

7 DIRECT PAYMENT PROCEDURE

Description

- 7.1 The **direct payment procedure** is one whereby ADB, at the borrower's request, pays a designated beneficiary directly.

Basic Requirements

- 7.2 A signed withdrawal application (*see form ADB-DRP/RMP in Appendix 5*) must be submitted to ADB together with a summary sheet (*see form ADB-DRP-SS in Appendix 8*) and the required supporting documents.
- 7.3 A separate withdrawal application is required for each different currency.

Supporting Documents¹

- 7.4 The following supporting documents must be submitted to ADB together with the withdrawal application:

All cases require a contract or confirmed purchase order (PO), if not submitted earlier to ADB, indicating the amount and date due;

In addition,

- **payment of goods** requires the supplier's invoice, bill of lading, or other similar documents;
- **payment of services** requires the consultant's claim or invoice; and
- **payment of civil works** requires the claim or invoice from the contractor and a summary of work progress certified by the project engineer and approved by the borrower's authorized representative.

Other Features

- 7.5 Direct payment can be made to the borrower's account if allowed by ADB.
- 7.6 The narrative procedures for the direct payment procedure are shown in *Appendix 14*.

¹ If supporting documents are written in local language, there should be an English translation of important words/items in the documents (e.g., the title of the document, name of the supplier/contractor, description of goods and services, amounts and dates).

CHECKLIST

1. Has the pertinent contract been sent to ADB?
2. Is the withdrawal application signed by an authorized signatory?
3. Are expenditures eligible for financing under ADB loans?
4. Has a separate application been filled out for each payee and currency?
5. Has a separate summary sheet been prepared for each category or subcategory?
6. Are the payment instructions complete?
7. Are the required supporting documents attached?