

March 8, 2021

Mr. Cheng Zhijun  
Deputy Director General  
and Officer-in-Charge  
International Economic and Financial Cooperation Department  
Ministry of Finance  
Beijing, China

**Re: Loan No. 9200-CN**  
**(Hunan Subnational Governance and Rural Public Service Delivery Program for Results)**  
**Additional Instructions: Disbursement and Financial Information Letter**

Dear Mr. Cheng:

I refer to the Loan Agreement between the People's Republic of China (the "Borrower") and the International Bank for Reconstruction and Development (the "Bank") for the above-referenced Program. 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 Program 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**

**(i) Schedule 1.** The table in Schedule 1 sets out the disbursement methods which may be used by the Borrower, conditions, information on registration of authorized signatures, processing of withdrawal applications (including processing of advances), instructions on documentation, and reporting of advances.

**(ii) Withdrawal Applications.** Applications for withdrawal from the Loan Account ("Withdrawal Applications") of amounts of the Loan allocated to individual Disbursement Linked Results ("DLR") may, pursuant to the provisions of Section IV.B.1 of Schedule 2 to the Loan Agreement, be sent to the Bank at any time after the Bank has notified the Borrower in writing that it has accepted evidence of achievement of the specific DLR.

**(iii) Withdrawal Amount.** The Withdrawal Application may be for an amount not to exceed the amount of the Loan confirmed by the Bank for the specific DLR in respect of which the withdrawal is requested, as specified in the Bank's notice to the Borrower.

**(iv) Prior Results.** DLRs referred to in categories of the table set forth in Section IV.A.2 of Schedule 2 to the Loan Agreement may be achieved prior to the Signature Date of the Loan Agreement, but on or after January 1, 2020. Consequently, upon receipt of evidence satisfactory to the Bank, the Borrower may withdraw the amount of EURO 1,335,200 after the Loan Agreement has been declared effective.

**(v) Advances and Recovery of Advances.** The Borrower may, in accordance with provisions of the Loan Agreement, request advances of amounts of the Loan allocated to DLRs that have not yet been achieved using the Form attached (Attachment 2).

The Bank records an amount of the advance as disbursed for an achieved DLR (“recovered”) after it has notified the Borrower of its acceptance of the evidence of achievement of the DLR for which the advance was provided. The amount so reclassified becomes available for further advances in accordance with the preceding paragraph.

**(vi) Electronic Delivery.** Section 10.01 (c) of the General Conditions.

The Borrower will deliver Withdrawal Applications (with supporting documents) electronically through the Bank’s web-based portal “Client Connection” at <https://clientconnection.worldbank.org>. This option will be effect after the officials designated in writing by the Borrower who are authorized to sign and deliver Withdrawal Applications have registered as users of “Client Connection”. The designated officials will 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 Withdrawal 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 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.** Section 5.09 of the General Conditions.

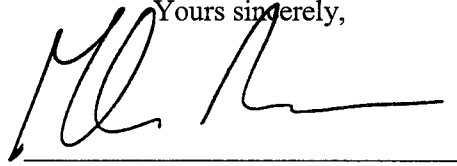
**(i) Financial Reports.** Interim unaudited financial reports for the Program are not required.

**(ii) Audits.** Each audit of the Financial Statements must cover the period of one (1) fiscal year of the Borrower, commencing with the fiscal year in which the first withdrawal of Loan proceeds was made. The audited Financial Statements for each such period must be furnished to the Bank not later than nine (9) 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 website (<http://www.worldbank.org/>) 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, or if you have any queries in relation to the above, please contact the Bank by email at [askloans@worldbank.org](mailto:askloans@worldbank.org).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'MR', written over a horizontal line.

