

June 5, 2020

His Excellency Adriano Maleiane  
Minister  
Ministry of Economy and Finance  
Maputo

Honorable Minister,

**REF: Trust Fund NoTF0B2269 Carbon Fund of the Forest Carbon Partnership Facility\_Zambezia  
Emission Reductions Program - Republic of Mozambique  
Disbursement and Financial Information Letter (DFIL)**

I refer to (1) the Emission Reductions Payment Agreement (“ERPA”) between the Republic of Mozambique (the “Recipient” or as referred to in the ERPA, “Program Entity”), and the International Bank for Reconstruction and Development (“IBRD”), acting as trustee of Tranche B of the Carbon Fund of the Forest Carbon Partnership Facility (No. TF0B2269) (“Tranche B ERPA”). This ERPA provides that the World Bank may issue additional instructions regarding application for payments under the ERPA. This Disbursement and Financial Information Letter (“DFIL”), as revised from time to time, constitutes the additional instructions.

The *Disbursement Guidelines for Investment Project Financing*, dated February 2017. (“Disbursement Guidelines”) are an integral part of the Disbursement and Financial Information Letter and are available in the World Bank’s public website at <https://worldbank.org>. The manner in which the provisions in the Disbursement Guidelines apply to payments under the ERPA is specified below. Sections and subsections in parenthesis below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter, the capitalized terms used have the meaning ascribed to them in the Disbursement Guidelines.

**I. Disbursement Arrangements, Withdrawal of Funds, and Reporting of Uses of Funds.**

**General Provisions.** 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 advances), and instructions on supporting documentation.

**(ii) Electronic Delivery.** *Reference for the Conditions of ERPA (FCPF), Section 4.06,*

The Recipient will electronically deliver applications (with supporting documents) through the World Bank’s web-based portal (<https://clientconnection.worldbank.org>) “Client Connection”. This option may be effected if the officials designated in writing by the Recipient 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 Recipient confirms that it 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. The World Bank may permit the Recipient to exercise the option

of preparing and delivering Applications in paper form. The World Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient. 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 World 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) The responsible entity to implement the Program will prepare the BSP financial reports on a quarterly basis and submit it will submit such reports to the Bank no later than forty-five (45) days after the end of each calendar quarter. The BSP financial report should include a statement of sources and uses of funds, including reconciling items (as needed) and cash balances, with expenditures classified by project component/ activities of the BSP.
- (ii) The Administrative Tribunal is responsible to oversight the financial reports of Recipient. Therefore, the Bank may request the financial audit reports to be submitted to the within four months after the request notice date.

## **III. Other Information.**

For additional information on disbursement arrangements, please refer to the World Bank's website and "Client Connection". The World 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 payment, and retrieve related policy, financial, and procurement information. For more information about the website and registration arrangements or any queries in relation to the above, please contact the World Bank by email at [wfaldtf@worldbank.org](mailto:wfaldtf@worldbank.org) .

Yours sincerely,



Mark Lundell  
Country Director  
Mozambique, Madagascar, Mauritius, Comoros and Seychelles  
Africa Region

## **Attachments:**

1. Form of Authorized Signatories
2. Confirmation signed by the Climate Change Fund Management Unit (SCCFM team) i.e. Pre-authorization of payment. This confirmation will be attached with the form 2380 (Withdrawal Application) as part of the supporting documentation.
3. ER Transfer Form- The format is provided in Schedule 3 to the ERPA. This form will be uploaded with the form 2380 (Withdrawal Application) as part of the supporting documentation. This form is not applicable to Advance Payments.

