

September 21, 2018

H. E. Henri Yav Mulang
Minister of Finance
Ministry of Finance
Kinshasa
Democratic Republic of Congo

**Re: Credit 6287-ZR
(SME Development and Growth Project)
Additional Instructions: Disbursement and Financial Information Letter**

Excellency,

I refer to the Financing Agreement between the Democratic Republic of Congo (the “Recipient”) and the International Development Association (the “Association”), for the above-referenced Project. The General Conditions, as defined in the Financing Agreement, provide that the Recipient may from time to time request withdrawals of Credit amounts from the Credit Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Association may specify from time to time by notice to the Recipient. The General Conditions also provide that the Disbursement and Financial Information Letter may set out Project specific financial reporting requirements. This letter constitutes such Disbursement and Financial Information Letter (“DFIL”), and may be revised from time to time.

I. Disbursement Arrangements, Withdrawal of Credit Funds, and Reporting of Uses of Credit Funds

The *Disbursement Guidelines for Investment Project Financing*, dated February 2017, (“Disbursement Guidelines”) are available in the Association’s public website at <https://www.worldbank.org> and its secure website “Client Connection” at <https://clientconnection.worldbank.org>. The Disbursement Guidelines are an integral part of the DFIL, and the manner in which the provisions in the guidelines apply to the Credit is specified below.

(i) Disbursement Arrangements

- **General Provisions** (Schedule 1). The table in Schedule 1 sets out the disbursement methods which may be used by the Borrower, information on registration of authorized signatures^{6/}, processing of withdrawal applications (including minimum value of applications and processing of advances), instructions on supporting documentation, and frequency of reporting on the Designated Account.

- (ii) **Electronic Delivery.** Section 11.01(c) of the General Conditions. The Association may permit the Recipient to electronically deliver applications (with supporting documents) through the Association's web-based portal (<https://clientconnection.worldbank.org>) "Client Connection". This option may be effected if the officials designated in writing by the Recipient who are authorized to sign and deliver Applications have registered as users of "Client Connection". The designated officials may deliver Applications electronically by completing the Form 2380, which is accessible through "Client Connection". By signing the Authorized Signatory Letter, the Recipient confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. 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. 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, available in the Association's public website at <https://worldbank.org> and "Client Connection"; and (b) to cause such official to abide by those terms and conditions.

II. Financial Reports and Audits


- (i) **Financial Reports.** The Recipient must prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports ("IFR") for the Project covering the quarter.
- (ii) **Audits.** Each audit of the Financial Statements must cover the period of one fiscal year of the Borrower, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Association not later than six (6) months after the end of such period.

III. Other Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Association's website (<http://www.worldbank.org/>) and "Client Connection". The Association 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 Credit, and retrieve related policy, financial, and procurement information. 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 Issa Thiam, Finance Officer at ithiam@worldbank.org, with copy to Ingrid Meka, Finance Analyst at imeka@worldbank.org using the above reference.

Yours sincerely,

By: 

Jean-Christophe Carret
Country Director for the Democratic Republic of Congo
Africa Region

Attachments

1. Statement of Expenditure (SOE)
2. Form of the Authorized Signatory Letter
3. Customized of Statement of Expenditures

Schedule 1 : Disbursement Provisions

Basic Information			
Credit Number 6287-ZR	Country	Democratic Republic of Congo	Closing Date Disbursement Deadline Date <i>Subsection 3.7</i> **
	Borrower	Democratic Republic of Congo	
	Name of the Project	SME Development and Growth Project	Section [III.B.2.] of Schedule [2] to the Financing Agreement. Four months after the closing date.
Disbursement Methods and Supporting Documentation			
Disbursement Methods <i>Section 2 (**)</i>	Methods	Supporting Documentation <i>Subsections 4.3 and 4.4 (**)</i>	
Direct Payment	[Yes]	Copy of records	
Reimbursement	[Yes]	Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL	
Designated Account	[Yes]	Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL	
Special Commitments	[Yes]	Copy of Letter of Credit	
Designated Account (Sections 5 and 6 **)			
Type	Segregated	Ceiling	Fixed
Financial Institution – Name	Banque Commerciale du Congo (BCDC)	Currency	USD
Frequency of Reporting <i>Subsection 6.3 (**)</i>	Monthly	Amount	6,500,000
Minimum Value of Applications (subsection 3.5)			
The minimum value of applications for Reimbursement, Direct Payment and Special Commitment is twenty percent of the Designated Account Ceiling.			
Authorized Signatures (Subsection 3.1 and 3.2 **) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter <i>Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 **)</i>			
Authorized Signatures (subsection 3.1 and 3.2). A letter in the form attached (attached 2) should be furnished to the World Bank at the address indicated below providing the name(s) and specimen signature (s) of the official (s) authorized to sign Applications: The World Bank Resident Mission Kinshasa, Democratic Republic of Congo Attention: Jean-Christophe Carret, Country Director			

