Hon. (Amb). Ukur Yatani,
Cabinet Secretary
The National Treasury and Planning
P.O. Box 30007-00100
Treasury Building
Harambee Avenue
Nairobi, Kenya

Re: IDA Credit 6598-KE
(Kenya COVID-19 Emergency Response Project)
Additional Instructions: Disbursement and Financial Information Letter

Dear Hon (Amb) Yatani,

I refer to the Financing Agreement between THE REPUBLIC OF KENYA (the “Recipient”) and the International Development Association (the “Association”) for the above-referenced Project. The General Conditions, as defined in the Financing Agreement, provide that the Recipient may from time to time request withdrawals of Credit amounts from the Credit Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Association may specify from time to time by notice to the Recipient. The General Conditions also provide that the Disbursement and Financial Information Letter may set out Project specific financial reporting requirements. This letter constitutes such Disbursement and Financial Information Letter (“DFIL”) and may be revised from time to time.

I. Disbursement Arrangements, Withdrawal of Credit Funds and Reporting of Uses of Credit Funds.

The Disbursement Guidelines for Investment Project Financing, dated February 2017, (“Disbursement Guidelines”) are available in the Association’s public website at https://www.worldbank.org and its secure website “Client Connection” at https://clientconnection.worldbank.org. The Disbursement Guidelines are an integral part of the DFIL, and the manner in which the provisions in the guidelines apply to the Grant and Credit is specified below.

(i) Disbursement Arrangements

- **General Provisions** (Schedule 1). The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, and conditions, information on registration of authorized signatories, processing of withdrawal applications (including minimum value of applications and processing of advances), instructions on supporting documentation, and frequency of reporting on the Designated Account.

**Special Provision.** Projects in situations of urgent need of assistance or capacity constraints: Disbursements under contracts for goods, works, non-consulting services and consulting services procured or selected...
through international open or limited competition or Direct Selection, as set out in the procurement plan, must be made only through Direct Payment and/or Special Commitment disbursement methods.

(ii) Electronic Delivery. Section 11.01 (c) of the General Conditions.

The Recipient will deliver Withdrawal Applications (with supporting documents) electronically through the Association’s web-based portal “Client Connection” at https://clientconnection.worldbank.org. This option will be effected after the officials designated in writing by the Recipient who are authorized to sign and deliver Withdrawal Applications have registered as users of “Client Connection”. The designated officials will deliver Applications electronically by completing the Form 2380, which is accessible through “Client Connection”. By signing the Authorized Signatory Letter, the Recipient confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. The Recipient may exercise the option of preparing and delivering Withdrawal Applications in paper form on exceptional cases (including those where the Borrower encounters legal limitations), and which were previously agreed with the Association. 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, available in the Association’s public website at https://worldbank.org and “Client Connection”; and (b) to cause such official to abide by those terms and conditions.

II. Financial Reports and Audits.

(i) Financial Reports. The Recipient must prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports (“IFR”) for the Project covering the quarter.

(ii) Audits. Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Association not later than six (6) months after the end of such period.

(iii) UN Agencies. Please refer to the agreement between the Borrower and the UN agency.

III. Other Information.

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Association’s website (http://www.worldbank.org/) and “Client Connection”. The Association recommends that you register as a user of “Client Connection”. From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Grant and Credit, and retrieve related policy, financial, and procurement information.

For more information about the website and registration arrangements, or if you have any queries in relation to the above, please contact the Association by email at AskLoans@WorldBank.org using the above reference.
C. Felipe Jaramillo  
Country Director  
Kenya, Rwanda, Somalia and Uganda  
Africa Region

Sincerely,

[Signature]

Attachments:
1. Form of Authorized Signatory Letter
2. Statement of Expenditures (SOE)

With copies:
### Schedule 1: Disbursement Provisions

#### Basic Information

<table>
<thead>
<tr>
<th>Credit Number</th>
<th>6598-KE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country</strong></td>
<td>The Republic of Kenya</td>
</tr>
<tr>
<td><strong>Recipient</strong></td>
<td>The Republic of Kenya</td>
</tr>
<tr>
<td><strong>Name of the Project</strong></td>
<td>Kenya COVID-19 Emergency Response Project</td>
</tr>
<tr>
<td><strong>Closing Date</strong></td>
<td>Section III.B.2. of Schedule 2 to the Financing Agreement.</td>
</tr>
<tr>
<td><strong>Disbursement Deadline Date</strong></td>
<td>Four months after the closing date.</td>
</tr>
</tbody>
</table>

