



November 8, 2019

H.E Adriano Afonso Maleiane  
Minister of Economy and Finance  
Ministry of Economy and Finance  
Av. 10 de Novembro, No. 929, 1º Andar  
Maputo, Mozambique

**Re: Grant No. D520-MZ**  
**(Second Additional Financing for the Social Protection Project**  
**and Support to Cyclone and Flood Emergencies)**  
**Additional Instructions: Disbursement and Financial Information Letter**

Excellency:

I refer to the Financing Agreement between Republic of Mozambique (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 Grant amounts from the Grant 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 Grant Funds, and Reporting of Uses of Grant 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 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, 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.
- **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 Association may permit the Recipient to electronically deliver applications (with supporting documents) through the Association's web-based portal (<https://clientconnection.worldbank.org>) "Client Connection". This option may be effected if the officials designated in writing by the Recipient who are authorized to sign and deliver Applications have registered as users of "Client Connection". The designated officials may 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 continue to exercise the option of preparing and delivering Applications in paper form. The Association reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient. 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.

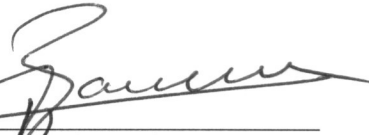
**(ii) Audits.** Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Association not later than six (6)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

**III. 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 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 Grant, 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](mailto:askloans@worldbank.org).

Yours sincerely,

By:   
Raymond Bourdeaux  
Acting Country Director for Mozambique  
Africa Region

Attachments:

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

**Schedule 1 : Disbursement Provisions**

Basic Information			
Grant Number	D520-MZ	Country Recipient	Republic of Mozambique Ministry of Economy and Finance
		Name of the Project	Second Additional Financing for the Social Protection Project and Support to Cyclone and Flood Emergencies
		Closing Date	December 31, 2020
		Disbursement Deadline Date	Four months after the closing date.
<b>Disbursement Methods and Supporting Documentation</b>			
<b>Disbursement Methods</b> <i>Section 2 (**)</i>		<b>Supporting Documentation</b> <i>Subsections 4.3 and 4.4 (**)</i>	
Direct Payment	Yes	Copy of records	
Reimbursement	Yes	Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL	
Designated Account	Yes	Statement of Expenditure (SOE) in the format provided in Attachment 2 of the DFIL	
Special Commitments	Yes	Copy of Letter of Credit	
<b>Designated Account (Sections 5 and 6 (**))</b>			
Type	Pooled Account	Ceiling	Fixed
Financial Institution - Name	DA-B open at Banco de Moçambique	Currency	USD
Frequency of Reporting	Monthly	Amount	DA-A US\$ 8,000,000
<b>Minimum Value of Applications (subsection 3.5)</b>			
The minimum value of applications for Reimbursement, and Special Commitment is USD 1,000.00 equivalent.			
<b>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 (**))</b>			
<b>ASL Address:</b> The World Bank Mozambique Country Office 1224, Kenneth Kaunda Avenue Maputo Republic of Mozambique Attention: Mark R. Lundell Country Director for Mozambique		<b>WA Address:</b> The World Bank, Loan Department 13 <sup>th</sup> Floor Delta Center Menengai Road Upper Hill P.O.Box 30557-00100 Nairobi, Kenya Tel: +254 20 293 6000	

**Additional Instructions**

DA-B is to be handled by INAS and the bank account is to be shared with IDA 52260, IDA 59920 and TF B1121

**Other**

Funds from the Designated Account may be transferred to Single Treasury Account (CUT) in local currency, for the payment of eligible expenditures as and when required. Transfers should be made as and when required to avoid exchange rate losses.  
As currently Mozambique has a Lapsed Loan, no advances will be released until the full settlement of the outstanding balance of the Designated Account under the Lapsed Loan. Once the Lapsed Loan has been closed, advances will then be released based on the agreed above.

*\*\* Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017.*

**Form of Authorized Signatory Letter**

[Letterhead]  
Ministry of Finance  
[Street address]  
[City] [Country]

[DATE]

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

**Re: Grant No. D520-MZ  
(Second Additional Financing for the Social Protection Project  
and Support to Cyclone and Flood Emergencies)**

Attention: \_\_\_\_\_, *Country Director*

I refer to the Grant Agreement ("Agreement") between the International Development Association (the "Association"), and the Republic of Mozambique (the "Recipient"), dated \_\_\_\_\_, providing the above Grant. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any <sup>1</sup>[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.

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

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<sup>1</sup> 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.*

<sup>2</sup> 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.*

<sup>3</sup> 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.*

<sup>4</sup> 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 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 /

\_\_\_\_\_

[Position]

