H. E. Dr. Olavo Avelino Garcia Correia  
Vice Prime Minister and Minister of Finance  
Avenida Amilcar Cabral, CP nº 30  
Praia, República de Cabo Verde

Re: IDA Credit 6331-CV (Cabo Verde Education and Skills Development Enhancement Project)  
Additional Instructions: Disbursement and Financial Information Letter.

Excellency:

I refer to the Financing Agreement between The Republic of Cabo Verde (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.

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 the DFIL, and the manner in which the provisions in the 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, 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.
(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 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, please contact the Association by email at clientconnection@worldbank.org.
If you have any queries in relation to the above, please contact Faly Diallo, Finance Officer at fdiallo@worldbank.org, with copy to Juvenia Cohen, Finance Analyst at jcohen2@gmail.com using the above reference.

Yours sincerely,

Louise J. Cord
Country Director
Senegal, Cabo Verde, Gambia, Guinea-Bissau, Mauritania
Africa Region

Attachments
1. Form of Authorized Signatory Letter
2. Interim unaudited Financial Report (IFR)

With copies: Ministry of Finance
Ms. Carla Cruz
Direção Nacional do Plano
Avenida Amílcar Cabral, CP nº 30
Praia, República de Cabo Verde
Carla.Cruz@mf.gov.cv

Unidade de Gestão de Projectos Especiais
Mr. Nuno Gomes
Av. China, Edificio Tribunal Constitucional, 3º Andar
Chã d’Areia - Cidade da Praia, Ilha de Santiago
C.P.nº 145, Republica de Cabo Verde
nuno.gomes@mf.gov.cv
Schedule 1: Disbursement Provisions

<table>
<thead>
<tr>
<th>Credit Number</th>
<th>Country</th>
<th>Cabo Verde</th>
<th>Closing Date</th>
<th>Section IV B. 5. of Schedule 2 to the Financing Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recipient</td>
<td>Name of the Project</td>
<td>Education and Skills Development Enhancement Project</td>
<td>Disbursement Deadline Date Subsection 3.7 **</td>
<td>Four months after the closing date.</td>
</tr>
</tbody>
</table>

**Disbursement Methods**

<table>
<thead>
<tr>
<th>Methods</th>
<th>Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 2 (<strong>), Subsections 4.3 and 4.4 (</strong>), Subsection 6.3 (**), Subsection 3.7 **</td>
<td></td>
</tr>
</tbody>
</table>

- **Direct Payment**: No, Copy of records
  - **Reimbursement**: Yes – disbursement category 1 will use only the reimbursement method; disbursement categories 2a), 2b) and 3 can also use the reimbursement method. Interim unaudited Financial Report (IFR) in the format provided in Attachment 2 of the DFIL. Note: disbursement category 1 disburses on the basis of EEPs and results/DLIs. Please see Other.
  - **Designated Account**: Yes – for disbursement categories 2a), 2b) and 3 of the Financing Agreement only. Interim unaudited Financial Report (IFR) in the format provided in Attachment 2 of the DFIL.

- **Special Commitments**: No, Not applicable

**Designated Account (Section 9 and 3.7 **)**

<table>
<thead>
<tr>
<th>Type</th>
<th>Segregated – only for proceeds of this IDA credit</th>
<th>Ceiling</th>
<th>Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td>Financial Institution - Name</td>
<td>To be established at a financial institution acceptable to the Association</td>
<td>Currency</td>
</tr>
<tr>
<td>Subsection 6.3 (<strong>), Subsection 8.3 (</strong>), Subsection 9.3 (**), Subsection 3.7 **</td>
<td>Frequency of Reporting</td>
<td>Quarterly</td>
<td>Amount</td>
</tr>
</tbody>
</table>

There is no minimum value of applications when using only reimbursement and advance methods.

