

TAHSEEN SAYED
Country Director
Latin America and the Caribbean Region

May 10, 2018

His Excellency
Dr. Roosevelt Skerrit
Prime Minister and Minister for Finance
Ministry of Finance
6th Floor, Financial Center
Kennedy Avenue, Roseau
Dominica

**Re: IDA Grant D3070-DM
(Housing Recovery Project)
Additional Instructions: Disbursement and Financial Information Letter.**

Excellency:

I refer to the Financing Agreement between Commonwealth of Dominica (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 amount 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.

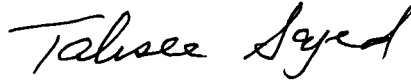
(ii) Audits. Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Association not later than six (6) months 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 Association 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, please contact the Association by email 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 , with copy to Patricia Melo, Finance Analyst at pmelo@worldbank.org using the above reference. For financial reports and audit information, please contact Eduardo França, Financial Management Specialist at efranca@worldbank.org

Yours sincerely,



Tahseen Sayed
Country Director
Caribbean Country Management Unit
Latin American and the Caribbean Region

Attachments

1. Form of Authorized Signatory Letter
2. Interim unaudited Financial Report (IFR)

With copies: Ministry of Lands, Housing, Settlements and Water Resource Management
Permanent Secretary, Lucien Blackmoore
1st Floor, Government Headquarters
Kennedy Avenue
Roseau
Dominica

Schedule 1 : Disbursement Provisions

Grant Number	IDA D3070-DM	Country	Dominica	Closing Date	Section III.B.3 of Schedule 2 to the Financing Agreement.
		Recipient	Dominica		
		Name of the Project	Housing Recovery Project	Disbursement Deadline Date <i>Subsection 3.7 **</i>	Four months after the closing date.

Disbursement Methods <i>Section 2 (**)</i>	Methods	Supporting Documentation <i>Subsections 4.3 and 4.4 (**)</i>
Direct Payment	Yes	Copy of records <i>Please also refer to the Special provision in Section I (i) of this DFIL</i>
Reimbursement	Yes	Interim unaudited Financial Report (IFR) in the format provided in Attachment 2
Designated Account	Yes	Interim unaudited Financial Report (IFR) in the format provided in Attachment 2
Special Commitments	Yes	Copy of Letter of Credit

Type	Segregated	Ceiling	Variable
Financial Institution - Name	National Bank of Dominica	Currency	USD
Frequency of Reporting <i>Subsection 6.3 (**)</i>	Quarterly	Amount	N/A

The minimum value of applications for Reimbursement and Direct Payment is USD 500,000.00 equivalent. Given the Special Provisions, under Disbursement Arrangements, there will be no minimum value for Direct Payments to be made under contracts for goods, works, non-consulting services and consulting services procured or selected through international open or limited competition or Direct Selection.

Authorized Signatures: A letter in the Form attached (Attachment 1) 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, N.W.
 Washington, DC 20433, USA
 Attention: Ms. Tahseen Sayed, Country Director

Applications: Completed Applications for withdrawal, together with supporting documents, should be provided through the Association's Client Connection, web-based portal, following the instructions for electronic delivery. In the case the Recipient does not have internet access, the Association may permit the delivery of Applications for withdrawal, together with supporting documents, to the following address:

Banco Mundial
SCN Quadra 02, Lote A
Ed. Corporate Financial Center, 7º andar
70712-900, Brasília, D.F. – Brazil
Attention: Loan Operations

Not Applicable

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

Attachment 1 – 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][Credit]¹ No. _____ - ____
(Housing Recovery Project)

Attention: _____, *Country Director*

I refer to the [Grant] [Credit] Agreement (“Agreement”) between the International Development Association (the “Association”)[, acting as implementing of the]² and [name of recipient] (the “Recipient”), dated _____, providing the above [Grant] [Credit]. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any ³[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] [Credit].

