Honorable Samuel D. Tweah, Jr.
Minister of Finance and Development Planning
Ministry of Finance and Development Planning
P.O. Box 10-9031
Broad Street
Monrovia

Re: Republic of Liberia
Credit No. 6384-LR and Grant No. D4870-LR
(Additional financing for Urban Water Supply Project), and
Credit No. 5774-LR (Liberia Urban Water Supply Project) - First Restatement
Additional Instructions: Disbursement and Financial Information Letter

Honorable Minister:

I refer to the Financing Agreements between the Republic of Liberia (the "Recipient") and the International Development Association (the "Association") for the above-referenced Projects. The General Conditions, as defined in the Financing Agreements, provide that the Recipient may from time to time request withdrawals of Credit/Grants amounts from the Credit/Grant Accounts 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.

This also serves as a restatement to the original financing IDA 5774-LR DL dated April 27, 2016 and supersedes it in its entirety.

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


(i) Disbursement Arrangements

- **General Provisions** (Schedule 1). The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, 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.

- **Special Provision.** Projects in situations of urgent need of assistance or capacity constraints: Disbursements under contracts for goods, works, non-consulting services and consulting services procured or selected through international open or limited competition or Direct Selection, as set out in the procurement plan, must be made only through Direct Payment and/or Special Commitment disbursement methods.
(ii) Electronic Delivery. Section 11.01 (c) of the General Conditions.

The Recipient will deliver Withdrawal Applications (with supporting documents) electronically through the Association's web-based portal “Client Connection” at https://clientconnection.worldbank.org. This option will be affected after the officials designated in writing by the Recipient who are authorized to sign and deliver Withdrawal Applications have registered as users of “Client Connection”. The designated officials will 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 exercise the option of preparing and delivering Withdrawal Applications in paper form on exceptional cases (including those where the Borrower encounters legal limitations), and which were previously agreed with the Association. 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 quarter, interim unaudited financial reports (“IFR”) for the Project covering the quarter.

(ii) Audits. Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made, or such other period agreed to by the association. The audited Financial Statements for each such period of the project 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, or if you have any queries in relation to the above, please contact the Association by email at AskLoans@WorldBank.org using the above reference.

Yours sincerely,

[Signature]

Pierre Frank Laporte
Country Director
Ghana, Liberia, Sierra Leone
Africa Region
Attachments
1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE)

With copies: Liberia Water and Sewer Corporation,
King Sao Bosso Street,
Monrovia, Liberia
E-mail: DuannahK@yahoo.com
## Schedule 1: Disbursement Provisions

### Basic Information

<table>
<thead>
<tr>
<th>Credit Number and AF Credit and AF Grant Numbers</th>
<th>Country</th>
<th>Recipient</th>
<th>Closing Date</th>
<th>Section IV.B.2 of Schedule 2 to the Original Financing (OF) FA and section III.B.2 of schedule 2 of the Additional Financing (AF) FA.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CR 5774 (OF), Credit No. 6384-LR and Grant No. D4870-LR</td>
<td>Republic of Liberia</td>
<td>Republic of Liberia</td>
<td></td>
<td>Four months after the closing date.</td>
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</tbody>
</table>

### Disbursement Methods and Supporting Documentation

<table>
<thead>
<tr>
<th>Methods</th>
<th>Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Payment</td>
<td>Copy of records</td>
</tr>
<tr>
<td>Reimbursement</td>
<td>Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL</td>
</tr>
<tr>
<td>Advance (into a Designated Account)</td>
<td>Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL</td>
</tr>
<tr>
<td>Special Commitments</td>
<td>Copy of Letter of Credit</td>
</tr>
</tbody>
</table>

### Designated Account (Sections 5 and 6 **)

- **Type**: Two Accounts, DA A - Segregate - for OF Credit 5770 - will continue to be used. DA B - Pooled for both AF sources Credit 6348 and Grant xxx Both accounts managed by managed by the Liberia Water Sewer Corporation (LWSC).
- **Financial Institution - Name**: Liberia Bank for Development and Investment for both accounts.
- **Frequency of Reporting Subsection 6.3 (**)**: Monthly
- **Amount**: 1 million for each DA.

### Minimum Value of Applications (subsection 3.5)

The minimum value of applications for Reimbursement, Direct Payment and Special Commitment is USD 100,000 equivalent.

- **Authorized Signatures** (Subsection 3.1 and 3.2 **)**: The form for Authorized Signatories Letter is provided in Attachment 1 of this letter
- **Withdrawal and Documentation Applications** (Subsection 3.3 and 3.4 **)**: ASI and All Withdrawal Applications and its supporting documentation will be electronically sent via the Association’s system ClientConnection.

### Additional Information

For Special Commitments, records evidencing eligible expenditures, e.g. copies of receipts, supplier invoices and documentary evidence of delivery and acceptance of contracted goods or services.

### Other

N/A

* **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 Liberia
Credit No. 6384-LR and Grant No. D4870-LR
(Additional financing for Urban Water Supply Project)

Attention: __________________________, Country Director

I refer to the [Grant] [Credit] Agreement ("Agreement") between the International Development Association (the "Association") [acting as implementing of the ]1 and [name of recipient] (the "Recipient"), dated ______, providing the above [Grant] [Credit]. 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 Recipient to sign applications for withdrawal [and applications for a special commitment] under this [Grant] [Credit].

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: add text in line with the Grant Agreement if applicable; if not applicable delete it. 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 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.

3 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.

4 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.

5 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 confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) 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 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 /

________________
## Attachment 2 – Statement of Expenditures

### Statement of Expenditure (SOE)

**Date:**

**Application No.:**

**Loan No.:**

**Category No.:**

The following expenditures have been incurred during the retroactive financing period (please tick)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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The following expenditures have been incurred before the closing date of the loan/credit/grant (please tick)

<table>
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<th>Yes</th>
<th>No</th>
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<tr>
<th>Item No.</th>
<th>Contractor Name</th>
<th>Description of Expenditures (Goods/Works/Services)</th>
<th>Contract Currency</th>
<th>Contract Amount</th>
<th>Is the contract subject to Bank's prior review?</th>
<th>Yearly</th>
<th>Amount Paid</th>
<th>Eligible % from Schedule X of Loan/Credit Grant Agreement</th>
<th>HNB's share of Amt. Paid (in contract cpy)</th>
<th>Exchange Rate</th>
<th>Amount paid from Designated Account (if applicable)</th>
<th>Payment Date</th>
<th>Records evidencing claimed expenses provided Yes/No</th>
<th>Remarks or invoice references, including re-objection date</th>
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We confirm that the reported payments are for eligible expenses, do not relate to any debarred firms or individuals and do not exceed respective contract amounts.

Records for this SOE are retained at

_Investor's location_

A separate form should be used for retroactive financing.