Re: “Indigenous Housing as a Solution to Climate Risks”  
"2009 Global Development Marketplace on Climate Change Adaptation"  
Development Marketplace  
Development Marketplace 2009 Multi Donor Trust Fund (MDTF) TF 097199  
Additional Instructions: Disbursement

Dear Sir:

I refer to the Letter Agreement ("Agreement") between the International Bank for Reconstruction and Development and the International Development Association (collectively, “World Bank”), acting as administrator of grant funds provided under the Development Marketplace 2009 Multi Donor Trust Fund ("MDTF") which supports the "2009 Global Development Marketplace on Climate Change Adaptation" Development Marketplace, and The Family Centre, Anglican Social Services ("Recipient") for the above-referenced project. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TF 097199 ("Grant"). 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 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:

- Advance
- Reimbursement

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 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
1818 H Street, N.W., MSN 6-615
Washington, D.C. 20433
United States of America
Attention: Karen Majli Vega-Coronel, WBIN

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed applications for withdrawal, together with supporting documents, to the address indicated above.

(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 3; 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) 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):** Bank of New Zealand
- **Ceiling (subsection 6.1):** US$140,000
• **Applications (subsection 3.3):** Applications for advances should be accompanied by the documents specified in the Appendix to this letter. The final application for an advance must be submitted no later than three (3) months before the Closing Date in the legal agreement.

**III. Reporting on Use of Grant Proceeds**

(i) **Supporting Documentation (section 4).** Supporting documentation should be provided with each Application, as set out below:

- **For reporting eligible expenditures paid from the Designated Account:**
  - Interim Financial Report in the form attached (Attachment 4)
  - Unaudited Final Financial Report in the form attached (Attachment 5)

(ii) **Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3):** the periodicity specified in the Agreement for furnishing interim unaudited financial reports.

**IV. Other Important Information**


If you have not already registered to the Client Connection website (http://clientconnection.worldbank.org), please contact the World Bank by email at kvegacoronel@worldbank.org.

If you have any queries in relation to the above, please contact kvegacoronel@worldbank.org using the above reference.

Sincerely,

/s/ Robert Jauncey

Acting Country Director

Timor-Leste, Papua New Guinea and the Pacific Islands

East Asia and Pacific Region

Attachments:
2. Form for Authorized Signatures
4. Form of Interim Financial Report
5. Form of Unaudited Final Financial Report
Appendix I: Indicative Withdrawal Schedule
Prepared by: Karen Majli Vega-Coronel, WBIIN, Demetios Papathanasiou, EASNS

Cleared with and cc: [LEGES], Jill Roberts, CTRFC, [TACT]
Appendix I

Indicative Withdrawal Schedule

Withdrawal of the proceeds of the Grant shall be made by the Recipient in accordance with the schedule set forth below, subject to receipt by the World Bank of the Application and Supporting Evidence (as defined in Section 3.04 (b) of the Standard Conditions) satisfactory to the World Bank. The Supporting Documentation shall include the Project Report or, in the case of the last period specified in the schedule below, the Completion Report and Unaudited Final Financial Report, indicating the achievement of the items specified below for the respective period so indicated.

<table>
<thead>
<tr>
<th>Period</th>
<th>Initial Reporting Period</th>
<th>Expected Activity/Output</th>
</tr>
</thead>
</table>
| 0      |                          | 1. Milestones and withdrawal schedule discussed and agreed with the "2009 Global Development Marketplace on Climate Change Adaptation" Development Marketplace Portfolio Manager (PM) and the Project Supervisor (PS) as specified in the Grant Agreement.  
2. Outcome Indicators agreed upon with PS and PM:  
a. The completed construction of two (2) prototype models of cyclone resilient Samoan housing within two of three coastal villages. Indicators include:  
a.1 A Reference Group of 3 indigenous housing experts advising at each stage of the construction of the prototypes.  
a.2 Promote the participation of village young men in the construction activities and women and Elders in the local preparation, collection and making of housing materials.  
b. Carrying out public education training programmes on climate risk, adaptation and risk management planning within each village. Indicators include:  
b.1 Completing public education programmes within at least 2 villages with groupings of men and women.  
c. Completing an evaluation of the public education programme as a part of our reporting  
Indicators include:  
c.1 Completed participant’s assessment process.  
3. Completed budget template for Period 1 activities.  
4. All legal documents signed by the Project Team and the World Bank Country Director/Manager  
Forecast for advance payment to carry out activities for Periods 1 and 2: $99,875 (50% of Total) |
| 1&2 | 1. Project-Specific Output Indicators  
|     | a. Monitoring Plan completed which will outline protocol for collecting data to measure progress toward outcome indicators in Period 0;  
|     | b. Gathering of cultural, environmental and regional knowledge completed;  
|     | c. Assessment of materials and security of supply completed;  
|     | d. Assessment of long-term sustainability of prototype indigenous houses completed;  
|     | e. Public education programme development;  
|     | f. Public education programme delivery to separate groupings within each of 2 villages completed;  
|     | g. Construction on prototype houses started.  
| 12 months after effectiveness | 2. Project Supervisor’s site visit to review progress on all outputs outlined above by end of 12 months.  
| **End of activities covering the second reporting period** |  
| 3 | Forecast for advance payment to carry out activities for Period 2: $59,925 (30 % of Total)  
| 18 months after effectiveness | 1. Project-Specific Output Indicators  
|     | b. Construction of 2 prototype houses completed;  
|     | c. Involvement of young men in each village in construction;  
|     | d. Involvement of women and elders in each village in materials gathering and supply;  
|     | e. Reference group of expert advisors supporting construction process;  
| **End of activities covering this reporting period** |  
| Forecast for advance payment to carry out activities for Period 3: $39,950 (20% of Total) |  
| 4 | 1. Project-Specific Output Indicators  
|     | a. On-going evaluation of public education programme;  
|     | b. Completed assessment process by participants within the 2 villages.  
| 2. Submit sustainability plan for after completion of Grant activities, and  
<p>| 3. Submit Project evaluation plan |<br />
| 24 months after effectiveness | <strong>End of activities covering this reporting period</strong> |</p>
<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31, 2012</td>
<td>Completion of all Project activities.</td>
</tr>
</tbody>
</table>

**Total Grant Amount:**
$199,750