H.E. Ana Dias Loureiro  
Minister of Planning  
Ministry of Planning  
Largo do Palacio  
Luanda  
Angola  

Excellency:

Republic of Angola: ANGOLA – Market-Oriented Smallholder Agriculture Project  
IFAD Loan 736 – AO  
Additional Instructions: Disbursement

I refer to the Loan Agreement between the International Fund for Agriculture Development (the “Fund”) and the Republic of Angola (the “Borrower”) for the above-referenced project, dated April 16, 2008 and the to the letter from the Fund to the Borrower, dated October 26, 2010 which appoints the International Development Association (the “Association”) to act as the Cooperating Institution, within the meaning of Article III of the Fund’s “General Conditions”. The attached World Bank Disbursement Guidelines for Projects, dated May 1, 2006, (“Disbursement Guidelines”) (Attachment 1), are an integral part of the Disbursement Letter. The manner in which the provisions in the Disbursement Guidelines apply to the Financing is specified below. Sections and subsections in parentheses below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter, the capitalized terms used have the meanings ascribed to them in the Disbursement Guidelines.

I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Financing:

- Reimbursement
- Advance
- Direct Payment
- Special Commitment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is June 30, 2016. The project completion date is December 31, 2015 and expenditures are deemed eligible for financing from the loan if goods, works and services are delivered up to the completion date.

(iii) Disbursement Conditions (subsection 3.8). Please note that the conditions of disbursement stipulated in the Financing Agreement have already been met.
II. Withdrawal of Financing Proceeds

(i) Authorized Signatures (subsection 3.1). An authorized signatory letter in the Form attached (Attachment 2) should be furnished to the World Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank
1818 H Street, N.W.
Washington D.C. 20433
USA
Attention: Country Lawyer for Angola

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed applications for withdrawal, together with supporting documents, to the address indicated below:

The World Bank Group
Regional Disbursement Centre
4 Fricker Road
Illovo 2196
Johannesburg, South Africa
Attention: Loan Department

(iii) Electronic Delivery (subsection 3.4). The Association may permit the Borrower/Recipient to electronically deliver to the Association Applications (with supporting documents) through the Association’s Client Connection, web-based portal. The option to deliver Applications to the Association by electronic means may be effected if: (a) the Recipient has designated in writing, pursuant to the terms of subparagraph (i) of this Section, its officials who are authorized to sign and deliver Applications and to receive secure identification devices (“Tokens”) from the Association for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Borrower/Recipient have registered as users of Client Connection. If the Association agrees, the Association will provide the Borrower/Recipient with Tokens for the designated officials. Following which, the designated officials may deliver Applications electronically by completing Form 2380, which is accessible through Client Connection (https://clientconnection.worldbank.org). The Borrower/Recipient may continue to exercise the option of preparing and delivering Applications in paper form. The Association reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient.

(iv) Terms and Conditions of Use of Tokens to Process Applications. By designating officials to accept Tokens and by choosing to deliver the Applications electronically, the Borrower/Recipient confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation (“Terms and Conditions of Use of Tokens”) provided in Attachment 3; and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications is United States Dollars 100,000
(vi) Advances (sections 5 and 6).

- **Type of Designated Account[s] (subsection 5.3):** A new, segregated account.
- **Currency of Designated Account[s] (subsection 5.4):** United States Dollars
- **Financial Institution at which the Designated Account[s] Will Be Opened (subsection 5.5):** A commercial bank acceptable to the Association
- **Ceiling (subsection 6.1):** USD 530,000

III. Reporting on Use of Financing Proceeds

(i) **Supporting Documentation (section 4).** Supporting documentation should be provided with each application for withdrawal as set out below

- **For requests for Reimbursement and for reporting eligible expenditures paid from the Designated Account(s):**
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 4)
  - Records evidencing eligible expenditures (Attachment 5) evidencing eligible expenditures (e.g., copies of receipts, supplier invoices), for payments made under contracts above SOE documentation thresholds: (i) Consulting Firms against contracts valued at USD 100,000 equivalent or more: (ii) Individual Consultants against contracts valued at USD 50,000 equivalent or more; (iii) Goods against contracts valued at USD 100,000 or more;
  - Statement of Expenditure in the form attached (Attachment 6) for all other expenditures, including Operating Costs, Training and Workshops.