#### Disbursement Methods and Supporting Documentation

<table>
<thead>
<tr>
<th>Methods</th>
<th>Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct Payment</strong></td>
<td>Copy of records</td>
</tr>
<tr>
<td><strong>Reimbursement</strong></td>
<td>Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL.</td>
</tr>
<tr>
<td><strong>Advance (into a Designated Account)</strong></td>
<td>Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL.</td>
</tr>
<tr>
<td><strong>Special Commitments</strong></td>
<td>Copy of Letter of Credit</td>
</tr>
</tbody>
</table>

#### Designated Account (Sections 5 and 6 **)

<table>
<thead>
<tr>
<th>Type</th>
<th>Segregated DA A-MoH</th>
<th>Ceiling</th>
<th>Flexible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Institution – Name</strong></td>
<td>Central Bank of Kenya</td>
<td>Currency</td>
<td>EUR</td>
</tr>
<tr>
<td>**Frequency of Reporting Subsection 6.3 **</td>
<td>At least monthly</td>
<td>Amount</td>
<td>DA A 20,000,000</td>
</tr>
</tbody>
</table>

#### Minimum Value of Applications (subsection 3.5)

The minimum value of applications for Direct Payment and Special Commitment is US$10,000 equivalent.

**Authorized Signatures** (Subsection 3.1 and 3.2 **) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter

**Withdrawal and Documentation Applications** (Subsection 3.3 and 3.4 **)

1) Authorized Signatures and (ii) Applications

Applications for this Financing will be signed by the officials authorized to sign Applications as indicated in your letter of August 7th, 2019 signed by the Acting Cabinet Secretary, Hon. (Amb.) Ukur Yatani.

The address for the new ASL letter AND the Withdrawal Applications and its supporting documentation will be electronically sent via the Bank’s system Client Connection.
The World Bank, Loan Department,
Delta Center, 13th Floor,
Upper Hill, Menengai Road,
P.O. Box 30577 - 00100
Nairobi, Kenya.
Tel: 254 20 2936 000

### Additional Information/Instructions

UN Commitment to be used for UN agencies.
As the DA ceiling is flexible, the amounts indicated of Euro 10m, will be the initial advance as the project commences.

### Other

The portfolio currently has a lapsed loan but due to the emergency project, WB management has given a waiver to allow the use of Advance method. This is only applicable for this emergency.

**Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017**
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: [Grant][Credit] No. 6598-KE (Kenya CDC COVID-19 Emergency Response Project)
Attention: ______________________, Country Director

I refer to the [Grant] [Financing] Agreement ("Agreement") between the International Development Association (the "Association") [ , acting as implementing of the ] and [name of recipient] (the "Recipient"), dated ______, providing the above [Grant] [Credit]. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any [one] 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 [Grant] [Credit].

For the purpose of delivering Applications to the Association, including by electronic means, [each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting [individually] [jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

1 Instruction to the Recipient: use “Credit” or “Grant” as applicable. Please delete this footnote in final letter that is sent to the Association.

2 Instruction to the Recipient: add text in line with the Grant Agreement if applicable; if not applicable delete it. Please delete this footnote in final letter that is sent to the Association.

3 Instruction to the Recipient: stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. Please delete this footnote in final letter that is sent to the Association.

4 Instruction to the Recipient: 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 Association.

5 Instruction to the Recipient: 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 Association.

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

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

[Name], [position] Specimen Signature: ______________________

[Name], [position] Specimen Signature: ______________________

[Name], [position] Specimen Signature: ______________________

Yours truly,

/ signed /
**Statement of Expenditures**

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Supplier’s Name</th>
<th>Brief Description of the Expenditure</th>
<th>Prior Revenue Contract?</th>
<th>Contract #</th>
<th>Connection # for Prior Revenue Contracts</th>
<th>Contract amount and period covered (amended)</th>
<th>Financial by Prior Revenue Contracts</th>
<th>Amount financed by Application (net of exchange rate)</th>
<th>Exchange Rate</th>
<th>Date of Disbursement from the Designated Account</th>
<th>Amount Withdrawn from the Designated Account</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:**
- Supporting documents for this SOE are retained.
- A separate form should be used for each category.

---

**Attachment 2 – Statement of Expenditures**

The following expenditures have been incurred during the specified financing period (please note): The following expenditures have been incurred before the closing date of the specified grant (please note).