October 23, 2013

Honourable Job Graça
Minister of Planning
Ministry of Planning
Largo do Palácio. 17 de Setembro
Caixa Postal 1205
Luanda, Angola

Excellency:

Re: Grant No. TF014221
(Municipal Health Service Strengthening Project)
Additional Instructions: Disbursement

I refer to the Letter Agreement (“Agreement”) between the International Development Association (“World Bank”), acting as administrator of Trust Fund for the Co-financing of the Municipal Health Service Strengthening Project, and the Republic of Angola (the “Recipient”) for the above-referenced project, dated October 23, 2013. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF014221 (“Grant”). 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 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.

I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Grant:
   - Reimbursement
   - Advance
   - Direct Payment
   - Special Commitment

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 4 months after the Closing Date specified in the Grant Agreement. 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 Grant Agreement.

II. Withdrawal of Grant 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, D.C. 20433  
United States of America  
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,  
Loan Department,  
Kenya Re Towers, 10th Floor,  
Upper Hill, off Ragati Road,  
Nairobi, Kenya  
Tel: 254 20 2983 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 SDIC 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 [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 20% of the amount advanced to the Designated Account.

(vi) **Advances (sections 5 and 6).**

- **Type of Designated Account (subsection 5.3):** Segregated
- **Currency of Designated Account (subsection 5.4):** United States Dollar (USD)
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** a commercial bank acceptable to the World Bank.
- **Ceiling (subsection 6.1):** Forecast for 2 quarters as provided in the quarterly Interim Financial Report.

III. Reporting on Use of 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 and for reporting eligible expenditures paid from the Designated Account:**
  - Interim Financial Report in the same forms that are used under the IDA credit 4749 for the same project; and
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 4).

- **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 period set out in the Grant Agreement for provision of Interim Financial Reports.

V. Other Important 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 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 by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Jose C. Janeiro, Senior Finance Officer at Janeiro@worldbank.org using the above reference.

Yours sincerely,

Yisgedullish Amde
Acting Country Director for Angola
Africa Region

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
4. Form of Payments Against Contracts Subject to the World Bank’s Prior Review
Cc:

Dr. José Vieira Dias Van Dúnem,
Minister of Health
Ministry of Health
Luanda, Angola

Dra. Adelaide de Carvalho,
National Director of Public Health
Ministry of Health
Luanda, Angola

Dra. Helga Freitas,
National Coordinator of the Revitalização Program
National Directorate of Public Health,
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