March 4, 2016

Honorable Dr. Kaifala Marah
Minister of Finance and Economic Development
Ministry of Finance and Economic Development
Treasury Building, George Street
Freetown, Sierra Leone

Re: IDA Financing 5122-SL (Sierra Leone Pay and Performance Project)
First Restatement to the Disbursement Letter dated June 26, 2012
Additional Instructions: Disbursement

I refer to the Financing Agreement between the International Development Association (the “Association”) and Republic of Sierra Leone (the “Recipient”) for the above-referenced project, dated June 26, 2012. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of financing IDA 51220 (“Financing”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is a First Restatement to the Letter dated June 26, 2012 for the above referenced project to extend the frequency of reporting eligible expenditures paid from the Designated Account from 3 to 6 months as per recipient’s request. This disbursement letter supersedes any previous version.

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
- Advance Category 1
- Advance Category 2

(ii) Disbursement Requests.
Applications for Withdrawal from the Financing Account (Withdrawal Applications or Disbursement Requests) may be sent to the Association for amounts under one or more result categories set out in Schedule 2, Section IV of the Financing Agreement relating to disbursement-linked indicators (D LI), at
any time after the Association has officially notified the Recipient in that it has accepted evidence of achievement of specific result(s) under a DLI.

(iii) Amount of the disbursement. The amount of the Withdrawal Application may be up to the full amount allocated to the specific result(s) under the DLI and not in excess of the forecast of EEP expenditures attributable thereto. As DLIs are not scalable for purposes of triggering disbursements, no disbursements will be made against partially achieved DLIs at verification.

(iv) Advance for DLIs Not yet Achieved. The Association has agreed to provide advances for specific result(s) under certain DLI(s) that have not yet been achieved. The Association recovers each advance when the respective DLI(s) is (are) achieved.

(v) Project expenditure Reconciliation. The Project expenditure reconciliation is set out in Section IV.B of Schedule 2 to the Financing Agreement.

Notwithstanding the foregoing provisions of this Section IV, if the refund is not received within six months after the Closing Date the Association may provide notice under Section 6.06 of the General Conditions that the amount of the Financing withdrawn for the excess disbursement is immediately due and payable together with any other Financing Payments.

(vi) Prior Results. The Association has agreed with the Recipient that the results for 3 DLIs under result category 1 will have been achieved prior to the signing of the Financing Agreement and therefore the Recipient may request a disbursement of an amount of $3,000,000 after the Financing Agreement is declared effective, and as long as total government expenditures under the EEPs exceed this capped amount.

(vii) Disbursement Deadline Date. The Disbursement Deadline Date is six months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by the Association.

(viii) Deposits of Credit Amounts. All withdrawals from the Financing account shall be deposited by the Association into an account specified by the Recipient and agreed to by the Association. The Recipient shall ensure that upon each deposit of an amount of the Credit into this account, an equivalent amount is accounted for in the Recipient's budget management system, in a manner acceptable to the Association.

(ix) Disbursement Conditions. Please refer to the Disbursement Condition(s) in the Financing Agreement.

II. Withdrawal of Financing 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
Africanus House
13A Howe Street
Freetown, Sierra Leone
Attention: Henry Kerali, Country Director for Sierra Leone

(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 operations
Delta Center, 13th Floor,
Menengai Road, Upper Hill,
Nairobi, Kenya.
Contact Telephone number: +254 20 2936 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 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 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; and (b) to cause such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5) (not applicable for advances method). USD 100,000

vi) Advances (sections 5 and 6).

