Honorable Minister:

I refer to the Financing Agreements between Republic of Madagascar (the “Recipient”) and I) between the International Bank for Reconstruction and Development/International Development Association (“World Bank”), acting as an implementing agency of the Global Partnership for Education for the above-referenced Project. The General Conditions, as defined in the Financing Agreements, provide that the Recipient may from time to time request withdrawals of Credit amount from the Credit Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Association may specify from time to time by notice to the Recipient. The General Conditions also provide that the Disbursement and Financial Information Letter may set out Project specific financial reporting requirements. This letter constitutes such Disbursement and Financial Information Letter (“DFIL”), and may be revised from time to time.

I. Disbursement Arrangements, Withdrawal of Credit Funds, and Reporting of Uses of Credit Funds.

The Disbursement Guidelines for Investment Project Financing, dated February 2017, (“Disbursement Guidelines”) are available in the Association’s public website at https://www.worldbank.org and its secure website “Client Connection” at https://clientconnection.worldbank.org. The Disbursement Guidelines are an integral part of the DFIL, and the manner in which the provisions in the guidelines apply to the Credits are specified below.

(i) Disbursement Arrangements

- **General Provisions** (Schedule 1). The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, information on registration of authorized signatures, processing of withdrawal applications (including minimum value of applications and processing of advances), instructions on supporting documentation, and frequency of reporting on the Designated Account.

(ii) Electronic Delivery. Section 11.01 (c) of the General Conditions.

The Association may permit the Recipient to electronically deliver applications (with supporting documents) through the Association’s web-based portal (https://clientconnection.worldbank.org) “Client Connection”. This option may be effected if the officials designated in writing by the Recipient who are authorized to sign and deliver Applications have registered as users of “Client Connection”. The designated officials may deliver Applications electronically by completing the Form 2380, which is accessible through “Client Connection”. By signing the Authorized Signatory Letter, the Recipient confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications.
and supporting documents to the Association by electronic means. The 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. By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Recipient confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation, available in the Association's public website at https://worldbank.org and “Client Connection”; and (b) to cause such official to abide by those terms and conditions.

II. Financial Reports and Audits.

(i) Financial Reports. The Recipient must prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports (“ITUFR”) for the Project covering the semester.

(ii) Audits. Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period must be furnished to the Association not later than six (6) months after the end of such period.

III. Other Information.

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Association’s website (http://www.worldbank.org/) and “Client Connection”. The Association recommends that you register as a user of “Client Connection”. From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the [Grant] [Credit], and retrieve related policy, financial, and procurement information. 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 Faly Diallo, Finance Officer at fdiallo1@worldbank.org, with copy to Mugambi Mwendia, Finance Analyst at mmwendia@worldbank.org using the above reference.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By [Signature]

Mark R. Lundell
Country Director for Madagascar
Africa Region
Attachments
1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE)
3. Customized Statement of Expenditures (SOE) for School Grants under Category 2 of Section III.A of the Financing Agreement
4. Form of Interim Unaudited Financial Report
# Schedule 1: Disbursement Provisions

<table>
<thead>
<tr>
<th>Grant number</th>
<th>xxxxx</th>
<th>Country</th>
<th>Republic of Madagascar</th>
<th>Recipient</th>
<th>Republic of Madagascar</th>
<th>Closing Date</th>
<th>12/30/2022</th>
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</thead>
<tbody>
<tr>
<td>Name of the Project</td>
<td>Education Reform Support Project</td>
<td>Disbursement Deadline Date Subsection 3.7 **</td>
<td>Four months after the closing date.</td>
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## Disbursement Methods Section 2 (**)

| Methods | Supporting Documentation Subsections 4.3 and 4.4 (**)
<table>
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<tr>
<td>Direct Payment</td>
<td>Yes</td>
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</table>
| Reimbursement | Yes | - Customized SOE for Performance Grants under Category 2 of Section III.A of Schedule of the Financing Agreement  
- Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL for all other Eligible Expenditures  
- For requests for Reimbursement under Categories 5 (DLI) of Section III.A of Schedule 2 of the Financing Agreement – See Additional Instruction in section below |
| Designated Account | Yes | - Customized SOE for Performance Grants under Category 2 of Section III.A of Schedule of the Financing Agreement  
- Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL for all other Eligible Expenditures |
| Special Commitments | Yes | Copy of Letter of Credit |

## Type

- **DA.B**: 01 Segregated Designated Account for eligible expenditures under Categories 1, 2, 5 and 7

