

OFFICIAL DOCUMENTS

The World Bank
E-32 Agargaon, Sher-e-Bangla Nagar, Dhaka 1207, Bangladesh
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Qimiao Fan
Country Director for Bangladesh, Bhutan & Nepal

December 6, 2018

Ms. Mahmuda Begum
Additional Secretary
Economic Relations Division
Ministry of Finance
Dhaka, Bangladesh

Dear Additional Secretary Begum:

***Re: IDA Financing 6332-BD
Operation for Supporting Rural Bridges
Additional Instructions: Disbursement and Financial Information Letter***

I refer to the Financing Agreement between People's Republic of Bangladesh ("Recipient") and the International Development Association (the "Association") for the above-referenced Operation. 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 Program specific financial reporting requirements. This letter constitutes such Disbursement and Financial Information Letter ("DFIL") and may be revised from time to time.

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

I. Disbursement Arrangements, Withdrawal of Credit Funds, and Reporting of Uses of Credit Funds applicable to the Program part and the Project part of IDA 6332-BD.

(i) Electronic Delivery. Section 11.01 (c) of the General Conditions.

The Association may permit the Recipient to electronically 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. Disbursement Arrangements, Withdrawal of Credit Funds, and Reporting of Uses of Credit Funds applicable to the Program part of IDA 6332-BD.

(i) Schedule 1. The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, information on registration of authorized signatures, processing of withdrawal applications.

(ii) Withdrawal Applications. Applications for withdrawal from the Credit Account ("Withdrawal Applications") of amounts of the Credit allocated to individual Disbursement Linked Results ("DLR") may, pursuant to the provisions of Section IV.A.1 of Schedule 2 of the Financing Agreement, be sent to the Association at any time after the Association has notified the Recipient in writing that it has accepted evidence of achievement of the specific DLR.

(iii) Withdrawal Amount. The Withdrawal Application may be for an amount not to exceed the amount of the Credit confirmed by the Association for the specific DLR in respect of which the withdrawal is requested, as specified in the Association's notice to the Recipient.

(iv) Advances and Recovery of Advances. The Recipient may, in accordance with provisions of the Financing Agreement, request advances of amounts of the Credit allocated to DLI Targets that have not yet been achieved using the Form attached (Attachment 2). The aggregated amount of all such advances made in respect of amounts allocated to DLI Targets may not exceed the equivalent of SDR 70,125,000.

The Association records an amount of the advance as disbursed for an achieved DLI Target ("recovered") after it has notified the Recipient of its acceptance of the evidence of achievement of the DLI Target for which the advance was provided. The amount so reclassified becomes available for further advances in accordance with the preceding paragraph.

III. Disbursement Arrangements, Withdrawal of Credit Funds, and Reporting of Uses of Credit Funds applicable to the Project part of IDA 6332-BD.

- Disbursement Guidelines. 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 this Disbursement and Financial Reporting Letter for the Project part, and the manner in which the provisions in the guidelines apply to the Financing is specified below.
- **General Provisions** (Schedule 2). The table in Schedule 2 sets out the disbursement methods which may be used by the Recipient, information on registration of authorized signatures, 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.

B. Financial Reports and Audits.

(i) Financial Reports. The Recipient shall prepare and furnish to the Association not later than forty five (45) days after the end of each quarter, interim unaudited financial reports (IUFR) for the Project part covering the quarter.

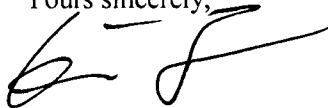
(ii) Audits. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period for the Program part and the Project part shall be furnished to the Association not later than nine (9) months after the end of such period.

C. Other Important Information.

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Association 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 Mr. Satish Kumar Shivakumar, Finance Officer at satishkumar1@worldbank.org, using the above reference.

Yours sincerely,



Country Director

Attachments

1. Form of Authorized Signatory Letter
2. Sample form for Advances for the Program part
3. Interim Unaudited Financial Report format for Project part

Schedule 1 : Disbursement Provisions

Basic Information					
Financing Number	IDA 6332- BD	Country	People's Republic of Bangladesh	Closing Date	Section IV.D of Schedule 2 to the Financing Agreement.
		Recipient	People's Republic of Bangladesh		
		Name of the Program	Operation for Supporting Rural Bridges	Disbursement Deadline Date	Six months after the closing date.
Disbursement Methods and Supporting Documentation					
Disbursement Methods	Methods	Supporting Documentation			
Reimbursement (financing of achieved results)	Yes	Confirmation issued by the Association			
Advance	Yes	Form of Advances (Attachment 2)			
Authorized Signatures <i>The form for Authorized Signatories Letter is provided in Attachment 1 of this letter</i>					
Withdrawal and Documentation Applications					
Authorized Signatories Letter: The World Bank Plot E32, Agargaon Sher-e Bangla Nagar G.P.O. Box 97 Dhaka 1207, Bangladesh Attention: Country Director			Withdrawal and Documentation Applications: The World Bank No. 11, Taramani Main Road Taramani, Chennai – 600 113 India Attention: Team Lead, WFACS		

