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Delay in Loan Disbursement

Common Causes and Way Forward

Common issues

- Insufficient Contract Balances
- Difference in Payee's name in WA and Contract records
- Frequent changes in authorized signatories
- Incomplete supporting documents
- Ineligible expenditure claimed and incorrect ADB Financing Percentage applied

Common issues continued...

- Use of Old formats (New Formats for LDH 2022)
- Submission of unnecessary documents
- EA/IA do not prepare/maintain **Contract Ledgers** which may result over payment to Contractor/Supplier/Consultant from the contract amount
- Intimation of final disbursement to ADB



Issues in SOE/ Summary sheets

- Incorrect Contract numbers
- SOE ceiling not mentioned
- Incorrect category numbers
- Amounts exceeding SOE limit claimed under SOE sheet instead of summary sheet
- Inconsistency in the exchange rates in SOE/Summary Sheets vs. in bank statement
- Incomplete Contractor/ Consultant/ Supplier Invoices vis-à-vis number, date, amount and bank details for Summary Sheet items
- Unavailability of payment evidence



Issues in EES

- EES for additional advance does not include existing advance
- Insufficient balances in categories
- Contract numbers are not mentioned
- Incorrect ADB percentages

Issues in AARS

- Inconsistency of WA amount Vs indicated in AARS
- Missing details of unliquidated expenses.
- Incorrect bank balance (inconsistent with bank statement)
- Incorrect turnover ratio
- Closing balance does not match with OS/LFIS



Smooth and Timely Disbursement Way Forward

- Use of CPD for WAs submission to enhance accuracy and productivity
- Use of email and CPD communication
- Reply promptly to PRM's queries on single email trail to include history and original messages
- Always indicate the loan/grant No. and WA No. in the subject line
- Submit necessary supporting documents using the LDH documentation requirement and avoid submission of unnecessary documents.



Smooth and Timely Disbursement Way Forward

- Check the payment details carefully.
- Ensure sufficient contract balances before requesting disbursement
- Ensure correctness and adequacy of information in the WA and the Summary/ SOE sheet
- Accumulate the claims that come at the same time of the same contractor and currency.
- Use the prescribed forms (LDH 2022, as amended from time to time). Please refer to the instructions or footnotes.



Thank you

