

# OFFICIAL DOCUMENTS

5809-MZ

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

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June 24, 2016

H.E. Adriano Afonso Maleiane  
Minister of Economy and Finance  
Ministry of Economy and Finance  
Maputo  
Republic of Mozambique

**Re: IDA Credit 5809-MZ**  
**(Eastern and Southern Africa Higher Education Centers of Excellence Project – ACE II)**  
**Additional Instructions: Disbursement**

Excellency:

I refer to the Financing Agreement (“Agreement”) between the Republic of Mozambique (“Recipient”); and the International Development Association (“Association”) for the above referenced project, of even date herewith. The Agreements provide that the Association may issue additional instructions regarding the withdrawal of the proceeds of Credit No. 5809-MZ (“Credit”). 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 Credit 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 Credit:

- Reimbursement
- Direct Payment

**(ii) Disbursement Deadline Date (subsection 3.7).** The Disbursement Deadline Date is 4 months after the closing specified in Financing Agreement. Any changes to this date will be notified by the World Bank.

## **II. Withdrawal of Credit Proceeds**

### **(i) Authorized Signatures (subsection 3.1).**

A letter in the Form attached (Attachment 2) should be furnished to the World 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  
Caixa Postal 4053  
Maputo, Mozambique  
Attention: Mark Lundell

**(ii) Applications (subsections 3.2 - 3.3).** Please provide completed and signed (a) applications for withdrawal (Attachment 3), together with supporting documents required, to the address indicated below:

The World Bank,  
Loan Department,  
Delta Center, 13th Floor,  
Menengai Road, Upper Hill,  
Nairobi, Kenya.  
Contact Telephone number: +254 20 2936 000.

**(iii) Electronic Delivery (subsection 3.4)** The World Bank may permit the Recipient to electronically deliver to the World Bank Applications (with supporting documents) through the World Bank's Client Connection, web-based portal. The option to deliver Applications to the World Bank 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 World Bank 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 World Bank agrees, the World Bank 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 World Bank 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 SIDC”) 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 for Direct Payments is USD 100,000

### **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 reporting eligible expenditures:**
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5)
  - Interim Financial Report in the form attached (Attachment 4) for all other expenditures / contracts; and
- **For requests for Direct Payments:** records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices and documentary evidence of delivery and acceptance of contracted goods or service.

(ii) **Frequency of Reporting Eligible Expenditures Paid (subsection 6.3):** frequency of submission of the bi-annual Interim Financial Report specified in Section II.B. 2 of Schedule 2 to the Financing Agreement.

(iii) **Other Supporting Documentation Instructions:**

All other supporting documentation for IFRs should be retained by the project management or Recipient and must be made available for review by periodic World Bank missions and internal and external auditors.

Copies of the following documents should be attached to each withdrawal applications:

- ACE results achievement proofs.

### **IV. Withdrawal Conditions; Withdrawal Period**

Please refer to the Financing Agreement for the Withdrawal Conditions and DLI’s, under Section IV, Part B of Schedule 2 and Schedule 4.

## **V. Other Disbursement Instructions**

Disbursements under category 1 will be made against eligible expenditures (Goods, Works and Services) as described in the Financing Agreement and upon achievement of the DLIs specified in Schedule 4 of the Financing Agreement.

The Independent Verification Agency (IVA) will verify the results and prepare the spending report with a proposal for disbursement.

Prior to process a Withdrawal Application the TTL needs to communicate to WFALA the respective clearance based on the verification report prepared by the IVA that the ACE results were achieved including the following text: "I certify and provide clearance the DLI/DLRs comply with the conditions for disbursement purposes for Investment Project Financing, was met and the respective reimbursement for underline EEPs reflected in the IFRs for the same period are equal or higher than the amount of the DLIs/DLRs requested."

Direct Payments made upon request of the ACEs will be managed independently of the DLIs/DLRs achieved during the same period, and will be deducted from the total amount to be reimbursed as per the certification and clearance of the results achieved.

All withdrawals in form of reimbursements from the Financing shall be deposited by the Association into an account designated by the Recipient and acceptable to the Association.

## **VI. 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](mailto:clientconnection@worldbank.org)>.

If you have any queries in relation to the above, please contact the Finance Officer at [wfaldafr@worldbank.org](mailto:wfaldafr@worldbank.org) using the above reference.

