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OFFICIAL DOCUMENTS

Tahseen Sayed
Country Director
Latin America and Caribbean Region

Date: October 24, 2019

Honorable Camillo Gonsalves
Minister of Finance, Economic Planning, Sustainable
Development and Information Technology
Administrative Building
Bay Street
Kingstown, Saint Vincent and the Grenadines

**Re: IDA Credit 6481-VC (SAINT VINCENT AND THE GRENADINES - OECS Regional Health Project)**
**Additional Instructions: Disbursement and Financial Information Letter.**

Dear Honorable Camillo Gonsalves:

I refer to the Financing Agreement between Saint Vincent and the Grenadines (the "Recipient") and the International Development Association (the "Association") for the above-referenced Project. The General Conditions, as defined in the Financing Agreement, provide that the Recipient may from time to time request withdrawals of Credit amounts from the Credit Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Association may specify from time to time by notice to the Recipient. The General Conditions also provide that the Disbursement and Financial Information Letter may set out Project specific financial reporting requirements. This letter constitutes such Disbursement and Financial Information Letter ("DFIL"), and may be revised from time to time.

**I. Disbursement Arrangements, Withdrawal of Credit Funds, and Reporting of Uses of Credit Funds.**

The *Disbursement Guidelines for Investment Project Financing,* dated February 2017, ("Disbursement Guidelines") are available in the Association's public website at https://www.worldbank.org and its secure website "Client Connection" at https://clientconnection.worldbank.org. The Disbursement Guidelines are an integral part of the DFIL, and the manner in which the provisions in the guidelines apply to the Credit is specified below.

***(i)* Disbursement Arrangements**

- ***(ii) General Provisions*** (Schedule 1). The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, and conditions, information on registration of authorized signatures, processing of withdrawal applications (including minimum value of applications and processing of advances), instructions on supporting documentation, and frequency of reporting on the Designated Account.

***(ii)* Electronic Delivery.** Section 11.01 (c) of the General Conditions.

The Recipient will deliver Withdrawal Applications (with supporting documents) electronically through the Association's web-based portal "Client Connection" at https://clientconnection.worldbank.org. This option will be effected after the officials designated in writing by the Recipient who are authorized to sign and deliver Withdrawal Applications have registered as users of "Client Connection". The designated officials will deliver Applications electronically by completing the Form 2380, which is accessible through "Client Connection". By signing the Authorized Signatory Letter, the Recipient confirms that it is

authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. The Recipient may exercise the option of preparing and delivering Withdrawal Applications in paper form on exceptional cases (including those where the Borrower encounters legal limitations), and which were previously agreed with the Association. 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, available in the Association's public website at https://worldbank.org and "Client Connection"; and (b) to cause such official to abide by those terms and conditions.

**II. Financial Reports and Audits.**

***(i) Financial Reports.*** The Recipient must prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports ("IFR") for the Project covering the quarter.

***(ii) Audits.*** Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Association not later than six (6) months after the end of such period.

**III. Other Information.**

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Association's website (http://www.worldbank.org/) and "Client Connection". The Association 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 Credit, 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 Association by email at AskLoans@WorldBank.org using the above reference.

