July 10, 2014

Dr. Stergomena Lawrence Tax
Executive Secretary
Southern African Development Community
SADC house, Plot No. 54385
Central Business District
Private Bag 0095
Gaborone, Botswana

Dear Dr. Tax:

Re: Multi-Donor Trust Fund Grant for the Comprehensive Africa Agriculture Development Programme (CAADP) Southern African Development Community (SADC)
Grant No. TF015295
First revised Disbursement Letter dated September 3, 2013
Additional Instructions: Disbursement

I refer to the Letter Agreement ("Agreement") between the International Bank for Reconstruction and Development and the International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors ("Donors") under the Multi-Donor Trust Fund for the Comprehensive Africa Agriculture Development Programme (CAADP), and the Southern African Development Community ("SADC" or "Recipient") for the above-referenced project, dated September 3, 2013. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of the Grant No. TF015295 ("Grant"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

This Letter has been updated to reflect the change in the financial institution to hold the designated bank account from Barclays Bank of Botswana to Standard Chartered Bank of Botswana Limited under Section II, sub-section (vi), as per the letter dated 25 June 2014 from the SADC Secretariat. All other provisions of the Disbursement Letter, except as amended, 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

(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 Conditions 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
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
Attention: Director, Regional Integration

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

The World Bank
P. O. Box 30577 - 00100
Nairobi, Kenya
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 officers 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 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 is USD 50,000.

(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):** Standard Chartered Bank of Botswana Limited
- **Ceiling (subsection 6.1):** Forecast for 2 quarters as provided in the Interim Financial Report

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:**
  - Interim Financial Report in the form attached (Attachment 4);
  - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts that are subject to the World Bank's prior review, in the form attached (Attachment 5).

- **For reporting eligible expenditures paid from the Designated Account:**
  - Interim Financial Report in the form attached (Attachment 4);
Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5); and

A reconciliation of the Designated Account, in the form attached (Attachment 6), with a copy of the bank statement.

- **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): Quarterly or more often if required.

IV. Other Important Information


From the Client Connection 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.

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](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 Christiaan Nieuwoudt, Finance Officer, cnieuwoudt@worldbank.org, using the above reference.

Yours Sincerely,

Christiaan Nieuwoudt
Finance Officer
Africa Region
Attachments
All Attachments remain valid as provided under the original Disbursement Letter
2. Form for Authorized Signatures
4. Form of Interim Financial Report
5. Form of Payments Against Contracts Subject to the World Bank’s Prior Review
6. Designated Account Reconciliation Statement
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: Director, Regional Integration

Dear Mr. Colin Bruce:

Re: Multi-Donor Trust Fund Grant for the Comprehensive Africa Agricultural Development Programme (CAADP) Southern African Development Community (SADC) Grant No. TF015295

I refer to the Grant Agreement ("Agreement") between the International Bank for Reconstruction and Development and the International Development Association ("World Bank"), acting as administrator of grant funds provided by various donors ("Donors") under the Multi-Donor Trust Fund for the Comprehensive Africa Agriculture Development Programme (CAADP), and Southern African Development Community ("SADC" or "Recipient"), dated September 3, 2013 providing the above Grant. For the purposes of Section 3.04 (b) of the Standard Conditions, as defined in the Agreement, any (lone] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient to sign applications for withdrawal [and applications for a special commitment] under this Grant.

For the purpose of delivering Applications to the World Bank, 1[each] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient, acting 2[individually] 3[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the World Bank.

4[This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to

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1 Instruction to the Recipient: Stipulate if more than one person needs to jointly sign Applications, if so, please indicate the actual number. Please delete this footnote in final letter that is sent to the World Bank.

2 Instruction to the Recipient: Use this bracket if any one of the authorized persons may sign; if this is not applicable, please delete. Please delete this footnote in final letter that is sent to the World Bank.

3 Instruction to the Recipient: Use this bracket only if several individuals must jointly sign each Application; if this is not applicable, please delete. Please delete this footnote in final letter that is sent to the World Bank.
the World Bank by electronic means. In full recognition that the World Bank shall rely upon such representations and warranties, including without limitation, the representations and warranties contained in 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"), the Recipient represents and warrants to the World Bank that it will cause such persons to abide by those terms and conditions.

This Authorization replaces and supersedes any Authorization currently in the World Bank records with respect to this Agreement.

[Name], [position] Specimen Signature: 

[Name], [position] Specimen Signature: 

[Name], [position] Specimen Signature: 

Yours truly,

/ signed /

[Position]

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4 Instruction to the Recipient: Add this paragraph if the Recipient wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph.

Please delete this footnote in final letter that is sent to the World Bank.