His Excellency Issa Doubragne
Minister of Economy, Planning and International Cooperation
Ministry of Economy, Planning and International Cooperation
N'Djamena, Republic of Chad

Re: Republic of Chad: EGPS Grant No. TF0B1475
Mainstreaming the Extractive Industries Transparency Initiative Project
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Excellency:

I refer to the Letter Agreement ("Agreement") between the Republic of Chad ("Recipient") and the International Development Association ("Bank") acting as administrator of grant funds provided by Australia, Belgium, Canada, the European Union, represented by the European Commission, Finland, Germany, the Netherlands, Norway, Switzerland and the United Kingdom ("Donors") for the above-referenced project of even date herewith. The Standard Conditions, as defined in the Letter Agreement, provide that the Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TFOB1475 ("Grant"), and may set out Project specific financial reporting requirements. This letter ("Disbursement and Financial Information Letter"), as revised from time to time, constitutes such additional instructions.

I. Disbursement Arrangements and Withdrawal of Grant Funds

The World Bank Disbursement Guidelines for Projects, dated February 1, 2017, ("Disbursement Guidelines") are available in the World Bank's public website at https://www.worldbank.org, and are an integral part of the Disbursement and Financial Information 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

The table in Schedule 1 provides the disbursement methods which may be used by the Recipient, information on registration of authorized signatures, processing of withdrawal applications (including minimum value of applications and advances), instructions on supporting documentation, and frequency of reporting on the Designated Account.
(ii) Withdrawal of Grant Funds (Electronic Delivery) Section 7.01 (c) of the Standard Conditions.

The Recipient will deliver Withdrawal Applications (with supporting documents) electronically through the Bank’s web-based portal “Client Connection” at https://clientconnection.worldbank.org. This option will be effected 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 Bank 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 Recipient encounters legal limitations), and which were previously agreed with the Bank. 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 World Bank’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 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 must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Bank 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 Loan Handbook available on the World Bank’s website (http://www.worldbank.org) and “Client Connection”. The World Bank 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, 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 World Bank by email at AskLoans@WorldBank.org using the above reference.

Yours sincerely,

[Signature]

Soukeyna Kane
Country Director for Republic of Chad
Africa Region
Attachments
1. Form of Authorized Signatory Letter
2. Form of Statement of Expenditure (SOE)
3. Designated Account Reconciliation Statement
## Schedule 1 - Disbursement Provisions

<table>
<thead>
<tr>
<th>Grant Number</th>
<th>Country</th>
<th>Recipient</th>
<th>Closing Date</th>
<th>Disbursement Deadline Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>TF0B1475</td>
<td>Republic of Chad</td>
<td>Republic of Chad</td>
<td>Section IV.B.2. of Schedule 2 to the Financing Agreement.</td>
<td>Four (4) months after the closing date</td>
</tr>
</tbody>
</table>

### Disbursement Methods

<table>
<thead>
<tr>
<th>Method</th>
<th>Available</th>
<th>Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Payment</td>
<td>Yes</td>
<td>Copy of Records</td>
</tr>
<tr>
<td>Reimbursement</td>
<td>Yes</td>
<td>Statement of Expenditures as provided in Attachment 2</td>
</tr>
<tr>
<td>Advance</td>
<td>Yes</td>
<td>Statement of Expenditures as provided in Attachment 2</td>
</tr>
<tr>
<td>Special Commitments</td>
<td>Yes</td>
<td>Copy of Letter of Credit</td>
</tr>
</tbody>
</table>

### Type

- Segregated

### Financial Institution - Name

United Bank of Africa

### Frequency of Reporting, Subsection 6.3 (**)

- Monthly

### Ceiling

- XAF 50,000,000

### The minimum value of applications for Reimbursement, Direct Payment and Special Commitment is twenty percent of the Designated Account Ceiling.

### Authorized Signatures (subsection 3.1 and 3.2).

A letter in the form attached (attached 1) 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 Application:

The World Bank

Resident Mission

N'Djamena, Republic of Chad

Attention: Soukeyna Kane, Country Director for Republic of Chad

### Applications (subsections 3.4 - 3.4).

All Withdrawal Applications and their supporting documentation shall be electronically submitted via the Association’s web-based Portal “Client Connection”
** Sections and subsections indicated relate to the Disbursement Guidelines for Investment Project Financing dated February 2017.
Attachment 1

Form of Authorized Signatory Letter
[Letterhead]
Ministry of Economy, Planning and International Cooperation
[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: Grant No. _____-____ (____________ Project)

I refer to the [Grant] [Letter] Agreement ("Agreement") between the [International Bank for Reconstruction and Development/International Development Association] ("[World Bank"]/["Association"]), acting as [an implementing agency of the Global Environmental Facility] [administrator of the Global Partnership on Output-based Aid] [administrator of name of the trust fund], and [name of recipient] (the "Recipient"), dated ______, providing the above Grant. For the purposes of Section 3.04 (b) of the Standard 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.

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

1 Instruction to the Recipient when sending this letter to the World Bank: 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 World Bank/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/Association.

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/Association.

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/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 [World Bank] [Association] by electronic means. In full recognition that the [World Bank] [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 [World Bank] [Association] 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] [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 World Bank/Association.
Attachment 2: Statement of Expenditures

<table>
<thead>
<tr>
<th>Item No</th>
<th>Supplier's Name</th>
<th>Brief Description of the Expenditure</th>
<th>Prior Review Contract? (YES or NO)</th>
<th>Contract # (Client Connection # for Prior Review contracts)</th>
<th>Contract currency and amount (original + amendment)</th>
<th>Invoice number</th>
<th>Date of Payment</th>
<th>Total amount of Invoice covered by Application (net of retention)</th>
<th>% Financed by the Bank</th>
<th>Exchange Rate</th>
<th>Date of Withdrawal from the Designated Account</th>
<th>Amount Withdrawn from the Designated Account (Col 11/12)</th>
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Supporting documents for this SOE are retained at ____________________________

(Insert location)

A separate form should be used for each category.
DESIGNATED ACCOUNT RECONCILIATION STATEMENT

LOAN/CREDIT/PPF/COFINANCIER NUMBER
ACCOUNT NUMBER WITH (BANK)

1. TOTAL ADVANCED BY WORLD BANK (OR COFINANCIER)

2. LESS: TOTAL AMOUNT RECOVERED BY WORLD BANK

3. EQUALS PRESENT OUTSTANDING AMOUNT ADVANCED TO
   THE SPECIAL ACCOUNT (NUMBER 1 LESS NUMBER 2)

4. BALANCE OF SPECIAL ACCOUNT PER ATTACHED BANK
   STATEMENT AS OF DATE

5. PLUS: TOTAL AMOUNT CLAIMED IN THIS
   APPLICATION NO. +

6. PLUS: TOTAL AMOUNT WITHDRAWN AND NOT YET CLAIMED
   REASON: +

7. PLUS: AMOUNTS CLAIMED IN PREVIOUS APPLICATIONS
   NOT YET CREDITED AT DATE OF BANK STATEMENTS

   APPLICATION NO. AMOUNT *
   
   
   SUBTOTAL OF PREVIOUS
   APPLICATIONS NOT YET CREDITED +

8. MINUS: INTEREST EARNED -

9. TOTAL ADVANCE ACCOUNTED FOR (NO. 4 THROUGH NO. 9) =

10. EXPLANATION OF ANY DIFFERENCE BETWEEN THE TOTALS APPEARING ON LINES 3 AND 9:

11. DATE: SIGNATURE: TITLE: