



SAROJ KUMAR JHA
Country Director
Iran, Iraq, Jordan, Lebanon, Syria
Middle East and North Africa Region

Date: 28/09/2021

H.E. Mr. Ali Abdul Ameer Allawi
Minister of Finance
Ministry of Finance
Hay Al Alaloum
Bab Al Mu'dham
Baghdad, Iraq
Email: ministeroffice.mof@gmail.com; debt@mof.gov.iq

**Re: Grant No. B-4765 (Covid-19 Adaptation and Recovery Pilot: Supporting Firms Resilience,
Access to Finance and Growth in Iraq)
Additional Instructions: Disbursement and Financial Information Letter**

Excellency:

I refer to the Grant Agreement (“Agreement”) between Republic of Iraq (the “Recipient”) and the International Bank for Reconstruction and Development/International Development Association (“World Bank”), acting as administrator of the Multi-Donor Trust Fund for the Iraq Reform and Reconstruction Fund, for the above-referenced project, dated 28/09/2021. The Standard Conditions, as defined in the Grant Agreement, provide that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant B-4765 (“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 Projects*, dated February 1, 2017, (“Disbursement Guidelines”) are available in the World Bank's public website at <https://www.worldbank.org>, and are an integral part of the Disbursement and Financial Information Letter. The manner in which the provisions in the Disbursement 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

The table in **Schedule 1** provides 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), instructions on supporting documentation, and frequency of reporting on the Designated Account.

(ii) Withdrawal of Grant Funds (Electronic Delivery) Section 7.01 (c) 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 through the PIE must prepare and furnish to the Bank 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 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 consolidated audited Financial Statements for each such period must be furnished to the Bank by the Recipient, through the PIE, not later than six (6) months after the end of such period.

III. Other Important Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the World Bank's website (<http://www.worldbank.org>) 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 Grant, 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.

Yours sincerely,



Saroj Kumar Jha
Country Director

Iran, Iraq, Jordan, Lebanon, Syria
Middle East and North Africa Region

Attachments

1. Form of Authorized Signatory Letter
2. Form of Statement of Expenditure (SOE)
3. Form of statement of expenditures (SOE) for Grants and Vouchers for Category 2

Cc with copies: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Frankfort, Germany
Email: sara.shbeir@giz.de

Schedule 1 - Disbursement Provisions

Basic Information				
Grant Number	Country Recipient	Republic of Iraq	Closing Date	Section III. B. 2 of Schedule 2 to the Grant Agreement
B-4765	Name of the Project	Republic of Iraq Covid-19 Adaptation and Recovery Pilot: Supporting Firms Resilience, Access to Finance and Growth in Iraq	Disbursement Deadline Date Subsection 3.7 **	Four (4) months after the closing date
Disbursement Methods, and Supporting Documentation				
Disbursement Methods Section 2 (**)		Supporting Documentation Subsections 4.3 and 4.4 (**)		
Methods Available				
Direct Payment	Yes	Copy of Records		
Reimbursement	Yes	Statement of Expenditure (SOE) in the format provided in Attachment 2 for Category 1 and 3;		
Advance (into a Designated Account)	Yes	Statement of Expenditure (SOE) in the format provided in Attachment 3 for Grants and Vouchers for Category 2.		
Special Commitments	Yes	Copy of Letter of Credit		
Designated Account (Section 5 and 6 **)				
Type	One Segregated DA managed by Information Technology Directorate in MOF		Ceiling	Fixed
Financial Institution - Name	Trade Bank of Iraq		Currency	USD
Frequency of Reporting, Subsection 6.3 (**)	Monthly		Amount	\$ 6,000,000
Minimum Value of Applications (subsection 3.5)				
The Minimum Value of Applications for Reimbursement, Direct Payment and Special Commitment is USD 20,000 equivalent.				
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 **)				
The World Bank Radnicka cesta 80, 9th floor Zagreb, HR-10000, Croatia Attention: Loan Department (WFACS)				
All Withdrawal Applications and its supporting documentation will be electronically sent via the Bank's system ClientConnection.				
Additional Information				
For Category 2, all grants and vouchers are considered expenditures at the point of funds receipt by the grantee or beneficiaries, and can be documented as such.				
Other				

TBD

** Select the agreed supporting documentation, and add the following "in the format provided in Attachment 2 of this letter"*
*** Sections and subsections indicated relate to the Disbursement Guidelines for Investment Project Financing dated February 2017.*

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]

Dear [Country Director]:

Re: Grant No. ____ - ____ (_____ Project)

I refer to the [Grant] [Letter] Agreement ("Agreement") between the [International Bank for Reconstruction and Development/International Development Association] ("[World Bank]"["Association"]), acting as [an implementing agency of the Global Environmental Facility] [administrator of the Global Partnership on Output-based Aid] [administrator of name of the trust fund], and [name of recipient] (the "Recipient"), dated _____, providing the above Grant. For the purposes of Section 3.04 (b) of the Standard Conditions, as defined in the Agreement, any [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 Grant.

For the purpose of delivering Applications to the [World Bank] [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 [World Bank] [Association].

¹ Instruction to the Recipient when sending this letter to the World Bank: 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/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 World Bank/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 World Bank/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 World Bank/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 [World Bank] [Association] by electronic means. In full recognition that the [World Bank] [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 Recipient represents and warrants to the [World Bank] [Association] 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] [Association] records with respect to this Agreement.

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

[Position]

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 World Bank/Association.*

FOR OFFICIAL USE ONLY

Maiada Kassem, Finance Officer

Cleared with and cc: Natalia Robalino, Country Lawyer
Alexandre Hugo Laure, TTL

Cc: Hawazin Hameed, FMS