June 30, 2011

Honorable Augustine Kpehe Ngafuan
Minister of Finance
Ministry of Finance
P.O. Box 9013
Monrovia
Republic of Liberia

Excellency:

Re: Japan PHRD TF Grant Number TF099511-LR
(West Africa Agricultural Productivity Program)
Additional Instructions: Disbursement

I refer to the Japan PHRD Trust Fund Grant Agreement between the Republic of Liberia (“Recipient”) and the International Bank for Reconstruction and Development and the International Development Association (the “World Bank”), acting as administrator of funds provided by Japan under the Policy and Human Resources Development Fund (“PHRD Fund”) of same date herewith for the above-referenced Japan PHRD Trust Fund Grant (the “Agreement”). The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of the Japan PHRD Trust Fund Grant No. TF099511- LR (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

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 Grant 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 Grant:

- Reimbursement
- Direct Payment
- Advances
- Special Commitment
(ii) **Disbursement Deadline Date (subsection 3.7).** The Disbursement Deadline Date is four 4 months after the Closing Date specified in the Grant Agreement. Any changes to this date will be notified by the World Bank.

(iii) **Disbursement Conditions (subsection 3.8).** None.

II. **Withdrawal of Grant 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  
Bright Building  
UN Drive,  
Mamba Point  
Monrovia, Liberia

Attention: Ishac Diwan, Country Director for Liberia

(ii) **Applications (subsections 3.2 - 3.3).** Please provide completed and signed (a) applications for withdrawal, together with supporting documents to the address indicated below:

The World Bank Office  
Bright Building  
UN Drive,  
Mamba Point  
Monrovia, Liberia

Attention: Ishac Diwan, Country Director for Liberia

(iii) **Electronic Delivery (subsection 3.4).** The Association may permit the Recipient to electronically deliver to the Association Applications (with supporting documents) through the Association’s Client Connection, web-based portal. The option to deliver Applications to the Association 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 devices (“Tokens”) from the Association 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 Association agrees, the Association will provide the Recipient with Tokens 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 Association 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 Tokens to Process Applications.** By designating officials to accept Tokens 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 Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation (“Terms and Conditions of Use of Tokens”) provided in Attachment [3]; and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions.

(v) **Minimum Value of Applications (subsection 3.5).** The Minimum Value of all Applications except for replenishment applications should be 20% of the advance in the Designated Account.

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

- **Type of Designated Accounts (subsection 5.3):** Segregated.
- **Currency of Designated Accounts (subsection 5.4):** USD
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** [commercial bank acceptable to the Association]
- **Ceiling (subsection 6.1):** A flexible ceiling not to exceed initially USD 2,000,000 is authorized for the project. The ceilings for the Designated Account will be determined based on cash forecasts as stated in approved Annual Work Plans and Budget, equivalent to 4 months’ forecast expenditure that are expected to be made through the Designated Account.

III. **Reporting on Use of Grant 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:**
  - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts exceeding the prior review threshold by the Bank (Attachment 5); and
  - Statement of Expenditure in the form attached (Attachment 4) for all expenditures;

- **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

(iii)  **Other Supporting Documentation Instructions:** Copies of the bank statements of the Designated Account and a reconciliation statement for this Account should be submitted with each Application for withdrawal for replenishment of the Designated Account.

### IV. Other Important Information


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

If you have any queries in relation to the above, please contact Luis Schwarz, Senior Finance Officer, at service account email address ‘LOA-afr@worldbank.org’ using the above reference.

