Re: IBRD Loan 9089-PY (Paraguay: COVID-19 Emergency Response Project)
Additional Instructions: Disbursement and Financial Information Letter

Dear Minister:

I refer to the Loan Agreement between the Republic of Paraguay (the “Borrower”) and the International Bank for Reconstruction and Development (the “Bank”) for the above-referenced Project. 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 Project 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 and Reporting of Uses of Loan Funds


(i) Disbursement Arrangements.

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 (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 affected 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) 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. The Borrower must prepare and furnish to the Bank not later than forty-five (45) days after the end of each reported period, interim unaudited financial reports (“IFR”) for the Project covering a 12-month period.

(ii) Audits. The audit of the Financial Statements must cover the entire implementation period. The one-time audited Financial Statements must be furnished to the Bank 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 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 World Bank by email at AskLoans@WorldBank.org using the above reference.

Sincerely,

Jordan Schwartz
Director
Argentina, Paraguay and Uruguay
Latin America and the Caribbean Region

Attachments

1. Form of Authorized Signatory Letter
2. Statement of Expenditure (SOE)
3. Sample Designated Account Activity Statement
## Schedule 1: Disbursement Provisions

### Basic Information

<table>
<thead>
<tr>
<th>Loan Number</th>
<th>Country</th>
<th>Borrower</th>
<th>Closing Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>9089-PY</td>
<td>Paraguay</td>
<td>The Republic of Paraguay</td>
<td>Section III.B.2 of Schedule 2 to the Loan Agreement.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of the Project</th>
<th>Disbursement Deadline Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paraguay: COVID-19 Emergency Response Project</td>
<td>Subsection 3.7 **</td>
</tr>
<tr>
<td></td>
<td>Four months after the closing date.</td>
</tr>
</tbody>
</table>

### Disbursement Methods and Supporting Documentation

<table>
<thead>
<tr>
<th>Disbursement Method</th>
<th>Section 2 (**)</th>
<th>Methods</th>
<th>Supporting Documentation Subsections 4.3 and 4.4 (**)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Payment</td>
<td>Yes</td>
<td>• Copy of receipt and/or supplier invoice.</td>
<td></td>
</tr>
<tr>
<td>Reimbursement</td>
<td>Yes</td>
<td>• Statement of Expenditures (SOE) in the format provided in Attachment 2 of the DFIL.</td>
<td></td>
</tr>
<tr>
<td>Designated Account</td>
<td>Yes</td>
<td>• SOE in the format provided in Attachment 2 of the DFIL; and • Designated Account Activity Statement, in the form provided in Attachment 3, with a copy of the bank statement.</td>
<td></td>
</tr>
<tr>
<td>Special Commitments</td>
<td>No</td>
<td>Not applicable</td>
<td></td>
</tr>
</tbody>
</table>

### Designated Account (Sections 5 and 6 **)

<table>
<thead>
<tr>
<th>Type</th>
<th>Segregated</th>
<th>Ceiling</th>
<th>Fixed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Institution - Name</td>
<td>Central Bank of Paraguay (BCP)</td>
<td>Currency</td>
<td>USD</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Frequency of Reporting Subsection 6.3 (**)</th>
<th>Quarterly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>$16,000,000</td>
</tr>
</tbody>
</table>

**Minimum Value of Applications (subsection 3.5)**

The minimum value of applications for Reimbursement and Direct Payment is USD 50,000 equivalent.
<table>
<thead>
<tr>
<th><strong>Authorized Signatures</strong> (Subsection 3.1 and 3.2 **)</th>
<th><strong>Withdrawal and Documentation Applications</strong> (Subsection 3.3 and 3.4 **)</th>
</tr>
</thead>
</table>

**Authorized Signatures:** A letter in the Form attached (Attachment 1) should be furnished to the Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank  
1818 H Street, N.W.  
Washington, DC 20433, USA  
Attention: Mr. Jordan Z. Schwartz, Country Director

**Applications:** Completed Applications for withdrawal, together with supporting documents, should be provided through the Bank’s Client Connection, web-based portal, following the instructions for electronic delivery. In the case the Borrower does not have internet access, the Bank may permit the delivery of Applications for withdrawal, together with supporting documents, to the following address:

Banco Mundial  
SCN Quadra 02, Lote A  
Ed. Corporate Financial Center, 7º andar  
70712-900, Brasilia, D.F. – Brazil  
Attention: Loan Operations

**Additional Instructions**

**Sections and subsections relate to the “Disbursement Guidelines for Investment Project Financing”, dated February 2017.**
Re: IBRD Loan 9089-PY COVID-19 Emergency Response Project

The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: [Country Director]

I refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “World Bank”) and the Republic of Paraguay (the “Borrower”), dated _______, providing the above Loan. For the purposes of Section 2.03 of the General 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 under this Loan.

For the purpose of delivering Applications to the World Bank, 2[each] of the persons whose authenticated specimen signatures appears below is authorized on 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 World Bank.

5[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 World Bank by electronic means. In full recognition that the World Bank shall rely upon such representations.

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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.

5 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.
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 World Bank that it will cause such persons to abide by those terms and conditions.

