CONFORMED COPY

His Excellency
Nazim Burke
Minister of Finance, Economy, Planning, Energy,
Foreign Trade and Cooperatives
Ministry of Finance
Financial Complex, The Carenage
St. George’s
Grenada W.I.

Re: Grant No. TF099140 (Grenada: Technical Assistance Project)
Additional Instructions: Disbursement Letter

Excellency:

I refer to the Letter Agreement (“Agreement”) between the International Development Association (“World Bank”), acting as administrator of grant funds provided by the Commission of the European Communities under the Grenada Technical Assistance Trust Fund (TF071138), and Grenada (“Recipient”) for the above-referenced project, dated May 3, 2011. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TF099140 (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

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 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 Method may be used under the Grant:

- Advance
- Reimbursement
- Direct Payment
(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is two months after the Closing Date specified in the Agreement. Any changes to this date will be notified by the World Bank.

II. Withdrawal of Grant Proceeds

(i) Authorized Signatures (subsection 3.1). A 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:

The World Bank  
1818 H Street, N.W.  
Washington, DC 20433  
United States of America  
Attention: Mrs. Françoise Clottes, Country Director

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed Applications together with supporting documents to the address indicated below:

The World Bank  
1818 H Street, N.W.  
Washington, DC 20433  
United States of America  
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 devices (“Tokens”) 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 Tokens 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 Tokens to Process Applications. By designating officials to accept Tokens 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 Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation (“Terms and Conditions of Use of
(v) **Minimum Value of Applications (subsection 3.5).** The Minimum Value of Applications for Direct Payment and Reimbursement is United States Dollars (US$) 75,000 equivalent.

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

- **Type of Designated Account (subsection 5.3):** Segregated.
- **Currency of Designated Account (subsection 5.4):** United States Dollars.
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Commercial bank acceptable to the World Bank.
- **Ceiling (subsection 6.1):** US$ 350,000

### III. Reporting on Use of Grant Proceeds

(i) **Supporting Documentation (section 4).** Supporting documentation should be provided with each Application as set out below:

- **For reporting eligible expenditures paid from the Designated Account:**
  
  - Summary of Expenditures (Summary Sheet) in the form attached (Attachment 4) with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments made:
    
    - under contracts for Goods costing US$ 50,000 equivalent per contract or more;
    
    - under contracts with Consulting Firms costing US$ 100,000 equivalent per contract or more; and
    
    - under contracts with Individual Consultants costing US$ 50,000 equivalent per contract or more;
  
  - Statement of Expenditure in the form attached (Attachment 5) for payments that do not exceed the thresholds established above;
  
  - Designated Account Bank Statement(s); and
  
  - Designated Account Reconciliation Statement.
• **For requests for Reimbursement:**

  o Summary of Expenditures (Summary Sheet) in the form attached (Attachment 4) with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments made:
    
    ➢ under contracts for Goods costing US$ 50,000 equivalent per contract or more;
    
    ➢ under contracts with Consulting Firms costing US$ 100,000 equivalent per contract or more; and
    
    ➢ under contracts with Individual Consultants costing US$ 50,000 equivalent per contract or more; and
    
  o Statement of Expenditure in the form attached (Attachment 5) for payments that do not exceed the thresholds established above.

• **For requests for Direct Payment:**

  o 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):** Quarterly.

**IV. Other Important Information**


If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website ([https://clientconnection.worldbank.org](https://clientconnection.worldbank.org)). From this website you will be able to download Applications, monitor the near real-time status of the Grant, 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 World Bank by email at <clientconnection@worldbank.org>. 
If you have any queries in relation to the above, please contact us at loalcr@worldbank.org using the above Grant TF099140 and Project Name as a reference.

Yours sincerely,

By p.p. Christina Malmberg Calvo
Françoise Clottes
Director
Caribbean Country Management Unit
Latin America and the Caribbean Region

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
4. Form of “Summary Sheet”
5. Form of “Statement of Expenditure”

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