## Financial Institution Name

- Central Bank of Madagascar

## Frequency of Reporting Subsection 6.3 (**)

- **DA.B**: Monthly

## Ceiling

- Fixed

## Currency

- USD

## Amount

- USD 1.2 million

The minimum value of applications Direct Payment and Special Commitment is 20% of the ceiling of the respective Designated Account.
For requests for Reimbursement: - Category 6 (DLI) of Section IV.A of Schedule 2 of the Financing Agreement

1. Please refer to the withdrawal Condition(s) in the Financing Agreement. Section III.B.
2. EEPs will be channeled through one Dedicated Treasury Account opened at Central Bank of Madagascar.
3. Interim Financial Report (IFRs) in the form attached (Attachment ....) including the sheets (i) DLIs reconciliation Form, (ii) List of DLIs achieved and verified, (iii) Sources and Uses of Funds, (iv) Cash Forecast and (v) Bank Reconciliation.
4. For financing eligible expenditures under this category, The Borrower has furnished evidence satisfactory to the Bank that (i) Eligible expenditures have been spent and verified in accordance with provisions of Section I.A.12 and Section III.B of Schedule 2 of the Financing Agreement and that (ii) the relevant DLI(s) in the Annex of the Financing Agreement (Disbursement Linked Indicators and Results) have been achieved.

(i) Funds from the Designated Account may be transferred to Transactions Accounts to meet eligible expenditures, provided that transactions and balance in these accounts are included in all project financial reports.
(ii) The proceeds of the financing allocated to Category 2 of the table as set out of Section III.A of Schedule of the Grant Agreement (Withdrawal of Grant Proceeds) will disburse through the Designated Account B (DA.B). To that effect, the Ceiling of the DA will be temporarily increased to USD $2,700,000.

**Sections and subsections relate to the “Disbursement Guidelines for Investment Project Financing”, dated February 2017.**
Attachment 1 – Form of Authorized Signatory Letter

[Letterhead]
Ministry of Finance
[Street address]
[City] [Country]

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

[DATE]

Re: Republic of Madagascar
IDA Credit 6217-MG
Basic Education Support Project
Additional Instructions: Disbursement and Financial Information Letter

Attention: Country Director

I refer to the Financing Agreements between Republic of Madagascar (the “Recipient”) and 
between the International Bank for Reconstruction and Development/International Development
Association (“World Bank”), acting as an implementing agency of the Global Partnership for Education,
providing the above Grant. For the purposes of Section 3.04 (b) of the Standard Conditions, as
defined in the Agreement, any [one] of the persons whose authenticated specimen signatures
appear below is authorized on behalf of the Recipient to sign applications for withdrawal [and
applications for a special commitment] under this Grant.

For the purpose of delivering Applications to the Association, including by electronic
means, [each] of the persons whose authenticated specimen signatures appears 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.

---

1 Instruction to the Recipient when sending this letter to the World Bank: 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 World Bank.

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.
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 /

________________
# Attachment 2 – Statement of Expenditures

**IBRD - International Bank for Reconstruction and Development**

**Statement of Expenditures**

Payment made during the period from [ ] to [ ].

The following expenditures have been incurred during the retroactive financing period (please tick): [ ] Yes, [ ] No.

The following expenditures have been incurred before the closing date of the loan/credit/grant (please tick): [ ] Yes, [ ] No.

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Supplier's Name</th>
<th>Brief Description of the expenditure</th>
<th>Prior Review Contract? (YES or NO)</th>
<th>Contract # (Client/Connection #) for Prior Review contracts</th>
<th>Contract currency and amount (original + amendment)</th>
<th>Invoice number</th>
<th>Date of payment</th>
<th>Total amount of invoice covered by Application (not of retention)</th>
<th>% Financed by the Bank</th>
<th>Eligible Amount</th>
<th>Exchange rate</th>
<th>Date of withdrawal from the Designated Account</th>
<th>Amount withdrawn from the Designated Account</th>
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**ONLY for the Designated Account**

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| Col 9 X 10    | Col 11 / 12   | TOTAL         | 0.00          | 0.00          | 0.00          |               |               |               |               |               |               |               |               |               |

Supporting documents for this SOE are retained at [insert location].

A separate form should be used for each category.
The World Bank
APPLICATION FOR
WITHDRAWAL
STATEMENT OF
EXPENDITURES –
CUSTOMIZED (SOE)\(^5\)

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Name and Address of Beneficiary</th>
<th>School Grant Agreement No. &amp; Date (or other ref.)</th>
<th>Brief Description of School Grant Activities</th>
<th>Currency and Total Amount of School Grant</th>
<th>Total Amount Scho Grant payment request covered by application (net of retentio)</th>
<th>Payment request eligible for Financing</th>
<th>Amount Paid From Designated Account (if any)</th>
<th>Date of Payment</th>
<th>Remarks</th>
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\(^5\) Supporting documents for this Customized SOE retained at:(insert location)