

OFFICIAL DOCUMENTS



MARCH 23, 2018

Honorable Kemi Adeosun
Minister of Finance
Federal Ministry of Finance
Finance Headquarters
Central Business District
Abuja, Nigeria

**Re: Federal Republic of Nigeria
Credit No. (Regular) 6186- NG and Credit No. (SUF) 6185-NG
(Electricity Transmission Project)
Additional Instructions: Disbursement and Financial Information Letter**

Honorable Minister:

I refer to the Financing Agreements between Republic of Nigeria (the “Recipient”) and the International Development Association (the “Association”) for the above-referenced Project. The General Conditions, as defined in the Financing Agreements, provide that the Recipient may from time to time request withdrawals of Credit amounts from the Credit Accounts 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 Credits are 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 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.

(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 Recipient. 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.

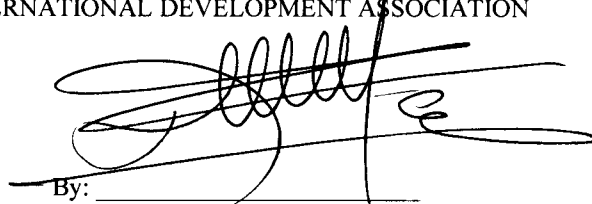
III. Other Information

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 [Grant] [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 Faly Diallo, Finance Officer at fdiallo1@worldbank.org, with copy to Mugambi Mwendia, Finance Analyst at mmwendia@worldbank.org using the above reference.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

A handwritten signature in black ink, consisting of several loops and a long vertical stroke, positioned above a horizontal line.

By: _____

Rachid Benmessaoud
Country Director for Nigeria
Africa Region

Attachments

1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE)

Schedule 1 : Disbursement Provisions

Credit Number	xxxxx xxxxx	Country	Republic of Nigeria	Closing Date	December 31, 2023
		Recipient	Federal Ministry of Finance		
		Name of the Project	Electricity Transmission Project	Disbursement Deadline Date <i>Subsection 3.7 **</i>	Four months after the closing date.
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		No	For the reason set forth in subsection 5.2 of the Disbursement Guidelines, the advancing of credit funds into a Designated Account is not a disbursement method currently available under these Credits.		
Special Commitments		Yes	Copy of Letter of Credit		
Type		Segregated	Ceiling	Fixed	
Financial Institution - Name		Central Bank of Nigeria	Currency	USD	
Frequency of Reporting <i>Subsection 6.3 (**)</i>		Monthly	Amount	NA	
The minimum value of applications for Reimbursement, Direct Payment and Special Commitment is USD 200,000					
ASL Address: The World Bank Nigeria Country Office 102, Yakubu Gowon Crescent Asokoro, Abuja Federal Republic of Nigeria Attention: Rachid Benmessasoud Country Director for Nigeria			WA Address: The World Bank, Loan Department 13 th Floor Delta Center Menengai Road Upper Hill P.O.Box 30557-00100 Nairobi, Kenya Tel: +254 20 293 6000		
At the time of negotiating this Project, advances to designated account is not permitted in line with section 5.2 of the Disbursement Guidelines. As the foregoing measure is deemed temporary, disbursement arrangements have been designed to include the use of a Designated Account to the extent such use is permitted at a later date during project implementation; provided that this disbursement letter will first need to be amended at a later date to reflect such arrangements.					
The following summarizes the proposed general terms of such arrangements:					

One segregated Designated Account will be used to finance expenditures in all categories (Cat 1). The Designated Account will be managed by,....and will be opened at A combined ceiling of USD20 million has been determined for the DA as follow:

- IDA SUF 6185-NG US\$ 15 million and IDA Blend Regular 6186-NG US\$ 5million

Funds from the Designated Accounts may be transferred to Transaction Accounts in local currency to meet eligible expenditures, provided that transactions and balance in this account are included in all project financial reports and in the Designated Account reconciliation.

None

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

Attachment 1 – Form of Authorized Signatory Letter

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

[DATE]

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

**Re: Federal Republic of Nigeria
Credit No. (Regular) 6186- NG and Credit No. (SUF) 6185-NG
(Electricity Transmission Project)
Additional Instructions: Disbursement and Financial Information Letter**

Attention: Rachid Benmessaoud, Country Director

I refer to the Credit Agreements (“Agreement”) between the International Development Association (the “Association”) and Federal Republic of Nigeria (the “Recipient”), dated _____, providing the above Credits. For the purposes of Section 2.03 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 Recipient to sign applications for withdrawal and applications for a special commitment under these Credits.

For the purpose of delivering Applications to the Association, including by electronic means, 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.

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.*

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 /

Attachment 2 – Statement of Expenditures

IBRD: International Bank for Reconstruction and Development

Statement of Expenditures

Payment made during the period from to

The following expenditures have been incurred during the retroactive financing period (please tick)

Yes	No
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 The following expenditures have been incurred before the closing date of the loan/credit/grant (please tick)

Yes	No
-----	----

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

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