

OFFICIAL DOCUMENTS

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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March 29, 2019

His Excellency Romuald Wadagni
Minister of Economy and Finance
Ministry of Economy and Finance
Cotonou
Republic of Benin

**Re: Republic of Benin: Advance Agreement for Preparation of Proposed
Agricultural Competitiveness and Export Diversification Project
Project Preparation Advance No. V2690
Additional Instructions: Disbursement**

Excellency,

I refer to the Advance Agreement ("Agreement") between the Republic of Benin ("Recipient") and the International Development Association ("World Bank") for the preparation of the above-referenced Project, of even date, herewith. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Project Preparation Advance V2690 ("PPA"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

The attached *Disbursement Guidelines for Investment Project Financing*, 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 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

(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 Advance will be signed by the official(s) authorized to sign Applications as indicated in your letter of October 25, 2018 and signed by H.E Romuald Wadagni, *Ministre de l'Economie et des Finances*.

(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,
Client Services, Loan Operation and Trust Funds 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 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.

(v) **Minimum Value of Applications (subsection 3.5).** The Minimum Value of Applications will be 20% of the advance ceiling amount

(vi) **Advances (sections 5 and 6).**

- **Type of Designated Account] (subsection 5.3):** Segregated
- **Currency of Designated Account (subsection 5.4):** FCFA

Financial Institution at which the Designated Account will be opened (subsection 5.5):
BANQUE CENTRALE DES ETATS DE L'AFRIQUE DE L'OUEST – BCEAO- BENIN

- **Ceiling (subsection 6.1):** FCFA 300,000,000

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 4)
- ***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 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 mission and internal and external auditors.

IV. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank's public website 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.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By 
Pierre Laporte
Country Director for Benin
Africa Region

Attachments

1. World Bank Disbursement Guidelines for Investment Project Financing, dated February 1, 2017
2. Form of "Statement of Expenditure"

Attachment 2
Statement of Expenditures (SOE)

Statement of Expenditures

Payment made during the period from

to

The following expenditures have been incurred during the retroactive financing period (please tick)

The following expenditures have been incurred before the closing date of the loan/credit/grant (please tick)

Yes	No
Yes	No

Financier
Loan/Credit/Grant #
Application #
Category #
Page #

1	2	3	4	5	6	7	8	9	10	11	ONLY for the Designated Account			15
Item No	Supplier's Name	Brief Description of the expenditure	Prior Review Contract? (YES or NO)	Contract # (Client Connection # for Prior Review contracts)	Contract currency and amount (original + amendment)	Invoice number	Date of payment	Total amount of invoice covered by Application (net of retention)	% Financed by the Bank	Eligible Amount (Col 9 X 10)	Exchange rate	Date of Withdrawal from the Designated Account	Amount Withdrawn from the Designated Account (Col 11 / 12)	
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Supporting documents for this SOE are retained at
(insert location)

A separate form should be used for each category