For the purpose of delivering Applications to the Association, including by electronic means, ⁴[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting ⁵[individually] ⁶[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

¹ Instruction to the Recipient: use “Credit” or “Grant” as applicable. *Please delete this footnote in final letter that is sent to the Associations.*

² Instruction to the Recipient: add text in line with the Grant Agreement if applicable; if not applicable delete it. *Please delete this footnote in final letter that is sent to the Associations*

³ 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.*

⁴ 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.*

⁵ 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.*

⁶ 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]

Attachment 2 - Interim unaudited Financial Statements

Name/Number of Project							
Sources and Uses of Funds							
For the Period Ending							
	Current Period			Cumulative			Forecast
	Actual	Budgeted	Variance	Actual	Budgeted	Variance	Next 6 Months
RECEIPTS							
World Bank							
Advance							
Reimbursement							
Direct Payment							
Total Receipts (A)	-	-	-	-	-	-	-
LESS EXPENDITURES							
Part 1							
Part 2							
Part 3							
Total Expenditures (B)	-	-	-	-	-	-	-
RECEIPTS LESS EXPENDITURES							
Net Change in Cash (A - B)	-						
Foreign Exchange Adjustment							
CASH BALANCES							
Opening Cash Balances							
Designated Account							
Project Account							
Total Opening Balance	-						
Closing Cash Balances							
Designated Account							
Project Account							
Total Closing Balance	-						

Name/Number of Project							
Use of Funds by Project Components							
For the Period Ending							
	Current Period			Cumulative			
	Actual	Budgeted	Variance	Actual	Budgeted	Variance	Next 6 Months
Part 1							
Part 2							
Part 2							
Total	-	-	-	-	-	-	

Name/Number of Project/Grant Use of Funds by Disbursement Categories For the Period Ending								
Categories	Current Period	Cumulative						
	Actual	Amount per IFR	Amount per Client Connection	Difference	Comments	Total Allocation per legal agreement * (in equivalent USD)	Total Allocation available * (in equivalent USD)	Difference ** (in equivalent USD)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for the Project (Except for Housing Grants under Part 2.1 of the Project)								
(2) Housing Grants for Subprojects under Parts 2.1 of the Project								
Total	-	-	-	-	-	-	-	-

* Credit amounts are in SDR. USD equivalent amount was converted at the exchange rate as of [Month/day/year]

** Should be equal to cumulative amount documented per Client Connection

Name/Number of Project Cash Forecast For the Period Ending	
	US\$
Eligible Expenditures to be financed by the World Bank for the Next 6 Months	
Less Direct payments to be made by the World Bank	
Eligible Expenditures to be financed by the World Bank from the Designated Accounts	-
Less:	
Current Balance in the Designated Account	
Current Balance in the Project Account	
Total Current Balance	-
Amount Requested to be Advanced to Designated Account	-

DESIGNATED ACCOUNT RECONCILIATION STATEMENT	
LOAN/CREDIT/PPF/COFINANCIER NUMBER _____	
ACCOUNT NUMBER _____	WITH (BANK) _____
	US\$
1	TOTAL ADVANCED BY WORLD BANK (OR COFINANCIER)
2	LESS: TOTAL AMOUNT DOCUMENTED BY WORLD BANK
3	PRESENT OUTSTANDING AMOUNT ADVANCED TO THE DESIGNATED ACCOUNT (1 - 2)
4	BALANCE OF DESIGNATED ACCOUNT & PROJECT ACCOUNT PER ATTACHED BANK RECONCILIATION AS OF DATE _____
5	PLUS: TOTAL AMOUNT TO BE DOCUMENTED IN THIS APPLICATION NO. _____
6	PLUS: TOTAL AMOUNT WITHDRAWN AND NOT YET DOCUMENTED
	REASON: _____
7	PLUS: AMOUNTS CLAIMED IN PREVIOUS APPLICATIONS NOT YET CREDITED AT DATE OF BANK STATEMENTS
	APPLICATION NO. _____
	WA # XXX _____
	WA # XX _____
	SUBTOTAL OF PREVIOUS APPLICATIONS NOT YET CREDITED
8	LESS: INTEREST EARNED
9	TOTAL ADVANCE ACCOUNTED FOR (NO. 4 THROUGH NO. 9)
10	DIFFERENCE (3 - 9)
11 EXPLANATION OF ANY DIFFERENCE SHOWN IN LINE 10:	
DATE: _____	SIGNATURE: _____ TITLE: _____