H.E. Dr. Issa Doubragne  
Minister of Economy and Development Planning  
Ministry of Economy and Development Planning  
B.P. 286  
N'Djamena  
Republic of Chad

Re: Republic of Chad: Advance Agreement for the Preparation of the Proposed Chad Local Development and Adaptation Project  
Project Preparation Advance No. V2990  
Additional Instructions: Disbursement

Excellency:

I refer to the Advance Agreement ("Agreement") between the Republic of Chad ("Recipient") and the International Development Association ("World Bank") for the preparation of the above-referenced Project of the same date, herewith. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Project Preparation Advance No. V2990 ("PPA"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

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 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 PPA:

- Reimbursement  
- Advance  
- Direct Payment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is the Refinancing Date specified in the Agreement. Any changes to this date will be notified by the World Bank.
II. Withdrawal of PPA Proceeds

(i) Authorized Signatures (subsection 3.1). A letter in the Form attached (Attachment 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 Applications:

The World Bank  
Resident Mission  
N'Djamena, Republic of Chad  
Attention: Soukeyna Kane, Country Director for Chad

(ii) Applications (subsections 3.2 - 3.3). All Withdrawal and Documentation Applications will be electronically delivered to the Bank, via the Bank’s website Client Connection.

(iii) Electronic Delivery (subsection 3.4). The Recipient shall 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 shall 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 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.

(iv) Minimum Value of Applications (subsection 3.5). The Minimum Value of Direct Payment and Reimbursement Applications is twenty percent of the DA ceiling.

(v) Advances (sections 5 and 6)

- **Type of Designated Account (subsection 5.3):** Segregated
- **Currency of Designated Account (subsection 5.4):** XAF
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Ecobank Chad
- **Ceiling (subsection 6.1):** XAF 200,000,000.
III. Reporting on Use of PPA 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:**
  - Statement of Expenditure in the form attached (Attachment 3)

- **For requests for Direct Payment:** records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices

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

(iii) **Other Supporting Documentation Instructions.** All the supporting documentation should be maintained by the Recipient for review by the World Bank or independent auditors.

For reporting eligible expenditures paid from the Designated Account, each application should be accompanied by a Bank Reconciliation Statement in the form attached (Attachment 5) and its related bank statements.

V. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank’s website (http://www.worldbank.org/) and “Client Connection”. The 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 Loan, 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 Bank by email at askloans@worldbank.org.

Yours sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: François Nankobogo
Country Manager for Chad
Africa Region
Attachments
1. Form for Authorized Signatories Letter.
2. Form of Statement of Expenditure (SOE).
3. Form of Bank Statement Reconciliation.
Dear Country Director:

Re: Republic of Chad: Advance Agreement for the Preparation of the Proposed Chad Local Development and Adaptation Project
Project Preparation Advance No. V2990

I refer to the Advance Agreement ("Agreement") between the Republic of Chad ("Recipient") and the International Development Association ("World Bank") dated ______, providing for the above Project Preparation Advance. For the purposes of Section 3.03 of the Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility, 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 Project Preparation Advance:

For the purpose of delivering Applications to the World Bank, [each] of the persons whose authenticated specimen signatures appears below is authorized on behalf

---

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.

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.
of the Recipient, acting [individually] [jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the World Bank.

3 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 by 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 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 records with respect to this Agreement.

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

Yours truly,

/ signed /

[Position]6

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.

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.

6 The letter should be signed by the official designated as the Recipient’s Representative in the Advance Agreement.
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

<table>
<thead>
<tr>
<th>APPLICATION NO.</th>
<th>AMOUNT *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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: ______________________