Mr. René Grotenhuis
Stichting Cordaid
Postbus 16440 BK's Gravenhage
The Hague
Kingdom of the Netherlands

Re: Republic of Zimbabwe: Multi Donor Trust Fund for Health Results Innovation
MDTF-HRI GRANT NUMBER TF010748 & TF015111
Grant Agreement Amending and Restating Original Grant Agreement
Health Sector Development Support Project
Additional Instructions: Disbursement

Dear Mr. Grotenhuis:

I refer to the Grant Agreement (Agreement) between the International Bank for Reconstruction and Development ("IBRD") and the International Development Association ("IDA") (collectively, "World Bank"), both acting as administrator of grant funds provided by various donors ("Donors") under the Multi-Donor Trust Fund for Health Results Innovation ("MDTF-HRI") ("Trust Fund") and the Republic of Zimbabwe (the "Recipient"), and the Project Agreement between the World Bank and Stichting Cordaid (Project Implementing Entity) for the above-referenced project, both dated July 30, 2013. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of the Grant provided under the Agreement ("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 Methods may be used under the Grant:

- Reimbursement
- Advance

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 4 months after the Closing Date specified in the Grant Agreement. Any changes to this date will be notified by the World Bank.
II. Withdrawal of Grant Proceeds

(i) Authorized Signatures (subsection 3.1).
An authorized signatory 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
Bane ABC House, Plot 746 Church Road, 2nd Floor
P.O. Box 35410
Lusaka, Zambia
Attention: Kundhavi Kadiresan, Country Director for Zambia

(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,
Kenya Re Towers, 10th Floor,
Upper Hill, off Ragati Road,
Nairobi, Kenya.
Tel: 254 20 2983 211
Attention: Loan Department

(iii) Electronic Delivery (subsection 3.4) The World Bank may permit the Project Implementing Entity 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 Project Implementing Entity 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 Bank for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Project Implementing Entity have registered as users of Client Connection. If the World Bank agrees, the World Bank will provide the Project Implementing Entity 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 Project Implementing Entity 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 Project Implementing Entity.

(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 Project Implementing Entity 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 US$100,000.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Pooled Original and Additional Financing
- **Currency of Designated Account (subsection 5.4):** United States Dollars
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** A commercial bank / financial institution acceptable to the World Bank
- **Ceiling (subsection 6.1):** USD 3,500,000

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 requests for Reimbursement and for reporting eligible expenditures paid from the Designated Account:**
  - Summary Sheet of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5)
  - Statement of Expenditure in the form attached (Attachment 4), together with copies of accounting evidence for eligible expenditures under contracts valued at more than US$50,000 equivalent (e.g., copies of receipts, supplier invoices and documentary evidence of delivery and the Project Implementing Entity’s acceptance of contracted goods or services)

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

IV. Other Important Information


From the Client Connection 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.
If you have any queries in relation to the above, please contact LOA at loa-afr@worldbank.org using the above reference.

Yours sincerely,

Kundhavi Kadiresan
Country Director for Zimbabwe
Africa Region

Attachments:
2. Form for Authorized Signatures
4. Form of “Statement of Expenditures”
5. Form of Payments Against Contracts Subject to the World Bank’s Prior Review
6. Form of Reconciliation of the Designated Account
7. Form of Amounts of Claim payable for each Indicator

Copy
Honorable Tendai Biti
Minister of Finance
Ministry of Finance
6th Floor, Block B, Composite Office Building
Cnr. Samora Machel Avenue / 4th Street
P/B 7705
Causeway
Harare
Republic of Zimbabwe
Attachment 2

Form of Authorized Signatory Letter
[Letterhead]
[Street address]
[City] [Country]

DATE

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

Attention: [Country Director]

Re: Republic of Zimbabwe: MDTF-HRI Grant No. TF010748 & TF TF015111

Health Sector Development Support Project

I refer to the Grant Agreement between the International Bank for Reconstruction and Development ("IBRD") and the International Development Association ("IDA") (collectively, "World Bank"), both acting as administrator of grant funds provided by various donors ("Donors") under the Multi-Donor Trust Fund for Health Results Innovation ("MDTF-HRI") ("Trust Fund") and the Republic of Zimbabwe (the "Recipient"), and the Project Agreement between the World Bank and Stichting Cordaid (Project Implementing Entity) for the above-referenced project, both dated . For the purposes of Section 3.04 (b) of the Standard Conditions, as defined in the Agreement, any [1one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Project Implementing Entity to sign applications for withdrawal under this Grant.

For the purpose of delivering Applications to the World Bank, [each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Project Implementing Entity, acting [individually] [jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the World Bank.

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1 Instruction to the Project Implementing Entity: 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 World Bank.

2 Instruction to the Project Implementing Entity: 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 World Bank.

3 Instruction to the Project Implementing Entity: 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 World Bank.
This confirms that the Project Implementing Entity is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the World Bank by electronic means. In full recognition that the World Bank 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 Project Implementing Entity represents and warrants to the World Bank that it will cause such persons to abide by those terms and conditions.

