



Q 9370001

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

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October 21, 2014

Her Excellency
Marie Carmelle Jean-Marie
Minister of Economy and Finance
Ministry of Economy and Finance
5, Avenue Charles Sumner
Port-au-Prince, Republic of Haiti

**Re: HAITI: Advance Agreement for Sustainable Rural and Small Towns
Water and Sanitation Project
Preparation Advance No. Q9370001
Additional Instructions: Disbursement Letter**

Dear Minister:

I refer to the Advance Agreement (“Agreement”) between the Republic of Haiti (“Recipient”) and the International Development Association (“World Bank”) for the preparation of the above-referenced Project, dated October 21. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of the Project Preparation Advance Q9370001 (“PPA”). 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 PPA 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 PPA:

- Reimbursement
- Advance
- Direct Payment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is the Refinancing Date specified in Section 3.03 in Article III. of the Annex to the Agreement. Any changes to this date will be notified by the World Bank.

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Disbursement Conditions in Section 3.02 in Article III. of the Annex to the Agreement.

II. Withdrawal of PPA 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
1818 H Street, N. W.
Washington, DC 20433
United States of America
Attention: **Mary A. Barton-Dock**
Special Envoy to Haiti
Latin America and the Caribbean Region

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

Banco Mundial
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 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 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 is United States Dollars (USD) 120,000.

(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 the Republic of Haiti (Banque de la République d’Haïti, BRH)
- **Ceiling (subsection 6.1):** USD 600,000

III. Reporting on Use of PPA Proceeds

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

- **For requests for Reimbursement:**
 - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for (1) payments for Goods for contracts valued at USD \$200,000 equivalent or more; (2) payments for Works for contracts valued at USD \$250,000 equivalent or more; (3) payments for Consulting Firms for contracts valued at USD \$200,000 equivalent or more; and (4) payments for Individual Consultant services against contracts valued at USD \$50,000 equivalent or more (Attachment 4A);
 - Statement of Expenditure in the form attached (Attachment 4B) for all other expenditures/contracts below the thresholds indicated in the previous subparagraph, and for Non-consulting services, Training (including workshops) and Operating Cost; and
 - List of payments against contracts that are subject to the Association’s prior review, in the form attached (Attachment 5).
- **For reporting eligible expenditures paid from the Designated Account:**
 - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for (1) payments for Goods for contracts valued at USD \$200,000

equivalent or more; (2) payments for Works for contracts valued at USD \$250,000 equivalent or more; (3) payments for Consulting Firms for contracts valued at USD \$200,000 equivalent or more; and (4) payments for Individual Consultant services against contracts valued at USD \$50,000 equivalent or more (Attachment 4A);

- Statement of Expenditure in the form attached (Attachment 4B) for all other expenditures/contracts below the thresholds indicated in the previous subparagraph, and for Non-consulting services, Training (including workshops) and Operating Cost;
 - List of payments against contracts that are subject to the Association's prior review, in the form attached (Attachment 5), and
 - An activity reconciliation statement (Attachment 6) and bank statement for Designated Account.
- ***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): The minimum frequency is quarterly.

IV. Other Important Information

For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the World Bank'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.

If you have not already done so, the World Bank 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 World Bank by email at <clientconnection@worldbank.org>.

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

Yours sincerely,



Mary A. Barton-Dock
Special Envoy to Haiti

Latin America and the Caribbean Region

The World Bank

Attachments

NOT ATTACHED

- 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
- 4A Statement of Expenditure with supporting documents (above SOE thresholds)
- 4B Statement of Expenditure without supporting documents (below SOE thresholds)
- 5 Form for Payments Against Contracts Subject to the World Bank's Prior Review
- 6 Format of Activity Reconciliation Statement for Designated Account