Re: IBRD Loan No. 8821-BY, IBRD Loan No. 8474-BY, and GEF Grant TF0A1173 Forestry Development Project
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Excellency:

I refer to the Loan Agreement (“Agreement”) between the International Bank for Reconstruction and Development (“World Bank”), and Republic of Belarus (the “Borrower”) for the above-referenced project, dated April 11, 2018. 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. This letter applicable to the Additional Financing IBRD Loan No. 8821-BY, and IBRD Loan No. 8474-BY, and GEF Grant TF0A1173, supersedes the previous disbursement letters. 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

Guidelines are an integral part of this DFIL, and the manner in which the provisions in the Disbursement Guidelines apply to the Loan is specified below.

(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.

- **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) “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) 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 quarter, interim unaudited financial reports (“IFR”) for the Project covering the quarter.

(ii) Audits. The Borrower shall have the Project's Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit shall cover the period of one fiscal year of the Borrower. For each such period, the audited Financial Statements for the Project shall be (a) furnished to the Bank not later than six (6) months after the end of such period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Bank.

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 Damir Leljak, Finance Analyst at dleljak@worldbank.org using the above reference.

Yours sincerely,

[Signature]

Alexander Kremer
Country Manager for Belarus

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

Cc with copies:  UE Bellesexport
                Skryganova Str. 6
                Minsk, Belarus
                bfdp@bellesexport.by
The minimum value of applications for Direct Payment and Repayment is USD 50,000. The maximum value of applications for Direct Payment and Repayment is USD 100,000. And IRRD loan 82 is Euros 100,000.

<table>
<thead>
<tr>
<th>Amount</th>
<th>Frequency of Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euros</td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td></td>
</tr>
</tbody>
</table>

Financial Institution - Name
- DA C - BELISSTNANZ SC VARAASHEN STREET 21 22002
- DA B - BELISSTNANZ SC VARAASHEN STREET 21 22002
- DA A - BELISSTNANZ SC VARAASHEN STREET 21 22002

Type
- DA A: IRRD 8821, AF Segregated
- DA B: For GEF Grant MOA173, Segregated
- DA A: For IRRD 8474, Segregated

Special Commitments
- Yes

Lenders Account
- Yes

Lender Account
- Yes

Copy of Reconciliation
- Yes

Section 2: Distribution Methods
- Methods Available

Schedule I: Distribution Arrangements

<table>
<thead>
<tr>
<th>Republic of Bolivia</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRRD 6444-BY</td>
<td>Republic of Bolivia</td>
</tr>
<tr>
<td>IRRD 8823-BY</td>
<td>Country</td>
</tr>
</tbody>
</table>

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

Attention: Loan Department

10000 Zegref, Cétara
Ronda El Cepill 80/19
The World Bank
[Attachment 1 – Form of Authorized Signatory Letter]

[Letterhead]
Ministry of Forestry
[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: Loan No. ______-____ (Name of the 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 [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, [each] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower, acting [individually] [jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Bank.

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

---

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.
[Name], [position] Specimen Signature: ______________

[Name], [position] Specimen Signature: ______________

[Name], [position] Specimen Signature: ______________

Yours truly,

/ signed /

[Position]
[Attachment 2 - Interim unaudited Financial Statements]\(^{11}\)

TO BE PROVIDED BY FM
FOR INTERNAL DISTRIBUTION ONLY

Prepared by: Luis Schwarz – Senior Finance officer

Cleared with and cc:  
[Country Lawyer]  
[Task Team Leader]

Cc:  
[FMS]
H.E. Vitali Aleksandrovich Drozhzha  
Minister of Forestry  
Ministry of Forestry  
Minsk, 220048  
Myasnikova Str. 39  
Republic of Belarus

Re: Loan No. 8821-BY  
(Additional Financing for the Forestry Development Project)

Excellency:

Enclosed are the following documents regarding the above-mentioned Project, which are delivered to you as the authorized representative of the Republic of Belarus (the Borrower).

1. One signed original of the Loan Agreement between the Borrower and International Bank for Reconstruction and Development (the Bank).

2. One signed original of the Disbursement and Financial Information Letter.


4. One copy of the Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006; and revised on January 2011 and as of July 1, 2016.


The effectiveness deadline is as set forth in Section 4.02 of the Loan Agreement, which states the following: “The Effectiveness Deadline is the date one hundred and twenty (120) days after the Signature Date.”
Please confirm, on behalf of the Borrower, receipt of the documents listed above by signing the enclosed copy of this letter.

Very truly yours,

By

Alexander Kremer
Country Manager for Belarus

Enclosures

RECEIVED BY:

By:

Vitali Aleksandrovich Drozhzha
Minister of Forestry