April 07, 2016

H.E Tabu Abdallah Manirakiza
Minister of Finance, Budget and Privatization
Ministry of Finance, Budget and Privatization
Bujumbura,
Republic of Burundi

Excellency:

Re: IDA Grant No. H808-BI
(Second Additional Financing for the Health Sector Development Support Project)
Additional Instructions: Disbursement
First Restatement of the Disbursement Letter

I refer to the Financing Agreement between the International Development Association (the “Association”) and the Republic of Burundi (the “Recipient”) for the above-referenced project, dated December 10, 2012. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of financing H808-BI (“Financing”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is the First Restatement of the Disbursement Letter dated December 10, 2012 for the above-reference project to change the financing institution to hold the designated account to Banque de la République du Burundi. All other provisions of the Disbursement Letter dated December 10, 2012 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

(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.

(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:

    Banque Mondiale  
    Avenue de l’Aviation,  
    Boite Postale 2637  
    Bujumbura, Burundi  
    Attention: Bella Bird- 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  
    Delta Center  
    Menengai Road, Upper Hill  
    P.O.BOX 30577-00100  
    Nairobi, Kenya  
    Tel +254 20 293 6000  
    Attention: Loan Department

(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
officals. 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 twenty percent (20%) of the Designated Account Ceiling (refer to subsection vi below)

(vi) Advances (sections 5 and 6).

- **Type of Designated Account[s] (subsection 5.3):** Pooled Accounts (see section IV of this letter)
  - DA-E (RBF) to be used exclusively for RBF activities under subcomponent 1A
  - DA-F (non-RBF) to be used for remaining activities
- **Currency of Designated Account[s] (subsection 5.4):** US Dollars
- **Financial Institution at which the Designated Account[s] Will Be Opened (subsection 5.5):** Banque de la République du Burundi

- **Ceiling (subsection 6.1):**
  - DA-E (RBF): 1,626,000.00
  - DA-F (non-RBF): 517,000.00

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:**
  - Records evidencing eligible expenditures (e.g. copies of receipts, supplier invoices) for payments against contracts of (a) goods valued at US$150,000 or more; (b) non-consultant services valued at $100,000 or (c) consultants' services provided by a firm valued at $100,000 or more; (d) consultants' services provided by an individual consultant valued at $50,000 or more;
Statements of Expenditures in the form attached (Attachment 4) for all other expenditures/contracts; and
Certified Statement of Expenditures for Results-Based Payments under Part I of the Project in the form attached (Attachment 5)
List of payments against contracts that are subject to the World Bank's prior review, in the form attached (Attachment 6)

For requests for reporting eligible expenditures paid from the Designated Account:
Records evidencing eligible expenditures (e.g. copies of receipts, supplier invoices) for payments against contracts of (a) goods valued at US$150,000 or more; (b) non-consultant services valued at $100,000 or more; (c) consultants' services provided by a firm valued at $100,000 or more; (d) consultants' services provided by an individual consultant valued at $50,000 or more;
Statements of Expenditures in the form attached (Attachment 4) for all other expenditures/contracts; and
Certified Statement of Expenditures for Results-Based Payments under Part I of the Project in the form attached (Attachment 5)
List of payments against contracts that are subject to the World Bank's prior review, in the form attached (Attachment 6)

For requests for Direct Payment: records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices

For requests of Special Commitments:
List 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
Please attach a Copies of the bank statement and a Designated Account Reconciliation Statement (Attachment 7) to each application of the DA.

IV. Other Disbursement Instructions
Two pooled Designated Accounts will be opened under the Second Additional Financing. The first account (DA-E (RBF)) will be used for advances made under the RBF component from the IDA and HRITF grants following the financing percentage specified in the table of eligible expenditures (Section IV.A of Schedule 2 to the Agreement). The second account DA-F (non-RBF) will be used for non-RB activities under Component IB and all of Component 2
V. 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 (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,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Nestor Coffi
Country Manager for Burundi
Africa Region

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