

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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

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

Mr. Minister Emmanuel NGANOU DJOUMESSI
Minister of Economy, Planning and Regional Development

Yaoundé, Republic of Cameroon



May 10, 2012

CR. 4612-CM

**Re: IDA Credit 4612-CM (Agricultural Competitiveness Project) Additional Instructions:
Disbursement – First Restatement**

I refer to the Financing Agreement between the International Development Association (the “Association”) and Republic of Cameroon (the “Recipient”) for the above-referenced project, dated September 16, 2009. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of Financing 4612-CM (“Financing”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is a First Restatement of the Disbursement Letter dated October 6, 2009 for the above referenced project restating Section II (vi) to raise the ceiling of Designated Account (“A”) to CFAF 2.5 billion. The new ceiling will be effective from the date of this letter to accommodate the Project’s cash flow needs for that period. Section II (iv) is also restated to specify the name of the commercial bank where the Designated Accounts are held. All other provisions of the Disbursement Letter dated October 6, 2009 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 Section IV.B of Schedule 2 to the Financing Agreement.

II. Withdrawal of Financing Proceeds

(i) Authorized Signatures (subsection 3.1). : Applications under this Financing will be signed by the official(s) authorized to sign Applications as indicated in the letter from the Minister of Economy and

Finance of July 7, 2005. In accordance with the provisions of said letter, the officials authorized to sign withdrawal applications for all World Bank financings are Mr. Evou Mekou Dieudonné, CAA Director General, and Mr. Gonta Julien, Deputy Director General.

(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
4 Fricker Road
Illovo 2196
Johannesburg, Republic of South Africa
Attention: Mr. Frank Ferreira, Loan Department

(iii) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications is 20% of the Designated Account ceiling specified below.

(iv) Advances (sections 5 and 6).

- **Type of Designated Account[s] (subsection 5.3):** 2 Segregated Accounts
 - **DA-A** will be used for all other project expenditures except Sub-component 1.1
 - **DA-B** will be used for expenditures related to Sub-component 1.1 (Part A.1 of the Project) – Category (1)
- **Currency of Designated Account[s] (subsection 5.4):** CFA Francs
- **Financial Institution at which the Designated Accounts is Opened (subsection 5.5):** Banque Internationale du Cameroun pour l'Épargne et le Crédit (DA-A) and Banque Internationale du Cameroun pour l'Épargne et le Crédit (DA-B)
- **Ceiling (subsection 6.1):**
 - **DA-A** CFAF 2,500 million
 - **DA-B** CFAF 550 million

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:**

- Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts valued at: US\$ 300,000 equivalent or more for works; US\$100,000 equivalent or more for goods, US\$200,000 equivalent or more for services of consulting firms, and US\$50,000 equivalent or more for individual consultants.
- Customized Statement of Expenditure in the form attached (Attachment 2) for expenditures related to Category (4) (Sub-grants)
- Statement of Expenditure in the form attached (Attachment 3) for all other expenditures / contracts and,
- List of payments against contracts that are subject to the World Bank's prior review, in the form attached (Attachment 4)

- **For reporting eligible expenditures paid from the Designated Account:**
 - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts valued at: US\$ 300,000 equivalent or more for works; US\$100,000 equivalent or more for goods, US\$200,000 equivalent or more for services of consulting firms, and US\$50,000 equivalent or more for individual consultants.
 - Customized Statement of Expenditure in the form attached (Attachment 2) for expenditures related to Category (4) (Sub-grants)
 - Statement of Expenditure in the form attached (Attachment 3) for all other expenditures / contracts and,
 - List of payments against contracts that are subject to the World Bank's prior review, 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

IV. Other Important Information

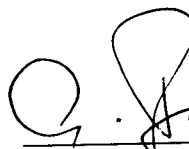
For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the World Bank's public website at <http://www.worldbank.org> and its secure website "Client Connection" at <http://clientconnection.worldbank.org>. Print copies are available upon request.

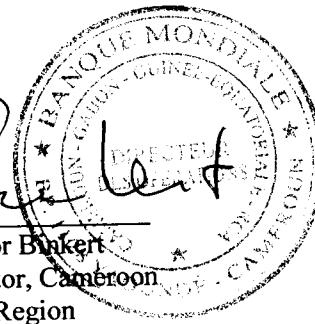
From the Client Connection website, you will be able to download Applications, monitor the near real-time status of the Credit, and retrieve related policy, financial, and procurement information.

If you have any queries in relation to the above, please contact Ms. Aissatou Diallo, Finance Officer at LOA-AFR@worldbank.org using the above reference.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION


By: Gregor Bankert
Country Director, Cameroon
Africa Region



Copy :

- Minister of Agriculture and Rural Development
- Minister of Livestock, Fisheries and Animal Husbandry
- M. TOUSSI, National Coordinator for Cameroon Agricultural Competitiveness Project
(paca_ucp@yahoo.fr)