H.E. Hadizatou Rosine Coulibaly/Sor
Minister of Economy, Finance and Development
Ministry of Economy, Finance and Development
03 B.P. 7050
Ouagadougou, Burkina Faso

Excellency:

Re: IDA Grant D224-BF (Additional Financing for Local Government Support Project)
Additional Instructions: Disbursement

I refer to the Grant Agreement between the International Development Association (the “Association”) and Burkina Faso (the “Recipient”) for the above-referenced project, dated within. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of Grant D224-BF (“Financing”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The attached World Bank Disbursement Guidelines for Projects, dated February 1, 2017, (“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
- Advance
- Direct Payment
- Special Commitment

(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).
Applications for this Financing will be signed by the official(s) authorized to sign Applications for all financings to the Recipient, as revised from time to time.
(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,
Delta Center, 13th Floor,
Menengai Road, Upper Hill,
Nairobi,
Kenya.
Contact Telephone number: +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 2; 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 is twenty percent of the Designated Account Ceiling.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Two Segregated Accounts
  
  * DA-A for categories 1 and 2
  * DA-B for category 3

- **Currency of Designated Account (subsection 5.4):** FCFA

- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** BCEAO - Ouagadougou

- **Ceiling (subsection 6.1):**
  
  Forecast for 2 quarters as provided in the quarterly Interim Financial Report
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
  o Interim Financial Report in the form attached (Attachment 3) for all expenditures set out in categories 1 and 2
  o Customized Statement for cash transfer grants under category 3 (attachment 4)
  o List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5)

- 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): Quarterly.

(iii) Other Supporting Documentation Instructions:

Please attach bank statements and a Designated Account Reconciliation Statement (Attachment 6) to each application for advances to the Designated Account.

All other supporting documentation for SOEs should be retained by the project management or Recipient and must be made available for review by periodic World Bank missions and internal and external auditors.

IV Other Disbursement Information

A transaction Account will be opened at the Public Treasury with the Aim to replenish the municipalities’ account and a transaction account will be opened in a commercial bank acceptable to the Association for the other project components.

V. Other Important Information


From the Client Connection website, you will be able to download Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information.

If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to download Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver

1818 H Street NW • Washington, DC 20433 USA
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 World Bank by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Mr. Issa Thiam, Finance Officer at LOAAFR@worldbank.org using the above reference.

Yours sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Cheick Fantamady Kante
Country Manager for Burkina Faso
Africa Region

Attachments
3. *Interim Financial Report (IFR)*
4. Customized Statement of Expenditures
5. Form of “Payments against contracts subject to the World Bank’s prior review”
6. Designated Account Reconciliation Statement

Prepared by: Issa Thiam (WFAFO)

Cleared with and cc: Saba Ghesan (LEGAM)
Serdar Yilmaz (GG027)

Cc with copies:

Idrissa SORE
Prime Minister’s Office
03 B.P 7027
Ouagadougou 03, Burkina Faso
Sore_i@yahoo.com

Ministere de L’Administration Territoriale et de la Décentralisation
03 B.P 7034
Ouagadougou 03, Burkina Faso

1818 H Street NW • Washington, DC 20433 USA
The World Bank (Bank)\(^1\) will provide secure identification credentials (SIDC) to permit the Borrower\(^2\) 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.

SIDC can be either: (a) hardware-based (Physical Token), or (b) software-based (Soft Token). The Bank reserves the right to determine which type of SIDC is most appropriate.

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 SIDC 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 receipt of his/her SIDC. 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. Initialization of SIDC.

1. Prior to initialization of SIDC by a Signatory, the Signatory will acknowledge having read, understood and agreed to be bound by these Terms and Conditions of Use.

2. Where a Physical Token is to be used, promptly upon receipt of the Physical Token, the Signatory will access CC using his/her account name and CC Password and register his/her Physical Token and set a personal identification number (PIN) to be used in connection with the use of his/her Physical Token, after which the Physical Token will be initialized for use by the Signatory.

