

OFFICIAL
DOCUMENTS

H769-TJ

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

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January 31, 2013

Mr. Safarali Najmiddinov
Minister
Ministry of Finance
3 Akademikov Rajabovikh Ave.
Dushanbe 734025
Republic of Tajikistan

**Re: *Republic of Tajikistan*: Additional Financing for Municipal Infrastructure Development Project
IDA Financing No. H769-TJ
Additional Instructions: – First Restated Disbursement Letter**

Excellency:

I refer to the Financing Agreement (“Agreement”) between the Republic of Tajikistan and the International Development Association (The Association) for the above-referenced Project, dated August 23, 2012. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of Financing H769-TJ (Financing). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The original Disbursement Letter dated August 23, 2012 is hereby “Restated” by changing Section I. (i); Section II. (iii); Section II. (iv); Section III. (i) bullet one; and adding Section III. (ii) to allow the advancing of Financing proceeds into a Designated Account as a Disbursement Method.

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). The Disbursement Deadline Date is 4 months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by the Association.

(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 devices ("Tokens") 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 Tokens 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 Tokens to Process Applications. By designating officials to accept Tokens 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 Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation* ("Terms and Conditions of Use of Tokens") provided in Attachment (3); and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions

II. Withdrawal of Financing Proceeds

(i) Authorized Signatures (subsection 3.1). A letter in the Form attached (Attachment 2) 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
United States of America
Attention: Saroj Kumar Jha, Regional Director,
Central Asia

(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
Radnicka cesta 80, 9th floor
HR-10000 Zagreb, Croatia
Attention: Disbursement Management Group
Sergo Lomtadze – Senior Finance Officer
Tel: + 385 1 235 7281
Fax: + 385 1 235 7233

(iii) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications for direct payment and issuance of special commitments is US \$200,000.

(iv) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated
- **Currency of Designated Account (subsection 5.4):** United States Dollar
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** in a commercial bank acceptable to the Association
- **Ceiling (subsection 6.1):** US \$2,000,000.

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:**
 - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts valued at: US\$100,000 equivalent or more for works, US\$100,000 equivalent or more for goods, US\$100,000 equivalent or more for services of consulting firms, and US\$50,000 equivalent or more for individual consultants;
 - Statement of Expenditure in the form attached (Attachment 3) for all other expenditures/contracts;
 - List of payments against contracts that are subject to the Association's prior review, in the form attached (Attachment 4); and
- **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). Replenishment applications should be submitted quarterly. The replenishment applications to the Designated Account must include reconciled bank statements as well as other appropriate supporting documents.

IV. Other Disbursement Instructions

- **Retroactive Financing** – No withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 1,220,000 equivalent may be made for payments made prior to this date but on or after February 10, 2012, for eligible expenditures under Category 4.
- **Condition of Disbursement** - No withdrawals shall be made against Categories 4 and 2 unless the terms as identified in paragraphs 1(a) and 1(b), respectively, of Section IV B of Schedule 2 of the Financing Agreement are met.

V. Other Important Information

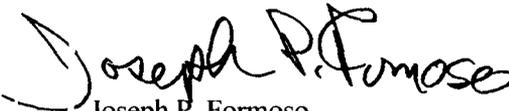
For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the Association's public website at <http://www.worldbank.org> and its secure website "Client Connection" at <http://clientconnection.worldbank.org>. Print copies are available upon request.

From the Client Connection website, you will be able to download Applications, monitor the near real-time status of the PPA, 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 (<http://clientconnection.worldbank.org>). From this website you will be able to download Applications, monitor the near real-time status of the PPA, 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 Mr. Joseph P. Formoso, Senior Finance Officer at <loa-eca@worldbank.org> using the above reference.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION



Joseph P. Formoso
Senior Finance Officer
Loan Department

Attachments: Please note that all attachments as per the original disbursement letter dated June 8, 2012 remain valid.

Cc with copies: Mr. Alimurod Tagaimurodov
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