

OFFICIAL DOCUMENTS Q973-BF**The World Bank**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
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August 7, 2015

H.E. Jean Gustave Sanon
Minister of Economy and Finance
Ministry of Economy and Finance
03 B.P. 7008
Ouagadougou 03
Burkina Faso

**Re: Burkina Faso: Preparation of Proposed Public Sector Modernization Program
Supplemental Preparation Advance No. IDA Q9730
Additional Instructions: Disbursement – First Restatement**

Excellency:

I refer to the Advance Agreement (“Agreement”) between Burkina Faso (“Recipient”) and the International Development Association (“World Bank”) for the preparation of the above-referenced Program, dated April 15, 2015. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Project Preparation Advance IDA-Q9730 (“PPA”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is a First Restatement of the Disbursement Letter dated April 15, 2015 for the above referenced project to amend the Designated Account ceiling. All other provisions and attachments of the Disbursement letter dated April 15, 2015, except as amended, shall remain in force and effect.

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 PPA 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

- Special Commitment

(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).

Applications for this Financing will be signed by the officials 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 applications for withdrawal, together with supporting documents to the address indicated below:

The World Bank
Delta Center, 13th Floor
Menengai Road, Upper Hill,
Nairobi
Kenya
Attention: Loan Department

(iii) Electronic Delivery (subsection 3.4) The World Bank may permit the Recipient to electronically deliver to the World Bank Applications (with supporting documents) through the World Bank's Client Connection, web-based portal. The option to deliver Applications to the World Bank 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 World Bank 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 World Bank agrees, the World Bank 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 World Bank 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 [3]; 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 see (iv) below

(vi) 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):** BCEAO (Central Bank) Ouagadougou
- **Ceiling (subsection 6.1):** CFAF 500 million

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:**
 - 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 250,000 for goods, USD 100,000 for consulting firms and USD 50,000 for individual consultants;
 - Statement of Expenditure in the form attached (Attachment 4) for all other expenditures; and
 - 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 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 (Attachment 6) for this Account should be submitted with each Application for advances to the designated account and/or for reporting eligible expenditures paid from the Designated Account.

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

IV. Other Disbursement Instructions

Funds from the Designated Account may be transferred to transaction accounts in local currency to meet eligible expenditures, provided that transactions and balances in these accounts are included in all project financial reports and in the reconciliation referred to in Section III (iii) above.

V. Other Important Information

For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the World Bank's public website at <http://www.worldbank.org> and its secure website "Client Connection" at <http://clientconnection.worldbank.org>. Print copies are available upon request.

From the Client Connection website, you will be able to download Applications, monitor the near real-time status of the PPA, 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 (<http://clientconnection.worldbank.org>). From this website you will be able to download Applications, monitor the near real-time status of the PPA, and retrieve related policy, financial, and procurement information. 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 Faly Diallo, Finance Officer at LOA-AFR@worldbank.org using the above reference.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By Katrina Sharkey - P.O.
Ousmane Diagana
Country Director for Burkina Faso
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