Martin Raiser  
Country Director, China  
East Asia and Pacific Region

#### Attachments

1. Form of Authorized Signatory Letter
2. Sample Form for Advances

**Schedule 1 : Disbursement Provisions**

Basic Information					
Loan Number	9200-CN	Country	P.R. China	Closing Date	Section IV.B.4 of Schedule 2 to the Loan Agreement.
		Borrower	P.R. China		
		Name of the Program	Hunan Subnational Governance and Rural Public Service Delivery Program for Results	Disbursement Deadline Date	Six months after the closing date.
Disbursement Methods and Supporting Documentation					
Disbursement Methods	Methods	Supporting Documentation			
Reimbursement (financing of achieved results)	Yes	Confirmation issued by the Bank			
Advance	Yes	Request in the format provided in Attachment 2 of the DFIL			
Advances					
Financial Institution - Name	To be communicated by the Borrower by Program effectiveness		Ceiling	Fixed	
			Currency	EURO	
			Amount	41,725,000	
Authorized Signatures <i>The form for Authorized Signatories Letter is provided in Attachment 1 of this letter</i> <i>Withdrawal and Documentation Applications</i>					
The World Bank Office Beijing Level 16, China World Tower 2 No. 1 Jianguomenwai Avenue Beijing, China Attention: Disbursement Team					
Additional Instructions					
Other					

Form of Authorized Signatory Letter

[Letterhead]  
Ministry of Finance  
[Street address]

[DATE]

The World Bank Office  
Level 16, China World Tower 2  
No. 1 Jianguomenwai Avenue  
Beijing, China

Attention: Country Director

**Re: IBRD Loan 9200-CN  
Hunan Subnational Governance and Rural Public Service Delivery Program for Results**

I refer to the Loan 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 <sup>1</sup>[one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign applications for withdrawal under this Loan.

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

<sup>5</sup>[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

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<sup>1</sup> 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.*

<sup>2</sup> 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.*

<sup>3</sup> 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.*

<sup>4</sup> 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.*

<sup>5</sup> Instruction to the Borrower: Add this paragraph if the Borrower wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. *Please delete this footnote in final letter that is sent to the Bank.*

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.

[Name], [position]                      Specimen Signature: \_\_\_\_\_

[Name], [position]                      Specimen Signature: \_\_\_\_\_

[Name], [position]                      Specimen Signature: \_\_\_\_\_

Yours truly,

/ signed /

\_\_\_\_\_  
[Position]

Sample Form for Advances

[Ministry/Implementing Agency Letterhead]

[Date]

Loan Department – Beijing Regional Center  
The World Bank Office  
Level 16, China World Tower 2  
No. 1 Jianguomenwai Avenue  
Beijing, China  
Attention: Disbursement Team

**Subject: Re: IBRD Loan 9200-CN**  
**Hunan Subnational Governance and Rural Public Service Delivery Program for Results**  
**Request for Advance**

Dear Sir/Madam,

We refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “World Bank”) and [*insert the name of the Borrower*] (the “Borrower”) dated [*insert date*] providing for the above Loan.

In accordance with the provisions of the Disbursement Letter and Schedule \_\_\_\_, Section \_\_\_\_\_ of the Loan Agreement, to support the implementation of the above Program and to facilitate the achievement of the planned results, we request an Advance in the amount of [*insert amount*] <sup>6</sup>.

[We request that the Advance be disbursed in [*currency requested for disbursement*] equivalent to the Total Advance Requested above.]<sup>7</sup> We acknowledge that the amount disbursed will be charged to the Loan Account in the currency of the Financing at the rate of exchange in effect at the time of disbursement.

Sincerely,

[*insert Name, and Position*]<sup>8</sup>

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<sup>6</sup> The Proposed Advance should be in the currency of the DLI/DLR as set out in the disbursement table in the Loan Agreement, and in accordance with provisions in the Disbursement and Financial Information Letter. Normally, this is the currency of commitment of the loan.

<sup>7</sup> Use this text to designate the currency of the Advance if it should be different from the currency set out in the disbursement table in the Loan Agreement.

<sup>8</sup> To be signed by a representative of the implementing/coordinating agency of the Borrower, OR by the person(s) authorized on behalf of the Borrower to sign applications for withdrawal under the loan as set out in the applicable Authorized Signatory Letter.