

Date: 28-Jun-2021

FOOD AND AGRICULTURE ORGANIZATION
OF THE UNITED NATIONS
Viale delle Terme di Caracalla
00153 Rome
Italy

(Attention: The Representative)

**Re: IDA Grant No. D815-RY
(Yemen Food Security Response and Resilience Project)
Additional Instructions: Disbursement and Financial Information Letter**

Dear Sir, Madam,

I refer to the Financing Agreement between the FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (for the benefit of the Republic of Yemen) (the “Recipient”) and the International Development Association (the “Association”) for the above-referenced Project. The General Conditions, as defined in the Financing Agreement, provide that the Recipient may from time to time request withdrawals of Grant amounts from the Grant Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Association may specify from time to time by notice to the Recipient. 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 of Grant Funds, and Reporting of Uses of Grant Funds

The *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 its secure website “Client Connection” at <https://clientconnection.worldbank.org>. The Disbursement Guidelines are an integral part of the DFIL, and the manner in which the provisions in the guidelines apply to the Grant is specified below.

(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 (including minimum value of applications and processing of advances), instructions on supporting documentation, and frequency of reporting on the Advance.

(ii) Electronic Delivery. Section 11.01(c) of the General Conditions. The Recipient shall deliver Withdrawal Applications (with supporting documents) electronically through the Association’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 shall deliver Withdrawal 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 Withdrawal Applications and supporting documents to the Association 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 Association. By designating officials to use SIDC, 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 Withdrawal Applications and Supporting Documentation, available in the Association'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) **Financial Reports.** The Recipient shall prepare, on a quarterly basis, interim unaudited financial reports related to Parts 2, 3.1, 4 and 5.1 of the Project, in accordance with accounting standards established pursuant to the Financial Regulations and in its standard format for such reports. The first said interim unaudited financial reports shall be furnished to the Association no later than forty-five (45) days after the end of the six (6) months after the Effective Date, and shall cover the period from the incurrence of the first expenditure under the Financing through the end of such six (6) months period; thereafter, each interim unaudited financial report shall be furnished to the Association not later than forty-five days after each subsequent three (3) months period, and shall cover such three (3) months period.
- (ii) **Audits.** The Project shall be subject exclusively to the internal and external auditing procedures laid down in the Financial Regulations, Rules and directives of FAO, applied in conformity with the single audit principle observed by the United Nations system as a whole. The Report of the External Auditor on the annual financial statements of FAO is publicly disclosed on the FAO website. FAO will inform the Association when such reports become available as well as their location on the website.

III. Other Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Association's website (<http://www.worldbank.org/>) 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 Withdrawal 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 Association by email at askloans@worldbank.org using the above reference.

Yours sincerely,

By: 

Marina Wes
Country Director for Yemen
Middle East and North Africa Region

Attachments

1. Form of Authorized Signatory Letter.
2. Interim unaudited Financial Report (IFR).

Schedule 1 : Disbursement Provisions

Basic Information					
Grant Number	D815-RY	Country	Republic of Yemen	Closing Date	Section IV.B.5 of Schedule 2 to the Financing Agreement.
		Recipient	FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS		
		Name of the Project	Yemen Food Security Response and Resilience Project	Disbursement Deadline Date <i>Subsection 3.7</i> **	Four 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 unaudited Financial Report (IFR in the format provided in Attachment 2 of the DFIL)			
Special Commitments	No	Not Applicable			
Advance (Sections 5 and 6 **)					
Type	All advances made by the Association will be deposited into an official FAO bank account in accordance with the provisions of applicable provisions of the Financial Regulations and Rules of FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS		Ceiling	Variable, forecast for 6 months of implementation as provided in the Interim Financial Report	
Financial Institution – Name	Not Applicable		Currency	USD	
Frequency of Reporting <i>Subsection 6.3 (**)</i>	Same as Interim Unaudited Financial Report		Amount	Not Applicable	
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>)					
A letter in the Form attached (Attachment 1) 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 Withdrawal Applications:					

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America Attention: Marina Wes, Country Director

All Withdrawal Applications and its supporting documentation will be electronically sent via the Association's web portal Client Connection

Other Undertakings

1. The Recipient shall not transfer or channel any of the proceeds of the Financing to and/or through any central government entities in the Republic of Yemen.
2. The Recipient shall not, without the express written consent of the Association, transfer or channel any of the proceeds of the Financing to public officials or employees employed by any central government entities in the Republic of Yemen.

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

Form of Authorized Signatory Letter

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

[DATE]

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Re: [Grant][Credit]¹ No. _____-___ (*[Name of the project]*)
Attention: _____, *Country Director*

I refer to the [Grant] [Credit] Agreement (“Agreement”) between the International Development Association (the “Association”)[, acting as implementing of the]² and [*name of recipient*] (the “Recipient”), dated _____, providing the above [Grant] [Credit]. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any ³[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] [Credit].

For the purpose of delivering Applications to the Association, including by electronic means, ⁴[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting ⁵[individually] ⁶[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

¹ Instruction to the Recipient: use “Credit” or “Grant” as applicable. *Please delete this footnote in final letter that is sent to the Associations.*

² Instruction to the Recipient: add text in line with the Grant Agreement if applicable; if not applicable delete it. *Please delete this footnote in final letter that is sent to the Associations*

³ 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.*

⁴ 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.*

⁵ 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.*

⁶ 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.*

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 /

Bank Reconciliation

1	Opening Balance As at 10/01/200	0	0
2	Add: Cumulative Discrepancy explained below*	0	0
3	IDA Advance during the Quarter (10/01/200 - 12/31/200)	0	0
		<u>0</u>	<u>0</u>
4	Less: Refund to IDA from DA		0
5	Present Outstanding Amount advanced to DA		<u>0</u>
6	DA Closing Balance As at 12/31/200 carried forward to next period		0
7	Add: Amount of eligible expenditures paid during Quarter	0	
8	Service Charges (if debited into DA)	0	0
		<u>0</u>	<u>0</u>
9	Less: Interest earned (if credited into DA)		0
10	Total Adva. Accounted for		<u>0</u>
11	Discrepancy (5)-(10) to be explained**		<u>0</u>

Client Connection Reconciliation						
Description	Client connection cumulative USD	Last IFR cumulative USD	Differences USD	This IFR current USD	Difference after this IFR USD	Difference explanation and proposed reconciliation measures
Cumulative Receipts per client connections	0	0	0	0	0	
Disbursement per Category						
Category 1	0	0	0	0	0	
Category 2	0	0	0	0	0	
Category 3	0	0	0	0	0	
Category 4	0	0	0	0	0	
Category 5	0	0	0	0	0	
Balance	0	0	0	0	0	

Interim Financial Report (IFR)
Cash Model

Government of Yemen
..... Project
project Cash Forecast (Part I)
Grant No.
As at

Page 4
Quarterly/ Semiannual IFR
IFR 1-F1

Category	Actual for the quarter	Planned for the quarter	Variance	Explanation
Category 1				
Category 2				
Category 3				
Category 4				
Category 5				
Category 6				