Yours sincerely,



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Mark Lundell  
Country Director for Mozambique  
Africa Region

~~NOT  
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. Form of insert "Interim Financial Report"
5. Form of Payments Against Contracts Subject to the World Bank's Prior Review

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

[DATE]

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

Attention: [Country Director]

**Re: IDA Credit 5809-MZ**  
**(Eastern and Southern Africa Higher Education Centers of Excellence Project – ACE II)**  
**Additional Instructions: Disbursement**

I refer to the Financing Agreement (“Agreement”) between the Republic of Mozambique (“Recipient”); and the International Development Association (“Association”) for the above referenced project, dated \_\_\_\_\_. The Agreements provide that the Association may issue additional instructions regarding the withdrawal of the proceeds of Credit No. 5809-MZ (“Credit”). For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any <sup>1</sup>[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 Financing.

For the purpose of delivering Applications to the Association, <sup>2</sup>[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting

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<sup>1</sup> 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.*

<sup>2</sup> 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.*

<sup>3</sup>[individually] <sup>4</sup>[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

<sup>5</sup>[This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. In full recognition that the Association 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 Recipient represents and warrants to the Association that it will cause such persons to abide by those terms and conditions.]

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]

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<sup>3</sup> 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.*

<sup>4</sup> 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.*

<sup>5</sup> Instruction to the Recipient: Add this paragraph if the Recipient 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 Association.*

**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)<sup>6</sup> will provide secure identification credentials (SIDC) to permit the Borrower<sup>7</sup> 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.

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<sup>6</sup> "Bank" includes IBRD and IDA.

<sup>7</sup> "Borrower" includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.



**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 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](mailto:clientconnection@worldbank.org).

4.5. The Borrower shall immediately notify the Bank at [clientconnection@worldbank.org](mailto: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.

IFR Template

<p style="text-align: center;">Name of ACE  <b>EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (P151847)</b>                      Statement of Sources and Uses of Funds                      for the semi-annual period ending.....</p>		
Sources of Fund	Semi-Annual Period ending.....	Cumulative for Financial Year End
<b>Opening Cash Balance</b>		
Government Funds		
World Bank IDA Funds		
Student Fees		
Others		
<b>Total</b>		
<b>Add Receipts</b>		
Government Funds		
World Bank IDA Funds		
Student Fees		
Others		
<b>Total Financing</b>		
<b>Less: ACE Expenditure as per Project Implementation Plan</b>		
Expenditure Classification 1		
Expenditure Classification 2		
<b>Total Uses of Funds by Components</b>		
<b>Closing Balances</b>		
Government Funds		
World Bank IDA Funds		
Student Fees		
Others		
<b>Total Closing Cash Balance</b>		

Name of ACE  
**EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (P151847)**  
 Uses of Funds (Breakdown)  
 for the semi-annual period ending.....

Expenditure	Semi-Annual Period ending.....			Cummulative for Financial Year End			Explanation of Variance	PAD /Life of Project	Revised PAD
	Actual	Planned	Variance	Actual	Planned	Variance			
<b>Expenditure Classification 1 as per Project Implementation Plan</b>									
Sub-classification 1									
Sub-classification 2									
Sub-classification 3									
Sub-classification 4									
Sub-classification 5									
<b>Sub Total</b>									
<b>Expenditure Classification 2 as per Project Implementation Plan</b>									
Sub-classification 1									
Sub-classification 2									
<b>Sub Total</b>									
<b>Grand Total Uses of Funds</b>									

**Name of ACE**  
**EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (P151847)**  
**Statement of Reimbursable Eligible Expenditure Programs (EEPs)**  
**for the semi-annual period ending.....**

Eligible Expenditure Program (EEP)	Semi-Annual Period ending.....	Cumulative for Financial Year End
<b>EEP 1: Salaries</b>		
<b>EEP 2: Non Procurable Expenditure as defined in Financing Agreement</b>		
<b>Total EEPs</b>		

Name of ACE  
**EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTERS OF EXCELLENCE PROJECT (P151847)**  
**NOTES ANNEX**

DISBURSEMENT LINKED TO INDICATORS	ACTIONS TO BE COMPLETED	STATUS OF ACTIONS COMPLETION	AMOUNT ALLOCATED	AMOUNT DISBURSED	UNDISBURSED BALANCE
DLI1					
DLI2					
DLI3					
DLI4					

Project Name:

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

<b>Contract Number</b>	<b>Supplier</b>	<b>Contract Date</b>	<b>Contract Amount</b>	<b>Date of WB's Non Objection to Contract</b>	<b>Amount Paid to Supplier during Period</b>	<b>WB's Share of Amt Paid to Supplier during Period</b>