

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

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August 4, 2016

H.E. Maatia Toafa  
Deputy Prime Minister and Minister of Finance and Economic Development  
Ministry of Finance and Economic Development  
Vaiaku  
Funafuti  
TUVALU

Dear Honorable Minister,

***IDA Grant No. D016-TV and GEF TF018605  
(The Pacific Islands Regional Oceanscape Program)  
Additional Instructions: Disbursement (First Amendment)***

I refer to the Financing Agreement between Tuvalu (“Recipient”) and the International Development Association (the “Association”), dated April 20, 2015 and the GEF Grant Agreement (Financing Agreement and GEF Grant Agreement, collectively, the “Agreements”) between the Recipient and the International Bank for Reconstruction and Development (the “Bank”) (the “Association” and the “Bank”, collectively, the “World Bank”), acting as an Implementing Agency of the Global Environment Facility of the same date, for the above-referenced project. The Agreements provide that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of IDA Grant No. D016-TV (“Financing”) and GEF Grant No. TF018605 (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions *and amends the Disbursement Letter dated April 20, 2015 by adding Special Commitment as a disbursement method, as set out in Paragraph I(i) below, provided, however, that all the attachments<sup>1</sup> to the Disbursement Letter dated April 20, 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 the 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.

<sup>1</sup> Includes i) World Bank Disbursement Guidelines for Projects, dated May 1, 2006, ii) Form for Authorized Signatures, iii) *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”), dated March 1, 2013, iv) Form of Statement of Expenditures, v) Form of Payments Against Contracts Subject to the World Bank’s Prior Review, and vi) Form of Designated Account Reconciliation Statement.

## **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 World Bank.

**(iii) Disbursement Conditions (subsection 3.8).** Please refer to the Disbursement Condition(s) 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 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  
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  
26<sup>th</sup> Floor, One Global Place  
5<sup>th</sup> Avenue corner 25<sup>th</sup> Street, Bonifacio Global City  
Taguig City, Philippines

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”); 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 US\$100,000.

**(vi) Advance(s) (sections 5 and 6).**

- **Type of Designated Account(s) (subsection 5.3):** Two (2) Segregated Accounts: One for the IDA funds and the other for the GEF funds.
- **Currency of Designated Accounts (subsection 5.4):** Australian Dollars (AUD).
- **Financial Institution at which the Designated Accounts Will Be Opened (subsection 5.5):** At a financial institution(s) acceptable to the World Bank.
- **Ceiling (subsection 6.1):**
  - IDA DA --- Variable, based on the six-month DLIs target value and forecast of non-DLI expenditures.
  - GEF DA --- AUD 150,000.

### 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, together with records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) that are subject to the World Bank’s prior review; and
  - Statement of Expenditure for all other expenditures/contracts.
- **For reporting eligible expenditures paid from the Designated Account:**
  - List of payments against contracts, together with records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) that are subject to the World Bank’s prior review; and
  - Statement of Expenditure for all other expenditures/contracts.

- A Designated Account Reconciliation Statement 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):**

a) For Category (2) “expenditures with DLIs”: Annually; and b) for all other Categories: Monthly.

**IV. Other Instructions:** Applications for Withdrawal for the category (2) “expenditures with DLIs” should be submitted separately.

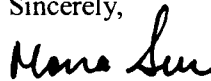
**V. Other Important Information**

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

If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (<https://clientconnection.worldbank.org>). From this website you will be able to download 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 World Bank at <[clientconnection@worldbank.org](mailto:clientconnection@worldbank.org)>.

If you have any queries in relation to the above, please contact Chau-Ching Shen, Senior Finance Officer or Joan Toledo, Finance Analyst, at [WFALN MANILA@worldbank.org](mailto: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

cc: The Hon. Elisala Pita  
Minister of Natural Resource Development  
Ministry of Natural Resource Development  
Vaiaku  
Funafuti  
Tuvalu  
imanumaloom@gmail.com

Mr. Sam Finikaso  
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