

JAPAN INTERNATIONAL
COOPERATION AGENCY

Special Account Procedure for Japanese ODA Loans

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Japan International Cooperation Agency

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Special Account Procedure for Japanese ODA Loans

1. “Special Account Procedure for Japanese ODA Loans” is applicable to the Japanese ODA Loans provided by the JAPAN INTERNATIONAL COOPERATION AGENCY (hereinafter referred to as “JICA”) under Clause (a), Item (ii), Paragraph 1, Article 13 of the ACT OF THE INCORPORATED ADMINISTRATIVE AGENCY – JAPAN INTERNATIONAL COOPERATION AGENCY(hereinafter referred to as “the Loan”)
2. The Special Account Procedure for Japanese ODA Loans provides for an initial disbursement from the Loan to be deposited in a special account, opened by the Borrower and maintained in a bank, from which payments for eligible expenditures are made (such account hereinafter referred to as the “Special Account”). The Special Account is replenished by sending requests for replenishment. Towards the end of loan disbursements, JICA initiates a recovery procedure to obtain full documentation for the amount of the initial disbursement.
3. The Special Account should normally be stated in Japanese Yen. Deposits into and payments out of the Special Account shall be made in accordance with the provisions of the Loan Agreement, unless otherwise agreed upon between JICA and the Borrower.
4. JICA shall, upon receipt of request for disbursement as per Form-RID attached hereto, make initial disbursement of the Loan in the amount stipulated in the relevant Loan Agreement.
5. JICA disburses by paying into the non-resident yen account of the Borrower, which shall be opened in advance with the designated foreign exchange bank in Tokyo, from which the Borrower transfers the amount to the Special Account.
6. Requests for Replenishment as per Form JICA-RPM should normally be submitted at monthly intervals. In principle, each Request for Replenishment shall be accompanied by the following:
 - (a) Summary Sheet of Payments as per Form JICA-SSP
 - (b) Supporting documents evidencing each payment and its usage, as stipulated in the relevant Loan Agreement
7.
 - (1) The amount stated in the Request for Initial Disbursement and the Request for Replenishment should be expressed in Japanese Yen.
 - (2) When the currency used for the payment to the supplier(s) is not Japanese Yen, the amount stated in the Request for Replenishment shall be the equivalent in Japanese Yen converted at the exchange rate quoted by the authorized foreign exchange bank in the territories of the Borrower, when

such amount was drawn from the Special Account. The amount paid in the currency and the exchange rate used for conversion to Japanese Yen shall be described in the Summary Sheet of Payments as per Form JICA-SSP together with the evidence of such conversion rate.

8. When JICA finds the Request for Replenishment in order and in conformity with the provisions of the Loan Agreement, JICA, shall make disbursement of the Loan for such replenishment in Japanese Yen. JICA shall pay into the non-resident yen account of the Borrower mentioned in Paragraph 5. above, from which the Borrower transfers the amount to the Special Account.
9. (1) In principle, no further replenishment of the Special Account shall be made by JICA when the amount remaining undisbursed from the Loan shall be equal to twice the amount of the initial disbursement.
(2) Thereafter, JICA shall reimburse the Borrower for payments already made by the date each Request for Replenishment is submitted, together with documents evidencing such payments. JICA shall, in principle, reimburse against each Request on a two to three ratio, that is, for every three yen requested JICA shall reimburse two yen until the total disbursement from JICA reaches the amount stipulated in the relevant Loan Agreement.
10. (1) If JICA has determined at any time that any payment out of the Special Account (i) was made for any expenditure or in any amount not eligible under the Loan, or (ii) was not justified by the evidence furnished pursuant to Paragraph 5, the Borrower shall, promptly upon notice from JICA, deposit into the Special Account (or, if JICA shall so request, refund to JICA) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. No further disbursement by JICA shall be made until the Borrower has made such deposit or refund. However, this stipulation does not affect Section 6.01 of JICA's General Terms and Conditions for Japanese ODA Loans, dated March, 2009.
(2) If JICA shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from JICA, refund to JICA such outstanding amount.
11. Disbursement will be made within fifteen (15) business days from the date of receipt of the Request for Initial Disbursement or the Request for Replenishment respectively.
12. All amounts received for or in connection with the Special Account and amounts withdrawn therefrom should be recorded in a separate account in accordance with consistently maintained sound accounting principles. JICA may require all relevant documents including monthly statements evidencing the expenditures paid out of the Special Account.