Applications (subsections 3.3 - 3.4). 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, Menegai Road, Upper Hill
Nairobi, Kenya
Attention: Loan Operations & Trust Funds Unit

Additional Disbursement Instructions

Other

*** Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 201*

Attachment 1

IBRD- International Bank for Reconstruction and Development

Statement of Expenditures

Payment made during the period from [] to []

Yes	No
Yes	No

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)

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

1 Item No	2 Supplier's Name	3 Brief Description of the expenditure	4 Prior Review Contract? (YES or NO)	5 Contract # (Client Connection # for Prior Review contracts)	6 Contract currency and amount (original + amendment)	7 Invoice number	8 Date of payment	9 Total amount of invoice covered by Application (net of retention)	10 % Financed by the Bank	11 Eligible Amount (Col 9 X 10)	ONLY for the Designated Account										
											13 Exchange rate	14 Date of Withdrawal from the Designated Account	15 Amount Withdrawn from the Designated Account (Col 11 / 12)	TOTAL							
																		0.00		0.00	
								0.00		0.00								0.00	TOTAL	0.00	

Supporting documents for this SOE are retained at

[insert location]

A separate form should be used for each category

Form of Authorized Signatory Letter

[Letterhead]
Ministry of Finance
[Street address]
[City] [Country]

[DATE]

The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: [Country Director]

**Re: Credit 6287-ZR
(SME Development and Growth Project)**

I refer to the Grant Agreement ("Agreement") Agreement between Democratic Republic of Congo (the "Recipient") and the International Development Association (the "Association"), dated _____, providing the above Financing. For the purposes of Section 2.02 of the General Conditions as defined in the Agreement, any ¹[one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign applications for withdrawal [and applications for a special commitment] under this Credit.

For the purpose of delivering Applications to the Bank, ²[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Borrower, acting ³[individually] ⁴[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Bank.

⁵[This confirms that the Borrower is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting

¹ Instruction to the Borrower: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. *Please delete this footnote in final letter that is sent to the Bank.*

² Instruction to the Borrower: Stipulate if more than one person needs to *jointly* sign Applications, if so, please indicate the actual number. *Please delete this footnote in final letter that is sent to the Bank.*

³ Instruction to the Borrower: Use this bracket if any one of the authorized persons may sign; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the Bank.*

⁴ Instruction to the Borrower: Use this bracket only if several individuals must jointly sign each Application; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the Bank.*

documents to the Bank by electronic means. In full recognition that the Bank shall rely upon such representations and warranties, including without limitation, the representations and warranties contained in 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 SIDC"), the Borrower represents and warrants to the Bank that it will cause such persons to abide by those terms and conditions.]

This Authorization replaces and supersedes any Authorization currently in the Bank records with respect to this Agreement.

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

[Position]

⁵ Instruction to the Borrower: Add this paragraph if the Borrower wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. *Please delete this footnote in final letter that is sent to the Bank.*

**The World Bank
APPLICATION FOR
WITHDRAWAL
CUSTOMIZED STATEMENT
OF EXPENDITURES⁶ (SOE)**

Data

Category No. _____

1	3	4	5	6	7	8	9	10	11
Item No.	Name and Address of Payment Agency	References of Eligible Beneficiary	Amount per Beneficiary	Total Amount Paid	Elig. %	Amount Eligible for Financing	Amount Paid from Designated Account (if any)	Date of Payment	Remarks
TOTAL									
S									

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

Name and Title of Authorized Representative

⁶ Supporting documents for this SOE retained at:(insert location)