

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street N.W.
Washington, D.C. 20433
U.S.A.

(202) 473-1000
Cable Address: INTBAFRAD
Cable Address: INDEVAS

February 3, 2015

Honourable Dean O. Barrow
Prime Minister and Minister of Finance
and Economic Development
Office of the Prime Minister
3rd Floor, Sir Edney Cain Building
Belmopan
Belize

Re: IBRD Loan 8416-BZ (Climate Resilient Infrastructure Project)
Additional Instructions: Disbursement Letter

Excellency:

I refer to the Loan Agreement between the International Bank for Reconstruction and Development (the "Bank") and Belize (the "Borrower") for the above-referenced project, dated February 3, 2015. The Agreement provides that the Bank may issue additional instructions regarding the withdrawal of the proceeds of Loan 8416-BZ ("Loan"). 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 Loan 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 Loan: Reimbursement, Advance, Direct Payment and Special Commitment.

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four (4) months after the Closing Date specified in Section IV.B.2 of Schedule 2 to the Loan Agreement. Any changes to this date will be notified by the Bank.

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Disbursement Condition(s) in Section IV.B.1 of Schedule 2 to the Loan Agreement.

II. Withdrawal of Loan Proceeds

(i) Authorized Signatures (subsection 3.1). An authorized signatory letter in the Form attached (Attachment 2) should be furnished to the Bank 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: Ms. Sophie Sirtaine, Country Director

(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
SCN, Quadra 02, Lote A
Edificio Corporate Finance Center
7º andar
70712-900 Brasilia, D.F.
Brazil
Attention: Loan Department

(iii) Electronic Delivery (subsection 3.4) The Bank may permit the Borrower to electronically deliver to the Bank Applications (with supporting documents) through the Bank's Client Connection, web-based portal. The option to deliver Applications to the Bank by electronic means may be effected if: (a) the Borrower 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 Bank for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Borrower have registered as users of Client Connection. If the Bank agrees, the Bank will provide the Borrower 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 Borrower may continue to exercise the option of preparing and delivering Applications in paper form. The Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Borrower.

(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 Borrower 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 3; 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 United States Dollars (USD) 300,000 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):** Central Bank of Belize.
- **Ceiling (subsection 6.1):** USD 1,500,000.

III. Reporting on Use of Loan Proceeds

(i) Supporting Documentation (section 4). Supporting documentation should be provided with each application for withdrawal as set out below:

- **For requests for Reimbursement:**
 - Summary Sheet in the form attached (Attachment 4) with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments made:
 - Under contracts for Works costing USD 350,000 equivalent per contract or more.
 - Under contracts for Goods and Non-consulting Services costing USD 100,000 equivalent per contract or more.
 - Under contracts with Consulting Firms costing USD 100,000 equivalent per contract or more.
 - Under contracts with Individual consultants costing USD 50,000 equivalent per contract or more.
 - Statement of Expenditure, in the form attached (Attachment 5), for payments that do not exceed the thresholds established above.
 - List of payments against contracts that are subject to the Bank's prior review, in the form attached (Attachment 6).
- **For reporting eligible expenditures paid from the Designated Account:**
 - Summary Sheet in the form attached (Attachment 4) with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments made:
 - Under contracts for Works costing USD 350,000 equivalent per contract or more.
 - Under contracts for Goods and Non-consulting Services costing USD 100,000 equivalent per contract or more.
 - Under contracts with Consulting Firms costing USD 100,000 equivalent per contract or more.
 - Under contracts with Individual consultants costing USD 50,000 equivalent per contract or more.
 - Statement of Expenditure, in the form attached (Attachment 5), for payments that do not exceed the thresholds established above including training and operating costs.

- List of payments against contracts that are subject to the Bank's prior review, in the form attached (Attachment 6).
 - Designated Account Reconciliation Statement in the form attached (Attachment 7) and bank statements.
- **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.

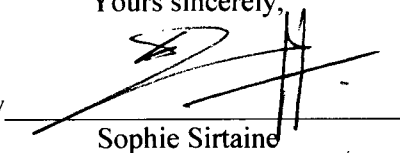
IV. Other Important Information

For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the Bank'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 Loan, and retrieve related policy, financial, and procurement information.

