

OFFICIAL DOCUMENTS



December 15, 2017

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

**Re: IDA Grant D239 - Additional Financing for the Mining and Gas Technical assistance Project
Additional Instructions: Disbursement and Financial Information Letter (DFIL)**

Salutation:

I refer to the Financing Agreement between the Republic of Mozambique (the “Borrower”) and the International Bank for Reconstruction and Development (the “Bank”) for the above-referenced project, dated ~~Dec. 15, 2017~~ Dec. 15, 2017. The General Conditions, as defined in the Financing Agreement, provide that the Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant D239 (“Grant”), and specify certain financial management reporting and audit requirements. This letter (“Disbursement and Financial Information Letter” or “DFIL”), as revised from time to time, constitutes such additional instructions.

The *Disbursement Guidelines for Investment Project Financing* dated February 2017, (“Disbursement Guidelines”) are available in the Bank’s public website at <https://www.worldbank.org> and its secure website “Client Connection” at <https://clientconnection.worldbank.org>. The Disbursement Guidelines are an integral part of this Disbursement and Financial Reporting Letter, and the manner in which the provisions in the guidelines apply to the Loan is specified below.

I. Disbursement Arrangements, Withdrawal and Reporting of Grant Proceeds.

(i) Disbursement Arrangements:

- **Instructions** (Schedule 1). The table provides the disbursement methods, information on registration of authorized signatures, processing of withdrawal applications (including minimum value of applications and processing of advances), instructions on supporting documentation, and frequency of reporting on the Designated Account.
- **Minimum Value of Applications (subsection 3.5)**. The Minimum Value of Applications for Direct Payment and Special Commitment is an amount in USD equivalent to 20% of the outstanding advance into the Designated Account.
- **Disbursement Deadline Date, DDD (subsection 3.7)**. The DDD is four (4) months after the Closing Date. Any changes to this date will be notified by the Bank.

If you have any queries in relation to the above, please contact Jose Janeiro, Senior Finance Officer at jjaneiro@worldbank.org, with copy to Juvenia Lidya Mapilele Cohen, Finance Analyst at jcohen2@worldbank.org using the above reference.

Yours sincerely,



Country Director
Mozambique, Comoros, Madagascar, Mauritius, Seychelles
Africa Region

Attachments

1. Form of Authorized Signatory Letter
2. Interim unaudited Financial Report (IFR)

Cc with copies: Ministry of Economy and Finance
Praça da Marinha Popular
Av. 10 de Novembro nº 929
Maputo, Caixa Postal 272
Republic of Mozambique

Schedule I
Disbursement Arrangements

Basic Information			
Loan Number	D-239	Country	Mozambique
		<i>[Borrower] [Beneficiary]</i>	
		Name of the Project	Additional Financing for Mining and Gas Technical Assistance Project
Disbursement Methods, and Supporting Documentation			
Disbursement Methods <i>Section 2 (**)</i>	Methods Available	Supporting Documentation <i>Subsections 4.3 and 4.4 (**)</i>	
Direct Payment	Yes	Copy of Records	
Reimbursement	Yes	Interim unaudited Financial Report – IFRs currently being utilized for IDA 5199 will also be utilized for this Grant	
Designated Account:	Yes	Interim unaudited Financial Report – same as above	
Special Commitments	Yes	Copy of Letter of Credit	
Designated Account (Section 5 and 6 (**))			
Type	Pooled – proceeds from this Grant may be pooled with proceeds of IDA 5199	Ceiling	Variable
Financial Institution - Name	Banco de Mocambique	Currency	USD
Frequency of Reporting, Subsection 6.3 (**)	Quarterly	Amount	Not Applicable
Authorized Signatures (Subsection 3.1 and 3.2 (**)) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 (**))			
The World Bank, Loan Operations 13 th Floor Delta Center Menengai Road Upper Hill P.O. Box 30577-00100 Nairobi Kenya Tel +254202936000.			
Additional [Information][Instructions]			
Not Applicable			
Other			
Not Applicable			

[Attachment 1 – Form of Authorized Signatory Letter]^{10/}

[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: Mr.-----, *Country Director*

Re: Credit No. _____-___ (*[Name of the project]*)

I refer to the Financing Agreement (“Agreement”) between the International Bank for Reconstruction and Development (the “Bank”) and *[name of borrower]* (the “Borrower”), dated _____, providing the above Loan. For the purposes of Section 2.02 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.

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

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 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.*

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 /

[Position]