

01-Feb-2024

Mr. Nicholas George
UNOPS Country Director
UNOCA Compound
Jalalabad Road
Kabul, Afghanistan

RE: ARTF Grant No. TF0C3929
(Additional Financing for Afghanistan Community Resilience and Livelihoods Project)
Disbursement and Financial Information Letter (DFIL)

Dear Mr. George:

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 Resilience Trust Fund (ARTF), for the above-referenced project. 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 TF0C3929 (“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 4 months period, interim unaudited financial reports (“IFR”) for the Project covering such reporting period. 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 (6) 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	TF0C3929	Name of the Project	Additional Financing for 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		Triannual		Amount	Based on the 8 months forecast provided in the Interim Financial Report approved by the Bank.
Minimum Value of Applications (subsection 3.5)					
Not Applicable					
Authorized Signatures (<i>Subsection 3.1 and 3.2 **</i>) <i>The form for Authorized Signatories Letter is provided in Attachment 1 of this letter</i>					
Withdrawal and Documentation Applications (<i>Subsection 3.3 and 3.4 **</i>)					
<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 Afghanistan International Bank (AIB) 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 triannual 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 Social Grant activities. The accounts will be in the nature of escrow account and to facilitate the fund flow and payments to the beneficiaries, fund from escrow accounts will initially be transferred to an account that UNOPS will open in AIB in local currency and UNOPS will manage that subject to same level of controls as an escrow account. The local UNOPS account will be used to facilitate transfers to beneficiaries (and not to park funds) and will facilitate the fund flow for all Facilitating Partners. 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 expended for cash-for-work and Social Grant activities and supporting documents available in the MIS.
4. Each four months, the Bank and UNOPS will jointly review the tri-annual 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. TF C3929
(Additional Financing for 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 Resilience 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 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

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.*

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)
Template attached separately