Mr. Henry Rotich  
Cabinet Secretary  
The National Treasury  
P.O. Box 30007-00100  
Treasury building  
Harambee Avenue  
Nairobi, Kenya

Dear Mr. Rotich:

Re: IDA Credit 6268-KE  
(Kenya Industry and Entrepreneurship Project)  
First Restatement  
Additional Instructions: Disbursement and Financial Information Letter.

I refer to the Financing Agreement between the Republic of Kenya (the “Recipient”) and the International Development Association (the “Association”) for the above-referenced Project. The General Conditions, as defined in the Financing Agreement, provide that the Recipient may from time to time request withdrawals of Credit amounts from the Credit Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Association may specify from time to time by notice to the Recipient. The General Conditions also provide that the Disbursement and Financial Information Letter may set out Project specific financial reporting requirements. This letter constitutes such Disbursement and Financial Information Letter (“DFIL”), and may be revised from time to time.

I. Disbursement Arrangements, Withdrawal of Credit Funds, and Reporting of Uses of Credit Funds.


(i) Disbursement Arrangements

- **General Provisions** (Schedule 1). The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, and conditions, 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.
- The National Treasury will open a Designated Account (DA) in Euro for the Project at the Central Bank of Kenya (CBK), where proceeds of the credit will be deposited

(ii) Electronic Delivery. Section 11.01 (c) of the General Conditions.
The Association may permit the Recipient to electronically deliver applications (with supporting documents) through the Association’s web-based portal (https://clientconnection.worldbank.org) “Client Connection”. This option may be effected if the officials designated in writing by the Recipient who are authorized to sign and deliver Applications have registered as users of “Client Connection”. The designated officials may deliver Applications electronically by completing the Form 2380, which is accessible through “Client Connection”. By signing the Authorized Signatory Letter, the Recipient confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. The Recipient may continue to exercise the option of preparing and delivering Applications in paper form. The Association reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient. 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, available in the Association’s public website at https://worldbank.org and “Client Connection”; and (b) to cause such official to abide by those terms and conditions.

II. Financial Reports and Audits.

(i) Financial Reports. The Recipient must prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports (“IFR”) for the Project covering the quarter.

(ii) Audits. Each audit of the Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Association not later than six (6) months after the end of such period.

III. Other Information.

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank’s website (http://www.worldbank.org/) and “Client Connection”. The Bank recommends that you register as a user of “Client Connection”. From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Credit, and retrieve related policy, financial, and procurement information.

For more information about the website and registration arrangements, or if you have any queries in relation to the above, please contact the Bank by email at askloans@worldbank.org using the above reference.

Yours sincerely,

Felipe Jaramillo
Country Director
Eritrea, Kenya, Uganda, and Rwanda
Africa Region
Schedule 1 : Disbursement Provisions

<table>
<thead>
<tr>
<th>Credit Number</th>
<th>Country</th>
<th>Recipient</th>
<th>Closing Date 31-Dec-2024</th>
<th>Section III.B.2 of Schedule 2 to the Financing Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kenya</td>
<td>Kenya Industry and Entrepreneurship Project</td>
<td>Disbursement Deadline Date Subsection 3.7 **</td>
<td>Four months after the closing date.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Disbursement Methods and Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>**Section 2 **</td>
</tr>
<tr>
<td>Direct Payment</td>
</tr>
<tr>
<td>Reimbursement</td>
</tr>
<tr>
<td>Designated Account</td>
</tr>
<tr>
<td>Special Commitments</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Designated Account (Sections 5 and 6 ** )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type</td>
</tr>
<tr>
<td>Financial Institution – Name</td>
</tr>
<tr>
<td>Frequency of Reporting Subsection 6.3 **</td>
</tr>
</tbody>
</table>

Minimum Value of Applications (subsection 3.5)

The minimum value of applications for Reimbursement, Direct Payment and Special Commitments is USD equivalent 200,000

**Authorized Signatures (Subsection 3.1 and 3.2 **)** The form for Authorized Signatories Letter is provided in Attachment 1 of this letter

Applications for this Financing will be signed by the official(s) authorized to sign Applications as indicated in your letter signed by the Cabinet Secretary of the National Treasury, Mr. Henry Rotich

Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 **)

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,
Delta Center, 13th Floor,
Menengai Road, Upper Hill,
Nairobi, Kenya.
Contact Telephone number: +254 20 2936 000.
Attention: Loan Department- Regional Team Lead
<table>
<thead>
<tr>
<th>Additional Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Bank Reconciliations and bank statements should be kept and made available to auditors and World Bank team as and when requested.</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

"Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017."
Attachment I – Form of Authorized Signatory Letter

[Letterhead]
Ministry of Finance
[Street address]
[City] [Country]

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

[DATE]

Re: Credit No. _______ - __ (Kenya Industry and Entrepreneurship project)
Attention: ______________________, Country Director

I refer to the [Grant] [Credit] Agreement ("Agreement") between the International Development Association (the "Association")[1], acting as implementing of the [ ] and [name of recipient] (the "Recipient"), dated ________, providing the above [Grant] [Credit]. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any [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 [Grant] [Credit].

For the purpose of delivering Applications to the Association, including by electronic means, [each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting [individually] [jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

This Authorization replaces and supersedes any Authorization currently in the Association records with respect to this Agreement.

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1 Instruction to the Recipient: add text in line with the Grant Agreement if applicable; if not applicable delete it. Please delete this footnote in final letter that is sent to the Association.

2 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.

3 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.

4 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.

5 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.
[Name], [position]  Specimen Signature: __________________

[Name], [position]  Specimen Signature: __________________

[Name], [position]  Specimen Signature: __________________

Yours truly,

/ signed /

________________
## Project Name

**STATEMENT OF EXPENDITURE (SOE)**

Payments made during the period from ___________________________ to ___________________________.

For expenditures against contracts not subject to the Bank Prior Review and valued below the SOE thresholds:

<table>
<thead>
<tr>
<th>Category</th>
<th>Less than US$ equiv.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods</td>
<td>$100,000</td>
</tr>
<tr>
<td>Services of Consulting Firms</td>
<td>$25,000</td>
</tr>
<tr>
<td>Services of Individual Consultants</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

**Borrower reference**

NO.:

**SOE Sheet No.**

Date: ___________________________

### Table

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Name of Supplier, Contractor or Consultant</th>
<th>Category/Type</th>
<th>Brief Description of Goods, Works or Services</th>
<th>Total Amount of Contract (Include all currencies)</th>
<th>Total invoice amount covered by this application (net of extension)</th>
<th>Payment of Foreign Currency</th>
<th>Currency and eligible amount paid (FB)</th>
<th>USS Equivalent paid from Designated Account**</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
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<td>TOTALS</td>
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</table>

Supporting documents for this SOE attached at ___________________________.

**Note:** (*) Items should be grouped by category or alternatively a separate SOE form may be used for each category.

(**) If this application is for replenishment of the Designated Account, leave columns 10 and 12 blank.