Honorables William A. Mgimwa
Minister for Finance
Ministry of Finance
P.O. Box 9111
Dar es Salaam

Dear Honorable Mgimwa,

Re: TANZANIA: Agricultural Sector Development Project (Cr. 5172-TZ, Cr. 4740-TA, Cr. 4639-TA & Cr. 4192-TA) Additional Financing (AF-III)
Credit Number 5172-TZ
Additional Instructions: Disbursement Letter

I refer to the Original Financing Agreement, the First Additional Financing Agreement and the Second Additional Financing Amendment Agreement between the International Development Association (“Association”), and United Republic of Tanzania (the “Recipient”) for the above-referenced project, dated August 30, 2006, July 22, 2009, and June 11, 2010 respectively. I also refer to the Amended and Restated Financing Agreement between the Association and the Recipient of even date. The Amended and Restated Financing Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Credit No. 4192-TA, Credit No. 4639-TA, Credit No. 4740-TA and 5172-TZ (“Financing”). 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 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 Association.

II. Withdrawal of Financing 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
50 Mirambo Street
Dar-es-Salam, Tanzania
Attention: Philippe Dongier, Country Director

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed (a) applications for withdrawal (Attachment 3), together with supporting documents required, to the address indicated below:

The World Bank
50 Mirambo Street
Dar-es-Salam, Tanzania
Attention: Loan Department

(iii) Electronic Delivery (subsection 3.4) The Recipient may deliver Applications to the Association through the Association’s Client Connection, web-based portal, by completing Form 2380, which is accessible through Client Connection (http://clientconnection.worldbank.org). Officials of the Recipient may deliver Applications electronically on behalf of the Recipient if they: (a) have been designated in writing by the Recipient, pursuant to the terms of subparagraph (i) of this Section, to sign and deliver Applications by electronic means and to receive secure identification devices (“Tokens”) from the Association, (b) are registered as users of Client Connection, and (c) have received from the Association Tokens for such purpose. This constitutes an additional means of delivering Applications to the Association. The Recipient may continue to exercise the option of preparing and delivering Applications in paper format. 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 Tokens to Process Applications. By designating authorized signatories to accept Tokens and by choosing to deliver the Applications electronically, the Recipient confirms its agreement to abide by and to cause the authorized signatories to abide by the Terms and Conditions of Use of Secure Identification Device in connection with Use of Electronic Means to Process Applications for Withdrawal and Supporting Documentation (“Terms and Conditions of Use of Tokens”) provided in Attachment 2. The Recipient also represents and warrants to the Association (and such representations and warranties, including without limitation, the representations and warranties contained in the Terms and Conditions of Use of Tokens, shall be relied upon by the Association) that the Recipient shall deliver the Terms and Conditions of Use of Tokens to each authorized signatory and shall cause each authorized signatory to be bound by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications is USD200,000.
(vi) Advances (sections 5 and 6)

- **Type of Designated Account (subsection 5.3):** Existing Designated Account
- **Currency of Designated Account (subsection 5.4):** US Dollars
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Central Bank of Tanzania
- **Ceiling (subsection 6.1):** The funds required by the program on an annual basis established in consultation with the other donor partners and agreed by the Bank annually.

### 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:**
  - Interim Financial Reports in the form attached (Attachment 4); and
  - List of payments against contracts that are subject to the Association’s prior review, in the form attached (Attachment 5)

- **For reporting eligible expenditures paid from the Designated Account:**
  - Interim Financial Reports in the form attached (Attachment 4); 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 and Special Commitments:** 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):** the period set out in the Financing Agreement for provision of Interim Financial Reports.

### IV. Other Important Information


From the Client Connection 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.

If you have not already done so, the Association recommends that you register as a user of the Client Connection website ([http://clientconnection.worldbank.org](http://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. 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 LOA service account email address using the above reference.

Yours sincerely,

Philipppe Dongier  
Country Director for Tanzania  
Africa Region

Attachments
2. Form for Authorized Signatures
3. Form Terms and Conditions of Use of Secure Identification Devices
4. Form of Interim Unaudited Financial Reports (IFRs)
5. Form of Payments Against Contracts Subject to the World Bank’s Prior Review
Attachment 1

World Bank Disbursement Guidelines for Projects, dated May 1, 2006
Form of Authorized Signatory Letter

[Letterhead]

Ministry of Finance

[Street address]

The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: Philippe Dongier

Re: TANZANIA: Agricultural Sector Development Project (Cr. 5172-TZ, Cr. 4740-TA, Cr. 4639-TA & Cr. 4192-TA) Additional Financing (AF-III) Credit Number 5172-TZ

I refer to the Loan Agreement ("Agreement") between the International Development Association (the "Association") and [name of recipient] (the "Recipient"), dated [date], providing the above-listed Financing. For the purposes of Section 2.03 of the General Conditions, as defined in the Agreement, any 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 Financing.

For the purpose of delivering the Application to the Association, [each] [any two/three] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient, acting [individually] [jointly], to deliver applications for withdrawal, and evidence in support thereof, including by electronic means, on the terms and conditions specified by the Association (including the Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications for Withdrawal and Supporting Documentation which have been provided by the Recipient to such person(s)).

This Authorization replaces and supersedes any Authorization currently in the Association records with respect to this Agreement(s).

Yours truly,

/ signed /

[Position]
Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications for Withdrawal and Supporting Documentation

The Association will provide secure identification devices (Tokens) to permit the Recipient to deliver applications for withdrawal under the Agreements and supporting documentation (such applications and supporting documentation together referred to as Applications) to the Association electronically, on the terms and conditions of use specified herein.

