H.E. Collins R.U. IHE<IRI
Executive Secretary,
Niger Basin Authority
Niamey
Republic of Niger

Excellency:

Re: IDA Financing Number IDA H805-3A
First Part of the Second Phase of the Niger Basin Water Resources Development and Sustainable
Ecosystems Management Program
Additional Instructions: Disbursement

I refer to the Financing Agreement between the Republic of Niger ("Recipient") and the
International Development Association (the "World Bank"), dated December 31, 2012 for the above-
mentioned project ("the Agreement"). The Agreement provides that the World Bank may issue additional
instructions regarding the withdrawal of the proceeds of Financing H805-3A ("Financing"). This letter
("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

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

- Reimbursement
- Advances
- Direct Payment
- Special Commitment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four 4 months
after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by
the World Bank.
II. Withdrawal of Financing Proceeds

(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
Bamako, Mali
Attention: Mr. Ousmane Diagana, 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
4 Fricker Road
IFC Building ILOVO 2196
Johannesburg
South Africa
Attention: Loan Department Financial Management & Disbursement Unit

(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. This 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 devices (''Tokens'') 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 Tokens 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 Tokens to Process Applications. By designating officials to accept Tokens 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 Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation ("Terms and Conditions of Use of Tokens") provided in Attachment 3; and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of all Applications except for replenishment applications should be 20% of the advance in the Designated Account.

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(iii) 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, Niger
- **Ceilings (subsection 6.3):** CFAF 100,000,000

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 for 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 200,000 for goods, consulting firms and USD 50,000 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**

Copies of the bank statements of the Designated Account and a reconciliation statement for the Designated Account should be submitted with each Application for withdrawal for replenishment of the Designated Account.

IV. Other Important Information

From the Client Connect site, 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 any queries in relation to the above, please contact Wolfgang Chadab, Senior Finance Officer, at service account email address: 'LOA-afr@worldbank.org' using the above reference.

Yours sincerely,

Sri Mulyani Indrawati  
Managing Director

Attachments

1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signature
4. Form of "Statement of Expenditure"
5. Form for contracts above prior review threshold
[DATE]

The World Bank,  
Resident Mission  
Bamako, Mali  

Attention: Mr. Ousmane Diagana, Country Director  

Dear Mr. Diagana:

Re: DA Financing Number IDA H805-3A  
First Part of the Second Phase of the Niger Basin Water Resources Development and Sustainable Ecosystems Management Program

I refer to the Financing Agreement between the Niger Basin Authority ("Recipient") and the International Development Association (the "World Bank"), dated ______ for the above-referenced project ("the Agreement") providing the above Financing. 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, applications for special commitments, under this Financing.

This confirms that the Recipient is authorizing such persons to accept Tokens 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 Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation ("Terms and Conditions of Use of Tokens"), the Recipient represents and warrants to the Association that it will deliver to each such person a copy of the Terms and Conditions of Use of Tokens and 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]
The World Bank (Bank) will provide secure identification devices (Tokens) to permit the Borrower to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide Tokens to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.

2. Each Signatory must register as a user on the Bank’s Client Connection (CC) website (https://clientconnection.worldbank.org) prior to delivery of Tokens. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Distribution, Initialization and Return of Tokens.

1. The Bank will physically deliver a Token to each Signatory in a manner to be determined by and satisfactory to the Bank.

2. At the time of delivery of a Token to a Signatory, the Signatory will receive a copy of these Terms and Conditions of Use for purposes of initializing the Token.

3. The Bank will verify that the Token, Temporary Password and Terms and Conditions of Use have been duly delivered to and received by the CC User.

4. Promptly upon receipt of the Token and Terms and Conditions of Use, the Signatory will access CC using his/her account name and CC Password and register his/her Token and set a personal identification number (PIN) to be used in connection with the use of his/her Token, after which the Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the Token, the Signatory will be a “Token User”. The Bank will maintain in its database a user account (Account) for each Token User for purposes of
managing the Token of the Token User. Neither the Borrower nor the Token User will have any 
access to the Account.

5. Prior to first use of the Token by the Token User for delivering Applications, the Borrower shall 
ensure that the Token User has received training materials provided by the Bank in use of the 
Token.

6. Tokens shall be promptly returned to the Bank upon request of the Bank.

C. Management of Tokens.

1. Tokens will remain the property of the Bank.

2. Use of the Token is strictly limited to use in the delivery of Applications by the Token User in the 
manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other 
use of the Token is prohibited.

3. The Bank assumes no responsibility or liability whatsoever for any misuse of the Token by the 
Token User, or other representatives of the Borrower, or third parties.

4. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation 
and warranty being expressly required upon the Bank in delivery of a Token to each Token User) 
that each Token User is provided, understands and will abide by, these Terms and Conditions of 
Use, including without limitation the following:

   Security

   4.1. The Token User shall not reveal his/her PIN to anyone or store or record the PIN in 
written or other form.

   4.2. The Token User shall not allow anyone else to utilize a Token to deliver an Application 
to the Bank.

   4.3. The Token User shall always logout from CC when not using the system. Failure to 
logout properly can create a route into the system that is unprotected.

   4.4. If the Token User believes a third party has learned his/her PIN or has lost his/her Token 
he/she shall immediately notify: clientconnection@worldbank.org.

   4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of 
any lost, stolen or compromised Tokens, and take other reasonable steps to ensure such Tokens 
are disabled immediately.

   Care of Tokens:

   4.6. Tokens contain delicate and sophisticated instrumentation and therefore should be 
handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, 
crushed or bent. Also, Tokens should be kept more than five (5) cm from devices that generate
electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Token.

4.7 Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care Tokens are available at http://www.rsa.com.

5. Replacement

5.1 Lost, damaged, compromised (in terms of 4.5, above) or destroyed Tokens will be replaced at the expense of the Borrower.

5.2 The Bank reserves the right, in its sole discretion, not to replace any Token in the case of misuse, or not to reactivate a Token User's Account

6. Reservation of Right to disable Token

6.1 The Borrower shall reserve the right to revoke the authorization of a Token User to use a Token for any reason.

6.2 The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a Token, de-activate a Token User's Account or both.
## STATEMENT OF EXPENDITURES

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Category No.</th>
<th>Name of Supplier, Contractor or Consultant</th>
<th>Brief Description of Goods, Works or Services</th>
<th>Total Amount of Contract (Include all currencies)</th>
<th>Currency of Expenditure</th>
<th>Total invoice amount covered by this application (net of retention)</th>
<th>Eligible % of financing</th>
<th>Currency and eligible amount paid (7)*(8)</th>
<th>USS Equivalent paid from Special Account**</th>
<th>Rate of Payment</th>
<th>Exchange Rate**</th>
<th>Remarks or Invoice references, including no-objection telex due</th>
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PAYMENTS MADE DURING REPORTING PERIOD AGAINST CONTRACTS SUBJECT TO THE WORLD BANK'S PRIOR REVIEW

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<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of Bank’s No Objection to contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>Bank's Share of Amount Paid to Supplier during Period</th>
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