Type of Designated Account[s] (subsection 5.3):
Designated Account A: Segregated for Advances under Category (1) EEP under Part 1 of the Project

Designated Account B: Segregated for Advances under Category (2) Goods, non-consulting services, consultants’ services (including audits), Operating Costs, Training, Workshops, and Study Tours under Part 2 of the Project

- **Currency of Designated Account[s] (subsection 5.4):** US Dollars

- **Financial Institution at which the Designated Account[s] Will Be Opened (subsection 5.5):** Bank of Sierra Leone

- **Ceiling (subsection 6.1):**

  For Designated Account A the amount of advances accordingly to Section IV.B.2 of Schedule 2 to the Financing Agreement; and

  For Designated Account B flexible ceiling will be determined based on the quarterly 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:**
  - Interim Financial Report (IFR) in the form attached (Attachment 4); and
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5)

(ii) **Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3):**

  a. Half yearly (i.e. every 6 months) for DA-A
  b. Quarterly for DA-B

IV. Other Important Information

From the Client Connection website, you will be able to download Applications, monitor the near real-time status of the Financing, 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 (http://clientconnection.worldbank.org). From this website you will be able to download Applications, monitor the near real-time status of the Financing, and retrieve related policy, financial, and procurement information. 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 the Finance Officer at wfaldafr@worldbank.org using the above reference.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By Maiada Kassem
Finance Officer

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
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
[Letterhead]
Ministry of Finance
[Street address]
[City] [Country]

[DATE]

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

Attention: [Country Director]

Dear [Country Director]:

Re: Financing Advance No.______ _______Project

I refer to the Financing Agreement ("Agreement") between the International Development Association (the "Association") and [name of Recipient] (the "Recipient"), dated ______, providing the above Financing. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any 1[one] 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 Financing.

For the purpose of delivering Applications to the Association, 2[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting 3[individually] 4[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

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

1 Instruction to the Recipient: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. Please delete this footnote in final letter that is sent to the Association.

2 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 Association.

3 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 Association.

4 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 Association.
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 Association 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] 6

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5 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.

6 The letter should be signed by the official designated as the Recipient’s Representative in the Advance Agreement.
Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation

March 1, 2013

The World Bank (Bank)\(^7\) will provide secure identification credentials (SIDC) to permit the Borrower\(^8\) to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

SIDC can be either: (a) hardware-based (Physical Token), or (b) software-based (Soft Token). The Bank reserves the right to determine which type of SIDC is most appropriate.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide SIDC to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.

2. Each Signatory must register as a user on the Bank’s Client Connection (CC) website (https://clientconnection.worldbank.org) prior to receipt of his/her SIDC. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Initialization of SIDC.

1. Prior to initialization of SIDC by a Signatory, the Signatory will acknowledge having read, understood and agreed to be bound by these Terms and Conditions of Use.

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\(^7\) “Bank” includes IBRD and IDA.

\(^8\) “Borrower” includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.
2. Where a Physical Token is to be used, promptly upon receipt of the Physical Token, the Signatory will access CC using his/her account name and CC Password and register his/her Physical Token and set a personal identification number (PIN) to be used in connection with the use of his/her Physical Token, after which the Physical Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Where a Soft Token is to be used, the Signatory will access CC using his/her account name and CC Password and set a personal identification number (PIN) to be used in connection with the use of his/her Soft Token, after which the Soft Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the SIDC, the Signatory will be a “SIDC User”. The Bank will maintain in its database a user account (Account) for each SIDC User for purposes of managing the SIDC of the SIDC User. Neither the Borrower nor the SIDC User will have any access to the Account.

3. Prior to first use of the SIDC by the SIDC User, the Borrower shall ensure that the SIDC User has received training materials provided by the Bank in use of the SIDC.

C. Use of SIDC.

1. Use of the SIDC is strictly limited to use in the delivery of Applications by the SIDC User in the manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other use of the SIDC is prohibited.

2. The Bank assumes no responsibility or liability whatsoever for any misuse of the SIDC by the SIDC User, other representatives of the Borrower, or third parties.

3. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank in granting SIDC) that each SIDC User understands and will abide by, these Terms and Conditions of Use, including without limitation the following:

4. Security

4.1. The SIDC User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.

4.2. The SIDC User shall not allow anyone else to utilize his/her SIDC to deliver an Application to the Bank.

4.3. The SIDC User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.

4.4. If the SIDC User believes a third party has learned his/her PIN or has lost his/her Physical Token he/she shall immediately notify clientconnection@worldbank.org.
4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised SIDC, and take other reasonable steps to ensure such SIDC are disabled immediately.

