

MARTIN RAISER
Country Director – Brazil
Latin America and the Caribbean Region

September 15, 2017

Mr. Francisco de Queiroz Maia Júnior
State Secretary of Planning and Management – Ceará
Centro Administrativo Gov. Virgílio Távora
Av. General Afonso Albuquerque Lima, s/n
Ed. SEPLAG, 3º andar – Cambeba
60830-900, Fortaleza, CE
Brasil
E-mail: queiroz.maia@fortaleza.ce.gov.br

Dear Mr. Maia:

*Brazil: Loan 8302-BR
Operation to Strengthen Service Delivery for Growth, Poverty Reduction and Environmental
Sustainability in the State of Ceará*

We refer to the Loan Agreement (“Loan Agreement”) between the State of Ceará (“Borrower”) and the International Bank for Reconstruction and Development (“World Bank”), dated December 19, 2013 and amended on March 27, 2017, for the above-mentioned Program. We also refer to your communication and attachments dated August 30, 2017, providing evidence of results achieved under the Program.

We are pleased to inform you that the World Bank accepts the evidence furnished in fulfillment of the withdrawal conditions set out in Schedule 2, Section IV, A.2 of the Loan Agreement, and confirms the achievement of the results associated with the following Disbursement Linked Indicators (DLIs): 1) approval of skills development strategy, preparation of the action plan and implementation of selected activities under the action plan; 2) establishment of monitoring system for TVET programs; 3) total number of agreements in effect with private companies; 4) percentage of families with children aged 0-5 located in Selected Municipalities and enrolled in *Cadastro Único* are receiving family support through CRAS; 6) percentage of FECOP-financed family assistance projects with log frames; 7) establishment of an inter-agency water security committee; 10) implementation of participatory water quality monitoring; 11) number of the Borrower’s secretariats under the Program using the model for aligning incentives with its respective strategic objectives; and 12) total percentage of public investments under the Program prepared using approved methodology.

Amounts of the loan are now available for withdrawal as set out below.

| DLI | DLR | Result Achieved Under this Confirmation | | DLR Loan Proceeds Available to be Disbursed under the Program Loan (IBRD 8302-001) (USD) | DLR Loan Proceeds Available to be Disbursed under the Project Loan (IBRD 8302-002), Category 3 (USD) |
|--|--|--|--|--|--|
| | | As per Borrower's Notification | As Confirmed by Task Team | | |
| DLI No. 1: Approval of skills development strategy, preparation of the action plan and implementation of selected actions under the action plan | DLR 1(f): One additional action from the action plan implemented | One additional action from the action plan implemented | One additional action from the action plan implemented | 3,444,000 | |
| DLI No. 2: Establishment of monitoring system for TVET programs | DLR 2(b): Second monitoring report published | Second monitoring report published | Second monitoring report published | 3,444,000 | |
| DLI No. 3: Total number of agreements in effect with private companies to contribute equipment, in situ training, and provide input to curriculum design or course instructors | DLR 3(e): Total of 16 in the first semester of CY16 | 16 agreements in effect | 16 agreements in effect | 3,444,000 | |
| DLI No. 4: Percentage of families with children 0-5 in Cadastro Único in targeted municipalities receiving family support through CRAS | DLR 4(a): 5% in the second semester of CY15 | 5% | 5% | 1,664,434 | |
| | DLR 4(b): 7% in the second semester of CY16 | 7% | 7% | 3,438,000 | |
| DLI No. 6: Percentage of FECOP-financed family assistance projects with log frames | DLR 6(e): 82.5% in the first semester of CY17 | 82.5% | 82.5% | 3,444,000 | |

| | | | | | |
|---|--|--|--|-----------|-----------|
| DLI No. 7: Establishment of an inter-agency Water Security Committee | DLR 7(e): Minutes of at least two committee meetings held in the first semester of CY17. | Minutes of 2 committee meetings | Minutes of 2 committee meetings | 3,444,000 | |
| DLI No. 10: Implementation of participatory water quality monitoring | DLR 10(d): Methodology implemented in two additional reservoirs in the Borrower's territory in the second semester of CY17 | Methodology implemented in two additional reservoirs | Methodology implemented in two additional reservoirs | 3,120,000 | |
| DLI No. 11: Number of agencies that formally adopted the results-based management model | DLR 11(b): One in the first semester of CY15 | 5 agencies formally adopted the results-based management model | 5 agencies formally adopted the results-based management model | 2,744,444 | 1,849,750 |
| | DLR 11(c): Two in the second semester of CY15 | 5 agencies formally adopted the results-based management model | 5 agencies formally adopted the results-based management model | 3,403,750 | 1,096,250 |
| | DLR 11(d): Three in the first semester of CY16 | 5 agencies formally adopted the results-based management model | 5 agencies formally adopted the results-based management model | 3,444,000 | 1,056,000 |
| | DLR 11(e): Four in the second semester of CY16 | 5 agencies formally adopted the results-based management model | 5 agencies formally adopted the results-based management model | 3,438,000 | 1,062,000 |
| | DLR 11(f): Five in the first semester of CY17 | 5 agencies formally adopted the results-based | 5 agencies formally adopted the results-based | 3,444,000 | 1,056,000 |

| | | management model | management model | | |
|--|--|------------------|------------------|-------------------|------------------|
| DLI No. 12: Total percentage of public investments under the Program prepared using approved methodology | DLR 12(d): 15% of investments in first semester of CY17 | 15% | 15% | 3,444,000 | 1,250,000 |
| | DLR 12(e): 20% of investments in second semester of CY17 | 20% | 20% | 3,120,000 | 1,250,000 |
| Total: | | | | 48,480,628 | 8,620,000 |

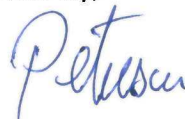
The combined amount of the disbursement will be **US\$ 57,100,628**.

In addition, we confirm the achievement of DLRs 3(d), 7(d) and 11(a), for which an advance of US\$ 13,074,000 was requested in August 2016.

At your convenience, please provide the signed Withdrawal Applications (Form 2380), together with this Confirmation, through Client Connection or by mail to the World Bank address:

Banco Mundial
 SCN Quadra 02, Lote A
 Edifício Corporate Financial Center, 7º andar
 70712-00, Brasília, DF
 Attention: Loan Department

Sincerely,



PP

Martin Raiser

cc: Mr. Otaviano Canuto, Executive Director for Brazil, The World Bank
Ms. Diana Margarita Quintero Cuello, Alternate Executive Director for Brazil, The World Bank
Mr. Eduardo Guardia, Executive Secretary, Ministry of Finance, gabinete.se.df@fazenda.gov.br
Mr. Rogério Antonio Lucca, Chief of Staff, MF, sec.chgabin.gmf@fazenda.gov.br
Mr. Fabrício da Soller, Attorney General, PGFN/MF, apoiocof.df.pgfn@pgfn.gov.br
Ms. Ana Paula Vescovi, Secretary, National Treasury, STN/MF, gab.df.stn@fazenda.gov.br
Mr. Marcello Estevão, Secretary, SAIN/MF, gabinete.df.sain@fazenda.gov.br
Mr. Esteves Pedro Colnago Júnior, Executive Secretary, MP, se@planejamento.gov.br
Mr. Jorge Arbache, Secretary of International Affairs, SEAIN/MP, seain@planejamento.gov.br
Ms. Viviane Costa, IPECE/CE, viviane.costa@ipece.ce.gov.br
Mr. Flávio Ataliba, IPECE/CE, flavio.ataliba@ipece.ce.gov.br
