May 20, 2014

H. E. Amadou Ba
Minister of Economy and Finance
Ministry of Economy and Finance
Dakar
Republic of Senegal

Re: Republic of Senegal
IDA Credit Financing Number 5305-SN
(Casamance Development Pole Project)
Additional Instructions: First Restatement Disbursement

Excellency:

I refer to the Financing Agreement (“Agreement”) between the International Development Association (“Association”), and the Republic of Senegal (the “Recipient”) for the above-referenced project, dated November 22, 2013. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of IDA Financing No.5305-SN (“Financing”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is a First Restatement of the Disbursement Letter dated November 22, 2013 for the above referenced project to restate (a) Section I (i) to add “Advance” as a disbursement method; (b) Section II (v) and (vi) and Section III (i), (ii) and (iii) to respectively modify the minimum value of applications and introduce instructions related to the management of the Designated Account and (c) to add Section IV (Other Disbursement Instructions). In addition, Section II (iii) has been updated to restate the address where withdrawal application should be sent. All other provisions and attachments of the Disbursement Letter dated November 22, 2013, except as amended, shall remain in force and effect.

The attached World Bank Disbursement Guidelines for Projects, dated May 1, 2006, (“Disbursement Guidelines”) (Attachment I), are an integral part of the Disbursement Letter. The manner in which the provisions in the Disbursement Guidelines apply to the Grant 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 Grant:

- Reimbursement
- Direct Payment
- Special Commitment
- Advance

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 4 months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by the Association.

II. Withdrawal of Financing Proceeds

(i) Authorized Signatures (subsection 3.1).

A letter in the Form attached (Attachment 2) should be furnished to the Association at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank,
Resident Mission
Dakar, Senegal
Attention: Ms. Vera Songwe, Country Director

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed (a) applications for withdrawal, together with supporting documents and (b) applications for special commitments, together with a copy of the commercial bank letter of credit, to the address indicated below:

The World Bank
Loan Department
13th Floor
Delta Center
Menengai Road
Upper Hill
P.O. Box 30577-00100
Nairobi Kenya
Tel +254 20 2936 000

(iii) Electronic Delivery (subsection 3.4) The Association may permit the 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 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. If the Association agrees, the Association will provide the Recipient with SIDC 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 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 SIDC to Process Applications. 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 (“Terms and Conditions of Use of Secure Identification Credentials”) provided in Attachment 3; and (b) to cause such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications with the exception of replenishment applications will be 20% of the ceiling of the Designated Account.

(vi) Advances (sections 5 and 6).

- Type of Designated Account (subsection 5.3): Segregated
- Currency of Designated Account (subsection 5.4): CFAF
- Financial Institution at which the Designated Account Will Be Opened (subsection 5.5): ECOBANK Senegal
- Ceiling (subsection 6.1): CFAF 650,000,000

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 reporting eligible expenditures paid from the Designated Account:
  - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts requiring the Bank’s prior review as well as all contracts exceeding USD 500,000 for works, USD 250,000 for goods and USD 200,000 for consulting firms and USD 100,000 for individual consultants;
- Statement of Expenditure in the form attached (Attachment 4) for all expenditures; and
- List of payments against contracts that are subject to the Bank’s prior review, in the form attached (Attachment 5).

* For requests for Direct Payment (to be made only under exceptional basis): records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices and documentary evidence of delivery and the Recipient’s acceptance of contracted goods or services.

* For requests for Special commitments:
  - Letter of credit
  - Copy of the contract

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

(iii) Other Supporting Documentation Instructions All replenishment requests to the Designated Account need to be submitted with bank statements and Reconciliation Bank Statement (Attachment 6)

IV. Other Disbursement Instructions

Funds from the Designated Accounts may be transferred to transactions accounts in local currency to meet eligible expenditures, provided that transactions and balance in this account are included in all project financial reports and in the IFRs referred to in Section III (iii) above.

V. Other Important Information


From the Client Connection website, you will be able to download 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 Faly Diallo, Finance Officer at wSenegalab@worldbank.org using the above reference.

Yours sincerely,

Vera Songwe
Country Director for Senega