

Date: June 9, 2022

**Re: IBRD LOAN NUMBER 9403-UA
IBRD LOAN NUMBER 9404-UA
IBRD LOAN NUMBER 9405-UA
IBRD LOAN NUMBER 9406-UA**

**(Public Expenditures for Administrative Capacity Endurance Project)
Additional Instructions: Disbursement and Financial Information Letter**

Excellency:

I refer to the Loan Agreement between Ukraine (the "Borrower") and the International Bank for Reconstruction and Development ("Bank") for the above-referenced Project. The General Conditions, as defined in the Loan Agreement, provide that the Borrower may from time-to-time request withdrawals of Loan amounts from the Loan Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Bank may specify from time to time by notice to the Borrower. 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 Loan Funds, and Reporting of Uses of Loan Funds

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 the DFIL, and the manner in which the provisions in the Disbursement Guidelines apply to the Loan is specified below.

(i) Disbursement Arrangements

The table in Schedule 1 sets out the disbursement methods which may be used by the Borrower, information on registration of authorized signatories, processing of Withdrawal Applications (including minimum value of applications) and, instructions on supporting documentation.

(ii) Withdrawal Applications Electronic Delivery¹

The Borrower shall deliver Withdrawal Applications (with supporting documents, "Applications") electronically through the Bank's web-based portal "Client Connection" at

¹ Section 10.01 (c) of the General Conditions

<https://clientconnection.worldbank.org>. This option will be effected after the officials designated in writing by the Borrower who are authorized to sign and deliver Applications have registered as users of "Client Connection". The designated officials shall deliver Applications electronically by completing the Form 2380, which is accessible through "Client Connection". By signing the Authorized Signatory Letter, the Borrower confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Bank by electronic means. The Borrower may exercise the option of preparing and delivering Applications in paper form on exceptional cases (including those where the Borrower encounters legal limitations), and which were previously agreed with the Bank. By designating officials to use SIDC and deliver the Applications electronically, the Borrower 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 Bank's public website at <https://www.worldbank.org> and "Client Connection" at <https://clientconnection.worldbank.org>; and (b) to cause such officials to abide by those terms and conditions.

II. Financial Reports and Audits²

(i) Financial Reports

The interim unaudited financial reports ("IFR") for the Project are not required.

(ii) Audits

The audit of the Financial Statements shall cover the implementation period of the Project. The audited Financial Statements for such period shall be furnished to the Bank not later than six (6) months after the end of such period.

III. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank's public website at <https://www.worldbank.org> and "Client Connection" at <https://clientconnection.worldbank.org>. 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 Loan, 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,



Arup Banerji
Regional Country Director
Eastern Europe
Europe and Central Asia

² Section 5.09 of the General Conditions

Attachments

1. Form of Authorized Signatory Letter
2. Form of Summary of Expenditure

With copies:

Mr. Denys Uliutin, First Deputy Minister, Ministry of Finance of Ukraine
Mr. Roman Yermolychev, Deputy Minister, Ministry of Finance of Ukraine
Ms. Ludmyla Rozhkova, Director, Budget Bodies Expenditures Department,
Ministry of Finance of Ukraine
Mr. Oleksandr Overchuk, Acting Director, Humanitarian Expenditures
Department, Ministry of Finance of Ukraine
Ms. Kateryna Elisheeva, Director, Department for Financial Projects, Ministry
of Finance of Ukraine
Ms. Alina Pohribna, Deputy Head of Section for Cooperation with World Bank
Group, Department for Financial Projects, Ministry of Finance of Ukraine
Ms. Olena Fil', Director of the Legal Department of the Ministry of Finance of
Ukraine

Schedule 1 : Disbursement Provisions

A. Basic Information					
Loan Number	IBRD 9403-UA 9404-UA 9405-UA 9406-UA	Country Borrower	Ukraine Ministry of Finance	Closing Date	Section III.B.2. of Schedule 2 to the Loan Agreement.
	Name of the Project		Public Expenditures for Administrative Capacity Endurance Project	Disbursement Deadline Date ³	Four (4) months after the closing date
B. Disbursement Methods and Supporting Documentation					
Disbursement Methods ⁴	Methods	Supporting Documentation ⁵			
Direct Payment	No	Not Applicable			
Reimbursement	Yes	Summary of Expenditure, in the format provided in Attachment 2 of the DFIL			
Advance (into a Designated Account)	No	Not Applicable			
Special Commitments	No	Not Applicable			
C. Designated Account(s) ⁶					
Type and Management Unit.	Not Applicable		Ceiling	Not Applicable	
Financial Institution - Name	Not Applicable		Currency	Not Applicable	
Frequency of Reporting ⁷	Not Applicable		Amount	Not Applicable	
D. Minimum Value of Applications ⁸					
The minimum value of applications for and Reimbursement is.					
E. Authorized Signatories ⁹ Withdrawal and Documentation Applications ¹⁰					
The form for Authorized Signatory Letter is provided in Attachment 1 of this letter.					
All Applications and its supporting documentation, and Authorized Signatory Letter will be electronically sent via the Bank's system "Client Connection".					
Additional Instructions					

For notes in Schedule 1: Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017.

³ Subsection 3.7

⁴ Section 2

⁵ Subsections 4.3 and 4.4

⁶ Sections 5 and 6

⁷ Subsection 6.3

⁸ subsection 3.5

⁹ Subsection 3.1 and 3.2

¹⁰ Subsection 3.3 and 3.4

The cumulative monthly amount to be reimbursed for Eligible Expenditures incurred in any given month under Category (1) of the Loan and the Credit Agreements shall not exceed EUR 189,320,000. Should the MDTF Grant Agreement be signed and effective and/or additional resources become available, said ceiling shall not exceed EUR 283,980,000.

The retroactive financing ceiling reflected under Section III.B.1 of Schedule 2 to the Loan Agreement represents a combined amount between the Loan and the Credit.

Attachment 1 – Form of Authorized Signatory Letter

[Letterhead]
Ministry of Finance
[Street address]

[DATE]

The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: [Country Director]¹

Dear [Country Director]:

Re: IBRD Loan ____ - ____ (name of Project)

I refer to the Loan Agreement between the International Bank for Reconstruction and Development ("Bank") and [name of borrower] ("Borrower"), providing the above Loan. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any ²[one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign Withdraw Applications ("Applications") under this Loan.

For the purpose of delivering Applications to the Bank, ³[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Borrower, acting ⁴[individually] ⁵[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Bank.

This confirms that the Borrower is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to 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.

¹ Instruction to Bank staff: please forward this letter to Country Lawyer for further processing (Borrower: please do not delete this note).

² 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.*

³ 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.*

⁴ 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.*

⁵ 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.*

[Name], [position]

Specimen Signature: _____

[Name], [position]

Specimen Signature: _____

[Name], [position]

Specimen Signature: _____

Yours truly,

/ signed /

[Position]