If you have any queries in relation to the above, please contact Victor Ordonez, Senior Finance Officer at vconde@worldbank.org using the above reference.

Yours sincerely,

By 

Sophie Sirtaine
Director

Caribbean Country Management Unit
Latin American and Caribbean Region

MP1 ATT Attachments

1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
3. 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
4. Summary Sheet
5. Statement of Expenditures
6. Form of Payments Against Contracts Subject to the Bank's Prior Review
7. Designated Account Reconciliation Statement

Cc with copies: **Mrs. Yvonne Hyde, Chief Executive Officer**
Ministry of Finance and Economic Development
Ground Floor, Rights Wing
Sir Edney Cain Building
Belmopan City, Belize
ceo@med.gov.bz

Mrs. Yvette Alvarez, Senior Advisor
Ministry of Finance and Economic Development
Ground Floor, Rights Wing
Sir Edney Cain Building
Belmopan City, Belize
yvette.alvarez@mof.gov.bz

Mr. William Lamb, Jr., Executive Director
Belize Social Investment Fund
1902 Constitution Drive
Belmopan City, Belize
william.lamb@sifbelize.org

Mrs. Nellie Trench, Finance Unit Coordinator
Belize Social Investment Fund
1902 Constitution Drive
Belmopan City, Belize
nellie.trench@sifbelize.org

Mr. Antoine Devonshire, Project Preparation Coordinator
Belize Social Investment Fund
1902 Constitution Drive
Belmopan City, Belize
antoine.devonshire@sifbelize.org

Form of Authorized Signatory Letter
[Letterhead]
Ministry of Finance and Economic Development
[Street address]
[City] [Country]

[DATE]

The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: Sophie Sirtaine, Director

Re: Loan No. 8416-BZ (Climate Resilient Infrastructure Project)

Dear Ms. Sirtaine:

I refer to the Loan Agreement (“Agreement”) between the International Bank for Reconstruction and Development (the “Bank”) and Belize (the “Borrower”), dated _____, providing the above Loan. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any ¹[one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign applications for withdrawal [and applications for a special commitment] under this Loan.

For the purpose of delivering Applications to the Bank, ²[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Borrower, acting ³[individually] ⁴[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Bank.

¹ Instruction to the Borrower: 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 Bank.*

² Instruction to the Borrower: 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 Bank.*

³ Instruction to the Borrower: 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 Bank.*

⁴ Instruction to the Borrower: 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 Bank.*

⁵[This confirms that the Borrower is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Bank by electronic means. In full recognition that the Bank shall rely upon such representations and warranties, including without limitation, the representations and warranties contained in 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 SIDC"), the Borrower represents and warrants to the Bank that it will cause such persons to abide by those terms and conditions.]

This Authorization replaces and supersedes any Authorization currently in the Bank records with respect to this Agreement.

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

Minister of Finance and Economic Development

⁵ Instruction to the Borrower: Add this paragraph if the Borrower wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. *Please delete this footnote in final letter that is sent to the Bank.*

Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation

March 1, 2013

The World Bank (Bank)¹ will provide secure identification credentials (SIDC) to permit the Borrower² to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

SIDC can be either: (a) hardware-based (Physical Token), or (b) software-based (Soft Token). The Bank reserves the right to determine which type of SIDC is most appropriate.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide SIDC to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.
2. Each Signatory must register as a user on the Bank's Client Connection (CC) website (<https://clientconnection.worldbank.org>) prior to receipt of his/her SIDC. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Initialization of SIDC.

1. Prior to initialization of SIDC by a Signatory, the Signatory will acknowledge having read, understood and agreed to be bound by these Terms and Conditions of Use.
2. Where a Physical Token is to be used, promptly upon receipt of the Physical Token, the Signatory will access CC using his/her account name and CC Password and register his/her Physical Token and set a personal identification number (PIN) to be used in connection with the use of his/her Physical Token, after which the Physical Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Where a Soft Token is to be used, the Signatory will access CC using his/her account name and CC Password and set a personal identification number (PIN) to be used in

¹ "Bank" includes IBRD and IDA.