Schedule 2: Disbursement Provisions

Basic Information					
Financing Number	IDA 6332-BD	Country	People's Republic of Bangladesh	Closing Date	Section IV.D of Schedule 2 to the Financing Agreement.
		Recipient	People's Republic of Bangladesh		
		Name of the Project	Operation for Supporting Rural Bridges	Disbursement Deadline Date <i>Subsection 3.7</i> **	Four months after the closing date.
Disbursement Methods and Supporting Documentation					
Disbursement Methods Section 2*	Methods Available		Supporting Documentation Subsections 4.3 and 4.4		
Direct Payment	Yes		Copy of Records		
Reimbursement	Yes		Interim Unaudited Financial Report ("IUFR") (Attachment 2 of the DFIL)		
Advance	No		For the reason set forth in subsection 5.2 of the Disbursement Guidelines, providing advance proceeds into a designated account is not a Disbursement Method currently available under this Financing.		
Special Commitments	Yes		Copy of Letter of Credit. Proforma Invoice if cited in the Letter of Credit		
Minimum Value of Applications (subsection 3.5)					
The minimum value of applications for Reimbursement, Direct Payment and Special Commitment is USD 10,000 equivalent.					
Authorized Signatures (<i>Subsection 3.1 and 3.2 **</i>) <i>The form for Authorized Signatories Letter is provided in Attachment 1 of this letter</i> Withdrawal and Documentation Applications (<i>Subsection 3.3 and 3.4 **</i>)					
Authorized Signatories Letter: The World Bank Plot E32, Agargaon Sher-e Bangla Nagar G.P.O. Box 97 Dhaka 1207, Bangladesh Attention: Country Director			Withdrawal and Documentation Applications: The World Bank No. 11, Taramani Main Road Taramani, Chennai – 600 113 India Attention: Team Lead, WFACS		

Additional Instructions

- (i) All payments for expenditures claimed under this Financing must be made using the banking system, except expenditures paid using the petty cash system following the Recipient's existing policy. The petty cash limit as per the Recipient's existing policy is BDT 100,000.

*Sections and subsections indicated relate to the Disbursement Guidelines for Investment Project dated Financing 2017.

Attachment 1 – Form of Authorized Signatory Letter

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

[DATE]

The World Bank
Plot E32, Agargaon
Sher-e Bangla Nagar
G.P.O. Box 97
Dhaka 1207, Bangladesh
Attention: Country Director

Re: IDA Financing 6332-BD (Operation for Supporting Rural Bridges)

I refer to the Financing Agreement (“Agreement”) between the International Development Association (the “Association”) and *[name of Recipient]* (the “Recipient”), dated _____, providing the above Financing. For the purposes of Section 2.03 of the Project General Conditions and Section 2.02 of the Program 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 Recipient to sign applications for withdrawal and applications for a special commitment under this Financing.

For the purpose of delivering Applications to the Association, 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 Association.

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 Association by _____

¹ Instruction to the Recipient: 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 Association.*

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 Association.*

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 Association.*

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 Association.*

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 Association.*

electronic means. In full recognition that the Association 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 Association records with respect to this Agreement.

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

[Position]

Sample Form for Advances

[Ministry/Implementing Agency Letterhead]

[Date]

The World Bank
No. 11, Taramani Main Road
Taramani, Chennai – 600 113
India
Attention: Team Lead, WFACS

**Subject: Re: IDA Financing 6332-BD (Operation for Supporting Rural Bridges) -
Request for Advance**

Dear Sir/Madam,

We refer to the Financing Agreement between the International Development Association (“Association”) and People’s Republic of Bangladesh (“Recipient”) dated *[insert date]* providing for the above Financing.

In accordance with the provisions of the Disbursement and Financial Information Letter and Schedule 2, Section IV.B.2 of the Financing Agreement, to support the implementation of the above Program and to facilitate the achievement of the planned results, we request an Advance in the amount of *[insert amount]*⁶.

[We request that the Advance be disbursed in *[currency requested for disbursement]* equivalent to the Total Advance Requested above.]⁷ We acknowledge that the amount disbursed will be charged to the Financing Account in the currency of the Financing at the rate of exchange in effect at the time of disbursement.

Sincerely,

*[insert Name, and Position]*⁸

⁶ The Proposed Advance should be in the currency of the DLI/DLI Target as set out in the disbursement table in the Financing Agreement, and in accordance with provisions in the Disbursement and Financial Information Letter. Normally, this is the currency of commitment of the [Grant][Credit].

⁷ Use this text to designate the currency of the Advance if it should be different from the currency set out in the disbursement table in the Financing Agreement.

⁸ To be signed by a representative of the implementing/coordinating agency of the Recipient, OR by the person(s) authorized on behalf of the Recipient to sign applications for withdrawal under the Credit as set out in the applicable Authorized Signatory Letter.

Attachment 3 - Format of Interim Unaudited Financial Report for Project part