September 10, 2012

H.E. Mr. Patrice Kitebi
Minister of Finance
Ministry of Finance
Kinshasa
Democratic Republic of Congo

Excellency:

Re: Democratic Republic of Congo: Education Sector Project (Grant No. H303-DRC)
Additional Instructions: Disbursement – Second Restatement

I refer to the Financing Agreement between the Democratic Republic of Congo (the “Recipient”) and the International Development Association (“World Bank”) for the above-referenced project, dated June 8, 2007. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant H303-DRC (“Grant”) and the operation of the Designated Account. This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is a Second Restatement of the Disbursement Letter dated June 8, 2007 for the above referenced project restating Section II(iv) to add Designated Account–B with a ceiling of US$ 6 million. Section II (ii) is also restated to increase the minimum application size to US$ 600,000. All other provisions of the Disbursement Letter dated June 8, 2007, 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 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
• 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 Financing Agreement. Any changes to this date will be notified by the World Bank.

(iii) **Disbursement Conditions (subsection 3.8).** Please refer to the Disbursement Condition(s) in Schedule 2, Section IV.B1 of the Financing Agreement.

II. Withdrawal of Financing Proceeds

(i) **Authorized Signatures (subsection 3.1).**
An authorized signatory 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:

Banque Mondiale  
Boulevard Tshatshi No. 49  
Immeuble De Witte  
Commune de la Gombe  
République Démocratique du Congo  
A l’attention de : M. Eustache Ouayoro, Directeur-pays

(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  
4 Fricker Road  
IFC Building Illovo 2196  
Johannesburg, South Africa  
Attention; Loan Department

(iii) **Minimum Value of Applications (subsection 3.5).** The Minimum Value of Applications is US Dollars 600,000.

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

- **Type of Designated Account(s) (subsection 5.3):** Segregated
- **Currency of Designated Account(s) (subsection 5.4):** US Dollars
- **Financial Institution at which the Designated Account(s) will be opened (subsection 5.5)**
  - DA-A Rawbank, DA-B Central Bank
- **Ceiling (Subsection 6.1):**
  - DA-A (All other categories) US$ 3,000,000
  - DA-B (Category 7) US$ 6,000,000
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:**
  - Statement of Expenditure in the form attached (Attachment 3)
  - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices)
    - for payments against contracts valued at (a) US$ 500,000 or more for works; (b) US$ 250,000 or more for goods; (c) US$ 100,000 or more for services for consulting firms and (d) US$ 50,000 or more for services of individual consultants.
  - List of payments against contracts that are subject to the Association’s prior review, in the form attached (Attachment 4)

- **For reporting eligible expenditures paid from the Designated Account:**
  - Statement of Expenditure in the form attached (Attachment 3)
  - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices)
    - for payments against contracts valued at (a) US$ 500,000 or more for works; (b) US$ 250,000 or more for goods; (c) US$ 100,000 or more for services for consulting firms and (d) US$ 50,000 or more for services of individual consultants.
  - List of payments against contracts that are subject to the Association’s prior review, in the form attached (Attachment 4)

- **For requests for Direct Payment:** records evidencing eligible expenditures e.g. copies of receipts, supplier invoices

- **For requests for Special commitment:**
  - Letter of credit
  - Copy of the contract

(ii) Other Supporting Documentation: Instructions: Please submit a bank statement and a reconciliation of the Designated Account together with the Application for Withdrawal, on a monthly basis.

(iii) Interim Financial Reports: the disbursement letter will be revised when the project will be authorized to claim disbursements based on Interim Financial Reports.

Please attach a reconciled bank statement to each application for replenishment of the designated account.
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 any queries in relation to the above, please contact Aissatou Diallo, Senior Finance Officer at loaaf@worldbank.org using the above reference.

Yours sincerely,

Sylvie Dossou Kouame
Acting Country Director for the Democratic Republic of Congo
Africa Region

*Attachments are with the original disbursement letter*