H.E Geraldo João Martins
Minister of Economy and Finance
Ministry of Economy and Finance
Avenida Amilcar Cabral
Caixa Postal no. 67
Bissau
Republic of Guinea-Bissau

Re: Republic of Guinea Bissau (Rural Community Driven Project)
Additional Financing
IDA Financing H908-GW
Additional Instructions: First Restatement Disbursement

I refer to the Financing Agreement between the International Development Association (the “Association”) and the Republic of Guinea Bissau (the “Recipient”) for the above-referenced project, dated April 3, 2014. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of financing H908-GW (“Financing”). 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 April 3, 2014 for the above referenced project to restate (a) Section I (i) to add “Advance to Approved UN Bank Account using the Blanket Commitment form ” as a disbursement method and (b) Section II (vi) and Section III (i), to introduce instructions related to the management of the UN Advance Account. All other provisions and attachments of the Disbursement Letter dated April 3, 2013, 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

(l) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Financing:

- Reimbursement
Advance
Direct Payment
Special Commitment
Advance to Approved UN Bank Account using the Blanket Commitment form

(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 Association.

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Disbursement Condition(s) in 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 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
Resident Mission
Dakar, Senegal
Attention.: Ms. Vera Songwe, Country Director

(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
Loan Department
13th Floor, Delta Center
Menengai Road, Upper Hill
P.O. Box 30577-00100, Nairobi Kenya
Tel +254 20 2936 000

(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 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 Secure Identification Credentials”) 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 is CFAF 50,000,000.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account[s] (subsection 5.3):** Segregated
  - Managed by the Recipient under the Financing to be used only for Categories 1 and 2: Consultants' services, Non Consultants Services, Goods, Works, Training, and Operating Costs related to activities under Components 1, 2, 3 and 4 of the Project.
  - Advances made to World Health Organization (WHO) by the Association pursuant to category 4 under section IV.A.2 of Schedule 2 of the Financing Agreement will be deposited into an official UN Bank Account, using the Blanket Commitment form, in accordance with the provisions of the Financial Regulations of the WHO, as revised to the date of this Agreement.

- **Currency of Designated Account[s] (subsection 5.4):** CFAF

- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Banco de Africa Ocidental, BAO, Bissau

- **Ceiling (subsection 6.1):** FCAF 200,000,000

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 and for reporting eligible expenditures paid from the Designated Account:

- List of payments against contracts that are subject to the Association's prior review, in the form attached (Attachment 5);
- Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments for Goods, Work and Consultant services against contracts valued at USD 100,000 equivalent or more;
- Statement of Expenditure in the form attached (Attachment 4) for all other expenditures.

For requests for reimbursement and for reporting eligible expenditures paid from the UN Advance Account:

- Interim Financial Report the form attached (Attachment 6); 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 and documentary evidence of delivery and the Recipient's acceptance of contracted goods or services.

For requests for Special commitments:

- Letter of credit
- Copy of the contract

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3): Monthly

(iii) Other Supporting Documentation Instructions

Copies of the bank statements of the Designated Account and a reconciliation statement of the Designated Account in the form attached (Attachment 6) should be submitted with each Application for withdrawal for replenishment of the Designated Account.

All other supporting documentation for SOEs should be retained by the project management team or Recipient and must be made available for review by periodic World Bank missions and internal and external auditors.

IV. Other Disbursement Instructions

The proceeds of the financing allocated to Category (2) of the table as set out in Schedule 2, Section II.A.2 of the Grant Agreement (Withdrawal of Grant Proceeds) will disburse through the Designated Account. To that effect, the Ceiling of the DA will be temporarily increased to CFAF 1,000,000,000 for the first three (03) months upon Project effectiveness.
V. 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 loa-afr@worldbank.org using the above reference.

Yours sincerely,

Ms. Vera Songwe
Country Director

Attachment:
1. Form of Interim Financial Report

Prepared by Faly Diallo – CTRLD

Cleared with and cc: Daniela A Junqueira (LEGAM)
Philippe Auffret (AFTEW)

Bcc: Jose Janeiro (CTRLA)
Attachment 6: Form of Interim Financial Report
GB - Rural Community Driven Project
IDA Financing H908-GW

SOURCES AND USES OF FUNDS
FOR THE PERIOD FROM XXXX TO XXXX

<table>
<thead>
<tr>
<th>Description</th>
<th>For the quarter/period XXXX to XXXX</th>
<th>Cumulative</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

(A) Sources of Funds
1 Funds Received from the Bank
2 Funds received from other sources
Sub Total (A)

(C) Uses of Funds : By Component
Expenditures
1 Component 1:
2 Component 2
3 Component 3:
4 Component 3:
5 Component 5:
Total Uses of Funds
Sub Total (B)

(C) Total Net Funds Available (A-B)

(D) Closing Balance
1 Designated Account
2 Unretired Bank Balance (Imprest/Petty Cash)
Sub Total (E)

SUMMARY STATEMENT OF USES OF FUNDS ACCORDING TO DISBURSEMENT CATEGORIES

<table>
<thead>
<tr>
<th>Category 1:</th>
<th></th>
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<tbody>
<tr>
<td>Category 2:</td>
<td></td>
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<tr>
<td>Category 3:</td>
<td></td>
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<tr>
<td>Category 4:</td>
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