

The World BankINTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION1818 H Street N.W.
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DOCUMENTS**

CR 5510-NG

May 11, 2015

H. E. Dr. Ngozi Okonjo-Iweala
Coordinating Minister for the Economy and
Honorable Minister of Finance
Federal Ministry of Finance
Finance Headquarters, Central Business District
Abuja, Nigeria

**Re: IDA Financing 5510-NG (Ibadan Urban Flood Management Project)
First Revised Disbursement Letter dated November 7, 2014
Additional Instructions: Disbursement**

Excellency:

I refer to the Financing Agreement between the International Development Association (the "Association") and the Federal Republic of Nigeria (the "Recipient") for the above-referenced project, dated November 7, 2015. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of financing 5510-NG ("Financing"). This revised Disbursement Letter changes the name of the Bank for the Designated Account, the rest of provisions remain the same. This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

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
Nigeria Country Office
102, Yakubu Gowon Crescent
Asokoro, Abuja
Federal Republic of Nigeria
Attention: Marie-Francoise Marie-Nelly, Country Director for Nigeria

(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 30557-00100
Nairobi Kenya
Tel +254 20 2936 000
Attention: Loan Department

(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 is 20 percent of the Designated Account Advance.

(vi) Advance (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated
- **Currency of Designated Account (subsection 5.4):** US Dollar
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Zenith Bank Plc.
- **Ceiling (subsection 6.1):** forecast for two quarters as shown in the annual work plan and approved by the TTL.

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:**
 - Statement of Expenditure in the form attached (Attachment 4)
 - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments for (a) works against contracts valued at USD 500,000 or more, (b) goods and non-consulting services against contracts valued at USD 200,000 or more, (c) consulting firms against contracts valued at USD 100,000 or more and, (d) individual consultants against contracts valued at USD 50,000 or more;
 - List of payments against contracts that are subject to the Association'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): monthly

(iii) Other Supporting Documentation Instructions All replenishment requests to the Designated Account need to be submitted with bank statements and Reconciliation Bank Statement (Attachment 6)

IV. Other Important Information

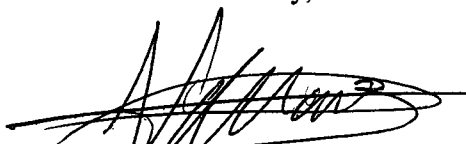
For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the Association's public website at <https://www.worldbank.org> and its secure

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 any queries in relation to the above, please contact Finance Officer at LOA-AFR@WORLDBANK.ORG using the above reference.

Yours sincerely,



Lais Schwarz
Senior Finance Officer
Loan Operations

N/A
Attachments

1. *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006
2. Form for Authorized Signatures
3. *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation*, dated March 1, 2013
4. Form of "Statement of Expenditure"
5. Form of Payments Against Contracts Subject to the Bank's Prior Review
6. Form of Bank Reconciliation Statement

Cc with copies: Commissioner for Finance
Ministry of Finance
Secretariat
Ibadan, Oyo State