

OFFICIAL
DOCUMENTS

CD 5641-77

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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JUNE 29, 2015

Dr. Servaicus Likweli
Permanent Secretary
Ministry of Finance
Dar es Salaam
The United Republic of Tanzania

Dear Dr. Likweli,

**Re: IDA Financing 5641-TZ
(Lake Victoria Environmental Management Project II)
(Phase I)
Additional Instructions: Disbursement**

I refer to the Financing Agreement between the International Development Association (the "Association") and the United Republic of Tanzania (the "Recipient") for the above-referenced project, of even date herewith. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of the credit 5641-TZ ("Financing"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

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 Financing 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 Financing:
- Reimbursement
 - Advance
 - Direct Payment
 - Special Commitment
- (ii) **Disbursement Deadline Date (subsection 3.7).** Date is 4 months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by the Association.

II. Withdrawal of Financing Proceeds

(i) **Authorized Signatures (subsection 3.1).** Applications for this Financing will be signed by the official(s) authorized to sign Applications as indicated in your letter Ref. No. TYC/B/40/96 dated June 27, 2011.

(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, Loan Department
13th Floor Delta Center
Menengai Road, Upper Hill
P.O. Box 30557-00100
Nairobi, Kenya

Tel +254 20 2936 000

Attention: Loan Department

(iii) **Electronic Delivery (subsection 3.4).** The Association may permit the Recipient to electronically deliver to the Association Applications (with supporting documents) through the Association's Client Connection, web-based portal. The option to deliver Applications to the Association 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 Association 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 Association agrees, the Association 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 Association 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 2; 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 is USD 200,000.

(vi) **Advances (sections 5 and 6)**

- **Type of Designated Account (subsection 5.3):** Segregated account already opened under the IDA Financing Credit no. 4530-TZ
- **Currency of Designated Account (subsection 5.4):** US Dollars
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Stanbic Bank Tanzania
- **Ceiling (subsection 6.1):** Forecast for 2 quarters as provided in the quarterly Interim Financial Report (Attachment 4)

III. Reporting on Use of Financing 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:**
 - Interim Financial Report in the form attached (Attachment 3); and
 - List of payments against contracts that are subject to the Association's prior review, in the form attached (Attachment 4)
- **For requests for Direct Payment and Special Commitment:** records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices and documentary evidence of delivery and acceptance by Recipient of contracted goods or services.

(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 Disbursement Handbook available on the Association's public website at <https://www.worldbank.org> and its secure website "Client Connection" at <https://clientconnection.worldbank.org>. Print copies are available upon request.

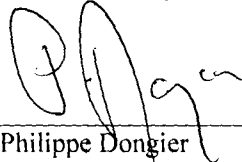
From the Client Connection website, you will be able to prepare and deliver Applications, monitor the near real-time status of the Financing, and retrieve related policy, financial, and procurement information.

If you have not already done so, the Association recommends that you register as a user of the Client Connection website (<https://clientconnection.worldbank.org>). From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Financing, 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 Association by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Christiaan Nieuwoudt, Finance Officer at the Loan Department service account loa@worldbank.org using the above reference.

Yours sincerely,



Philippe Dongier
Country Director for Tanzania
Africa Region

Attachments

1. *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006
2. *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation*, dated March 1, 2013
3. Form of "IFRs" (The format of the IFR has already been provided and has been implemented under the IDA Credit no 4530-TZ and is therefore not provided in this letter)
4. Form of Payments Against Contracts Subject to the Bank's Prior Review

