Re: IBRD Loan No. 8267-AM and IBRD Loan 8786-AM
(Additional Financing and Original Financing for the Irrigation System Enhancement Project)
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Excellency:

I refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “Bank”) and the Republic of Armenia (the “Borrower”) for the above-referenced Project, dated November 20, 2017, and the original Loan No. 8267-AM dated May 29, 2013. 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 specify Project specific financial reporting requirements.

I. Disbursement Arrangements, Withdrawal and Reporting of Loan Proceeds


(i) Disbursement Arrangements

- **Instructions** (Schedule 1). The table provides the disbursement methods which may be used by the Borrower, 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.

- **Direct Payment.** Disbursements against contracts which have been procured through international procurement as agreed in the Procurement Plan will be made only through Direct Payment method.

- **Disbursement Deadline Date, DDD (subsection 3.7).** The DDD is four (4) months after the Closing Date. Any changes to this date will be notified by the Bank.

(ii) Electronic Delivery. Refer to section 10.01 (c) of the General Conditions.
The Bank may permit the Borrower to electronically deliver applications (with supporting documents) through the Bank’s web-based portal ([https://clientconnection.worldbank.org](https://clientconnection.worldbank.org)) “Client Connection”. This option may be effected if 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 may 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 continue to exercise the option of preparing and delivering Applications in paper form. The Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Borrower. By designating officials to use SIDC and by choosing to 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://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 Borrower shall prepare and furnish to the Bank not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports (IFR) for the Project covering the quarter.

(ii) **Audits.** Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period shall be furnished to the Bank 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 public website 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 Loan, and retrieve related policy, financial, and procurement information. For more information about the website and registration arrangements, please contact the Bank by email at clientconnection@worldbank.org.

If you have any queries in relation to the above, please contact Luis Schwarz, Senior Finance Officer at lschwarz@worldbank.org, with copy to Khaled Mohamed Ben Brahim, Finance Analyst at khenbrahims@worldbank.org using the above reference.

Yours sincerely,

[Signature]

Sylvie Bossoutrot  
Country Manager  
World Bank Office, Yerevan  
Republic of Armenia
Attachments
1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE)

cc with copies: Water Sector Projects Implementation Unit Stage Agency
8 Vardanants Blind Alley
Yerevan, Republic of Armenia
fmelikyan@wsdp.am

State Committee of the Water Economy
13a Vardanants Street
Yerevan, Republic of Armenia
scws@scws.am
### Schedule 1: Disbursement Arrangements

| Loan Numbers:     | 8786-AM  
|                  | 8267-AM  
| Country:         | Armenia  
| Borrower:        | Republic of Armenia  
| Name of the Project: | Additional Financing and Original Financing for the Irrigation System Enhancement Project  

<table>
<thead>
<tr>
<th>Disbursement Methods</th>
<th>Methods Available</th>
<th>Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Payment</td>
<td>Yes</td>
<td>Copy of Records</td>
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<tr>
<td>Reimbursement</td>
<td>Yes</td>
<td>Statement of Expenditure</td>
</tr>
<tr>
<td>Designated Account:</td>
<td>Yes</td>
<td>Statement of Expenditure</td>
</tr>
<tr>
<td>Special Commitments:</td>
<td>No</td>
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</table>

- **Type**: Pooled - existing DA opened for Loan No. 8267, exclusively for proceeds from both Loans
- **Financial Institution - Name**: In the Single Treasury Account of the Ministry of Finance at the Central Bank of Armenia
- **Frequency of Reporting, Subsection 6.3**: Semester
- **Ceiling**: Fixed
- **Currency**: USD
- **Amount**: 4,000,000

The Minimum Value of Applications for Reimbursement and Direct Payment is USD 200,000

Address for the new ASL letter, WA and supporting documentation:

The World Bank
Radnicka cesta 80, 9th floor
Zagreb, HR – 10 000,
Croatia
Attention: Loan Department

Notice that all information will be sent to the same address, and to the regional TL.

None
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
or
The World Bank
Radnicka cesta 80, 9TH floor
Zagreb, HR – 10 000,
Croatia

Attention: Mercy Miyang Tembon, Country Director

Re: IBRD Loan No. 8267-AM (Additional Financing and Original Financing for the Irrigation System Enhancement Project)

I refer to the Loan Agreement ("Agreement") between the International Bank for Reconstruction and Development (the "Bank") and [name of borrower] (the "Borrower"), dated ________, providing the above Loan. For the purposes of Section 2.02 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 Borrower to sign applications for withdrawal [and applications for a special commitment] under this Loan.

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

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1 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.

2 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.

3 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.

4 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.
This Authorization replaces and supersedes any Authorization currently in the Bank records with respect to this Agreement.

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

Yours truly,

/ signed /

[Position]
## Statement of Expenditures (SOE)

Payments made during the period from ________ to ________

For expenditures against the contracts not subject to the Bank Prior Review

<table>
<thead>
<tr>
<th>SOE No.</th>
<th>Application No.</th>
<th>Category number</th>
<th>Date:</th>
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</thead>
</table>

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<tr>
<th>Supplier's name</th>
<th>WB Contract Number in Client Connection</th>
<th>Type of Good or Service / Brief Description</th>
<th>Currency and total amount of contract</th>
<th>Currency and Total Amount of Invoice Covered by Application</th>
<th>Financed by:</th>
<th>GEF</th>
<th>IBRD</th>
<th>IDA hard</th>
<th>IDA blend</th>
<th>Amount Eligible for Financing</th>
<th>Currency and Amount Paid from Designated Account</th>
<th>Exchange rate</th>
<th>Date of payment</th>
<th>Remarks</th>
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**TOTALS**

Supporting documents for this SOE retained at ____________________________ (insert location)