

**The World Bank**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
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Cable Address: INTBAFRAD  
Cable Address: INDEVAS20-Feb-2022

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The Honourable Harry Kuma  
Minister of Finance and Treasury  
Ministry of Finance and Treasury  
P.O. Box 26  
Honiara, Solomon Islands

**Re: Preparation Advance No. V420-SB**  
**Preparation of Proposed Pacific Islands Regional Oceanscape Program in the Solomon Islands**  
**Additional Instructions: Disbursement**

Dear Minister,

I refer to the Advance Agreement (“Agreement”) between Solomon Islands (“Recipient”) and the International Development Association (“World Bank”) for the preparation of the above-referenced project. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Project Preparation Advance No. V420-SB (“PPA”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The *Disbursement Guidelines for Investment Project Financing*, dated February 2017, (“Disbursement Guidelines”) are available in the World Bank’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 Disbursement Letter, and the manner in which the provisions in the 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 PPA:

- Reimbursement
- Advance
- Direct Payment
- Special Commitment

**(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 1) 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  
Level 19, 14 Martin Place  
CML Building  
Sydney NSW 2000, Australia

Attention: Country Director

**(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  
26<sup>th</sup> Floor One Global Place  
5<sup>th</sup> Ave corner 25<sup>th</sup> Street, Bonifacio Global City  
Taguig City, Philippines

Attention: Loan Department

**(iii) Electronic Delivery. (subsection 3.4)** The Recipient will deliver Withdrawal Applications (with supporting documents) electronically through the World Bank's web-based portal "Client Connection" at <https://clientconnection.worldbank.org>. This option will be effected after the officials designated in writing by the Recipient who are authorized to sign and deliver Withdrawal Applications have registered as users of "Client Connection". The designated officials will 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 World Bank by electronic means. The Recipient may exercise the option of preparing and delivering Withdrawal Applications in paper form on exceptional cases (including those where the Borrower encounters legal limitations), and which were previously agreed with the World Bank. 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 World Bank's public website at <https://worldbank.org> and "Client Connection"; 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 Application for reimbursement, direct payment and special commitment is SBD80,000.

**(vi) Advance (sections 5 and 6).**

- ***Type of Designated Account (subsection 5.3):*** Segregated; one (1) segregated designated account will be established under this Project Preparation Advance.
- ***Currency of Designated Account (subsection 5.4):*** SBD.
- ***Financial Institution at which the Designated Account[s] Will Be Opened (subsection 5.5):*** Central Bank of Solomon Islands, or a commercial bank or financial institution acceptable to the World Bank.
- ***Ceiling (subsection 6.1):*** SBD1,000,000.

### **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:***
  - Statement of Expenditure in the form attached (Attachment 2)
- ***For reporting eligible expenditures paid from the Designated Account:***
  - Statement of Expenditure in the form attached (Attachment 2)
- ***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 or more often if needed.

#### **IV. Other Important Information**

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the World Bank's website (<http://www.worldbank.org/>) and "Client Connection". The World Bank 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 [Grant] [Credit], and retrieve related policy, financial, and procurement information. For more information about the website and registration arrangements, or if you have any queries in relation to the above, please contact the World Bank by email at [AskLoan@WorldBank.org](mailto:AskLoan@WorldBank.org) using the above reference.

Yours sincerely,



Stephen Ndegwa  
Country Director  
Papua New Guinea and Pacific Islands  
East Asia and Pacific Region

#### Attachments

1. Form for Authorized Signatures
2. Statement of Expenditure

With copies: Ministry of Fisheries and Marine Resources  
P.O. Box G2  
Honiara, Solomon Islands

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

[DATE]

The World Bank  
Level 19, 14 Martin Place  
CML Building  
Sydney NSW 2000, Australia

Attention: Country Director

Dear [Country Director]:

**Re: Project Preparation Advance No. V420-SB  
(Preparation of Proposed Pacific Islands Regional Oceanscape Program in the Solomon Islands Project)**

I refer to the Advance Agreement (“Agreement”) between Solomon Islands (“Recipient”) and the International Development Association (“World Bank”) dated \_\_\_\_\_, providing for the above Project 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 [<sup>1</sup>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 Preparation Advance:

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

<sup>5</sup>[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

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<sup>1</sup> 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.

<sup>2</sup> 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.*

<sup>3</sup> 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.*

<sup>4</sup> 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.*

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 World Bank 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]<sup>6</sup>

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<sup>5</sup> 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.*

<sup>6</sup> The letter should be signed by the official designated as the Recipient’s Representative in the Advance Agreement.

### Attachment 2

**Statement of Expenditures SOE**

Payment made during the period from  to

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

The following expenditures have incurred during the retroactive financing period (please tick)  
 The following expenditures have incurred during before the closing date of the loan/credit/grant (please tick)

Yes	No
Yes	No

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

Supporting documents for this SOE are retained at

\_\_\_\_\_  
*(insert location)*

A separate form should be used for retroactive financing  
 A separate form should be used for each category