



Date: 04-May-2022

UNOPS Representative, Afghanistan
United Nations Office for Project Services
UNOCA Compound
Jalalabad Road
Kabul, Afghanistan

RE: **ARTF Grant Number TF0B8537**
(Afghanistan Community Resilience and Livelihoods Project)
Disbursement and Financial Information Letter (DFIL)

Excellency:

I refer to the Grant Agreement between the United Nations Office for Project Services (“UNOPS” or the “Recipient”), and the International Development Association (the “Association”), acting as an administrator of the grants funds provided by various donors to the Afghanistan Reconstruction Trust Fund (ARTF), for the above-referenced project, dated 04-May-2022. The Standard Conditions, as defined in the Grant Agreement, provide that the Association may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF0B8537 (“Grant”), and may set out Project specific financial reporting requirements. This letter (“Disbursement and Financial Information Letter”), as revised from time to time, constitutes such additional instructions.

I. Disbursement Arrangements and Withdrawal of Grant Funds

The World Bank 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 are an integral part of the Disbursement and Financial Information Letter, and the manner in which the provisions in the guidelines apply to the Grant is specified below. Sections and subsections in parentheses 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 meanings ascribed to them in the Disbursement Guidelines.

(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, and instructions on supporting documentation, and frequency of reporting on the Advance.

(ii) Electronic Delivery. *Reference to Section 7.01 of the Standard Conditions.*

The Recipient 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 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 Bank 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 Bank. 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.** Section 2.07 (a) and (b) of the Standard Conditions

(i) Financial Reports. The Recipient must 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 such quarter. Per FMFA, UNOPS will submit the grant's annual financial statement of account within six months of the close of its financial year.

(ii) Audits.

- **External Audit.** Each audit of the UNOPS Financial Statements must cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the Associations not later than six (6) months after the end of such period as per FMFA and based on single audit principle.
- **Project Specific Internal Audit.** For each fiscal year, UNOPS's office of the internal audit and investigations will facilitate the annual internal audit of the project and will submit the audit report to the World Bank within six months of the end of each calendar year.

III. Other Information.

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Association's website 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 Financing, 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 Askloans@worldbank.org.

Yours sincerely,

Melinda Good

Melinda Good
Country Director
Afghanistan, South Asia Region
International Development Association

Attachments

1. Form of authorized Signatories
2. Form of Interim Unaudited Financial Report (IUFR)

Schedule 1 : Disbursement Provisions

Basic Information				
Number	Recipient	United Nations Office for Project Services (UNOPS)	Closing Date	Stated in section IV.B.6. of Schedule 2 to the ARTF Grant Agreement.
ARTF Grant	Name of the Project	Afghanistan Community Resilience and Livelihoods Project	Disbursement Deadline Date <i>Subsection 3.7 *</i>	Four (4) 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	No	Not Applicable		
Reimbursement	No	Not Applicable		
Advance	Yes	Interim Financial Reports (IFRs) (Attachment 2 of the DFIL)		
Special Commitments	No	Not Applicable		
Designated Account (Sections 5 and 6 *)				
Type	Pooled – UNOPS Corporate Account, segregated ledger account shall be maintained to record the receipt and usage of funds.		Ceiling	Variable
Financial Institution	An account indicated by UNOPS and acceptable to the Association		Currency	USD
Frequency of Reporting	Quarterly		Amount	Based on the 6 months forecast provided in the Interim Financial Report approved by the Bank.
Minimum Value of Applications (subsection 3.5)				
Not Applicable				
Authorized Signatures (Subsection 3.1 and 3.2 **) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 **)				
<p>The Form for Authorized Signatories Letter is provided in the Attachment 1 of this letter which should be furnished to the Association at the address indicated below, providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:</p> <p align="center">The World Bank Afghanistan Country Office Attention: Country Director, Afghanistan</p> <p>All Withdrawal Applications and its supporting documentation will be electronically sent via the Association’s web portal Client Connection.</p>				
Other Disbursement Instructions				

