

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

OFFICIAL DOCUMENTS

(202) 473-1000
Cable Address: INTBAFRAD
Cable Address: INDEVAS

CR 5718-CM

May 2, 2016

H.E. Louis Paul Motaze
Minister of Economy, Planning and Regional Development
Ministry of Economy, Planning and Regional Development
Yaoundé,
Republic of Cameroon

Excellency:

**Re: IDA Financing 5718-CM
Community Development Program Support Project – Phase 3
Additional Instructions: Disbursement – First Restatement**

I refer to the Financing Agreement between the International Development Association (the “Association”) and the Republic of Cameroon (the “Recipient”) for the above-referenced project, dated February 3, 2016. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of financing 5718-CM (“Financing”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This letter is the first Amendment of the Disbursement Letter dated February 3, 2016 to: (i) restate Section II (vi) to increase the ceilings of the three Designated Accounts DA A, DA B and DA C; (ii) Section II (v) to update the minimum value of withdrawal applications for reimbursement, direct payment and special commitment; and (iii) Sections III (i) and (ii) to update the information therein. All other provisions of the Disbursement Letter dated February 3, 2016 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 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.

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Disbursement Condition(s) in the Financing Agreement.

II. Withdrawal of Financing Proceeds

(i) Authorized Signatures (subsection 3.1).

An authorized signatory letter in the Form attached (Attachment 2) should be furnished to the Association at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank
P.O. Box 1128
Yaoundé, Cameroon
Attention: Elisabeth Huybens, Country Director

(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
13th Floor
Delta Center
Menengai Road
Upper Hill
P.O. Box 30577-00100
Nairobi Kenya
Tel +254 20 2936 000
Attention: Loan Operations

(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 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 for reimbursement, direct payment and special commitment is FCFA 3,000,000.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account[s] (subsection 5.3):** Three Segregated Accounts
 - DA A - Category 1 or Part A except grants, B and C to be managed by CAA
 - DA B - Category 2 or Part A.1 (a) CDP Grants to be managed by CAA
 - DA C - Category 3 and 4 or Parts A.1 (b) and A.2 to be managed by CAA
- **Currency of Designated Account[s] (subsection 5.4):** FCFA (XAF)
- **Financial Institution at which the Designated Accounts Will Be Opened (subsection 5.5):**
 - DA A - UBA Cameroon
 - DA B - UBA Cameroon
 - DA C - UBA Cameroon
- **Ceiling (subsection 6.1):**
 - DA A - FCFA 1,300,000,000
 - DA B - FCFA 2,300,000,000
 - DA C – FCFA 4,500,000,000

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 for reporting eligible expenditures paid from the Designated Accounts:**

- List of payments against contracts that are subject to the Association's prior review, in the form attached (Attachment 5)
- DA-A Customized Statement of Expenditure in the form attached for Category 1 (Attachment 4.A)
- DA-B Customized Statement of Expenditure in the form attached for Category 2 (Attachment 4.B)
- DA-C Customized Statement of Expenditure in the form attached for Categories 3 and 4 (Attachment 4.C)
- Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments subject to the bank's prior review
- ***For requests for Direct Payment:*** records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices.
- ***For requests for Special Commitment:*** Letter of credit and proforma invoice

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3): Monthly for all designated accounts

IV. Other Important Information

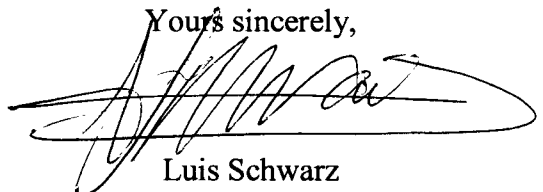
For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the Association's public website at <https://www.worldbank.org> and its secure website "Client Connection" at <https://clientconnection.worldbank.org>. Print copies are available upon request.

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

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

If you have any queries in relation to the above, please contact Luis Schwarz, Senior Finance Officer at wfaldafr@worldbank.org using the above reference.

Yours sincerely,



Luis Schwarz
Senior Finance Officer for Cameroon
WFALA

Prepare by Prepared by: Stella Chepkorir (WFALA)

Cleared with and cc: Nneoma Nwogu, Country Lawyer
Nicolas Perrin, Task Team Leader