

OFFICIAL DOCUMENTS



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

Independence Avenue
Plot # 3, Ridge
Accra, Ghana

Tel: (233-302) 214100, 220837
Fax: (233-302) 227887

July 11, 2018

Honorable Kenneth Ofori-Atta
Minister of Finance
Ministry of Finance

Accra, Ghana

Honourable Ofori-Atta:

**Re: Preparation of Proposed Financial Sector Development Project
Preparation Advance No. IDA V2190-GH
Additional Instructions: Disbursement**

I refer to the Advance Agreement (“Agreement”) between the Republic of Ghana (“Recipient”) and the International Development Association (“World Bank”) for the preparation of the above-referenced Project, dated July 11, 2018. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Project Preparation Advance IDA-V2190-GH (“PPA”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The attached *World Bank 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).** A letter in the Form attached (Attachment 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 Office
Independence Avenue
Plot # 3, Ridge
Accra, Ghana

Attention: Henry G. R. Kerali
Country Director for Ghana

- (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
Contact Telephone Number: +254 20 2936 000
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 USD 50,000
- (vi) **Advances (sections 5 and 6).**
 - **Type of Designated Account[s] (subsection 5.3):** Segregated
 - **Currency of Designated Account[s] (subsection 5.4):** USD
 - **Financial Institution at which the Designated Account[s] Will Be Opened (subsection 5.5):** Bank of Ghana
 - **Ceiling (subsection 6.1):** forecast for 2 quarters as provided in the quarterly Interim Financial Report

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 reporting eligible expenditures paid from the Designated Account:**
 - Interim Financial Report 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):** quarterly

IV. 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 Maiada Kassem, Finance Officer at loa-afr@worldbank.org using the above reference.

Yours sincerely,



Henry Kerali
Country Director for Ghana
Africa Region

Attachments

1. *World Bank Disbursement Guidelines for Investment Project Financing*, dated February 1, 2017,
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, and
4. Interim Financial Report.

Attachment 2

[Letterhead]
Ministry of Finance and Economic planning
[Street address]
[City] [Country]

[DATE]

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

Attention: [Country Director]

Dear [Country Director]:

Re: Project Preparation Advance No. IDA V2190-GH
(Preparation of Proposed Financial Sector Development Project)

I refer to the Advance Agreement (“Agreement”) between the [name of Recipient] (“Recipient”) and the International Bank for Reconstruction and Development (“World Bank”) dated _____, providing for the above [Project][Program] Preparation Advance. For the purposes of Section 3.03 of the Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility, as defined in the Agreement, any [one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient to sign applications for withdrawal [and applications for a special commitment] under this [Project][Program] Preparation Advance:

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

¹ Instruction to the Recipient when sending this letter to the World Bank: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply.

² Instruction to the Recipient: 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 World Bank.*

³ Instruction to the Recipient: 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 World Bank.*

⁴ Instruction to the Recipient: 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 World Bank.*

⁵[This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the World Bank by electronic means. In full recognition that the World 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 Recipient represents and warrants to the Association that it will cause such persons to abide by those terms and conditions.]

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

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

[Position]⁶

⁵ Instruction to the Recipient: Add this paragraph if the Recipient 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 World Bank.*

⁶ The letter should be signed by the official designated as the Recipient's Representative in the Advance Agreement.

**Terms and Conditions of Use of Secure Identification Credentials
in connection with Use of Electronic Means
to Process Applications
and Supporting Documentation**

March 1, 2013

The World Bank (Bank)⁷ will provide secure identification credentials (SIDC) to permit the Borrower⁸ to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

SIDC can be either: (a) hardware-based (Physical Token), or (b) software-based (Soft Token). The Bank reserves the right to determine which type of SIDC is most appropriate.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide SIDC to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.
2. Each Signatory must register as a user on the Bank's Client Connection (CC) website (<https://clientconnection.worldbank.org>) prior to receipt of his/her SIDC. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Initialization of SIDC.

1. Prior to initialization of SIDC by a Signatory, the Signatory will acknowledge having read, understood and agreed to be bound by these Terms and Conditions of Use.
2. Where a Physical Token is to be used, promptly upon receipt of the Physical Token, the Signatory will access CC using his/her account name and CC Password and

⁷ "Bank" includes IBRD and IDA.

