October 31, 2016

Son Excellence Monsieur Yves Romain Bastien
Ministre de l’Economie et des Finances
Ministère de l’Economie et des Finances
Palais des Ministères
5, Ave Charles Sumner/Turgeau
Port-au-Prince
République d’Haiti

Re: HAITI: IDA Grant No. H864-0-HT (Improving Maternal and Child Health through Integrated Social Services Project)

Additional Instructions: Disbursement Letter – First Amendment

Excellency:

I refer to the Financing Agreement ("Agreement") between the International Development Association (the "Association") and Republic of Haiti (the "Recipient") for the above-referenced project, dated June 14, 2013. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of Grant H-864-0-HT. This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

This letter is the first Amendment of the Disbursement Letter dated June 14, 2013 to: restate Section II (v) to reduce the minimum value of applications US$ 1 million to USD 50,000; and (ii) Section II (ii) to update the address where the applications should be sent. All other provisions and attachments of the Disbursement Letter dated June 14, 2013 except as amended, shall remain in force and effect.

The attached World Bank\textsuperscript{1} 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.

\textbf{I. Disbursement Arrangements}

\textsuperscript{1}"World Bank" includes The International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA).
(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 four (4) months after the Closing Date specified in Section IV.B.3 of Schedule 2 to the Financing Agreement. Any changes to this date will be notified by the Association.

(iii) **Disbursement Conditions (subsection 3.8).** Please refer to the Disbursement Conditions in Section IV.B.1. of Schedule 2 to the Financing Agreement.

II. Withdrawal of Grant Proceeds

Article I.  (i) **Authorized Signatures (subsection 3.1).** An authorized signatory letter in the Form attached (Attachment 2) should be furnished to the Association 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, DC 20433  
United States of America  
Attention: Mary Barton-Dock  
Special Envoy to Haiti  
Latin America and the Caribbean Region

(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  
Disbursement Management Group  
CTRLA-Regional Center Zagreb  
The World Bank  
Radnicka 80/9, 10 000 Zagreb, Croatia

(iii) **Electronic Delivery (subsection 3.4)** The Association may permit the Recipient to electronically deliver to the Association Applications (with supporting documents) through the Association’s Client Connection, web-based portal. The option to deliver Applications to the Association 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 Association 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 Association agrees, the Association 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 Association 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 SDIC 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.

Ministère de la Santé Publique et de la Population (MSPP)

Eligible expenditures corresponding to Part A.1. and B.1. of the Project

(v) Minimum Value of Applications (subsection 3.5). The minimum value of applications for Reimbursement, Direct Payment and Special Commitment will be United States Dollars (USD) $50,000.

(vi) Advances (sections 5 and 6): Designated Account A for Part A.1. and B.1. of the Project
   - Type of Designated Account (subsection 5.3): Segregated
   - Currency of Designated Account (subsection 5.4): United States Dollars (USD)
   - Financial Institution at which the Designated Account Will Be Opened (subsection 5.5): BRH - Banque de la République d’Haïti
   - Ceiling (subsection 6.1): USD $ 9,000,000.

Fonds d’Assistance Economique et Sociale (FAES)

Eligible Expenditures corresponding to Part A.2. and B.2. of the Project

(vii) Minimum Value of Applications (subsection 3.5). The minimum value of applications for Reimbursement, Direct Payment and Special Commitment will be United States Dollars (USD) $50,000.

(viii) Advances (sections 5 and 6): Designated Account B for Part A.2. and B.2. of the Project
   - Type of Designated Account (subsection 5.3): Segregated
   - Currency of Designated Account (subsection 5.4): United States Dollars (USD)
   - Financial Institution at which the Designated Account Will Be Opened (subsection 5.5): BRH - Banque de la République d’Haïti
   - Ceiling (subsection 6.1): USD $ 4,000,000.
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 reporting eligible expenditures paid from the Designated Account:**
  
  o Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for (1) payments for Goods and Works for contracts valued at USD $200,000 equivalent or more; (2) payments for Consulting Firms for contracts valued at USD $100,000 equivalent or more; and (3) payments for Individual Consultant services against contracts valued at USD $50,000 equivalent or more (Attachment 4A) under the following parts of the project:
    - A.1(a) and (b)
    - A.2(a), (b), (c), (d), (e), and (f)
    - B.1.
    - B.2.
  
  o Statement of Expenditure in the form attached (Attachment 4B) for all other expenditures/contracts below the thresholds indicated in the previous subparagraph, and for Non-consulting services, Training and Operating Cost;
  
  o Customized Statement of Expenditure in the form attached (Attachment 4C) for expenditures under **Part A.1(c) of the Project** - Results-Based Payments
  
  o Customized Statement of Expenditure in the form attached (Attachment 4D) for expenditures under **Part A.2(g) of the Project** - Conditional Cash Transfer Grants
  
  o List of payments against contracts that are subject to the Association’s prior review, in the form attached (Attachment 5); and
  
  o An activity reconciliation statement (Attachment 6) and bank statement for Designated Account.

- **For requests for Reimbursement of eligible expenditures:**
  
  o Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for (1) payments for Goods and Works for contracts valued at USD $200,000 equivalent or more; (2) payments for Consulting Firms for contracts valued at USD $100,000 equivalent or more; and (3) payments for Individual Consultant services against contracts valued at USD $50,000 equivalent or more (Attachment 4A) under the following parts of the project:
    - A.1(a) and (b)
    - A.2(a), (b), (c), (d), (e), and (f)
    - B.1.
    - B.2.
- Statement of Expenditure in the form attached (Attachment 4B) for all other expenditures/contracts below the thresholds indicated in the previous subparagraph, and for Non-consulting services, Training and Operating Cost;
- Customized Statement of Expenditure in the form attached (Attachment 4C) for expenditures under **Part A.1(c) of the Project** - Results-Based Payments
- Customized Statement of Expenditure in the form attached (Attachment 4D) for expenditures under **Part A.2(g) of the Project** – Conditional Cash Transfer Grants, and
- List of payments against contracts that are subject to the Association’s prior review, in the form attached (Attachment 5).

- **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).** Minimum frequency: Quarterly.

**IV. Other Important Information**


If you have not already done so, the Association recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Financing, 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 Association by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Faly Diallo Finance Officer at fdiallo1@worldbank.org using the above reference.

Yours sincerely,

Faly Diallo
Finance Officer
Cc with copy:

Monsieur Wilner Valcin  
Chef de Cabinet du Ministère de l’Economie et des Finances

Son Excellence Madame Daphnée Benoît Delsoin  
Ministre  
Ministère de la Santé Publique et de la Population

Monsieur Lucien Francoeur  
Directeur Général  
Fonds d’Assistance Economique et Sociale (FAES)