H. E. Dr. Aun Pornmoniroth
Minister of Economy and Finance
Ministry of Economy and Finance
Phnom Penh
Kingdom of Cambodia

Excellency:

Re: Global Partnership for Education Grant No. TF017490
Second Education Sector Support Project
Additional Instructions: Disbursement

I refer to the Letter Agreement ("Agreement") between the Kingdom of Cambodia ("Recipient") and the International Bank for Reconstruction and Development/International Development Association ("World Bank"), acting as Supervising Entity of the Global Partnership for Education Fund, for the above-referenced project, dated May 16, 2014. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF017490 ("Grant"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

This letter is the first restatement of the Disbursement Letter dated May 16, 2014, for the above-referenced project, restating Section II (vi) per your request dated October 31, 2014. All other provisions and attachments of the Disbursement Letter dated May 16, 2014, shall remain in full force and effect.

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.

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 Agreement. Any changes to this date will be notified by the World Bank.

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  
113 Norodom Boulevard  
Phnom Penh, Cambodia

Attention: Alassane Sow  
Country Manager

(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  
26th Floor, One Global Place  
5th Avenue corner 25th Street  
Bonifacio Global City  
taguig City, Philippines 1634

Attention: Loan Department

(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 credentials (“SIDC”) 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 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 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 SIDC to Process Applications.** By designating officials to use SDIC 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 SIDC") 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 reimbursement, direct payment and special commitment is USD150,000.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated. One segregated designated account will be established for the Project and managed by the Ministry of Education, Youth and Sports.

- **Currency of Designated Account (subsection 5.4):** U.S. Dollars.

- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** National Bank of Cambodia.

- **Ceiling (subsection 6.1):** US$3,000,000

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:**
  - Summary Sheet in the form attached (Attachment 4) with records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts for i) goods and works valued at US$100,000 equivalent or more per contract; ii) consulting firm valued at US$100,000 equivalent or more per contract; and iii) individual consultants valued at US$50,000 equivalent or more per contract; and
  - Statement of Expenditure in the form attached (Attachment 5) for all other contracts or expenditures

- **For reporting eligible expenditures paid from the Designated Account:**
  - Summary Sheet in the form attached (Attachment 4) with records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts for i) goods and works valued at US$100,000 equivalent or more per contract; ii) consulting firm valued at US$100,000 equivalent or more per contract; and iii) individual consultants valued at US$50,000 equivalent or more per contract; and
  - Statement of Expenditure in the form attached (Attachment 5) for all other contracts or expenditures
  - A Designated Account Reconciliation Statement (Attachment 6), supported by a bank statement.

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

IV. Other Disbursement Instructions: Further advance from the Designated Account to other accounts of the Project is allowed, as long as these further advances are accounted for within reasonable period of time or not to exceed 90 days.

V. Other Important Information


If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to download Applications, monitor the near real-time status of the Grant, 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 <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Carmenchu Austriaco at caustriaco@worldbank.org using the above reference.

Sincerely yours,

Ulrich Zachau

Attachments:
Same as original attachments in letter dated May 16, 2014
Cc with copies:  

H.E Dr. Hang Chuon Naron  
Minister  
Ministry of Education, Youth and Sports  
#80, Norodom Blvd.  
Phnom Penh, Kingdom of Cambodia  
info@moeys.gov.kh  

H.E Nath Bunroeun  
Secretary of State  
Ministry of Education, Youth and Sports  
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Carmenchu Austriaco

Cleared with and cc: Manush Hristov (LEGES)
Simeth Beng (GEDDR)