

D074-4P
TF0A1131

**OFFICIAL
DOCUMENTS**

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

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August 4, 2016

Dr. Colin Tukuitonga
Director-General
Secretariat of the Pacific Community
BP D5
98848 Noumea
New Caledonia

Dear Director-General,

***Secretariat of the Pacific Community:
IDA Grant No. D074-4P and PPCR Grant No. TF0A1131
Pacific Resilience Project (under the Pacific Resilience Program II)
Additional Instructions: Disbursement Letter (First Amendment)***

I refer to the financing agreement (“Financing Agreement”) between the Secretariat of the Pacific Community (“Recipient”) and the International Development Association (“Association”), dated October 2, 2015 for the above-referenced project, and the grant agreement (“Grant Agreement”) between the Recipient and the Association acting as an implementing entity of the Pilot Program for Climate Resilience under the Strategic Climate Fund, dated October 2, 2015 for the above-referenced project (collectively, “Agreements”). The Agreements provide that the Association may issue additional instructions regarding the withdrawal of the proceeds of IDA Grant D074 (“Financing”) and PPCR Grant No. TFA1131 (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions and amends the disbursement letter dated October 2, 2015 by modifying the financial institution at which the Designated Account will be opened, as set out in Paragraph II (vi) below, provided, however, that all the attachments¹ to the disbursement letter dated October 2, 2015 shall form an integral part of this Disbursement Letter.

The *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006, (“Disbursement Guidelines”), are an integral part of the Disbursement Letter. The manner in which the provisions in the Disbursement Guidelines apply to the Financing and Grant 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.

¹ Includes (i) *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006; (ii) Sample Form for Authorized Signatures; (iii) *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; (iv) Sample Form of Statement of Expenditures; (v) Sample Form of Payments Against Contracts Subject to the Association’s Prior Review; and (vi) Sample Form of Designated Account Reconciliation Statement.

Public Disclosure Authorized

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I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Financing and Grant:

- Reimbursement
- Advance
- Direct Payment
- Special Commitment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four (4) months after the Closing Date specified in the Agreements. Any changes to this date will be notified by the Association.

(iii) Disbursement Condition (subsection 3.8). Please refer to the disbursement conditions in the Agreements.

II. Withdrawal of Financing and Grant Proceeds

(i) Authorized Signatures (subsection 3.1). An authorized signatory letter 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
Level 19, 14 Martin Place
CML Building
Sydney NSW 2000, Australia

Attention: 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
26th Floor, One Global Place
5th Avenue corner 25th Street, Bonifacio Global City
Taguig City, Philippines

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”); 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, Direct Payment and Special Commitment is FJD35,000 for IDA Grant and FJD 50,000 for PPCR Grant.

(vi) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Pooled Account.
- **Currency of Designated Account (subsection 5.4):** Fiji Dollar (FJD)
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** ANZ Bank
- **Ceiling (subsection 6.1):** FJD180,000 for IDA Grant, FJD 250,000 for PPCR Grant.

III. Reporting on Use of Financing and Grant Proceeds

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

- **For requests for Reimbursement**
 - List of payments against contracts that are subject to the Association’s prior review;
 - Statement of Expenditure for all other expenditures/contracts; and
 - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts that are subject to the Association’s prior review.
- **For reporting eligible expenditures paid from the Designated Account:**
 - List of payments against contracts that are subject to the Association’s prior review;
 - Statement of Expenditure for all other expenditures/contracts;
 - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments against contracts that are subject to the Association’s prior review; and
 - Designated Account reconciliation and related 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 or more often if needed.

IV. Other Disbursement Instructions

The Designated Account will be managed by the Recipient. IDA Grant and PPCR Grant may share one bank account, but separate ledger accounts shall be kept for receipts and uses of funds under each funding source.

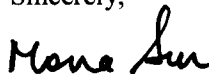
V. Other Important Information

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.

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 the Grant, 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 World Bank Loan Department at WFALN MANILA@worldbank.org using the above reference.

Sincerely,



Mona Sur
Acting Country Director
Timor-Leste, Papua New Guinea
& Pacific Islands
East Asia and Pacific Region