Honorable Neil Reikenberg
Minister of Finance
Ministry of Finance
Address
Kingdom of Eswatini

Your Excellency

Re: IBRD Loan 8981-SZ
(Network Reinforcement and Access Project)
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

I refer to the Loan Agreement ("Agreement") between the International Bank for Reconstruction and Development (the "Bank") and Kingdom of Eswatini (the "Borrower") and the for the above-referenced Project. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Loan No. 8981 (Loan). The General Conditions, as defined in the Loan Agreement, provide that the Borrower may from time to time request withdrawals of Loan Amounts from the Loan Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Bank may specify from time to time by notice to the Borrower. 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 Loan Funds, and Reporting on Uses of Loan Funds


(i) Disbursement Arrangements

- **Instructions (Schedule 1).** The table in Schedule 1 sets out the disbursement methods which may be used by the Borrower, information on registration of authorized signatures, 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.

- **Disbursement Deadline Date, DDD (subsection 3.7).** The DDD is four (4) months after the Closing Date. Any changes to this date will be notified by the Bank.

(ii) Electronic Delivery. Refer to section 10.01 (c) of the General Conditions:

The Borrower will electronically deliver applications (with supporting documents) through the Bank’s web-based portal (https://clientconnection.worldbank.org) “Client Connection”. This facility will become available once: (a) the Borrower has designated in writing, 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 Borrower 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 Borrower confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Bank by electronic means. The Borrower may exercise the option of preparing and delivering Applications in paper form on an exceptional basis (including when encountering legislative limitations), and when pre-agreed with the Bank. The Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Borrower. By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Borrower 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 Bank's public website at http://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 Borrower, through the Project Implementing Entity, shall prepare and furnish to the Bank not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports (IFRs) for the Project covering the quarter.

(ii) Audits. The Borrower, through the Project Implementing Entity, shall have the Project Financial Statements periodically audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be (a) furnished to the Bank not later than six (6) months after the end of such period, and (b) made publicly available in a timely fashion and in a manner acceptable to the Bank.

III. Other Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank’s website (http://www.worldbank.org/) and “Client Connection”. The Bank 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 Loan, 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 Bank by email at askloans@worldbank.org.

Yours sincerely,

Marie Francoise Marie-Nelly
Country Director
South Africa, Namibia, Lesotho, Botswana and Eswatini
Africa Region
Attachments
1. Form of Authorized Signatory Letter
2. Forms of Statement of Expenditure (SOE)
3. Form of Designated Account Reconciliation Statement

Cc with copies:
<table>
<thead>
<tr>
<th><strong>Loan Number</strong></th>
<th>IBRD 8981-SZ</th>
<th><strong>Country</strong></th>
<th>Kingdom of Eswatini,</th>
<th><strong>Borrower</strong></th>
<th>Ministry of Finance</th>
<th><strong>Name of the Project</strong></th>
<th>Network Reinforcement and Access Project</th>
</tr>
</thead>
</table>

**Disbursement Methods and Supporting Documentation**

<table>
<thead>
<tr>
<th>Disbursement Methods (Section 2 **)</th>
<th>Methods Available</th>
<th>Supporting Documentation (Subsections 4.3 and 4.4 **)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Payment</td>
<td>Yes</td>
<td>Copy of records (e.g. suppliers’ invoices, guarantees for advance and retention payments, etc.).</td>
</tr>
<tr>
<td>Reimbursement</td>
<td>Yes</td>
<td>Interim Un-Audited Financial Reports (IFRs) in the formats provided in Attachment 2 of the DFIL</td>
</tr>
<tr>
<td>Designated Account</td>
<td>Yes</td>
<td>Interim Un-Audited Financial Reports (IFRs) in the formats provided in Attachment 2 of the DFIL, Designed Account Reconciliation Statement in the format provided in Attachment 3 of the DFIL</td>
</tr>
<tr>
<td>Special Commitments</td>
<td>No</td>
<td>None</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th><strong>Type</strong></th>
<th>Segregated managed by EEC</th>
<th><strong>Ceiling</strong></th>
<th>Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Institution - Name</strong></td>
<td>Central Bank of Eswatini</td>
<td><strong>Currency</strong></td>
<td>EURO</td>
</tr>
<tr>
<td>**Frequency of Reporting (Subsection 6.3 <strong>)</strong></td>
<td>Quarterly</td>
<td><strong>Amount</strong></td>
<td>Based on quarterly progress reports for a period not to exceed six-months of estimated eligible expenditures</td>
</tr>
</tbody>
</table>