⁸ "Borrower" includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.

register his/her Physical Token and set a personal identification number (PIN) to be used in connection with the use of his/her Physical Token, after which the Physical Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Where a Soft Token is to be used, the Signatory will access CC using his/her account name and CC Password and set a personal identification number (PIN) to be used in connection with the use of his/her Soft Token, after which the Soft Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the SIDC, the Signatory will be a "SIDC User". The Bank will maintain in its database a user account (Account) for each SIDC User for purposes of managing the SIDC of the SIDC User. Neither the Borrower nor the SIDC User will have any access to the Account.

3. Prior to first use of the SIDC by the SIDC User, the Borrower shall ensure that the SIDC User has received training materials provided by the Bank in use of the SIDC.

C. Use of SIDC.

1. Use of the SIDC is strictly limited to use in the delivery of Applications by the SIDC User in the manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other use of the SIDC is prohibited.

2. The Bank assumes no responsibility or liability whatsoever for any misuse of the SIDC by the SIDC User, other representatives of the Borrower, or third parties.

3. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank in granting SIDC) that each SIDC User understands and will abide by, these Terms and Conditions of Use, including without limitation the following:

4. ***Security***

- 4.1. The SIDC User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.

- 4.2. The SIDC User shall not allow anyone else to utilize his/her SIDC to deliver an Application to the Bank.

- 4.3. The SIDC User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.

- 4.4. If the SIDC User believes a third party has learned his/her PIN or has lost his/her Physical Token he/she shall immediately notify clientconnection@worldbank.org.

4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised SIDC, and take other reasonable steps to ensure such SIDC are disabled immediately.

5. ***Reservation of Right to Disable SIDC***

5.1. The Borrower shall reserve the right to revoke the authorization of a SIDC User to use a SIDC for any reason.

5.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a SIDC, de-activate a SIDC User's Account or both.

6. ***Care of Physical Tokens***

6.1. Physical Tokens will remain the property of the Bank.

6.2. The Bank will physically deliver a Physical Token to each Signatory designated to receive one in a manner to be determined by and satisfactory to the Bank.

6.3. Physical Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Physical Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Physical Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Physical Token.

6.4. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care of Physical Tokens are available at <http://www.rsa.com>.

7. ***Replacement***

7.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Physical Tokens will be replaced at the expense of the Borrower.

7.2. The Bank reserves the right, in its sole discretion, not to replace any Physical Token in the case of misuse, or not to reactivate a SIDC User's Account.

Ministry of Finance

FINANCIAL SERVICES DIRECTORATE (PIU)

Ghana: GHANA FINANCIAL SECTOR DEVELOPMENT PROJECT

Credit No. IDA XXXXX

**INTERIM FINANCIAL REPORT (IFR)
FOR THE QUARTER ENDED - XXXXX**

Prepared: Project Accountant

Reviewed By: Head of Accounts.....

PROJECT IMPLEMENTING ENTITY:		Ministry of Finance			
PROJECT NAME:		Ghana: GHANA FINANCIAL SECTOR DEVELOPMENT PROJECT			
IBRD CREDIT/GRANT NO.:		IDA.....			
REPORT:		INTERIM FINANCIAL REPORT (IFR)			
THIS SCHEDULE:		STATEMENT OF SOURCES AND USES OF FUNDS - COMPONENT			
PERIOD OF REPORT:		QUARTER ENDING -XXXXX			
REPORTING CURRENCY:		US DOLLARS			
		Reference to Detail	Current Quarter	Year to Date	Cumulative to Date
Opening cash Balances					
IDA Designated Account A -USD					
Project Bank Accounts -Local Currency (if any)					
Interest Account					
Cash-in hand			-	-	-
TOTAL OPENING BALANCES		A	A	-	-
Add: Funds Received during the quarter/Period					
IDA Designated Account A -USD					
Project Bank Accounts -Local Currency					
Others - Interest Earned - USD Acc					
TOTAL FUNDS RECEIVED DURING THE PERIOD		B	B	-	-
TOTAL FUNDS AVAILABLE		C=(A+B)	C=(A+B)		
Less: Uses of funds, by Project Components					
		Component	DA - ACCOUNT		
Component 1 -Improving Financial Sector Regulatory Oversight and Market Transparency and Discipline		1			
Goods		1			
Works		1			
Consultancy & Non Consultancy Services		1			
Sub Total For Component 1					
Component 2 -Increasing the Operational Efficiency and Outreach of SDIs and VSLAs		2			
Goods		2			
Works		2			
Consultancy & Non Consultancy Services		2			
Sub Total For Component 2					
Component 3 -Bolstering Financial Capacity and Consumer Protection		3			
Goods		3			
Works		3			
Consultancy & Non Consultancy Services		3			
Sub Total For Component 3					
Component 4 -Enhancing the Capacity for the Implementation and Monitoring of Financial Sector Policies and Support Project Implementation		4			
Goods		4			
Works		4			
Consultancy & Non Consultancy Services		4			
Sub Total For Component 4					
Component 5 - Project Management, M&E etc		5			
Goods		5			
Works		5			
Consultancy & Non Consultancy Services		5			
Sub Total For Component 5					
Total Project Expenditure for the Period		D	D		
Net Cash Available		E=C-D	E=C-D		
Closing bank balances					
IDA Designated Account A -USD			-	-	-
Project Bank Accounts -Local Currency			-	-	-
Interest Account			-	-	-
Total Closing Bank Balances		g	g		
Difference - to be explained		h=f-g	h=f-g		

