September 16, 2014

Honorable Dr. Kaifala Marah
Minister of Finance and Economic Development
Ministry of Finance and Economic Development
Ministerial Building:
George Street
Freetown, Sierra Leone

Excellency:

Re: ACGF Trust Fund Grant No. 96812-SL and No. 12691-SL
(Reproductive and Child Health Phase 2 Project)
First Revised Disbursement Letter
Additional Instructions: Disbursement

I refer to the Original and Additional Financing Grant Agreements (“Agreements”) between the International Development Association (“World Bank”), acting as administrator of the Africa Catalytic Growth Fund, and the Republic of Sierra Leone (the “Recipient”) for the above-referenced project, dated August 12, 2010 and September 27, 2012 respectively. These Agreements provide that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grants TF096812-SL and TF012691-SL (“Grants”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is a First revision of the Disbursement Letters dated August 12, 2010 and September 27, 2012 for the above referenced project, and amends section (vi) Advances, referring to the various eligible categories of disbursement to be used under each of the Designated Accounts A and B.

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 Grants:
(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.

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Disbursement Conditions in the Grant Agreements, Schedule 2, section IV B.1

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
Africanus House
13A Howe Street
Freetown, Sierra Leone
Attention: Mr. Yusupha D. Crookes, 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
Africanus House
13A Howe Street
Freetown, Sierra Leone
Attention: Financial Management and Disbursement Unit

(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 credentials (“SIDC”) 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 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 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 SIDC to Process Applications. By designating officials to use SDIC 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 SIDC") 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 for Reimbursements, Direct Payments and Special Commitments is USD 100,000.

(vi) Advances (sections 5 and 6).

- **Type of Designated Accounts (DA) (subsection 5.3):** Segregated Accounts A & B

  The same DA used for the original operation, DA “A” will be managed by the Integrated Project Administration Unit (IPAU) at the Ministry of Finance and will disburse under categories 1, 2, 3 and 4.

  DA “B” will be managed by Ministry of Health and Sanitation (MOHS) and will disburse under categories 5 & 6.

- **Currency of Designated Accounts (subsection 5.4):** USD

- **Financial Institution at which the Designated Accounts Will Be Opened (subsection 5.5):** Rokel Commercial Bank for DA “A” and Sierra Leone Commercial Bank for DA “B”

- **Ceiling (subsection 6.1):**

  DA “A”: Variable and determined annually. The ceiling will be equivalent to 50 per cent of the annual project forecast of eligible expenditure to be incurred at local Councils that will be derived from the Annual Work plan and Budget approved by the World Bank.

  DA “B”: USD 700,000.

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 Accounts:**

**DA “A”**
- Interim Financial Report in the form attached (Attachment 5); and
- List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 6)

**DA “B”**
- Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments for i) goods and services (other than consulting services) against contracts valued at USD 100,000 or more; ii) works against contracts valued at USD 100,000 or more; iii) consultants’ services provided by a firm against contracts valued at USD 100,000 or more; and iv) consultants’ services of individual consultants against contracts valued at USD 50,000 or more;
- List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 6)
- Statement of Expenditure in the form attached (Attachment 4) for all other expenditures / contracts.

• **For requests for Direct Payment and Special Commitment:** records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices, letter of credit (for special commitment)

(ii) **Frequency of Reporting Eligible Expenditures Paid from the Designated Accounts (subsection 6.3):**

DA “A”: Quarterly and DA “B”: 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 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 Christiaan Nieuwoudt, Finance Officer at loa-afr@worldbank.org using the above reference.

Yours sincerely,

[Signature]
Christiaan Nieuwoudt
Finance Officer
Africa Region

Attachments

All Attachments have already been issued with the original Letters of Disbursement
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
4. Form of “Statement of Expenditure”
5. Form of “Interim Financial Report”
6. Form of Payments Against Contracts Subject to the World Bank’s Prior Review

Prepared by: Christiaan Nieuwoudt
Cleared with and cc: Francisca Ayodeji Akala (Task Team Leader)

Cc with copies: Local Government Finance Dept.
Ministry of Finance and Economic Development
Freetown
Sierra Leone

Integrated Project Administration Unit (IPAU)
Ministry of Finance and Economic Development
Treasury Building
George Street
Freetown
Sierra Leone