² "Borrower" includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.

connection with the use of his/her Soft Token, after which the Soft Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the SIDC, the Signatory will be a "SIDC User". The Bank will maintain in its database a user account (Account) for each SIDC User for purposes of managing the SIDC of the SIDC User. Neither the Borrower nor the SIDC User will have any access to the Account.

3. Prior to first use of the SIDC by the SIDC User, the Borrower shall ensure that the SIDC User has received training materials provided by the Bank in use of the SIDC.

C. Use of SIDC.

1. Use of the SIDC is strictly limited to use in the delivery of Applications by the SIDC User in the manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other use of the SIDC is prohibited.
2. The Bank assumes no responsibility or liability whatsoever for any misuse of the SIDC by the SIDC User, other representatives of the Borrower, or third parties.
3. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank in granting SIDC) that each SIDC User understands and will abide by, these Terms and Conditions of Use, including without limitation the following:

4. ***Security***

4.1. The SIDC User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.

4.2. The SIDC User shall not allow anyone else to utilize his/her SIDC to deliver an Application to the Bank.

4.3. The SIDC User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.

4.4. If the SIDC User believes a third party has learned his/her PIN or has lost his/her Physical Token he/she shall immediately notify clientconnection@worldbank.org.

4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised SIDC, and take other reasonable steps to ensure such SIDC are disabled immediately.

5. ***Reservation of Right to Disable SIDC***

5.1. The Borrower shall reserve the right to revoke the authorization of a SIDC User to use a SIDC for any reason.

5.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a SIDC, de-activate a SIDC User's Account or both.

6. ***Care of Physical Tokens***

6.1. Physical Tokens will remain the property of the Bank.

6.2. The Bank will physically deliver a Physical Token to each Signatory designated to receive one in a manner to be determined by and satisfactory to the Bank.

6.3. Physical Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Physical Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Physical Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Physical Token.

6.4. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care of Physical Tokens are available at <http://www.rsa.com>.

7. ***Replacement***

7.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Physical Tokens will be replaced at the expense of the Borrower.

7.2. The Bank reserves the right, in its sole discretion, not to replace any Physical Token in the case of misuse, or not to reactivate a SIDC User's Account.

Summary Sheet - SS

Payments made during the period from _____ To _____ Date: _____
 Application No.: _____
 TF No.: _____

- For Expenditures:** *equal or more than US\$:*
- Under contracts for works costing **equal or more than:** ~~1,000,000~~ equivalent
 - Under contracts for goods and non-consultants services costing **equal or more than:** ~~100,000~~ equivalent
 - Under contracts for consulting firms costing **equal or more than:** ~~100,000~~ equivalent
 - Under contracts for individual consultants costing **equal or more than:** ~~50,000~~ equivalent

For: Expenditures under Contracts NOT subject to the Bank's Prior Review

Category No *		<Insert Category>										Designated Account (**)	
1	2	3	4	5	6	7	8	9	10	11	12	13	
Item No	Name of Supplier, Contractor or Consultant	Contract Reference	Total Amount of Contract	Invoice No	Total invoice amount	Eligible % of financing	Eligible amount of financing from TF (6x7)	Date of Payment	Brief Description of Goods, Works or Services	Exchange Rate	Date Paid from Designated Account	Amount debited from Designated Account	
(***)													
Total											Total		

For: Expenditures under Contracts subject to the Bank's Prior Review

Category No *		<Insert Category>										Designated Account (**)	
1	2	3	4a	4b	5	6	7	8	9	10	11	12	13
Item No	Name of Supplier, Contractor or Consultant	Client Connection Contract Reference	Total Amount of Contract	Date of Bank's "No Objection"	Invoice No	Total invoice amount	Eligible % of financing	Eligible amount of financing from TF (6x7)	Date of Payment	Brief Description of Goods, Works or Services	Exchange Rate	Date Paid from Designated Account	Amount debited from Designated Account
(***)													
Total											Total		

Note: (*) Items should be grouped by category, or alternatively, a separate SS form may be used for each category.
 (**) If this application is not for related to the Designated Account, leave columns 12 and 13 blank.
 (***) Include Records evidencing eligible expenditures (e.g. copies of receipts, supplier invoices) for all items claimed on this sheet