Av Exch Rate For the Period

PROJECT IMPLEMENTING ENTITY:	Ministry of Finance				
PROJECT NAME:	Ghana: GHANA FINANCIAL SECTOR DEVELOPMENT PROJECT				
IBRD CREDIT/GRANT NO.:	IDA.....				
REPORT:	INTERIM FINANCIAL REPORT (IFR)				
THIS SCHEDULE:	STATEMENT OF SOURCES AND USES OF FUNDS - CATEGORY				
PERIOD OF REPORT:	QUARTER ENDING -XXXX				
REPORTING CURRENCY:	US DOLLARS				
		Referece to Detail	Current Quarter	Year to Date	Cumulative to Date
Opening cash Balances					
IDA Designated Account A -USD					
Project Bank Accounts -Local Currency					
Interest Account					
Cash-in hand			-	-	-
TOTAL OPENING BALANCES	A	A	-	-	-
Add: Funds Received during the quarter/Period					
IDA Designated Account A -USD					
Project Bank Accounts -Local Currency					
Others - Interest Earned - USD Acc					
TOTAL FUNDS RECEIVED DURING THE PERIOD	B	B	-	-	-
TOTAL FUNDS AVAILABLE	C=(A+B)	C=(A+B)			
Less: Uses of funds, by Project Category	Category				
(1) Goods, Works, Consultants' services, Non Consultancy Service, Operating Costs, and Training and Workshops under Part X of the Project	1				
Total Project Expenditure for the Period - By Categories	D	D			
Net Cash Available	E=C-D	E=C-D			
Closing bank balances					
IDA Designated Account A -USD			-	-	-
Project Bank Accounts -Local Currency			-	-	-
Interest Account			-	-	-
Total Closing Bank Balances	g	g			
Difference - to be explained	h=f-g	h=f-g	-	-	-

Av Exch Rate For the Period

PROJECT IMPLEMENTING ENTITY:	Ministry of Finance		
PROJECT NAME:	Ghana: GHANA FINANCIAL SECTOR DEVELOPMENT PROJECT		
IBRD CREDIT/GRANT NO.	IDA.....		
REPORT:	INTERIM FINANCIAL REPORT (IFR)		
THIS SCHEDULE:	Designated Account Reconciliation Statement		
PERIOD OF REPORT:	QUARTER ENDING -XXXX		
REPORTING CURRENCY:	US DOLLARS		
1. Cumulative advances to the end of current reporting period			-
2. Cumulative expenditures to the end of last reporting period		-	
3. Outstanding advance to be accounted for (Line 1 minus Line 2)			-
4. Opening DA balance at beginning of reporting period, as of			-
5. Add/subtract: cumulative adjustments, if any		-	
6. Add: Advances from World Bank during current reporting period		-	
7. Add Line 5 and Line 6			-
8. Outstanding advances to be accounted for (Add Line 4 and Line 7)			-
9. Closing DA balance at end of current reporting period, as of			-
10. Add/subtract: cumulative adjustments, if any			
11. Add/subtract: Expenditures for the current reporting period		-	
12. Add Line 10 and Line 11			-
13. Add Line 9 and Line 12			-
14. Difference , if any (Line 8 minus Line 13)			-
15A. Total forecast amount to be paid by World Bank			-
15B. WA # xxx sent but not yet received			
15C. Total adjusted forecast amount to be paid by World Bank (Line 15A minus Line 15B)			-
16. Less: Closing DA balance after adjustments		-	
17. Adjustments (if any)		-	
18. Add Line 16 and Line 17			-
19. Cash requirement/(Or not) from World bank for next two reporting periods (Line 15C minus Line 18)			-

