

OFFICIAL DOCUMENTS

TF096505

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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March 20, 2013

H.E. Aiuba Cuereneia
Minister
Ministry of Planning and Development
Maputo

Excellency,

**Re: REPUBLIC OF MOZAMBIQUE: CIDA Grant No. TF096505-MZ
(Canadian International Development Agency Trust Fund for Co-financing the Health
Service Delivery Project)
Additional Instructions: First Restated Letter**

I refer to the Letter Agreement (“Agreement”) between the International Development Association (“World Bank”), acting as administrator of grant funds provided by the Government of Canada as represented by the Minister for International Cooperation acting through the Canadian International Development Agency (CIDA) (the Donor) under the Health Service Delivery Project for Mozambique, and the Republic of Mozambique (the “Recipient”) for the above-referenced project of even date. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF096505-MZ (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The Disbursement Letter dated April 15, 2010 is hereby “Restated” by changing: (1) the Ceiling for the amount of the Advance; and (2) the requirements for Supporting Documentation for requests for Reimbursement and for reporting eligible expenditures paid from the Designated Account from the use of Interim Financial Report to the use of Statement of Expenditures in the following sections: Section II. (vi) bullet four; Section III.(i) bullet one; Section III.(ii); Section IV is renumbered sequentially with the addition of a new Section IV; Attachment 3 is renumbered 5; and Attachment 4 is replaced by Forms 3A, 3B and a new Attachment 4 is included.

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.

Public Disclosure Authorized

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I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Grant:

- Reimbursement
- Advance
- Direct Payment
- Special Commitment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 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). Please refer to the Disbursement Condition(s) in the Grant Agreement/

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
Caixa Postal 4053
Maputo, Mozambique
Attention: Country Director for Mozambique

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed (a) applications for withdrawal, together with supporting documents, and (b) applications for special commitments, together with a copy of the commercial bank letter of credit, to the address indicated below:

The World Bank,
Loan Department,
Kenya Re Towers, 10th Floor,
Upper Hill, off Ragati Road,
Nairobi, Kenya.
Contact Telephone number: +254 20 2983 000.

(iii) Electronic Delivery (subsection 3.4) The World Bank may permit the Recipient to electronically deliver to the World Bank Applications (with supporting documents) through the World Bank's Client Connection, web-based portal. The option to deliver Applications to the World Bank 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 World Bank 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 World Bank agrees, the World Bank 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 World Bank 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 5; 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 Applications is 20% of the amount advanced to the Designated Account.

(vi) Advances (sections 5 and 6).

- ***Type of Designated Account (subsection 5.3):*** Segregated
- ***Currency of Designated Account (subsection 5.4):*** USD
- ***Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):*** Banco de Mocambique.
- ***Ceiling (subsection 6.1):*** US\$ 1,000,000 (see note below)

Note: This is a Revised Ceiling which should be reached by providing Withdrawal Applications to document the current outstanding balance of US\$2,142,823.60 (as of March 14, 2013) until the amount of the Revised Ceiling is reached. Until such date, no replenishments to the Designated Account will be made.

Once the outstanding balance of the Designated Account is less than the Revised Ceiling, replenishments of the Designated Account will resume taking into account the Revised Ceiling.

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 For reporting eligible expenditures paid from the Designated Account:***
 - Records – Statement of Expenditures with Supporting Documentation (Attachment 3A) - evidencing eligible expenditures (e.g. copies of receipts, supplier invoices) for payments against contracts for Goods valued at USD 200,000 equivalent or more, for contracts for Works valued at USD 500,000 equivalent or more, for consulting firms contracts valued at USD 100,000 equivalent or more, and for services of individual consultant contracts valued at USD50,000 equivalent or more, that are subject to the World Bank’s prior review;
 - Statement of Expenditures without Supporting Documentation in the form attached (Attachment 3B) for all other expenditures / contracts, including Training;
 - List of payment against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 4).

- ***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

IV. Other Disbursement Instructions. Eligible expenditures not claimed under previous withdrawal applications supported by any IFRs, can be claimed by means of the attached Statement of Expenditures Forms 3A or 3B.

V. Other Important Information

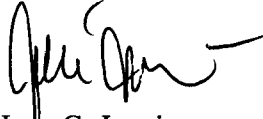
For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the World Bank’s public website at <https://www.worldbank.org> and its secure website “Client Connection” at <https://clientconnection.worldbank.org>. Print copies are available upon request.

If you have not done so, the World Bank recommends that you register as a user of the Client Connection website at <https://clientconnection.worldbank.org>. From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Financing and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver Applications by electronic means are required to register with Client Connection before electronic

delivery can be effected. For more information about the website and registration arrangements, please contact the World Bank by email at <https://clientconnection.worldbank.org>.

If you have any queries in relation to the above, please contact Jose C. Janeiro, Senior Finance Officer at jjaneiro@worldbank.org using the above reference.

Yours sincerely,



Jose C. Janeiro
Senior Finance Officer
Loan Department

Attachments:

- 1 & 2 as per the original disbursement letter dated April 15, 2010 remain valid.
- 3A. Form of Statement of Expenditures with Supporting Documentation.
- 3B. Form of Statement of Expenditures without Supporting documentation.
4. Form of Payment Against Contracts Subject to the Bank's Prior Review.
5. Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation, dated January 20, 2010.

**STATEMENT OF EXPENDITURE (SOE)
FORM 3A**

Payments made during the period from _____ To _____

Date: _____

For: Expenditures other than those under contracts below SOE documentation thresholds - please refer to the Disbursement for the SOE Thresholds
(supporting documentation required - invoices, receipts for all paymentst made under contracts above SOE thresholds)

Application No.: _____

IDA Credit No.: _____

SOE Sheet No.: _____

1	2	3	4	5	6	7	8	9	10	11	12	13
Item No.	Category No. *	Name of Supplier, Contractor or Consultant, Contract reference and date.	Total Amount of Contract (Include all currencies)	Brief Description of Goods, Works or Services	Currency of Expenditure	Total invoice amount covered by this application (net of retention)	Eligible % of financing	Currency and eligible amount paid (7)x(8)	US\$ Equivalent paid from Designated Account**	Date of Payment	Exchange Rate**	Remarks
TOTALS												
										\$		

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

(**) If this application is not for replenishment of the Designated Account, leave columns 10 and 12 blank.

**STATEMENT OF EXPENDITURE (SOE)
FORM 3B**

Payments made during the period from _____ To _____

Date: _____

**For: Expenditures under contracts below SOE documentation thresholds - please refer to the Disbursement Letter for SOE thresholds
(no supporting documentation required)**

Application No.: _____

IDA Credit No.: _____

SOE Sheet No.: _____

1	2	3	4	5	6	7	8	9	10	11	12	13
Item No.	Category No. *	Name of Supplier, Contractor or Consultant, Contract reference and date.	Total Amount of Contract (Include all currencies)	Brief Description of Goods, Works or Services	Currency of Expenditure	Total invoice amount covered by this application (net of retention)	Eligible % of financing	Currency and eligible amount paid (7)x(8)	US\$ Equivalent paid from Designated Account**	Date of Payment	Exchange Rate**	Remarks
										TOTALS		
										\$		

Supporting documents for this SOE retained at: _____

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

(**) If this application is not for replenishment of the Designated Account, leave columns 10 and 12 blank.

**Payments Made during Reporting Period
Against Contracts Subject to the Bank's Prior Review**

Contract Number	Supplier	Contract Date	Contract Amount	Date of WB's Non Objection to Contract	Amount Paid to Supplier during Period	WB's Share of Amt Paid to Supplier during Period