This Authorization replaces and supersedes any Authorization currently in the World Bank records with respect to this Agreement.

[Name], [position] Specimen Signature: ______________________

[Name], [position] Specimen Signature: ______________________

[Name], [position] Specimen Signature: ______________________

Yours truly,

/ signed /

[Position]

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*Instruction to the Project Implementing Entity: Add this paragraph if the Project Implementing Entity wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. Please delete this footnote in final letter that is sent to the World Bank.*
Terms and Conditions of Use of Secure Identification Devices
in connection with Use of Electronic Means
to Process Applications
and Supporting Documentation

January 20, 2010

The World Bank (Bank)\(^5\) will provide secure identification devices (Tokens) to permit the Borrower\(^6\) to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

A. Identification of Users.

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

2. Each Signatory must register as a user on the Bank’s Client Connection (CC) website (https://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 Bank will physically deliver a Token to each Signatory in a manner to be determined by and satisfactory to the Bank.

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

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\(^5\) "Bank" includes IBRD and IDA.

\(^6\) "Borrower" includes the borrower of an IBRD loan, IDA Grant or Project Preparation Facility advance and the Project Implementing Entity of a grant.
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 Bank 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 Bank in use of the Token.

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

C. Management of Tokens.

1. Tokens will remain the property of the Bank.

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 Bank in the Agreement(s) and these Terms and Conditions. Any other use of the Token is prohibited.

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

4. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank 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 Bank.

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 Borrower shall immediately notify the Bank 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 Borrower.

5.2. The Bank 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 Borrower shall reserve the right to revoke the authorization of a Token User to use a Token for any reason.

6.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a Token, de-activate a Token User’s Account or both.
SUMMARY SHEET for Payments made during the period from _____________ to _____________

For expenditures against the contracts subject to the Bank Prior Review

<table>
<thead>
<tr>
<th>Item No</th>
<th>Category No. &amp; Description (**)</th>
<th>Currency and Total Amount of Contract</th>
<th>Name of Contractor</th>
<th>Ref. No. of Contract</th>
<th>Date of NOL from World Bank</th>
<th>Invoice No. &amp; date</th>
<th>Currency and Total Amount of Invoice Covered by Application (Net of Retention)</th>
<th>Eligible % from Schedule 1 of Grant Agreement</th>
<th>Amount Eligible for Grant (8 x 9)</th>
<th>Currency and Amount Paid from Designated Account (if Applicable)</th>
<th>Exchange Rate (Col. 11 divided by Col. 10)</th>
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</table>

**TOTALS**

Remarks.

Authorized Signatory

Supporting documents for this Application retained at ________________________________

(*) A separate form should be used for retroactive Grant

(**) Items should be grouped by category, or alternatively, a separate form may be used for each category
Project Name:
Payments Made during Reporting Period
Against Contracts Subject to the Bank’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>
Project Name: Zimbabwe

Designated Account Activity Statement for the Reporting Period .......

Project Name:
Grant No.:
Bank and Account No.:

Part I
1. Cumulative advances to end of current reporting period
2. Cumulative expenditures to end of last reporting period
3. Outstanding advances to be accounted (1-2)

Part II
4. Opening balance at beginning of reporting period (per Bank statement attached, as of ..........)
   a. Designated Account
   b. Project Bank Account (Harare)
   c. Sub Accounts at Districts
   d. Sub total
5. Add/Subtract: Cumulative adjustments, including interest earned and recoveries by WB, (if any)
6. Advances received from the World Bank during current reporting period:
   a. Date, reference, Amount
   b. Date, reference, Amount
   c. Sub total Amount
7. Closing balance at end of current reporting period (per Bank statement attached, as of ..........)
   a. Designated Account
   b. Project Bank Account (District .......)
   c. Sub Accounts at Districts
   d. Sub total
8. Outstanding amount of advances to be accounted for in current period (4+5+6 - 7)
   a. Designated Account
   b. Project Bank Account (District .......)
   c. Sub Accounts at Districts
   d. Sub total
9. Total Expenditures reported for current reporting period, including this Application, documented with SOE attached.
   
<table>
<thead>
<tr>
<th>Applic No.</th>
<th>Claim (Cat 1) Amt</th>
<th>SOE (Cat 2) Amount</th>
</tr>
</thead>
</table>

Attachment 6
Total (9)

10. Difference (if any) 9-8

Remarks
11. Difference between item 3 and item 9
Remarks

Part 3
15. Total Forecasted amount to be paid by World Bank
16. Less: Closing SA balance after adjustment
17. Direct payments (if any)
18. Add 16+17 0

19. Advance requirement from WB for next six months (15-18) 0

Approved by:
Attachment 7

Amounts of Claim payable for each Indicator