

OFFICIAL DOCUMENTS



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November 29 2017

Honorable Momodu L. Kargbo
Minister of Finance & Economic Development
Ministry of Finance & Economic Development
Treasury Building
George Street
Freetown
Sierra Leone

**Re: Republic of Sierra Leone: IDA Grant No. D268-SL
(Extractive Industries Technical Assistance Project Phase 2)
Additional Instructions: Disbursement and Financial Information Letter (DFIL)**

Honorable Minister:

I refer to the Financing Agreement between The Republic of Sierra Leone (the “Recipient”) and the International Development Association (the “Association”) for the above-referenced project, of even date herewith. The General Conditions, as defined in the Financing Agreement, provide that the Association may issue additional instructions regarding the withdrawal of the proceeds of Financing 6152-SL (“Financing”), and specify certain financial management reporting and audit requirements. This letter (“Disbursement and Financial Information Letter” or “DFIL”), as revised from time to time, constitutes such additional instructions.

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

I. Disbursement Arrangements, Withdrawal and Reporting of Financing Proceeds

(i) Disbursement Arrangements:

- **Instructions** (Schedule 1). The table provides the disbursement methods, and conditions, 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.
- **Minimum Value of Applications (subsection 3.5)**. The Minimum Value of Applications for Reimbursement, Direct Payment and Special Commitment is USD 100,000 equivalent.

- **Direct Payment.** Disbursements against Prior Review Contracts which have been subject to International Competitive Procurement will be made only through Direct Payment method.
- **Disbursement Deadline Date, DDD (subsection 3.7).** The DDD is four (4) months after the Closing Date. Any changes to this date will be notified by the Association.

(ii) Electronic Delivery. Refer to section 10.01(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.worldAssociation.org>) "Client Connection". This option may be effected if: (a) the Recipient has designated in writing, its officials who are authorized to sign and deliver Applications and to receive Secure Identification Credentials ("SIDC") from the Association for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Recipient 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". 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://worldAssociation.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 shall prepare and furnish to the Association not later than forty five (45) days after the end of each calendar quarter, interim unaudited financial reports (IFR) for the Project covering the quarter.
- (ii) Audits.** Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, The audited Financial Statements for each such period shall be furnished to the association not later than six (6) months after the end of such period.

III. Other Important Information

For additional information on disbursement arrangements, please refer to the Financing Handbook available on the Association's public website 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 Financing, 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@worldAssociation.org.

If you have any queries in relation to the above, please contact Maiada Kassem, Finance Officer with copy to Mugambi Mwendia, Finance Analyst at wfaldafr@worldAssociation.org using the above reference.

Yours sincerely,

By: 

Parminder P.S. Brar
Country Manager for Sierra Leone
Africa Region

Attachments

1. Form of Authorized Signatory Letter
2. Interim unaudited Financial Report (IFR)

**Schedule 1
Disbursement Arrangements**

Grant Number		Country	Sierra Leone
		Recipient	Republic of Sierra Leone
		Name of the Project	Extractive Industries Technical Assistance Project Phase 2
Disbursement Methods	Methods Available	Supporting Documentation	
<i>Section 2 (**)</i>		<i>Subsections 4.3 and 4.4 (**)</i>	
Direct Payment	[Yes]	Copy of Records	
Reimbursement	[Yes]	Interim unaudited Financial Report	
Designated Account:	[Yes]	Interim unaudited Financial Report	
Special Commitments	[Yes]	Copy of Letter of Credit	
Type	Segregate for IDA grant		Ceiling
Financial Institution - Name	Bank of Sierra Leone -PAD refers to commercial TBD		Currency
Frequency of Reporting, Subsection 6.3 (**)	Same as IFRs-Quarterly		Amount
Please provide completed and signed (a) applications for withdrawal, together with supporting documents, to the address indicated below: The World Association Delta Centre, 13th Floor, Menengai Road Nairobi, Kenya Tel: +254 20 2936 000 Attention: Financing Operations			

<i>Not applicable.</i>
<i>Not applicable.</i>

Attachment 1 – Form of Authorized Signatory Letter

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

[DATE]

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

Attention: *Country Director*

**Re: IDA Grant No. D268-SL
(Extractive Industries Technical Assistance Project Phase 2)**

I refer to the Financing Agreement (“Agreement”) between the ‘International Development Association (the “Association”) and [name of recipient] (the “Recipient”), dated _____, providing the above Financing. For the purposes of Section 2.02 of the General Conditions as defined in the Agreement, any ¹[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 Financing.

For the purpose of delivering Applications to the Association, ²[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting ³[individually] ⁴[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

⁵[This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting

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 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 Bank.*

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 Bank.*

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 Bank.*

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 Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation* ("Terms and Conditions of Use of SIDC"), the Recipient represents and warrants to the Association that it 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]

⁵ Instruction to the Recipient: Add this paragraph if the Recipient wishes to authorize the listed persons to accept Secure Identification Credentials 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 Bank.*

**Attachment 2 - Interim unaudited Financial Statements
Attached Separately**