- **For requests for Direct Payment:** records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices

(ii) **Frequency of Reporting Eligible Expenditures Paid from the Designated Account(s) (subsection 6.3):** Monthly

IV. Other Disbursement Instructions – One advance in the amount of USD 530,000 was made directly by IFAD to the Borrower. This advance has been accounted for in full by IFAD. The amount of withdrawal applications to be processed by the Association, as Cooperating Institution, will be capped at the disbursable (available) balance under the loan, in SDRs, which will be provided by IFAD to the Association and entered in the Bank’s systems for control purposes. The disbursable balance will be equal to the original loan amount of SDRs 5,250,000 minus the SDR amount equivalent to the advance of USD 530,000 made directly by IFAD to the Borrower.

The provisions of the amendment, dated July 23, 2010, to IFAD’s Project Loan Agreement of April 16, 2008, in particular the revised withdrawal table and its disbursement categories and financing percentages, inclusive of taxes, shall be the basis for the processing withdrawal applications under this loan.
V. Other Important Information


From the Client Connection website, you will be able to prepare and deliver Applications, monitor the near real-time status of the Financing, and retrieve related policy, financial, and procurement information.

If you have not already done so, the Association recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Financing, and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver Applications by electronic means are required to register with Client Connection before electronic delivery can be effected. For more information about the website and registration arrangements, please contact the Association by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Jose Janeiro, Senior Finance Officer at jjaneiro@worldbank.org using the above reference.

Yours sincerely,

[Signature]
Laurence C. Clarke
Country Director for Angola, Mozambique, Sao Tome and Principe
Africa Region

Attachments:
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
4. Form for Payments Against Contracts Subject to the World Bank’s Prior Review (or the same form as Attachment 3, for IDA 4502-ANG)
5. Records evidencing payment made against contracts above the SOE/documentation thresholds - supporting documentation is required;
6. Statements of Expenditure evidencing payments made against contracts below the SOE/documentation thresholds – no supporting documentation is required (or the same form as Attachment 4, for IDA 4502-ANG)
Prepared by: Jose Janeiro CTRLA

Cleared with and cc: Luz Meza-Bartrina, Country Lawyer; Antonio Bila, Task Team Leader

cc: H.E. Carlos Alberto Lopes
Ministry of Finance
Largo da Mutamba
Luanda, Angola
cdi@minfin.gov.ao

H.E. Afonso Pedro Canga
Minister of Agriculture
Ministry of Agriculture and Rural Development
Instituto de Desenvolvimento Agrário
Rua Comandante Gika, Largo António Jacinto, Edificio B, 2 andar
Luanda, Angola
IDA@minagri.gov.ao
Attachment 2

Form of Authorized Signatory Letter

[Letterhead]
Ministry of Planning
[Street address]

[DATE]

The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: [Country Director]

Re: IFAD Loan No. 736-AO (Market-Oriented Smallholder Agriculture Project)

I refer to the Financing Agreement ("Agreement") between International Fund for Agriculture Development (the "Fund") and the Republic of Angola (the "Borrower"), dated April 16, 2008, providing the above Loan. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any [one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign applications for withdrawal [and applications for a special commitment] under this Loan.

For the purpose of delivering Applications to the Association, [each] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient, acting [individually][jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

[This confirms that the Recipient is authorizing such persons to accept Tokens and to deliver the Applications and supporting documents to the Association by electronic means. In full recognition that the Association shall rely upon such representations and warranties, including without limitation, the representations and warranties contained in the Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation ("Terms and Conditions of Use of Tokens"), the Recipient represents and warrants to the Association that it will deliver.

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1 Instruction to the Recipient: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. Please delete this footnote in final letter that is sent to the Association.