5. **Reservation of Right to Disable SIDC**

5.1. The Borrower shall reserve the right to revoke the authorization of a SIDC User to use a SIDC for any reason.

5.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a SIDC, de-activate a SIDC User’s Account or both.

6. **Care of Physical Tokens**

6.1. Physical Tokens will remain the property of the Bank.

6.2. The Bank will physically deliver a Physical Token to each Signatory designated to receive one in a manner to be determined by and satisfactory to the Bank.

6.3. Physical Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Physical Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Physical Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Physical Token.

6.4. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care of Physical Tokens are available at http://www.rsa.com.

7. **Replacement**

7.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Physical Tokens will be replaced at the expense of the Borrower.

7.2. The Bank reserves the right, in its sole discretion, not to replace any Physical Token in the case of misuse, or not to reactivate a SIDC User’s Account.
## Government of Sierra Leone - Pay and Performance Project
### Statement of Sources and Uses of Funds (in Leones)

<table>
<thead>
<tr>
<th>Component 1 - EEPs</th>
<th>Expenditure Heads</th>
<th>Current Quarter (Actual)</th>
<th>Cumulative to Date</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Compensation of Employees</td>
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<td></td>
<td>Recruitment costs</td>
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<td></td>
<td>Training (Local)</td>
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<tr>
<td>Total</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Component 2 - TA</th>
<th>Expenditure Heads</th>
<th>Current Quarter (Actual)</th>
<th>Cumulative to Date</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Professional Fees/Consultancy</td>
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<tr>
<td></td>
<td>Research Expenses</td>
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<tr>
<td></td>
<td>Annual Statistical/Opinion Surveys</td>
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<td></td>
<td>Studies, project Prep./Design</td>
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<td>Intelligence Gathering/Records Mgmt</td>
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<td>Furniture, Office Equip., Safes</td>
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<td>Computers/Ancillary Equipment</td>
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<td></td>
<td>Vehicles</td>
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<tr>
<td>Total</td>
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</table>
### Part I - Funds Position Dec. 2010-December, 2011

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Leones</td>
<td>USD</td>
</tr>
<tr>
<td><strong>Opening Balance</strong></td>
<td></td>
<td></td>
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<tr>
<td>IDA, including direct payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Bank Balance</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Actual Expenditures incurred during the period</strong></td>
<td></td>
<td></td>
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<tr>
<td>Component 1</td>
<td></td>
<td></td>
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<tr>
<td>Component 2</td>
<td></td>
<td></td>
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<tr>
<td><strong>Total Expenditure</strong></td>
<td></td>
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<tr>
<td><strong>Balance Available (Closing Balance)</strong></td>
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<td></td>
</tr>
</tbody>
</table>

### Part II - Expenditure Forecast and Cash Requirement (six months)

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Funds Available as per Part I</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Less Project forecast Use of Funds</strong></td>
<td></td>
<td></td>
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<tr>
<td>Component 1</td>
<td></td>
<td></td>
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<tr>
<td>Component 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Forecast Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Cash Position (Excess / Shortfall)</strong></td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### Part III - Allocation for withdrawal applications

<p>| Component 1:               |       |       |
| Component 2:               |       |       |
| <strong>Total</strong>                  |       |       |</p>
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Contract Description</th>
<th>Contract Amount</th>
<th>Contractor's Name</th>
<th>Date of Expiration</th>
<th>State of Completion</th>
<th>Payments To Date Amount</th>
<th>Outstanding Commitment Amount</th>
<th>Retention Amount</th>
<th>Source of Funding</th>
</tr>
</thead>
</table>
## Payments Made during Reporting Period
Against Contracts Subject to the Bank’s Prior Review

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of WB’s No-Objection to Contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>WB’s Share of Amount Paid to Supplier during Period</th>
</tr>
</thead>
</table>