Ib (highly hazardous) or II (moderately hazardous).
5. Production of, or trade in, ozone-depleting substances subject to international phase out.
6. Trade in wildlife or wildlife products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora.
7. Purchase of logging equipment for use in unmanaged primary tropical rainforests.
8. Production or activities involving harmful or exploitative forms of forced labour¹ and/or harmful child labour² as defined by national regulations and international standards.
9. Goods and services supplied under a contract which any national or international financing institution or agency other than the Fund has financed or agreed to finance, or which the Fund has financed or agreed to finance under another grant or loan.
10. Goods intended for military and/or paramilitary purposes.
11. Alcoholic beverages.
12. Un-manufactured tobacco, tobacco refuse, manufactured tobacco (whether or not containing tobacco substitutes) and tobacco processing machinery.

¹ Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

² Harmful child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.

13. Platinum, pearls, precious and semi-precious stones, silver, gold and related products.
14. Nuclear reactors and parts thereof, non-irradiated fuel elements (cartridges) for nuclear reactors.
15. Goods for luxury consumption.

SCHEDULE III

DEFINITIONS

1. **“Anti-Corruption Policies”** means the Uniform Framework for Preventing and Combating Fraud and Corruption dated September 2006, the Whistle Blowing and Complaints Handling Policy dated January 2007, the Procurement Framework, the Cross-Debarment Agreement and the Sanctions Procedures of the African Development Bank Group issued November 18, 2014 as the same may be amended from time to time.
2. **“Completion Report”** means a comprehensive report on inter alia, the execution and the initial operation of the Programme, including the costs and benefits derived and to be derived therefrom, the performance by the Recipient and the Fund of their respective obligations under the Agreement, the accomplishment of the purposes of the Grant and the plan designed to ensure the sustainability of the Programme achievements, amongst others to be prepared and submitted by the Recipient to the Fund in accordance with the terms of this Agreement.
3. **“Cross-Debarment Agreement”** means the Agreement for Mutual Enforcement of Debarment Decisions dated 9 April 2010 and entered into, amongst the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group and the World Bank Group as the same may be amended from time to time.
4. **“Disbursement Handbook”** means the Disbursement Handbook of the African Development Bank Group dated March 2020 setting out the disbursement policies, guidelines, practices, and procedures of the Bank Group as the same may be amended from time to time.
5. **“Fund’s Safeguards Policies”** means policies, procedures and guidelines of the Fund that concern environmental and social matters including, the Bank Group Integrated Safeguards System (Policy Statement, Operational Safeguards and Guidance Materials), the Involuntary Resettlement Policy, the Environmental and Social Assessment Procedures, the Bank Group Policy for Disclosure and Access to Information, the Bank Group Policy on Poverty Reduction, the Gender Policy, as the same may be amended and revised from time to time.
6. **“Non-Eligible Expenditures”** means expenditure determined as non-eligible for Bank Group financing under the Policy on Expenditure Eligible for Bank Group Financing dated March 2008 as amended from time to time as well as expenditure for goods or services contained on the Negative List attached as Schedule II (*Negative List*) to this Agreement.
7. **“Prior Actions”** means the actions listed in the table in Schedule I (B) (*Prior Actions before Presentation to the Fund’s Board of Directors*) to this Agreement which are to

be fulfilled prior to the presentation of the Grant proposal to the Board of Directors of the Fund.

8. **"Procurement Framework"** means (i) the Procurement Policy for Bank Group Funded Operations dated October 2015 and effective January 1, 2016; (ii) the Methodology for Implementation of the Procurement Policy of the African Development Bank; (iii) the Operations Procurement Manual for the African Development Bank; and (iv) the Procurement Toolkit for the African Development Bank as the same may be amended from time to time.
9. **"Programme Report"** means the report prepared by the Recipient pursuant to this Agreement containing Programme information that includes amongst others, sources and uses of funds including those committed, with the corresponding budgets, progress on Programme implementation made in the achievement of the results together with other supporting schedules and highlighting issues that require attention.
10. **"Units of Account"** has the meaning given in the Agreement establishing the Fund.