Statement of Expenditures - SOE

Payments made during the period from _____ To _____ Date: _____
 Application No.: _____
 IBRD No.: _____

- For Expenditures: *less than US\$:*
- Under contracts for works costing less than: **300,000** equivalent
 - Under contracts for goods and non-consultants services costing less than: **100,000** equivalent
 - Under contracts for consulting firms costing less than: **100,000** equivalent
 - Under contracts for individual consultants costing less than: **50,000** equivalent
 - Training and Operating costs: **All**

For: Expenditures under Contracts NOT subject to the Bank's Prior Review

Category No *		<Insert Category>										Designated Account (**)	
1	2	3	4	5	6	7	8	9	10	11	12	13	
Item No	Name of Supplier, Contractor or Consultant	Contract Reference	Total Amount of Contract	Invoice No	Total invoice amount covered by this SOE	Eligible % of financing	Eligible amount of financing from TF (6x7)	Date of Payment	Brief Description of Goods, Works or Services	Exchange Rate	Date Paid from Designated Account	Amount debited from Designated Account	
Total											Total		

For: Expenditures under Contracts subject to the Bank's Prior Review

Category No *		<Insert Category>										Designated Account (**)	
1	2	3	4a	4b	5	6	7	8	9	10	11	12	13
Item No	Name of Supplier, Contractor or Consultant	Client Connection Contract Reference	Total Amount of Contract	Date of Bank's "No Objection"	Invoice No	Total invoice amount covered by this SOE	Eligible % of financing	Eligible amount of financing from TF (6x7)	Date of Payment	Brief Description of Goods, Works or Services	Exchange Rate	Date Paid from Designated Account	Amount debited from Designated Account
Total											Total		

Supporting documents for this SOE are retained at _____

Note: (*) Items should be grouped by category, or alternatively, a separate SOE form may be used for each category.
 (**) If this application is not for related to the Designated Account, leave columns 12 and 13 blank

**Payments Made during Reporting Period
Against Contracts Subject to the Bank's Prior Review**

Contract Number	Contract Date	Contract Amount	Contract Period	Contract Status	WB's Share of Costs and Fees Subject to Review Period

DESIGNATED ACCOUNT RECONCILIATION STATEMENT

GRANT/LOAN/CREDIT/PPF/COFINANCIER NUMBER _____
 ACCOUNT NUMBER _____ WITH (BANK) _____

- 1. TOTAL ADVANCED BY WORLD BANK (OR COFINANCIER) \$ _____
- 2. LESS: TOTAL AMOUNT DOCUMENTED BY WORLD BANK - \$ _____
- 3. EQUALS PRESENT OUTSTANDING AMOUNT ADVANCED TO THE DESIGNATED ACCOUNT (NUMBER 1 LESS NUMBER 2) = \$ _____

=====

- 4. BALANCE OF SPECIAL ACCOUNT PER ATTACHED BANK STATEMENT AS OF DATE _____ \$ _____
- 5. PLUS: TOTAL AMOUNT DOCUMENTED IN THIS APPLICATION NO. _____ + \$ _____*
- 6. PLUS: TOTAL AMOUNT WITHDRAWN AND NOT YET CLAIMED REASON: _____ + \$ _____*
- 7. PLUS: AMOUNTS CLAIMED IN PREVIOUS APPLICATIONS NOT YET CREDITED AT DATE OF BANK STATEMENTS

<u>APPLICATION NO.</u>	<u>AMOUNT *</u>
_____	_____
_____	_____

- SUBTOTAL OF PREVIOUS APPLICATIONS NOT YET CREDITED + \$ _____
- 8. MINUS: INTEREST EARNED - \$ _____*
- 9. TOTAL ADVANCE ACCOUNTED FOR (NO. 4 THROUGH NO. 9) = \$ _____

10. EXPLANATION OF ANY DIFFERENCE BETWEEN THE TOTALS APPEARING ON LINES 3 AND 9:

11. DATE: _____ SIGNATURE: _____

TITLE: _____