His Excellency  
Nelson Eduardo Fuentes Menjivar  
Minister of Finance  
Ministry of Finance  
Boulevard de los Héroes No. 1231  
San Salvador, El Salvador, C.A.

Excellency:

Re: PHGF Grant No. TF0A8267 (El Salvador Addressing Non-Communicable Diseases Project)  
Additional Instructions: AMENDED Disbursement Letter

I refer to the Letter Agreement ("Agreement") between the Republic of El Salvador ("Recipient") and the International Bank for Reconstruction and Development ("World Bank"), acting as administrator of grant funds provided by multiple donors ("Donors") under the Tackling of Non-Communicable Diseases Challenges in Low and Middle-Income Countries Multi-Donor Trust Fund No. TF072759, for the above-referenced project, dated December 19, 2018. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TF0A8267 ("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 September 20, 2018 for the above referenced project. This letter restates Section II (vi) to revise the financial institution at which the Designated Account will be opened. All other provisions and attachments of the Disbursement Letter dated September 20, 2018, except as amended, shall remain in force and effect.

The attached World Bank Disbursement Guidelines for Investment Project Financing, dated February 2017, ("Disbursement Guidelines"), 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
- Direct Payment
- Advance

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four (4) months after the Closing Date specified in the Grant Agreement. Any changes to this date will be notified by the World Bank.
II. Withdrawal of Financing Proceeds

(i) Authorized Signatures (subsection 3.1). An authorized signatory letter 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:

The World Bank
1818 H Street, NW
Washington, DC 20433
United States of America
Attention: Ms. Y. Seynabou Sakho, Country Director

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

The World Bank/ Banco Mundial
SCN, Quadra 02, Lote A
Edificio Corporate Financial Center, 7º andar
70712-900, Brasília, D.F.
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”); 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 Reimbursement and Direct Payment is USD 60,000 equivalent.

(vi) Advances (sections 5 and 6)

- Type of Designated Account (Subsection 5.3): Segregated
• **Currency of Designated Account (subsection 5.4):** USD

• **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Banco Agricola S.A.

• **Ceiling (subsection 6.1):** USD 300,000

### 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 Account:**
  
  - Statement of Expenditure;
  
  - Designated Account Activity Statement with a copy of the Designated Account bank statements applicable only when reporting eligible expenditures paid from the Designated Account.

- **For requests for Direct Payment:** Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices).

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

### IV. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank’s website ([http://www.worldbank.org/](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, using the above Project name and Grant number as a reference in the subject line.

Yours sincerely,

[Signature]

Maria Virginia Hornazabal
Finance Officer
WFACS – Loan Operations