Hon. S. Kuugongelwa-Amadhila
Minister of Finance
Fiscus Building
Private Bag 13295
Windhoek
Namibia

Excellency:

Re: Grant No. TF099836 IDF Grant for the Performance Management and Monitoring and Evaluation Project
Additional Instructions: Disbursement Letter

I refer to the Grant Agreement ("Agreement") between the International Bank for Reconstruction and Development ("World Bank") and the Republic of Namibia (the "Recipient"), for the above-referenced Grant dated February 10, 2012. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds under Grant TF099836 ("Grant"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is the First Restatement of the Disbursement Letter dated February 10, 2012 for the above referenced project, restating Section II (v) Financial Institution at which the Designated Account will be opened. All other provisions of the Disbursement Letter dated February 10, 2012, except as amended, shall remain in 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 and the Agreement, 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
   - Direct Payment
   - Reimbursement

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four (4) months after the Closing Date specified in the Grant 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, NW
   Washington, DC 20433
   United States of America

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

   The World Bank
   Hill Park Building
   Upper Hill Road
   Nairobi, Kenya
   Attention: Loan Disbursement Dept.

(iii) Electronic Delivery (subsection 3.4). 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 accept 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 deliver the Terms and Conditions of Use of SIDC 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):** USD
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Bank of Namibia
- **Ceiling (subsection 6.1):** Forecast for two (2) quarters as provided in the quarterly Interim Unaudited 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); and
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5)

- **For reporting eligible expenditures from the Designated Account:**
  - Interim Financial Report 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)
  - Designated Account Reconciliation/Activity Statement 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.

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 (http://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. 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 Finance Officer at CTRLD-TF@worldbank.org using the Trust Fund No. as reference

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Vidya Narasimhan
Finance Officer, CTRLD

Attachments with Original Disbursement Letter