1. The grant funds will flow directly from the World Bank to the UNOPS' corporate bank accounts. UNOPS will be responsible for transferring funds to Afghanistan via UNOPS' pooled bank account in the local bank for payments within Afghanistan. In addition, the NGOs will be responsible for transferring funds to the end beneficiaries through bank transfers or physical cash distribution.
2. Further Advances from the UNOPS may be made to the NGOs that are implementing the operations of the project. The quarterly IFRs will report advances given to the NGOs and actual expenditure incurred. The Bank will only document expenditure based on actual spending by the NGOs.
3. Bank Account for pass-through community grants. Each NGO will open a segregated designated account in AIB to manage the pass-through funds for cash-for-work and SIG activities. The accounts will be in the nature of an escrow account where the funds can only be withdrawn for making payments to the beneficiaries. Each pass-through account will have a ceiling, and it will be replenished monthly. Liquidation of the pass-through advances will be equal to the amount expensed for cash-for-work and SIG activities and supporting documents available in the MIS.
4. Each quarter, the Bank and UNOPS will jointly review the quarterly progress report and IFRs to recommend expenditure documentation and additional advances. The Bank, based on approved IFR, will document reported expenditure, and disburse advances to UNOPS' corporate account.

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

Attachment 1 – Form of Authorized Signatory Letter

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

[DATE]

The World Bank
Country Office
Kabul, Afghanistan

Attention: Country Director

RE: ARTF Grant No. TF0B8537

(Afghanistan Community Resilience and Livelihoods Project)

I refer to (1) the Grant Agreement between the Islamic Republic of Afghanistan (the “Recipient”), and the International Development Association (the “Association”), acting as an administrator of the grants funds provided by various donors to the Afghanistan Reconstruction Trust Fund (ARTF), providing the above Financing. For the purposes of Section 3.04 (b) of the Standard Conditions as defined in the ARTF Grant Agreement, any ¹[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 the above Financing.

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

⁵[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 *Terms and*

¹ 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.*

² 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.*

³ 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.*

⁴ 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.*

⁵ 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 Association.*

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 /

Attachment 2- Form of Interim Financial Report (IFR)

Afghanistan Community Resilience and Livelihoods Project (Afghanistan CRL Project) P178760 - ARTF Grant # STATEMENT OF RECEIPTS AND PAYMENTS & FORECAST For the Quarter Ended			
Description	USD		
	Actual		
	Reporting Period	Year -To Date	Cumulative to Date
Coporate Account Opening Cash Balances for Grant XXX			
Add: Sources of Funds			
Advances Received from the World Bank			
Total (A)	-	-	-
Uses of Funds			
Category description as per Financing/Grant Agreement			
Category 1 - Cash for Works Grants			
Category 1 - Social Grants			
Category 1- Goods, Works, Consulting Services, Non-Consulting Services, Training, and Operating Cost			
Category 2 - Indirect Cost (2% of the total grant)			
Total Disbursements (B)	-	-	-
Closing Cash Balance A-B	-	-	-
Forecast for the six months ending xxxxxx			
Less: Closing Cash Balance (from (d) above)			-
Amount requested as advance in the application			-
			Should reconcile with Client Connection total receipts.
			Should agree with total amount disbursed per component in page (2)
			Please reconcile separately with DA Advance balance per client connection

P178760 - ARTF Grant #		
UNOPS Corporate Account Activity Statement for ARTF Grant for Quarter Ended		
PART I	USD	USD
1. Cumulative advances to end of last reporting period as per client connection	-	
2. Cumulative expenditures to end of last reporting period as per client connection	-	
3. Outstanding Advance to be accounted as per client connection		-
PART II		
Opening Corporate Account balance at beginning of reporting period (as of)		
Add: Advances from World Bank during reporting period		
Total funds available during the quarter (A)		-
Cash Grants/Social Grants		
Cash for Works Grants		
Admin Fee (2% of the total grant)	-	
Total Expenditure and project's advances (B)		-
Closing balance (A-B)		-
Closing balance as per UN General Ledger for Grant XXX		
Difference (Should be nil, if not explanation to be provided)**		-
<i>*Note: Outstanding Advances provided under the project to be documented only after it has been acquitted</i>		
**Explanation for the difference, if any in the closing balance		
Goods, Works, Consulting Services, Non-Consulting Services, Training, and Incremental Operating Cost		

