H.E. Mutaz Musa Abdallah Salim  
Minister of Finance and Economic Planning  
Ministry of Finance and Economic Planning  
Khartoum  
Republic of Sudan  

Excellency:

Re: GEF Grant Nos. TF016134 and TF0A7607  
(Sustainable Natural Resource Management Project)  
Additional Instructions: AMENDED Disbursement Letter

I refer to the Grant Agreement (“Agreement”) between the International Bank for Reconstruction and Development (the “World Bank”) acting as implementing agency of the Global Environment Facility (“GEF”) and the Republic of the Sudan (the “Recipient”) for the above-referenced Project, dated March 13th, 2014 and to the Additional Financing Grant Agreement, of even date herewith. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of financing from Grant No. TF016134 and Grant No. TF0A7607 (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is a First Restatement of the Disbursement Letter dated March 13, 2014, for the above referenced project, and allows for the inclusion of Grant No. TF0A7607 to be disbursed under the disbursement arrangements stated in this letter as well as removing the requirement for copies of records for eligible expenditures to be submitted with Applications for Withdrawal for reimbursement and replenishment of the Designated Account under paragraph III (i) below. It also includes reference to the new disbursement guidelines as per the next paragraph. All other provisions and attachments of the Disbursement Letter dated March 13, 2014, except as amended, shall remain in force and effect.

The attached World Bank Disbursement Guidelines for Projects, dated February 2017 (“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 Grant Agreement.

(iii) **Disbursement Conditions (subsection 3.8).** Please refer to the Disbursement Condition(s) in the Grant Agreement.

II. **Withdrawal of Grant Proceeds**

(i) **Authorized Signatures (subsection 3.1).** An authorized signatory letter in the Form attached (Attachment 2) should be furnished by the Recipient 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  
Country office for Sudan  
Khartoum  
Sudan  
Attention: Country Manager for Sudan

(ii) **Applications (subsections 3.2 - 3.3).** Please provide completed and signed (a) applications for withdrawal, together with supporting documents, (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 Department,  
Delta Center, 13th Floor  
Upper Hill, Menengai Road,  
Nairobi, Kenya.  
Tel: 254 20 293 6000  
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 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 for Reimbursement, Direct Payment and Special Commitment will be the equivalent of 20% of the Advance ceiling amount.

(vi) **Advances (sections 5 and 6).**

- **Type of Designated Account[s] (subsection 5.3):** Segregated
- **Currency of Designated Account[s] (subsection 5.4):** Euro
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Bank of Khartoum.
- **Ceiling (subsection 6.1):** Euro 500,000.

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 and reporting eligible expenditures paid from the Designated Account:**
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5) as well as records evidencing these expenditures;
  - Statement of Expenditure in the form attached (Attachment 4) and records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices and documentary evidence of delivery and the Recipient’s acceptance of contracted goods or services) for all other expenditures;

- **For requests for Direct Payment and Special Commitment:** 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):** monthly

IV. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the World Bank’s website (http://www.worldbank.org) and “Client Connection”. The World Bank recommends that you register as a user of “Client Connection”. From this website you will be able to prepare and deliver 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, or if you have any queries in relation to the above, please contact the World Bank by email at AskLoan@WorldBank.org using the above reference.

Yours sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: Carolyn Turk
Country Director for Ethiopia, Sudan and South Sudan
Africa Region

Attachments:

Attachments that were issued as part of the original letter remain valid.