Dr. The Right Hon. Keith Mitchell  
Prime Minister, Minister for National Security,  
Public Administration, Disaster Management,  
Home Affairs, Information & Implementation  
Ministry for National Security, Public  
Administration, Disaster Management,  
Home Affairs, Information & Implementation  
Financial Complex, The Carenage  
St. George’s, Grenada  

Dear Prime Minister:  

Re: Grenada: Solar PV Demonstration and Scale-up Project  
SIDS Grant No. TF0A1674  

Additional Instructions: AMENDED Disbursement Letter  

I refer to the Grant Agreement ("Agreement") between Grenada ("Recipient") and International Bank for Reconstruction and Development ("World Bank"), acting as administrator of grant funds provided under the Support for Small Island Developing States ("SIDS") DOCK Support Program Multi-Donor Trust Fund, for the above-referenced Project, dated June 3, 2016. The Agreement provides that the World Bank may issue additional arrangements regarding the withdrawal of the proceeds of Grant No. TF0A1674 ("Grant"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.  

This is the first amendment of the Disbursement Letter dated May 25, 2016 for the above referenced project. This letter restates Section II (vi) to modify the financial institution at which the Designated Account will be opened. All other provisions and attachments of the Disbursement Letter, 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 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
- Direct Payment

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

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Disbursement Condition(s) in the Agreement.

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
1818 H Street, N.W.
Washington, DC 20433
United States of America
Attention: Country Director

(ii) Applications (subsections 3.2 - 3.3) Please provide completed and signed applications for withdrawal, together with supporting documents to the address indicated below:

The World Bank/ Banco Mundial
Setor Comercial Norte,
Quadra 02, Lote A
Edificio Corporate Financial Center
7º Andar
70712-900 Brasilia, Brazil
Attention: Loan Operations

(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 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 deliver the Terms and Conditions of Use of Secure Identification Credentials to each such official and to cause such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications will be USD 50,000 for Direct payment and Reimbursement applications.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated.

- **Currency of Designated Account (subsection 5.4):** US Dollar (USD).

- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Grenada Co-Operative Bank Limited.

- **Ceiling (subsection 6.1):** Forecast of two quarters as provided in the Interim Financial Report.

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:**
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5).
  - Interim Financial report in the form attached (Attachment 4).
• For reporting eligible expenditures paid from the Designated Accounts:
  o Interim Financial report in the form attached (Attachment 4).
  o List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5).
  o A reconciliation of the Designated Account, in the form attached (Attachment 6), with a copy of the bank statement.

• For requests for Direct Payment: records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices for amounts above the Minimum Value of Applications.

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

IV. Other Important 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). 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 at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Tatiana de Abreu, Finance Officer, at tdeabreu@worldbank.org using the above Project Name and financing number as a reference.

Yours sincerely,

[Signature]

Tatiana de Abreu
Finance Officer
Loans Operations