(Form JICA-RID)

Request for Initial Disbursement

Date:
Loan Agreement No.:
Application Serial No.:

To: JAPAN INTERNATIONAL COOPERATION AGENCY
Tokyo, Japan

Attn:

Gentlemen:

Pursuant to the Loan Agreement No. _____ dated _____ between the JAPAN INTERNATIONAL COOPERATION AGENCY and (the Borrower), the undersigned hereby applies for Initial Disbursement, under the said Loan Agreement, of ¥ _____ (Say Japanese Yen _____) by being paid to the non-resident yen account of (the Borrower) with (name and address of a designated foreign exchange bank in Tokyo) from which (the Borrower) transfers the amount to the Special Account defined in the Loan Agreement No. _____ .

Very truly yours,

(Name of the Borrower)

(Authorized Signature)

Request for Replenishment

Date:
Loan Agreement No.:
Application Serial No.:

To: JAPAN INTERNATIONAL COOPERATION AGENCY
Tokyo, Japan

Attn:

Gentlemen:

1. Pursuant to the Loan Agreement No. _____ dated _____ between the JAPAN INTERNATIONAL COOPERATION AGENCY (hereinafter referred to as "JICA") and (the Borrower), the undersigned hereby applies for replenishment to the Special Account under the said Loan Agreement, of the sum of ¥ _____ (Say Yen _____) in disbursement of expenditures as described in the attached Summary Sheet(s).
2. As a result of the payments for which replenishment is applied by this Request, the balance remaining in the Special Account is ¥ _____ (Say Yen _____).
3. The undersigned has not previously requested of any amounts from the Loan for the purpose of meeting the expenditures described in the attached Summary Sheet(s). The undersigned has not obtained nor will obtain funds for such purpose out of the proceeds of any other loan, credit or grant available to the undersigned except short-term loans or credits, if any, established in anticipation of the disbursement requested for herein and to be repaid pro-tanto with the funds disbursed hereunder and any charges, commission or interest paid or payable under such anticipatory short-term credits are not included in the amount herein requested to be disbursed.

4. The undersigned certifies that:
- a) the expenditures, hereby sought to be disbursed were made for the purposes specified in the Loan Agreement;
 - b) the said goods and services have been procured in accordance with the applicable procurement procedures agreed with JICA pursuant to the said Loan Agreement and the cost and terms of purchase thereof are reasonable;
 - c) the said goods and services were or will be supplied by the supplier(s) specified in the attached Summary Sheet(s) and were or will be procured in (or, in the case of services, supplied from) the eligible source country(ies) for Japanese ODA Loans.
5. Please credit the amount applied for herein by paying into the non-resident yen account of (the Borrower) with (name and address of the designated foreign exchange bank in Tokyo), from which the Borrower transfers the amount to the Special Account defined in the Loan Agreement No. _____.
6. This request consists of X(number) page(s) and X(number) signed and numbered Summary Sheet(s), with the supporting documents.

Very truly yours,

(Name of the Borrower)

(Authorized Signature)

Summary Sheet of PaymentDate:
Application Serial No.:

1. Transaction	2. Purchaser	3. Supplier	4. *Nationality of Supplier	5. Description of Goods and / or Services	6. ** Category	7. Origin	8. Contract Amount, Contract No., and JICA Concurrence No. for Contract	9. Date of Payment	10. *** Amount of Payment (without Tax)	11. **** Nature of Payment	12. Method of Procurement	13. Amount Applied for Financing (without Tax)	14. ***** Disbursement Ratio
1													
2													
3													
4													
Total													

The undersigned certifies that the Supplier(s) and goods and / or services stated above are eligible under the Loan Agreement.

Exchange rate : _____

* Note for 4. Nationality of Supplier: Country in which the Supplier is incorporated and registered.

** Note for 6. Category: Category Name described in Section 1 of Schedule 2 of the Loan Agreement.

*** Note for 10. Amount of Payment: If not in Japanese Yen, state both the amount in the currency in which the payment was made to the Supplier(s), and its converted amount(s) calculated in accordance with 7. of the Special Account Procedure and the relevant provision(s) of the Loan Agreement (if any), as well as the conversion rate(s).

**** Note for 11. Nature of Payment : A down payment, an installment payment or the final payment, etc.

***** Note for 14. Disbursement Ratio: Ratio of Amount Applied for Financing against Amount of Payment in the currency in which the Payment was made to the Supplier(s).

For (Name of the Borrower)

(Authorized Signature)