

H.E. Sergiu Puscuta
Minister
Ministry of Finance
Chisinau
Republic of Moldova

Re: IDA Credit No. 6632-MD
Moldova Emergency COVID-19 Project
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Excellency:

I refer to the Financing Agreement (“Agreement”) between International Development Association (“Association”), and Republic of Moldova (“Recipient”) for the above-referenced project, dated 27-Apr-2020. 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 specify Project specific financial reporting requirements.

I. Disbursement Arrangements, Withdrawal and Reporting of Credit Proceeds

The *Disbursement Guidelines for Investment Project Financing*, dated February 2017, (“Disbursement Guidelines”) are available in the Association’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 DFIL, and the manner in which the provisions in the Disbursement Guidelines apply to the Credit is specified below.

(i) Disbursement Arrangements

- **General Provisions** (Schedule 1). The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, 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.

(ii) Electronic Delivery. Refer to 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 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 shall 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. Audit of the Project Financial Statements must cover the entire period during which withdrawals from the Financing Account were made. The audited Financial Statements for 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 Association's website (<http://www.worldbank.org/>) and "Client Connection". The Association 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 Association by email at AskLoan@WorldBank.org using the above reference.

Yours sincerely,



Alexander Kremer
Country Director
Belarus, Moldova, and Ukraine
Europe and Central Asia

Attachments

1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE)
3. Cash Transfers Statement of Expenditure (CT SOE)

Schedule 1 : Disbursement Arrangements

Basic Information					
Credit Number	IDA 6632-MD	Country	Republic of Moldova	Closing Date	Section III.B.5. of Schedule 2 to the Financing Agreement.
		Recipient	Republic of Moldova		
		Name of the Project	Moldova Emergency COVID-19 Project	Disbursement Deadline Date	Four months after the closing date.
Subsection 3.7					
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 (e.g. suppliers' invoices, guarantees for advance and retention payments, etc.)			
Reimbursement	Yes	<ul style="list-style-type: none"> - Category 1 - Statement of Expenditure (SOE) in the format as in Attachment 2 to DFIL - Category 2 – (i) PBC Achievement Confirmation Letter, confirming the level of achievement of PBC(s) and the corresponding monetary value in EUR; (ii) corresponding Cash Transfers Statement of Expenditure in the format as in Attachment 3 to DFIL 			
Designated Account:	Yes	<ul style="list-style-type: none"> - Category 1 - Statement of Expenditure (SOE) in the format as in Attachment 2 to DFIL - Category 2 – (i) PBC Achievement Confirmation Letter, confirming the level of achievement of PBC(s) and the corresponding monetary value in EUR; (ii) corresponding Cash Transfers Statement of Expenditure in the format as in Attachment 3 to DFIL 			
Special Commitments	Yes	Copy of Letter of Credit			
Designated Account (Section 5 and 6)					
<i>Type</i>	Segregated	<i>Ceiling</i>	Fixed		
<i>Financial Institution - Name</i>	National Bank of Moldova	<i>Currency</i>	EUR		
<i>Frequency of Reporting, Subsection 6.3</i>	Quarterly	<i>Amount</i>	13,000,000		
Minimum Value of Applications (subsection 3.5)					
The Minimum Value of Applications for Direct Payment and Reimbursement is EUR 200,000 equivalent.					
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)					
<p>The World Bank Radnicka cesta 80/IX 10000 Zagreb, Croatia Attention: TF and Loan Operations Regional Center</p> <p><i>Notice that all information will be sent to the same address, and to the regional TL.</i></p>					
Additional Instructions					
Direct Payment disbursement method is not available for Category 2.					
Other Disbursement Instructions					
<ul style="list-style-type: none"> • Withdrawal Category 2 - the recognition of eligible expenditures against Withdrawal Category 2 depends on the achievement of PBCs (details as in Schedule 4 to Loan Agreement). The Association's Task Team will certify the level of achievement of one or more PBCs and the 					

corresponding amounts for disbursement purposes. The Cash Transfers Statement of Expenditure (CT SOE) evidencing eligible expenditures under the respective PBC(s) for disbursement purposes will be submitted to the Association in EUR.

- If the amount of eligible expenditures reported via CT SOE is less than the monetary value that corresponds to the level of achievement of PBC(s), as confirmed by the Association's Task Team, then disbursements will be capped at the amount of eligible expenditures reported via CT SOE.
- With respect to PBCs related Cash Transfers under Category (2) the Recipient may request withdrawals of Credit proceeds when the relevant expenditures have been incurred, but prior to the PBCs having been met. Such withdrawals are to be done to Designated Account and will be considered as an advance until the respective PBC has been declared achieved. At the moment of declaring the PBC achieved, the corresponding previously withdrawn expenditures will be converted into documented eligible expenditures.

[Attachment 1 – Form of Authorized Signatory Letter]

[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: *Country Director*

Re: IDA Credit No. 6632-MD
Moldova Emergency COVID-19 Project

I refer to the Financing Agreement (“Agreement”) between the International Development Association (the “Association”) and Republic of Moldova (the “Recipient”), dated [REDACTED], providing the above Credit. For the purposes of Section 2.03 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 Recipient to sign applications for withdrawal and applications for a special commitment under this Credit.

For the purpose of delivering Applications to the Association, ²[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting ³[individually] ⁴[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. In full recognition that the Association 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*

¹ 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.*

² 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.*

³ 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.*

⁴ 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.*

Means to Process Applications and Supporting Documentation (“Terms and Conditions of Use of SIDC”), the Recipient represents and warrants to the Association that it will cause such persons to abide by those terms and conditions.

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

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

[Position]

Attachment 2 – Form of Statement of Expenditure

Statement of Expenditure (SOE)

Payments made during the period from _____ to _____

Loan No.: _____
 Application No.: _____
 Category No.: _____
 SOE No.: _____

The following expenditures have been incurred during the retroactive financing period (please tick)

Yes	No
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The following expenditures have been incurred during before the closing date of the loan (please tick)

Yes	No
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1	2	3	4	5	6	7	8	9	10	11
Supplier's Name	WB Contract Number in Client Connection (for Prior Review Contracts)	Type of Good or Service (CW/GO/CS/OP/TR) / Brief Description	Currency and Total Amount, and Date of Contract	Currency and Total Amount of Invoice Covered by Application	% Financed by IBRD/IDA/TF	Amount Eligible for Financing (5 x 6)	Currency and Amount Paid from Designated Account (if Applicable)	Exchange Rate	Date of Payment	Remarks
TOTALS										

Supporting documents for this SOE retained at _____
 (location)

Attachment 3 – Form of Cash Transfers Statement of Expenditure

Cash Transfers Statement of Expenditure (SOE)

Payments made during the period from _____ to _____

Loan No.: _____
Application No.: _____
Category No.: _____
SOE No.: _____

The following expenditures have been incurred during the retroactive financing period (please tick)

Yes	No
Yes	No

The following expenditures have been incurred during before the closing date of the loan (please tick)

1	3	4	5	6	7	8	9	10
Beneficiary's name	Corresponding PBC No.	Currency and Total Amount of Cash Transfer	% Financed by IDA	Amount Eligible for Financing (4 x 5)	Exchange Rate	Currency and Amount Paid from Designated Account (if Applicable)	Date of Payment	Remarks
TOTALS								

Supporting documents for this SOE retained at _____
 (location)