Yours sincerely,

By /s/ Ohene Owusu Nyanin
Country Manager for Liberia
Africa Region

**Attachments**

2. Form for Authorized Signatures
4. Form of “Statement of Expenditure”
5. Form of “Contracts”

**cc:**

Ministry of Agriculture
Somalia Drive, Gardnersville
Monrovia, Liberia
E-mail: florencetonia@yahoo.com
Tel.: (231)6-430-429
The World Bank Resident Mission
Monrovia, Liberia
Attention: Country Director for Liberia

Dear Mr. Diwan:

Re Japan PHRD TF Grant Number TF099511-LR
(West Africa Agricultural Productivity Program)

I refer to the Japan PHRD Trust Fund Grant Agreement (“Agreement”) between the Republic of Liberia (“Recipient”) and the International Bank for Reconstruction and Development and the International Development Association (“World Bank”), acting as administrator of funds provided by Japan under the Policy and Human Resources Development Fund (“PHRD Fund”) of same date herewith for the above-referenced Japan PHRD Trust Fund Grant (the “Agreement”). For the purposes of Section 3.04 (b) of the Standard Conditions, 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 Grant:

[Name], [position] Specimen Signature: ____________________
[Name], [position] Specimen Signature: ____________________
[Name], [position] Specimen Signature: ____________________

Yours truly,

Signature
Minister

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.
The World Bank (Bank) will provide secure identification devices (Tokens) to permit the Borrower 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.

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 Tokens 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 delivery of Tokens. 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. Distribution, Initialization and Return of Tokens.

1. The Bank will physically deliver a Token to each Signatory in a manner to be determined by and satisfactory to the Bank.

2. At the time of delivery of a Token to a Signatory, the Signatory will receive a copy of these Terms and Conditions of Use for purposes of initializing the Token.

3. The Bank will verify that the Token, Temporary Password and Terms and Conditions of Use have been duly delivered to and received by the CC User.

4. Promptly upon receipt of the Token and Terms and Conditions of Use, the Signatory will access CC using his/her account name and CC Password and register his/her Token and set a personal identification number (PIN) to be used in connection with the use of his/her Token, after which the Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the Token, the Signatory will be a “Token User”. The Bank will maintain in its database a user account (Account) for each Token User for purposes of managing the Token of the
Token User. Neither the Borrower nor the Token User will have any access to the Account.

5. Prior to first use of the Token by the Token User for delivering Applications, the Borrower shall ensure that the Token User has received training materials provided by the Bank in use of the Token.

6. Tokens shall be promptly returned to the Bank upon request of the Bank.

C. Management of Tokens.

1. Tokens will remain the property of the Bank.

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

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

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

   Security

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

4.2. The Token User shall not allow anyone else to utilize a Token to deliver an Application to the Bank.

4.3. The Token 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 Token User believes a third party has learned his/her PIN or has lost his/her 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 Tokens, and take other reasonable steps to ensure such Tokens are disabled immediately.

Care of Tokens

4.6. 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, 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. 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 Token.

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

5. **Replacement**

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

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

6. **Reservation of Right to disable Token**

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

6.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a Token, de-activate a Token User’s Account or both.
**STATEMENT OF EXPENDITURE**

Payments made during the period from ____________ to ____________

For expenditures against the contracts not subject to the Bank Prior Review

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
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<th>10</th>
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<tbody>
<tr>
<td>Item No.</td>
<td>Category Name &amp; No. (***)</td>
<td>Currency and Total Amount of Contract</td>
<td>Name of Contractor / Payee</td>
<td>Currency and Total Amount of Invoice</td>
<td>Amount financed by Other Sources (IDA Credit or Govt.)</td>
<td>Amount covered by this Application (5-6)</td>
<td>Eligible % from Schedule 1 of Grant Agreement</td>
<td>Amount Eligible for Financing (7x 8)</td>
<td>Currency and Amount Paid from Designated Account</td>
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Supporting documents for this SOE retained at ________________________ (insert location)

(*) A separate SOE form should be used for retroactive financing.

(***) Items should be grouped by category; or alternatively, a separate SOE form may be used for each category

Certified by…………………………………….  
Authorized by ……………………………
## Payments Made during Reporting Period
### Against Contracts Subject to the Association’s Prior Review

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of WB’s Non Objection to Contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>WB’s Share of Amt Paid to Supplier during Period</th>
</tr>
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