**Minimum Value of Applications (Subsection 3.5)**

The minimum value of applications for Reimbursement, Direct Payment and Special Commitment is EURO 200,000 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 **)**

The World Bank  
13th Floor Delta Center  
Menengai Road  
Upper Hill  
P.O. Box 30557-00100  
Nairobi Kenya  
Attention: Loan Department

*Notice that all information will be sent to the same address, and to the regional TL.*
** Sections and subsections relate to the “Disbursement Guidelines for Investment Project Financing”, dated February 2017.
Attachment 1 – Form of Authorized Signatory Letter

[Letterhead]
[Borrower]
[Street address]
[City] [Country]

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

Attention: [Country Director]

Re: IBRD Loan 8981-SZ
(Network Reinforcement and Access Project)

I refer to the Loan Agreement (“Agreement”) between the International Bank for Reconstruction and Development (the “Bank”) and Georgia (the “Borrower”), dated _______, providing the above Loan. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any 1[one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign applications for withdrawal [and applications for a special commitment] under this Loan.

For the purpose of delivering Applications to the Bank, including by electronic means, 2[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Borrower, acting 3[individually] 4[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Bank.

This confirms that the Borrower is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Bank by electronic means. In full recognition that the 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

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1 Instruction to the Borrower: 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 Bank.

2 Instruction to the Borrower: 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 Bank.

3 Instruction to the Borrower: 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 Bank.

4 Instruction to the Borrower: 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 Bank.
of Use of SIDS”), the Borrower represents and warrants to the Bank that it will cause such persons to abide by those terms and conditions.

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

[Name], [position]  
Specimen Signature: ____________________

[Name], [position]  
Specimen Signature: ____________________

[Name], [position]  
Specimen Signature: ____________________

Yours truly,

/ signed /

____________________
[Position]
DESIGNATED ACCOUNT RECONCILIATION STATEMENT

LOAN/CREDIT/PPF/COFINANCIER NUMBER ______________
ACCOUNT NUMBER ______________ WITH (BANK) __________________________

1. TOTAL ADVANCED BY WORLD BANK (OR COFINANCIER) US$/EUR __________________________
2. LESS: TOTAL AMOUNT RECOVERED BY WORLD BANK - US$/EUR __________________________
3. EQUALS PRESENT OUTSTANDING AMOUNT ADVANCED TO THE DESIGNATED ACCOUNT (NUMBER 1 LESS NUMBER 2) = US$/EUR __________________________

4. BALANCE OF DESIGNATED ACCOUNT PER ATTACHED BANK STATEMENT AS OF DATE ______________________ US$/EUR __________________________
5. PLUS: TOTAL AMOUNT CLAIMED IN THIS APPLICATION NO. _______________ + US$/EUR __________________________
6. PLUS: TOTAL AMOUNT WITHDRAWN AND NOT YET CLAIMED REASON: __________________________________ + US$/EUR __________________________
7. PLUS: AMOUNTS CLAIMED IN PREVIOUS APPLICATIONS NOT YET CREDITED AT DATE OF BANK STATEMENTS

<table>
<thead>
<tr>
<th>APPLICATION NO.</th>
<th>AMOUNT</th>
</tr>
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<tbody>
<tr>
<td></td>
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<td></td>
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</tbody>
</table>

SUBTOTAL OF PREVIOUS APPLICATIONS NOT YET CREDITED + US$/EUR __________________________

8. MINUS: INTEREST EARNED - US$/EUR __________________________
9. TOTAL ADVANCE ACCOUNTED FOR (NO. 4 THROUGH NO. 9) = US$/EUR __________________________
10. EXPLANATION OF ANY DIFFERENCE BETWEEN THE TOTALS APPEARING ON LINES 3 AND 9:

_____________________________________________________________________________________
_____________________________________________________________________________________

11. DATE: ______________________ SIGNATURE: ______________________

TITLE: ______________________
Prepared by: Luis Schwarz, Senior Finance Officer – WFACS

Cleared with and cc: Country Lawyer –
Task Team Leader –

Cc: Financial Management Specialist