

January 10, 2020

Mr. Atom Janjughazyan
Minister of Finance
Ministry of Finance
1 Melik-Adamyan Street
Yerevan 0010
Republic of Armenia

**Re: IBRD Loan 8390-AM (Trade Promotion and Quality Infrastructure Project)
Amendment to Additional Instructions: Disbursement Letter**

Dear Mr. Minister,

We refer to the individual letter titled *Additional Instructions: Disbursement Letter* (“Disbursement Letter”) dated August 6, 2014, for the aforementioned Loan extended to the Republic of Armenia. We also refer to the Loan Agreement (“Agreement”) between the International Bank for Reconstruction and Development (the “Bank”) and the Republic of Armenia (the “Borrower”) for the above-referenced project of even date. The Agreement provides that the Bank may issue additional instructions regarding the withdrawal of the proceeds of Loan 8390-AM (“Loan”). This Amendment to Disbursement Letter constitutes the additional instructions.

1. Section I (i) to Disbursement Letter is hereby amended to read as set forth:

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Loan:

- Reimbursement
- Advance
- Direct Payment
- Special Commitment

Reimbursement, Advance, Direct Payment and Special Commitment disbursement methods shall be allowed for Categories 2, 3, 4 and 6. For Category 1 only Reimbursement method shall be allowed.

2. Section III to Disbursement Letter is hereby amended to read as set forth:

III. Reporting on Use of Loan Proceeds

(i) Supporting Documentation (section 4). Supporting documentation should be provided with each application for withdrawal as set out below:

For disbursements under Category 1 (i.e. for EEP under Part A of the Project):

- *For requests for reimbursement:*
 - Simplified Statement of Expenditures in the form attached (Attachment 7) evidencing payments for Eligible Expenditures Programs (EEP); and
 - With respect to each payment under the EEP, evidence satisfactory to the Bank of compliance with the Disbursement-Linked Indicators for the respective time period, as per Schedule 2, Section IV.B. 1.(b)(i) of the Loan Agreement.

For disbursements under Categories 2, 3, 4 and 6 (i.e. for Parts B, C and D of the Project):

- *For requests for reimbursement and for reporting eligible expenditures paid from the Designated Account:*
 - **Statement of Expenditure** in the form attached as **Attachment 4a** for all expenditures under **Categories 2** and **6** (other than NVF Investments and NVF Subprojects).
 - **Statement of Expenditure** in the form attached as **Attachment 4b** for all expenditures under **Categories 3** and **4**; and for NVF Investments and NVF Subprojects under **Category 6**.
- For requests for Direct Payment: records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices.

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3):

Designated Account Documentation applications should be submitted quarterly. Applications must include Designated Account Reconciliation Statement (Attachment 6).

3. Section IV to Disbursement Letter is hereby amended to read as set forth:

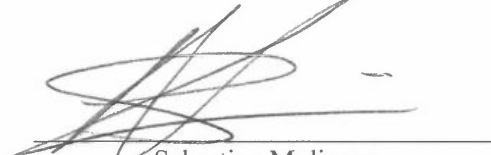
IV. Other Disbursement Instructions

No Designated Account will be established for expenditures incurred under Category 1 (i.e. for EEP under Part A of the Project). Disbursements under this Category will be on a reimbursement basis only, to the Treasury's Single Account at the Central Bank of Armenia.

Disbursements under Categories 2, 3, 4 and 6 (i.e. for Parts B, C and D of the Project) will be made using all available disbursement methods, as provided in Section I(i) of this Letter.

All other provisions of the Disbursement Letter remain in full force and effect. The above-mentioned amendment to the Disbursement Letter shall become effective as of the date of this Amendment Letter.

Yours sincerely,



Sebastian Molineus
Country Director for the South Caucasus
Europe and Central Asia Region