A. Identification of Users

1. The Recipient will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Association each person who will be authorized to deliver Applications. The Association will provide Tokens to each person identified in the ASL (Signatory), as provided below. The Recipient shall also immediately notify the Association if a Signatory is no longer authorized by the Recipient to act as a Signatory.

2. Each Signatory must register as a user on the Association’s Client Connection (CC) website (http://clientconnection.worldbank.org) prior to delivery of Tokens. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Distribution, Initialization and Return of Tokens

1. The Association will physically deliver a Token to each Signatory in a manner to be determined by and satisfactory to the Association.

2. At the time of delivery of a Token to a Signatory, the Signatory will receive a copy of these Terms and Conditions of Use for purposes of initializing the Token.

3. The Association will verify that the Token, Temporary Password and Terms and Conditions of Use have been duly delivered to and received by the CC User.

4. Promptly upon receipt of the Token and Terms and Conditions of Use, the Signatory will access CC using his/her account name and CC Password and register his/her Token and set a personal identification number (PIN) to be used in connection with the use of his/her Token, after which the Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the Token, the Signatory will be a “Token User”. The Association will maintain in its database a user account (Account) for each Token User for purposes of managing the Token of the Token User. Neither the Borrower nor the Token User will have any access to the Account.
5. Prior to first use of the Token by the Token User for delivering Applications, the Borrower shall ensure that the Token User has received training materials provided by the Association in use of the Token.

6. Tokens shall be promptly returned to the Association upon request of the Association.

C. **Management of Tokens.**

1. Tokens will remain the property of the Association.

2. Use of the Token is strictly limited to use in the delivery of Applications by the Token User in the manner prescribed by the Association in the Agreements and these Terms and Conditions. Any other use of the Token is prohibited.

3. The Association assumes no responsibility or liability whatsoever for any misuse of the Token by the Token User, other representatives of the Recipient, or third parties.

4. The Recipient undertakes to ensure, and represents and warrants to the Association (such representation and warranty being expressly relied upon by the Association in delivery of a Token to each Token User) that each Token User is provided, understands and will abide by, these Terms and Conditions of Use, including without limitation the following:

*Security*

4.1. The Token User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.

4.2. The Token User shall not allow anyone else to utilize a Token to deliver an Application to the Association.

4.3. The Token User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.

4.4. If the Token User believes a third party has learned his/her PIN or has lost his/her Token he/she shall immediately notify clientconnection@worldbank.org.

4.5. The Recipient shall immediately notify the Association at clientconnection@worldbank.org of any lost, stolen or compromised Tokens, and take other reasonable steps to ensure such Tokens are disabled immediately.

*Care of Tokens*

4.6. Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Tokens should be carried and stored separate from any EMR device.
At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Token.

4.7. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care Tokens are available at http://www.rsa.com.

5. **Replacement**

5.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Tokens will be replaced at the expense of the Recipient.

5.2. The Association reserves the right, in its sole discretion, not to replace any Token in the case of misuse, or not to reactivate a Token User’s Account

6. **Reservation of Right to disable Token**

6.1. The Recipient shall reserve the right to revoke the authorization of a Token User to use a Token for any reason.

6.2. The Association reserves the right, in its sole discretion, to temporarily or permanently disable a Token, de-activate a Token User’s Account or both.
### Holding Account

Movement in the holding account with the Bank of Tanzania and the balance during the ... Quarter was as follows:

<table>
<thead>
<tr>
<th>Development Partner</th>
<th>Date</th>
<th>Ex. Rate</th>
<th>Amount in US $</th>
<th>Equivalent (Tsh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basket Fund Holding Account</td>
<td>b/f</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Receipts:</strong></td>
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<td>IFAD</td>
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<td>IFAD</td>
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<td>IRISH AID( Embassy of Ireland)</td>
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<td>IRISH AID( Embassy of Ireland)</td>
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<tr>
<td>WORLD BANK (IDA)</td>
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<tr>
<td>WB Additional Financing</td>
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<tr>
<td>EUROPEAN UNION</td>
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<tr>
<td>EMBASSY OF JAPAN (JICA)</td>
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<tr>
<td><strong>Total fund contributed by DPs during the quarter (......)</strong></td>
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<tr>
<td><strong>Total Receipts</strong></td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

*Amount transferred to the Exchequer Account:*

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<tr>
<th>Ref. No.</th>
<th>Exchequer</th>
<th>Amount</th>
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<tbody>
<tr>
<td>EB/AG/520/03/31</td>
<td>MIT</td>
<td>-</td>
</tr>
<tr>
<td>EB/AG/159/11/86</td>
<td>MAFC</td>
<td>-</td>
</tr>
<tr>
<td>EB/AG/159/11/185</td>
<td>MLFD</td>
<td>-</td>
</tr>
<tr>
<td>EB/AG/159/11/221</td>
<td>PMORALG</td>
<td>-</td>
</tr>
<tr>
<td>EB/AG/520/03/71</td>
<td>LGAs</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total transfers</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Attachment 5

**Payments Made during Reporting Period**  
Against Contracts Subject to the Association's Prior Review

<table>
<thead>
<tr>
<th>Contract Number</th>
<th>Supplier</th>
<th>Contract Date</th>
<th>Contract Amount</th>
<th>Date of WB's Non Objection to Contract</th>
<th>Amount Paid to Supplier during Period</th>
<th>WB's Share of Amt Paid to Supplier during Period</th>
</tr>
</thead>
</table>
Luis Schwarz
Senior Finance Officer

Cleared with and cc: Stephen Mugendi Mukaindo - LEGAM
Zainab Z. Semgalawe - TTL