---

\(^1\) “Bank” includes IBRD and IDA.

\(^2\) “Borrower” includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.
exclusively for purposes of delivering Applications. Where a Soft Token is to be used, the 
Signatory will access CC using his/her account name and CC Password and set a personal 
identification number (PIN) to be used in connection with the use of his/her Soft Token, after 
which the Soft Token will be initialized for use by the Signatory exclusively for purposes of 
delivering Applications. Upon initialization of the SIDC, the Signatory will be a “SIDC User”. 
The Bank will maintain in its database a user account (Account) for each SIDC User for purposes 
of managing the SIDC of the SIDC User. Neither the Borrower nor the SIDC User will have any 
access to the Account.

3. Prior to first use of the SIDC by the SIDC User, the Borrower shall ensure that the SIDC User has 
received training materials provided by the Bank in use of the SIDC.

C. Use of SIDC.

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

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

3. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation 
and warranty being expressly relied upon by the Bank in granting SIDC) that each SIDC User 
understands and will abide by, these Terms and Conditions of Use, including without limitation 
the following:

4. Security

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

4.2. The SIDC User shall not allow anyone else to utilize his/her SIDC to deliver an 
Application to the Bank.

4.3. The SIDC 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 SIDC User believes a third party has learned his/her PIN or has lost his/her Physical 
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 SIDC, and take other reasonable steps to ensure such SIDC are 
disabled immediately.

5. Reservation of Right to Disable SIDC

5.1. The Borrower shall reserve the right to revoke the authorization of a SIDC User to use a 
SIDC for any reason.
5.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a SIDC, de-activate a SIDC User’s Account or both.

6. **Care of Physical Tokens**

6.1. Physical Tokens will remain the property of the Bank.

6.2. The Bank will physically deliver a Physical Token to each Signatory designated to receive one in a manner to be determined by and satisfactory to the Bank.

6.3. Physical 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, Physical 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. Physical 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 Physical Token.

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

7. **Replacement**

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

7.2. The Bank reserves the right, in its sole discretion, not to replace any Physical Token in the case of misuse, or not to reactivate a SIDC User’s Account.
IFR template to be provided by FMS
The World Bank
APPLICATION FOR
WITHDRAWAL
CUSTOMIZED STATEMENT
OF EXPENDITURES\(^3\) (SOE)

<table>
<thead>
<tr>
<th>Category No.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<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>10</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item No.</td>
<td>Name and Address of the Beneficiary</td>
<td>References of Eligible Beneficiary</td>
<td>Amount per Beneficiary</td>
<td>Total Amount Paid</td>
<td>Elig</td>
<td>Amount Eligible for Financing</td>
<td>Amount Paid From Designated Account (if any)</td>
<td>Date of Payment</td>
<td>Remarks</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Certification
The Recipient hereby certifies that the Beneficiaries paid were selected in line with the Procedures and Eligibility Criteria specified in the in Section I.C.1 of Schedule 2 to the Agreement

---

\(^3\) Supporting documents for this SOE retained at:(insert location)
1818 H Street NW • Washington, DC 20433 USA
Payments Made during Reporting Period
Against Contracts Subject to the Bank’s Prior Review

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of WB’s No-Objection to Contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>WB’s Share of Amount Paid to Supplier during Period</th>
</tr>
</thead>
</table>

Name and Title of Authorized Representative
DESIGNATED ACCOUNT RECONCILIATION STATEMENT

LOAN 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 DESIGNATED ACCOUNT (NUMBER 1 LESS NUMBER 2) = $ ________________

4. BALANCE OF DESIGNATED 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 TOUGH NO. 9) = $ ________________

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

11. DATE: ________________ SIGNATURE: ________________ TITLE: ________________

* ALL ITEMS SHOULD BE INDICATED ON THE BANK STATEMENT

1818 H Street NW • Washington, DC 20433 USA