### Schedule 1 : Disbursement Provisions

Basic Information				
<b>Number</b>	<b>Country and Recipient</b>	Republic of Mozambique	<b>Termination Date</b>	Stated in section 10.01 of the Emission Reduction Payment Agreement.
TF No.TF0B2269	<b>Name of the Project</b>	Zambezia Emission Reductions Program	<b>Disbursement Deadline Date</b> <i>Subsection 3.6 *</i>	Same as termination date.
Disbursement Methods and Supporting Documentation (Section 4*)				
Disbursement Methods	Methods	Supporting Documentation		
Reimbursement i.e. actual <b>Emission Reductions Payment</b>	Yes	<ul style="list-style-type: none"> <li>Confirmation signed by the Bank's SCCFM team i.e. pre-authorization of payments</li> <li>Transfer Form signed by the Recipient</li> </ul>		
Advance Payments (Future ER payments)	Yes	<ul style="list-style-type: none"> <li>Format of confirmation signed by the Bank's SCCFM team i.e. pre-authorization of payments</li> <li>Use of advanced funds will be justified with actual Emission Reductions Payments, and if there is an outstanding balance that the Trustee requests for a refund, that balance will be refunded to the Bank by the Termination Date.</li> </ul>		
Advances and Designated Account (Sections 5 and 6 *)				
<b>Financial Institution</b>	Bank of Mozambique	<b>Amount</b>	As per Section 4.04 of the Emission Reduction Payment Agreement.	
<b>Frequency of Reporting</b>	Same as stated in Schedule 2 of the ERPA			
<b>Type of the Designated Account</b>	Pooled DA for Tranche [A] TF No.TF0B2270 and Tranche [B] TF No. TFB2269			
Authorized Signatures (Subsection 3.1 and 3.2 **) <i>The form for Authorized Signatories Letter is provided in Attachment 1 of this letter</i>				
Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 **)				
<b>Authorized Signatories Letter:</b>		<b>Withdrawal and Documentation Applications:</b>		
The World Bank 1818 H Street, N.W. Washington, DC 20433, USA Attention: Country Director		All Withdrawal Applications and its supporting documentation will be submitted electronically through the system Client Connection.  If accepted in paper by the World Bank, it will be submitted to the following address: [The World Bank No. 11, Taramani Main Road Taramani, Chennai – 600 113 India] Attention: WFACS Department		

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

**Attachment 1 – Form of Authorized Signatory Letter**

[Letterhead]  
[Street address]  
[City] [Country]

[DATE]

The World Bank,  
1818 H Street, N.W.  
Washington, D.C 20433  
USA

Attention: \_\_\_\_\_

**RE: Trust Fund No TF0XXXXX  
(REDD+ Emission Reductions Program)**

I refer to the Emission Reductions Payment Agreement (“ERPA”) between the \_\_\_\_\_ (the “Recipient” or as referred to in the ERPA, “Program Entity”), and the International Bank of Reconstruction and Development (the “World Bank acting as trustee of Forest Carbon Partnership Facility for the TF\_\_\_\_\_). For the purposes of Section 4.06 of the Tranche B ERPA (FCPF), 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 under the above ERPA.

For the purpose of delivering Applications to the World Bank, <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 World Bank.

<sup>5</sup> [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 World Bank by electronic means. In full recognition that the World 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*

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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 World Bank.*

<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 World Bank.*

<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 World Bank.*

<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 World Bank.*

<sup>5</sup> Instruction to the Recipient: Add this paragraph if the Recipient 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 World Bank.*

*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 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 /

\_\_\_\_\_



[Date]

[Name, title, address of representative of Recipient as specified in Emission Reductions Payment Agreement]

**Confirmation to Authorize Payment ([payment reference])**

Dear [Madam/Sir],

We refer to the Emission Reductions Payment Agreement (“ERPA”) between [name of Recipient] (“Recipient”) and the International Bank of Reconstruction and Development (“IBRD”), as Trustee of the Forest Carbon Partnership Facility (“Trustee”), dated [date] (“ERPA”) [and as amended on [[date/s]] (([TF Number]) for the [Project Name] (“Project”)).

We are pleased to inform you that the Trustee confirms the terms and conditions of the ERPA have been met for [payment type] of [currency] [gross payment amount] [less [currency] [total deduction]] for a **net payment of [currency] [net payment amount]** [for reporting period [reporting period]] ([payment request ID]).

Through [Client Connection](#), please provide: (1) a signed withdrawal application (form 2380); (2) this confirmation letter; [and (3) a copy of the completed Transfer Form in Attachment 3, signed and on Recipient’s letterhead].

Sincerely,

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[Name]  
Manager  
Climate Change Fund Management Unit

cc. Project Implementing Agency(ies)  
cc. Task Team; Finance Officer, WFACS Regional Team Lead; Country Lawyer/LEGEN;  
SCCFM EMG-Service desk; *others as appropriate.*

**Attachment 3 – Transfer Form<sup>6</sup>**

**EMISSIONS REDUCTION TRANSFER FORM**

Provided in Schedule 3 to the ERPA

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<sup>6</sup> This Form is not applicable to Advance Payments