April 22, 2015

H.E Adriano Maleiane
Minister of Economy and Finance
Ministry of Economy and Finance
Maputo
Republic of Mozambique

Excellency:

Republic of Mozambique: Enhancing Spatial Data for Flood Risk
(Management Project: Zambezi (Grant No. TF017384)
First Revised Disbursement Letter dated June 6, 2014
Additional Instructions

I refer to the Financing Agreement between the International Bank for Reconstruction and Development ("World Bank") and the Republic of Mozambique (the "recipient") acting as administrator of grant funds provided by the United Kingdom ("Donor") under the Global Facility for Disaster Reduction and Recovery programmatic trust fund Track 3 ("GFDRR"). The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of the Grant TF17384 ("Grant"). This Disbursement Letter is a First Restatement of the Disbursement Letter dated June 6, 2014 for the above referenced project. The purpose of this first revision is to add "Advance" as a Disbursement Method. All other provisions and attachments of the "Additional Instructions: Disbursement" June 6, 2014, except as amended, shall remain in force and effect. 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 Financing 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 Financing:

- Reimbursement
- Direct Payment
- Advance
(iii) **Disbursement Conditions (subsection 3.8).** Please refer to the withdrawal condition(s) in Section 3.02 of 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 Association at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank,  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Attention: Mark R. Lundell, Country Director

(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,  
Delta Center, 13th Floor,  
Menegai Road, Upper Hill,  
Nairobi, Kenya.  
Tel: 254 20 20293 6492  
Attention: Loan Department

(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 credentials (“SIDC”) 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 SIDC 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 SIDC to Process Applications.** By designating officials to use SIDC 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 Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation** (“Terms and Conditions of Use of Secure Identification Credentials”) provided in Attachment 3; and (b) to cause such official to abide by those terms and conditions.
(v) Minimum Value of Applications (subsection 3.5). The minimum Value of Applications for Reimbursements and Direct Payments is USD 10,000.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated
- **Currency of Designated Account (subsection 5.4):** United States Dollars
- **Financial Institution at which the Designated Account Will Be opened (subsection 5.5):** Banco de Mocambique
- **Ceiling (subsection 6.1):** forecast for 2 quarters as provided in the quarterly Interim Financial Report (IFRs).

III. Reporting on Use of Financing 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:**
  - Statement of Expenditure in the form attached (Attachment 4)
  - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts/payments valued at USD 400,000 or more;
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5)
  - Designated Account Reconciliation/ Activity Statement in the form attached (Attachment 6) with a copy of the bank statement.

- **For requests for Direct Payments:** records evidencing eligible expenditures, e.g., Copies of receipts, supplier invoices.

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Accounts (subsection 6.3): Monthly

IV. Other Important Information


If you have not already done so, the Association recommends that you register as a user of the Client Connection website (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 Association by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Loan Operations at loa@worldbank.org using the above reference.

Yours sincerely,

[Signature]

Luis Schwarz
Senior Finance Officer
Loan Operations
World Bank Group Finance and Accounting
Grant No.: 
Bank and Account No.: 

Part I 
1. Cumulative advances to end of current reporting period 
2. Cumulative expenditures to end of last reporting period 
3. Outstanding advances to be accounted (1-2) 

Part II 
4. Opening DA balance at beginning of reporting period (per Bank statement attached, as of ....) 
5. Add/Subtract: Cumulative adjustments, including interest earned and recoveries by WB, (if any) 
6. Advances received from the World Bank during current reporting period 
7. Closing DA balance at end of current reporting period (per Bank statement attached, as of ....) 
8. Outstanding amount of advances to be accounted for (4+5+6-7) 

9. Total Expenditures reported for current reporting period, including this Application 
   
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<th>Applic No.</th>
<th>Amount</th>
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   Total (9) 

10. Difference (if any) 9-8 

Remarks 

Approved by: