

13 September, 2021

Mr. Ihor Syrota
Director General
PJSC “Ukrhydroenergo”
Vyshgorod,
Kyiv region, 07300
Ukraine

Re: IBRD Loan No. 9284-UA and CTF Loan No. TF0B5994 and
CTF Grant TF No. TF0B5724

Improving Power System Resilience for European Power Grid Integration
(Installation of Hybrid Systems for Electricity Production in Ukrhydroenergo)
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Dear Sirs,

I refer to: (i) the IBRD Loan Agreement; (ii) CTF Loan Agreement; and (iii) CTF Grant Agreement (“Agreements”) between International Bank for Reconstruction and Development (“Bank”), and PJSC “Ukrhydroenergo” (“Borrower” for purposes of the IBRD Loan Agreement and CTF Loan Agreement, and “Recipient” for purposes of the CTF Grant Agreement respectively, collectively “Borrower”) acting not in its individual capacity but solely in its capacity as an implementing entity of the Clean Technology Fund (“CTF”) for purposes of the CTF Loan Agreement and CTF Grant Agreement, dated 13 September 2021. The General Conditions, as defined in the IBRD Loan Agreement, and Standard Conditions as defined in the CTF Loan Agreement and CTF Grant Agreement, provide that the Borrower and Recipient respectively, may from time to time request withdrawals of Loans and Grant Amounts from the Loans and Grant Accounts 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 and Standard 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

The *Disbursement Guidelines for Investment Project Financing*, dated February 2017, (“Disbursement Guidelines”) are available in the Bank’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 this DFIL, and the manner in which the provisions in the Disbursement Guidelines apply to the Loan 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 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.

(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 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 quarter, interim unaudited financial reports ("IFR") for the Project covering the quarter, in form and substance satisfactory to the Bank.

(ii) Audits. The Borrower shall have the entity financial statements of PJSC "Ukrhydroenergo" and Project's Financial Statements audited by an independent auditor acceptable to the Bank 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 PJSC "Ukrhydroenergo" and 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 askloans@worldbank.org.

Yours sincerely,



Arup Banerji
Country Director
Belarus, Moldova, and Ukraine

Europe and Central Asia

Attachments

1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE) for regular expenditures

Schedule 1 : Disbursement Arrangements

Basic Information			
Loans Numbers	IBRD 9284-UA CTF Loan TF0B5994 CTF TF TF0B5724	Country Borrower	Ukraine PJSC "Ukrydroenergo"
		Closing Date	Section III.B.2. of Schedule 2 to the IBRD Loan Agreement Section IV B.2 of Schedule 2 to the CTF Loan Agreement Section III B.2 of Schedule 2 to the CTF Grant Agreement
	Name of the Project	Disbursement Deadline Date (<i>Subsection 3.7 **</i>)	Four months after the Closing Date
Disbursement Methods and Supporting Documentation			
Disbursement Methods (<i>Section 2 **</i>)	Methods	Supporting Documentation (<i>Subsections 4.3 and 4.4 **</i>)	
Direct Payment	Yes	Copy of records (e.g. suppliers' invoices, guarantees for advance and retention payments, etc.)	
Reimbursement	Yes	Statement of Expenditure (SOE) in the format as in Attachment 2 to DFIL	
Designated Account	Yes	Statement of Expenditure (SOE) in the format as in Attachment 2 to DFIL	
Special Commitments	N/A	N/A	
Designated Accounts (<i>Sections 5 and 6 **</i>)			
Type	Segregated Designated Account A - Segregated for IBRD Loan Segregated Designated Account B - Segregated CTF Loan Segregated Designated Account C - Segregated for CTF Grant	Ceiling	DA A - Variable DA B - Variable DA C - Fixed
Financial Institution - Name	Accounts open for PJSC "Ukrydroenergo" at the Ukreximbank Quarterly	Currencies	USD
Frequency of Reporting (<i>Subsection 6.3 **</i>)		Amount	DA - A - Variable based on the estimated funds required in the next two quarters DA - B - Variable based on the estimated funds required in the next two quarters DA C - 100,000
Minimum Value of Applications (<i>Subsection 3.5</i>)			
The minimum value of applications for Direct Payment and Reimbursement under IBRD loan 9284-UA and CTF Loan TF0B5994 is USD 200,000 equivalent. The minimum value of applications for Direct Payment and Reimbursement under CTF Grant TF0B5724 is USD 20,000 equivalent.			
Authorized Signatures (<i>Subsection 3.1 and 3.2 **</i>) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter Withdrawal and Documentation Applications (<i>Subsection 3.3 and 3.4 **</i>)			
The World Bank Radnicka cesta 80, 9 th floor Zagreb, HR-10000 Croatia Attention: Loan Department (WFACS)			
Additional Instructions			
None			
Other			
None			

** Sections and subsections relate to the "Disbursement Guidelines for Investment Project Financing", dated February 2017.

[Attachment 1 – Form of Authorized Signatory Letter]

[Letterhead]
Ministry of Finance
[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: IBRD Loan No. 9284-UA and CTF Loan No. TF0B5994 and
CTF Grant TF No. TF0B5724
Improving Power System Resilience for European Power Grid Integration
(Installation of Hybrid Systems for Electricity Production in Ukrhydroenergo)
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Excellency:

I refer to the Loan Agreement and CTF Loan Agreement and CTF Grant Agreement (“Agreements”) I refer to: (i) the IBRD Loan Agreement; (ii) CTF Loan Agreement; and (iii) CTF Grant Agreement (“Agreements”) between International Bank for Reconstruction and Development (“Bank”), and PJSC “Ukrhydroenergo” (“Borrower” for purposes of the IBRD Loan Agreement and CTF Loan Agreement, and “Recipient” for purposes of the CTF Grant Agreement respectively, collectively “Borrower”) acting not in its individual capacity but solely in its capacity as an implementing entity of the Clean Technology Fund (“CTF”) for purposes of the CTF Loan Agreement and CTF Grant Agreement, dated _____. For the purposes of Section 2.03 of the General Conditions and Section 3.02 of the Standard 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

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.*

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.

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 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]

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.*

Attachment 2 – Form of Statement of Expenditure

Statement of Expenditure (SOE)

Payments made during the period from _____ to _____

Loan No.: _____
 Application No.: _____
 Category No.: _____
 SOE No.: _____

Yes	No
Yes	No

The following expenditures have been incurred during the retroactive financing period (please tick)

The following expenditures have been incurred during before the closing date of the loan (please tick)

1	2	3	4	5	6	7	8	9	10	11
Supplier's Name	WB Contract Number in Client Connection (for Prior Review Contracts)	Type of Good or Service (CW/GO/CS/OP/TR) / Brief Description	Currency and Total Amount, and Date of Contract	Currency and Total Amount of Invoice Covered by Application	% Financed by IBRD/IDA/TF	Amount Eligible for Financing (5 x 6)	Currency and Amount Paid from Designated Account (if Applicable)	Exchange Rate	Date of Payment	Remarks
					TOTALS					

Supporting documents for this SOE retained at _____ (location)