

H.E. Sergiu Puscuta  
Minister  
Ministry of Finance  
Chisinau  
Republic of Moldova

Re: IDA Credit No. 6542-MD  
Higher Education Project  
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Excellency:

I refer to the Financing Agreement (“Agreement”) between International Development Association (“Association”), and Republic of Moldova (“Recipient”) for the above-referenced project, dated 19-May-2020. 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 specify Project specific financial reporting requirements.

## **I. Disbursement Arrangements, Withdrawal and Reporting of Credit Proceeds**

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 this DFIL, and the manner in which the provisions in the Disbursement 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, 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.
- **Special Provision**. Projects in situations of urgent need of assistance or capacity constraints: Disbursements under contracts for goods, works, non-consulting services and consulting services procured or selected through international open or limited competition or Direct Selection, as set out in the procurement plan, must be made only through Direct Payment and/or Special Commitment disbursement methods.

**(ii) Electronic Delivery**. Refer to section 11.01 (c) of the General Conditions.

The Recipient will deliver Withdrawal Applications (with supporting documents) electronically through the Association’s web-based portal “Client Connection” at <https://clientconnection.worldbank.org>. This option will be effected after the officials designated in writing by the Recipient 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 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 exercise the option of preparing and delivering Withdrawal Applications in paper form on exceptional cases (including those where the Recipient encounters legal limitations), and which were previously agreed with the Association. 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 shall 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 Project Financial Statements must cover the period of one fiscal year of the Recipient. 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, or if you have any queries in relation to the above, please contact the Association by email at [AskLoan@WorldBank.org](mailto:AskLoan@WorldBank.org) using the above reference.

Yours sincerely,



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Anna Akhalkatsi

Country Manager

**Attachments**

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

**Schedule 1 : Disbursement Arrangements**

<b>Basic Information</b>					
<b>Credit Number</b>	<b>IDA 6542-MD</b>	<b>Country</b>	Republic of Moldova	<b>Closing Date</b>	Section III.B.2. of Schedule 2 to the Financing Agreement.
		<b>Recipient</b>	Republic of Moldova		
		<b>Name of the Project</b>	Higher Education Project	<b>Disbursement Deadline Date</b> <i>Subsection 3.7</i>	Four months after the closing date.
<b>Disbursement Methods, and Supporting Documentation</b>					
<b>Disbursement Methods</b> <i>Section 2</i>	<b>Methods Available</b>	<b>Supporting Documentation</b> <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 provided in Attachment 2 to the DFIL			
Designated Account:	Yes	Statement of Expenditure (SOE) in the format provided in Attachment 2 to the DFIL			
Special Commitments	Yes	Copy of Letter of Credit			
<b>Designated Account (Section 5 and 6)</b>					
<b>Type</b>	Segregated	<b>Ceiling</b>	Fixed		
<b>Financial Institution - Name</b>	National Bank of Moldova	<b>Currency</b>	EUR		
<b>Frequency of Reporting, Subsection 6.3</b>	Quarterly	<b>Amount</b>	1,000,000		
<b>Minimum Value of Applications (subsection 3.5)</b>					
The Minimum Value of Applications for Direct Payment and Reimbursement is EUR 200,000 equivalent.					
<b>Authorized Signatures (Subsection 3.1 and 3.2) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter</b>					
<b>Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 )</b>					
The World Bank Radnicka cesta 80/IX 10000 Zagreb, Croatia Attention: TF and Loan Operations Regional Center <i>Notice that all information will be sent to the same address, and to the regional TL.</i>					
<b>Additional Instructions</b>					
<i>None</i>					
<b>Other Disbursement Instructions</b>					
<i>Withdrawal Condition (See Section IV.B.1 of Schedule 2 to the FA): Higher Education Improvement Program Operations Manual (HEIPOM) adopted and Acceptable to the Association, as well as Higher Education Improvement Program Officer hired under terms of reference acceptable to the Association</i>					

[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: IDA Credit No. 6542-MD  
Higher Education Project

I refer to the Financing Agreement (“Agreement”) between the International Development Association (the “Association”) and Republic of Moldova (the “Recipient”), dated [REDACTED], providing the above Credit. For the purposes of Section 2.03 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 Recipient to sign applications for withdrawal and applications for a special commitment under this Credit.

For the purpose of delivering Applications to the Association, <sup>2</sup>[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, 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 Association.

This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. In full recognition that the Association shall rely upon such representations and warranties, including without limitation, the representations and warranties contained in the

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<sup>1</sup> Instruction to the Recipient: 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 Association.*

<sup>2</sup> 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.*

<sup>3</sup> 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.*

<sup>4</sup> 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.*

*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 Recipient represents and warrants to the Association that it will cause such persons to abide by those terms and conditions.

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: \_\_\_\_\_

Yours truly,

/ signed /

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

**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.: \_\_\_\_\_

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

Yes	No
Yes	No

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
<b>TOTALS</b>										

Supporting documents for this SOE retained at \_\_\_\_\_  
 (location)