2 Instruction to the Recipient: Stipulate if more than one person needs to jointly sign Applications, if so, please indicate the actual number. Please delete this footnote in final letter that is sent to the Association.

3 Instruction to the Recipient: Use this bracket if any one of the authorized persons may sign; if this is not applicable, please delete. Please delete this footnote in final letter that is sent to the Association.

4 Instruction to the Recipient: Use this bracket only if several individuals must jointly sign each Application; if this is not applicable, please delete. Please delete this footnote in final letter that is sent to the Association.

5 Instruction to the Recipient: Add this paragraph if the Recipient wishes to authorize the listed persons to accept Tokens and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. Please delete this footnote in final letter that is sent to the Association.
to each such person a copy of the Terms and Conditions of Use of Tokens and will cause such persons to abide by those terms and conditions.

This Authorization replaces and supersedes any Authorization currently in the Association records with respect to this Agreement.

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

Yours truly,

/ signed /

[Position]
The World Bank (Bank)\(^1\) will provide secure identification devices (Tokens) to permit the Borrower\(^2\) to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

**A. Identification of Users.**

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide Tokens to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.

2. Each Signatory must register as a user on the Bank’s Client Connection (CC) website ([https://clientconnection.worldbank.org](https://clientconnection.worldbank.org)) prior to delivery of Tokens. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

**B. Distribution, Initialization and Return of Tokens.**

1. The Bank will physically deliver a Token to each Signatory in a manner to be determined by and satisfactory to the Bank.

2. At the time of delivery of a Token to a Signatory, the Signatory will receive a copy of these Terms and Conditions of Use for purposes of initializing the Token.

3. The Bank will verify that the Token, Temporary Password and Terms and Conditions of Use have been duly delivered to and received by the CC User.

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\(^1\) "Bank" includes IBRD and IDA.

\(^2\) "Borrower" includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.
4. Promptly upon receipt of the Token and Terms and Conditions of Use, the Signatory will access CC using his/her account name and CC Password and register his/her Token and set a personal identification number (PIN) to be used in connection with the use of his/her Token, after which the Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the Token, the Signatory will be a “Token User”. The Bank will maintain in its database a user account (Account) for each Token User for purposes of managing the Token of the Token User. Neither the Borrower nor the Token User will have any access to the Account.

5. Prior to first use of the Token by the Token User for delivering Applications, the Borrower shall ensure that the Token User has received training materials provided by the Bank in use of the Token.

6. Tokens shall be promptly returned to the Bank upon request of the Bank.

C. Management of Tokens.

1. Tokens will remain the property of the Bank.

2. Use of the Token is strictly limited to use in the delivery of Applications by the Token User in the manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other use of the Token is prohibited.

3. The Bank assumes no responsibility or liability whatsoever for any misuse of the Token by the Token User, other representatives of the Borrower, or third parties.

4. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank in delivery of a Token to each Token User) that each Token User is provided, understands and will abide by, these Terms and Conditions of Use, including without limitation the following:

   Security

   4.1. The Token User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.

   4.2. The Token User shall not allow anyone else to utilize a Token to deliver an Application to the Bank.

   4.3. The Token User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.

   4.4. If the Token User believes a third party has learned his/her PIN or has lost his/her Token he/she shall immediately notify clientconnection@worldbank.org.
4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised Tokens, and take other reasonable steps to ensure such Tokens are disabled immediately.

**Care of Tokens**

4.6. Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Token.

4.7 Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care Tokens are available at http://www.rsa.com.

5. **Replacement**

5.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Tokens will be replaced at the expense of the Borrower.

5.2. The Bank reserves the right, in its sole discretion, not to replace any Token in the case of misuse, or not to reactivate a Token User’s Account.

6. **Reservation of Right to disable Token**

6.1. The Borrower shall reserve the right to revoke the authorization of a Token User to use a Token for any reason.

6.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a Token, de-activate a Token User’s Account or both.
## Payments Made during Reporting Period
Against Contracts Subject to the Association’s Prior Review

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of WB's Non Objection to Contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>WB's Share of Amt Paid to Supplier during Period</th>
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