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

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

[Name], [position] Specimen Signature: ____________________

Yours truly,

/ signed /

[Position]
**BANCO INTERNACIONAL DE RECONSTRUCCIÓN Y FOMENTO**

Certificado de Gastos

<table>
<thead>
<tr>
<th>Nombre del Proveedor</th>
<th>Breve descripción del gasto</th>
<th>Código del gasto</th>
<th>Contrato Sujeto a revisión previa (SI o NO)</th>
<th>Registro del contrato en C.C.</th>
<th>Moneda del contrato</th>
<th>Monto Total del Contrato</th>
<th>Monto acumulado del contrato (incluido en SOEs anteriores)</th>
<th>Número de la factura o Recibo</th>
<th>Fecha del Pago</th>
<th>Monto Pagado al Proveedor</th>
<th>% Financ. por BIRF</th>
<th>Monto Admisible (Col 11 X 12)</th>
<th>Tasa de Cambio</th>
<th>Fecha y Cuenta Designada (Col 13 / 14)</th>
<th>Cantidad Debitada Cuenta Designada (Col 13 / 14)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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**INSTRUCCIONES:** Preparar un Certificado de Gastos para cada Categoría

- **Columna 1:** Informe el nombre del proveedor
- **Columna 2:** Hacer una breve descripción del gasto (ejemplo: honorarios dic/2012, consultoría, servicio de limpieza, viáticos, servicios de auditoría, etc.)
- **Columna 3:** Identificar si el gasto fue hecho (ejemplo: CS: consultoría / CW: obras / OD: bienes / OP: costos operativos / TR: entrenamiento / NCS: servicios de no consultoría / SP: Subproyectos)
- **Columna 4:** Informe si el contrato fue o no sometido a revisión previa del Banco Mundial.
- **Columna 5:** Informe número de registro del contrato en Client Connection
- **Columna 6:** Informe moneda del contrato
- **Columna 7:** Informe valor del contrato (en la moneda que fue indicada en la columna 6)
- **Columna 8:** Informar número de registro del contrato en Client Connection
- **Columna 9:** Informar el número de la factura o recibo del proveedor
- **Columna 10:** Informe fecha del pago al proveedor
- **Columna 11:** Informe valor pagado al proveedor, en la moneda indicada en la factura.
- **Columna 12:** Informe el porcentaje de financiamiento (de acuerdo al convenio de préstamo/donación)
- **Columna 13:** Cálculo del monto admisible para financiamiento (resultado de la multiplicación de la columna 11 por la 12). Para los casos en que el porcentaje de financiamiento es de 100%, los valores de esa columna serán los mismos presentados en la columna 11.
- **Columna 14:** Indique la tasa de cambio. Favor tener en cuenta que la tasa de cambio a ser utilizada debe ser la tasa de internalización de los fondos. Es decir que, el proyecto debe utilizar la misma tasa que fue utilizada para transformar los dólares que el Banco envió al proyecto en moneda local. Ese punto es muy importante, ya el Banco no reconoce diferencias de cambio como gasto elegible de financiamiento.
- **Columna 15:** Fecha que en la cual el proyecto retiró los fondos de la cuenta designada (en dólares) y los envió a la cuenta operativa (en moneda local).
- **Columna 16:** Cálculo de la columna 13 / columna 14. Esa columna refleja en monto equivalente en dólares del gasto realizado, que será considerado por el Banco para documentación.

**DOCUMENTACIÓN DE RESPALDO PARA ESTE CERTIFICADO DE GASTOS ESTÁ EN:** (indique el local)
CONCILIACION DE LA CUENTA DESIGNADA

PRESTAMO/CREDITO/DONACION No:
NOMBRE DEL BANCO:
NUMERO DE CUENTA:

1. Total de Depositos
2. Menos Total Documentado
3. Saldo por Recuperar
4. Saldo al ___/___ de Acuerdo al Estado Bancario Adjunto
5. Monto de la Solicitud No.
6. Mas monto pendiente de Reembolso por el Banco 1/
7. Mas retiros efectuados aun no solicitados al Banco 2/
8. Menos montos debidos después de la fecha del Estado Adjunto

9. Menos intereses generados por la Cuenta Designada

10. Total (4 + 5 + 6 + 7 + 8 - 9)
11. Discrepancias entre (3 y 9)

OBSERVACIONES:

<table>
<thead>
<tr>
<th>1/ Valor pendiente de reembolso por el Banco</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. de Solicitud</td>
</tr>
<tr>
<td>------------------</td>
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<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2/ Retiros efectuados aun no solicitados al Banco</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fecha</td>
</tr>
<tr>
<td>-------</td>
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<tr>
<td></td>
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</tbody>
</table>

Aqui se incluiria una explicacion del del Punto 8), o sea en que fue gastado el dinero que aun no fue solicitado al Banco. Esto es exigido cuando este importe supera el 15% del deposito en la Cuenta Designada.

1. Suma de todos los importes adelantados por el Banco a la Cuenta Designada
2. Suma de todos los importes documentados
3. Linea 1 menos Linea 2
4. Saldo igual al estado de cuenta bancario presentado. (Convertir para dolares)
5. Informar el importe total a ser documentado en la solicitud que se esta presentando
6. Solo en el caso de tener importes pendientes de pagar por el banco de Solicitudes anteriores.
7. Este importe es la parte que fue retirada de la Cuenta Designada y no corresponde a gastos que se estan incluyendo en el proximo SOE. Refiere a gastos que aun no han sido incluidos en SOE
8. Aqui solo iria algo si hubieran retirado un nuevo importe de la Cuenta Designada, posterior a la fecha del estado de cuenta bancario que esta siendo presentado