Yours sincerely,

Tahsee Sayed

Tahseen Sayed
Country Director
Latin America and Caribbean Region

***Attachments***

1. Form of Authorized Signatory Letter
2. Interim unaudited Financial Report (IFR)

With copies: Ministry of Finance
Second Floor
Administrative Building
Bay Street

Kingstown
St Vincent and the Grenadines

## Schedule 1 : Disbursement Provisions

<table>
<tr><th colspan="6">Basic Information</th></tr>
<tr><td rowspan="3">Credit Number</td><td rowspan="3">6481-VC</td><td>Country</td><td>Saint Vincent and the Grenadines</td><td rowspan="2">Closing Date</td><td rowspan="2">Section III B.2. of Schedule 2 to the Financing Agreement.</td></tr>
<tr><td>Recipient</td><td>Saint Vincent and the Grenadines</td></tr>
<tr><td>Name of the Project</td><td>OECS Regional Health Project</td><td>Disbursement Deadline Date<br>Subsection 3.7 **</td><td>Four months after the closing date.</td></tr>
<tr><th colspan="6">Disbursement Methods and Supporting Documentation</th></tr>
<tr><td colspan="2">Disbursement Methods<br>Section 2 (**)</td><td>Methods</td><td colspan="3">Supporting Documentation<br>Subsections 4.3 and 4.4 (**)</td></tr>
<tr><td colspan="2">Direct Payment</td><td>Yes</td><td colspan="3">Copy of records</td></tr>
<tr><td colspan="2">Reimbursement</td><td>Yes</td><td colspan="3">Interim unaudited Financial Report (IFR), including a list of payments made against contract for which the Bank's Prior Review is required - Attachment 2 of the DFIL</td></tr>
<tr><td colspan="2">Advance (into a Designated Account)</td><td>Yes</td><td colspan="3">Interim unaudited Financial Report (IFR), including a list of payments made against contract for which the Bank's Prior Review is required - Attachment 2 of the DFIL</td></tr>
<tr><td colspan="2">Special Commitments</td><td>No</td><td colspan="3">N/A</td></tr>
<tr><th colspan="6">Designated Account (Sections 5 and 6 **)</th></tr>
<tr><td colspan="2">Type</td><td colspan="2">Segregated</td><td>Ceiling</td><td>Variable</td></tr>
<tr><td colspan="2">Financial Institution - Name</td><td colspan="2">Bank of Saint Vincent and the Grenadines</td><td>Currency</td><td>USD</td></tr>
<tr><td colspan="2">Frequency of Reporting Subsection 6.3 (**)</td><td colspan="2">Same as for the IFR: Quarterly</td><td>Amount</td><td>Six-month cash-flow forecast as indicated in the quarterly IFR</td></tr>
<tr><th colspan="6">Minimum Value of Applications (subsection 3.5)</th></tr>
<tr><td colspan="6">The minimum value of applications for Direct Payment is the USD equivalent to 20% of the outstanding/undocumented advance to the Designated Account.</td></tr>
<tr><th colspan="6">Authorized Signatures (Subsection 3.1 and 3.2 **) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter<br>Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 **)</th></tr>
<tr><td colspan="6">Authorized Signatures: A letter in the Form attached (Attachment 1) should be furnished to the Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:<br><br>The World Bank<br>1818 H Street, N.W.<br>Washington, DC 20433, USA<br>Attention: Ms. Tahseen Sayed, Country Director</td></tr>
<tr><th colspan="6">Additional [Information][Instructions]</th></tr>
<tr><td colspan="6">N/A</td></tr>
<tr><th colspan="6">Other</th></tr>
</table>

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank's website (http://www.worldbank.org/) and "Client Connection". The 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 Loan, 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 Bank by email at askloans@worldbank.org.

** *Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017.*

**[Attachment 1 – Form of Authorized Signatory Letter]**[11]

[Letterhead]
Ministry of Finance
[Street address]
[City] [Country]

[*DATE*]

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: [Grant][Credit][1] No. _____-___ ([*Name of the project]*)
Attention: _____, *Country Director*

I refer to the [Grant] [Credit] Agreement ("Agreement") between the International Development Association (the "Association")[, acting as implementing of the ][2] and [*name of recipient*] (the "Recipient"), dated _____, providing the above [Grant] [Credit]. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any [3][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 [Grant] [Credit].

For the purpose of delivering Applications to the Association, including by electronic means, [4][each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting [5][individually] [6][jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

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[1] Instruction to the Recipient: use "Credit" or "Grant" as applicable. *Please delete this footnote in final letter that is sent to the Associations.*

[2] Instruction to the Recipient: add text in line with the Grant Agreement if applicable; if not applicable delete it. *Please delete this footnote in final letter that is sent to the Associations*

[3] 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.*

[4] 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.*

[5] 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.*

[6] 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.*

This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. In full recognition that the Association 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 Association records with respect to this Agreement.

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

_____

| | | |
|---|---|---|
| | | |
| | | |
| **DESIGNATED ACCOUNT RECONCILIATION STATEMENT** | | |
| LOAN/CREDIT/PPF/COFINANCIER NUMBER _____ | | |
| ACCOUNT NUMBER _____ WITH (BANK) _____ | | |
| | | US$ |
| 1 | TOTAL ADVANCED BY WORLD BANK (OR COFINANCIER) | |
| 2 | LESS: TOTAL AMOUNT DOCUMENTED BY WORLD BANK | |
| 3 | **PRESENT OUTSTANDING AMOUNT ADVANCED TO THE DESIGNATED ACCOUNT (1 - 2)** | - |
| | | |
| 4 | BALANCE OF **DESIGNATED ACCOUNT & PROJECT ACCOUNT** PER ATTACHED BANK RECONCILIATION AS OF DATE _____ | |
| 5 | PLUS: TOTAL AMOUNT TO BE DOCUMENTED IN THIS APPLICATION NO. _____ | |
| 6 | PLUS: TOTAL AMOUNT WITHDRAWN AND NOT YET DOCUMENTED | |
| | REASON: _____ | |
| 7 | PLUS: AMOUNTS CLAIMED IN PREVIOUS APPLICATIONS NOT YET CREDITED AT DATE OF BANK STATEMENTS | |
| | APPLICATION NO. | - |
| | WA # XXX | |
| | WA # XX | |
| | SUBTOTAL OF PREVIOUS APPLICATIONS NOT YET CREDITED | |
| 8 | LESS: INTEREST EARNED | |
| 9 | TOTAL ADVANCE ACCOUNTED FOR (NO. 4 THROUGH NO. 9) | - |
| 10 | DIFFERENCE (**3 - 9**) | - |
| | | |
| 11 | EXPLANATION OF ANY DIFFERENCE SHOWN IN LINE 10: | |
| | | |
| | | |
| | | |
| | DATE: _____ | SIGNATURE: _____ |
| | | TITLE: _____ |