Please provide completed and signed (a) applications for withdrawal, together with supporting documents, to the address indicated below:

The World Association
Delta Centre, 13th Floor,
Menengai Road
Nairobi, Kenya
Not Applicable

**Disbursement Category – DLIs based disbursements:** Important note with regard to disbursement category 1, which will use the reimbursement method only: eligible expenditures to be financed from this disbursement category will need to be supported by, first, Eligible Expenditures as defined in the Financing Agreement and, second, evidence, acceptable to and approved by the Association, and formally communicated to the Recipient, of the level of achievement of results for each of the Disbursement Linked Indicators (DLIs), as per Schedule 4 of the Financing Agreement.

**Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017.**
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: Credit No. 6331-CV (Cabo Verde Education and Skills Development Enhancement Project)

Attention: Ms. Louise Cord, Country Director

I refer to the Credit Agreement ("Agreement") between the International Development Association (the "Association"), and The Republic of Cabo Verde (the "Recipient"), dated [DATE], providing the above Credit. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient to sign applications for withdrawal under this 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.

[Name], [position] Specimen Signature: ______________________

[Name], [position] Specimen Signature: ______________________

[Name], [position] Specimen Signature: ______________________

1 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.

2 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.

3 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.
Yours truly,

/ signed /
<table>
<thead>
<tr>
<th>Sources of funds</th>
<th>Quarter ended on</th>
<th>Cumulative</th>
<th>Expenditure forecasts next 6 months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Planned</td>
<td>Variance</td>
</tr>
<tr>
<td>IDA Funds:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds received</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plus: sources of funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDA</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance available</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mines: Uses of funds per component</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support to the Basic Education Reform (Results Based Financing)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Support to Demand Based Training Financing Schemes</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Support to the Education and Skills Development Reforms and project management</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total of expenditure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remaining balance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IDA funds</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Closing balances</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## EXPENDITURES PER COMPONENT

**UGPE - Unidade de Gestão do Projeto Específico**

**EDUCATION AND SKILLS DEVELOPMENT ENHANCEMENT PROJECT**

*Use of funds per component - Quarter ended on*

<table>
<thead>
<tr>
<th>Components</th>
<th>Quarter ended on</th>
<th>Cumulative</th>
<th>Comments</th>
<th>PAO/Ref of Project</th>
<th>Revised PAO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Planned</td>
<td>Variance</td>
<td>Actual</td>
<td>Planned</td>
</tr>
<tr>
<td>Sub-total</td>
<td></td>
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<tr>
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<tr>
<td>Sub-total</td>
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</tr>
<tr>
<td>Total of project expenditures</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
**SUMMARY STATEMENT OF DESIGNATED ACCOUNT**

**UGPE- Unidade de Gestão de Projetos Especiais**  
**EDUCATION AND SKILLS DEVELOPMENT ENHANCEMENT PROJECT**  
Summary statement of Designated Account (CD)  
Uses of funds per component - Quarter ended on

<table>
<thead>
<tr>
<th>Project name:</th>
<th>EDUCATION AND SKILLS DEVELOPMENT ENHANCEMENT PROJECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit IBRD/IDA No</td>
<td></td>
</tr>
<tr>
<td>Bank name</td>
<td>Number of account:</td>
</tr>
<tr>
<td>Currency</td>
<td>US$</td>
</tr>
</tbody>
</table>

**First Part**

1. Cumulative advances at the end of the current period  
2. Cumulative advances at the end of the period covered by the report  
3. Outstanding advances (line 1 minus line 2)

**Second part**

4. Opening balance of the Designated Account at the beginning of the period  
5. Cumulative adjustments  
6. Advances received from IDA  
7. Sum of lines 5 and 6  
8. Outstanding advances  
9. Closing balance of the Designated Account  
10. Cumulative adjustments  
11. Expenditures of the period

12. Variance

**Third part**

13. Amount to be paid by IDA  
14. Minus: Closing Balance of the Designated Account after adjustments  
15. Direct payments  
16. Cash forecasts for the next 6 months