H.E. Vonintsalama Andriambololonona  
Minister of Finance and Budget  
Ministry of Finance and Budget  
BP 61  
Antananarivo  
Republic of Madagascar

Re: Republic of Madagascar: IDA Credit 6189-MG  
Financial Inclusion Project  
Additional Instructions: Disbursement and Financial Information Letter

Excellency:

I refer to the Financing Agreement between The Republic of Madagascar (the “Borrower”) 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 6189-MG (“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.


I. Disbursement Arrangements, Withdrawal and Reporting of Financing Proceeds.

(i) Disbursement Arrangements:

- Instructions (Schedule 1). The table provides the disbursement methods, 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. Refer to section 10.01 (c) of the General Conditions:

- The Association may permit the Borrower 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: (a) the Borrower 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 Borrower 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 Borrower 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 Borrower. By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Borrower 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 Borrower shall prepare and furnish to the Bank 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 Borrower, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.

V. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank’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 Loan, 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 the Faly Diallo at wfala-afr@worldbank.org using the above reference.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Mark R. Lundell
Country Director for Madagascar
Africa Region

Attachments

2. Form of Authorized Signatory Letter
3. Form for Statement of Expenditure
4. Form of Customized Statement of Expenditures for Matching Grants

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1 This attachment can be found online at [https://siteresources.worldbank.org/PROJECTS/Resources/DisGuideEng.pdf](https://siteresources.worldbank.org/PROJECTS/Resources/DisGuideEng.pdf)
**Schedule 1**  
**Disbursement Arrangements**

<table>
<thead>
<tr>
<th>Credit Number</th>
<th>6189</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country</strong></td>
<td>REPUBLIC OF MADAGASCAR</td>
</tr>
<tr>
<td><strong>Recipient</strong></td>
<td>REPUBLIC OF MADAGASCAR</td>
</tr>
<tr>
<td><strong>Name of the Project</strong></td>
<td>Financial Inclusion Project</td>
</tr>
<tr>
<td><strong>Closing Date</strong></td>
<td>07/31/2022</td>
</tr>
<tr>
<td><strong>Disbursement Deadline Date</strong></td>
<td>Four months after the closing date.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Disbursement Methods</th>
<th>Methods</th>
<th>Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section 2 (</strong>)**</td>
<td></td>
<td><strong>Subsections 4.3 and 4.4 (</strong>)**</td>
</tr>
<tr>
<td>Direct Payment</td>
<td>Yes</td>
<td>Copy of records</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customized SOE for Matching Grants under Category 4 of Section III.1. of Schedule 2 of the Financing Agreement in the format provided in Attachment 4 of the DFIL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Statement of Expenditure (SOE) for all other expenditures in the format provided in Attachment 3 of the DFIL</td>
</tr>
<tr>
<td>Reimbursement</td>
<td>Yes</td>
<td>Customized SOE for Matching Grants under Category 4 of Section III.1. of Schedule 2 of the Financing Agreement in the format provided in Attachment 4 of the DFIL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Statement of Expenditure (SOE) for all other expenditures in the format provided in Attachment 3 of the DFIL</td>
</tr>
<tr>
<td>Designated Account</td>
<td>Yes</td>
<td>Copy of Letter of Credit</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type</th>
<th>Segregated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Institution - Name</strong></td>
<td>Central Bank of Madagascar</td>
</tr>
<tr>
<td><strong>Currency</strong></td>
<td>USD</td>
</tr>
<tr>
<td><strong>Frequency of Reporting Subsection 6.3 (</strong>)**</td>
<td>Quarterly</td>
</tr>
<tr>
<td><strong>Amount</strong></td>
<td>US$4 million.</td>
</tr>
</tbody>
</table>

The minimum value of applications for Direct Payment and Special Commitment is 10% of the ceiling of the Designated Account.

(i) **Authorized Signatures (subsection 3.1).**
A 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  
Resident Mission
(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 Operations and Trust Funds Department
Delta Center, 13th Floor, Menengai Road, Upper Hill,
Nairobi, Kenya.

1. Funds from the Designated Accounts may be transferred to Transaction 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 Designated Accounts reconciliation.

2. The proceeds of the financing allocated to Category (3) of the table as set out in Schedule 2, Section III.1 of the Financing Agreement (Withdrawal of Grant Proceeds) will disburse through the Designated Account. To that effect, the Ceiling of the DA will be temporarily increased to accommodate each tranche payment.
Form of Authorized Signatory Letter

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

[DATE]

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

Attention: [Country Director]

Dear [Country Director]:

RE: Republic of Madagascar
IDA Credit 6189-MG
Madagascar Financial Inclusion Project
Additional Instructions: Disbursement and Financial Information Letter

I refer to the Financing Agreement between the Republic of Madagascar (the "Recipient") and the International Development Association (the "Association") for the above-referenced project, dated ______, providing the above 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 Credit.

For the purpose of delivering Applications to the World Bank, [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 World Bank.

[This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (S IDC) and to deliver the Applications and supporting documents to the World Bank by

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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 World 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 World 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 World Bank.
electronic means. In full recognition that the World Bank 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 World Bank that it will cause such persons to abide by those terms and conditions.

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

[Name], [position]  Specimen Signature: __________________________

[Name], [position]  Specimen Signature: __________________________

[Name], [position]  Specimen Signature: __________________________

Yours truly,

/ signed /

[Position]

Attachment 3

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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 World Bank.
ISRD: International Bank for Reconstruction and Development

Statement of Expenditures

<table>
<thead>
<tr>
<th>Item No</th>
<th>Supplier’s Name</th>
<th>Brief Description of the expenditure</th>
<th>Price Requested Contract?</th>
<th>Contract 1st/2nd Review (YES or NO)</th>
<th>Contract Expiry and amount (per agreement)</th>
<th>Invoice Number</th>
<th>Date of payment</th>
<th>Total amount of services covered by application (cost or services)</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>
</tr>
</thead>
<tbody>
<tr>
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<td>0.00</td>
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</table>

Supporting documents for this SOP 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)\(^6\)
#### MATCHING
#### GRANTS

<table>
<thead>
<tr>
<th>Category No.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>0</th>
<th>1</th>
<th>1</th>
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</thead>
<tbody>
<tr>
<td>Item No.</td>
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</tr>
<tr>
<td>Name and Address of Beneficiary</td>
<td>Matching Grant Agreement No. &amp; Date (or other ref.)</td>
<td>Brief Description of Matching Grants Activities</td>
<td>Total amount Matching Grants payment request covered by application (net of retention)</td>
<td>Eligible for Financing</td>
<td>Payment request from Designated Account (if any)</td>
<td>Date of Payment</td>
<td>Remarks</td>
<td></td>
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**TOT ALS**

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\(^6\) Supporting documents for this Customized SOE retained at:(insert location)