

25-Aug-2021

Secretary
Ministry of Economic Affairs
Islamic Republic of Pakistan
Islamabad, Pakistan

Re: Original MDTF Grant No. TF0A2189-PK & Additional Financing MDTF Grant No. TF0B3039-PK
For the National Immunization Support Project
Additional Instructions: Disbursement and Financial Information Letter (DFIL)

Dear Mr. Secretary:

I refer to the Multi-Donor Trust Fund (MDTF) Grant Agreement Providing Additional Financing and Amending the Original Grant Agreement between the Islamic Republic of Pakistan (the "Recipient") and the International Bank for Reconstruction and Development/ International Development Association (collectively, the "World Bank"), acting as administrator of Multi-Donor Trust Fund for the National Immunization Support Project for the above-referenced Project, dated June 22, 2021 (the "Agreement"). The Standard Conditions, as defined in the Grant Agreement, provide that the Recipient may request withdrawals of Grant funds in accordance with the instructions as the Bank may specify by notice to the Recipient. The Standard Conditions also provide that the Disbursement and Financial Information Letter ("DFIL") may set out Project specific financial reporting requirements. This letter constitutes such DFIL, and as revised from time to time, provides such additional requirements.

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

The *Disbursement Guidelines for Investment Project Financing* dated February 2017, (the "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>. These Disbursement Guidelines are an integral part of this DFIL, and the manner in which the provisions in the guidelines apply to the grant is specified below.

(i) Disbursement Arrangements.

The table in Schedule 1 sets out the disbursement methods which may be used by the Recipient, conditions, information on registration of authorized signatures, processing of withdrawal applications (including minimum value of applications), instructions on supporting documentation, and frequency of reporting.

(ii) Electronic Delivery- Section 7.01 (c) of the Standard Conditions for Grant Financing Made by the Bank Out of Trust Funds.

The Association may permit the Recipient to electronically deliver applications (with supporting documents) through the Association's web-based portal (<https://clientconnection.worldbank.org>) "Client Connection". This option may be effected if: (a) the Recipient has designated in writing, its officials who are authorized to sign and deliver Applications and to receive Secure Identification Credentials ("SIDC") from the Association for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Recipient 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”. The Recipient may continue to exercise the option of preparing and delivering Applications in paper form, if agreed with the Association.

The Association 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 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. *Section 2.07 (a) and (b) of the Standard Conditions for Grant Financing Made by the Bank Out of Trust Funds.*

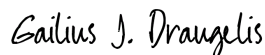
(i) Financial Reports. The Recipient shall prepare and bi-annually furnish to the Association not later than forty five (45) days after the end of each calendar semester, interim unaudited financial reports (IFR) for the Project covering the semester, in the format agreed during negotiations, and which is in the Attachment 2 of this DFIL. Where a UN agency is contracted by the Borrower, the Borrower is responsible to ensure that the financial reporting requirements applicable to the UN Agency are stipulated in the agreement between the Borrower and the UN agency and met in a timely manner.

(ii) Audits. Each audit of the Financial Statements shall 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 year shall be furnished to the Association not later than six (6) months after the end of each audited period. Where a UN agency is contracted by the Borrower, the Borrower is responsible to ensure that the documentation requirements applicable to the UN agency, for project audit purposes, are stipulated in the agreement between the Borrower and the UN agency.

III. Additional Information on Disbursement Arrangements

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 following reference: *National Immunization Support Project*.

Yours sincerely,



Gailius J. Draugelis
Acting Country Director, Pakistan
South Asia Region



Attachments

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

**Schedule 1 to DFIL
Disbursement Arrangements**

Basic Information		
TF No. A2189-PK & TF No. TF0B3039-PK	Country: Islamic Republic of Pakistan Recipient: Islamic Republic of Pakistan	Closing Date: The date stated in Section ____ of Schedule __ to the Grant Agreement
Name of the Project: National Immunization Support 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	Yes	Copy of supporting documentation e.g. invoice.
Reimbursement	Yes	Interim unaudited Financial Report (IFR) in the format stated in Attachment 2
Advance (to a Designated Account)	Yes	Interim unaudited Financial Report (IFR) in the format stated in Attachment 2
Special Commitments	Yes	Copy of Letter of Credit
Designated Account (Sections 5 and 6 **)		
Type: Segregated TF A2189: DA-A for Federal EPI Cell TF0B3039-PK DA-1 for Federal EPI Cell DA-2 for BISP	Ceiling: Forecast for two (2) quarters as provided in the quarterly IFRs	
Financial Institution: National Bank of Pakistan (through the State Bank of Pakistan)		Currency: United States Dollar (USD)
Frequency of Reporting <i>Subsection 6.3 (**)</i>		Semiannual (same as IFRs)
Minimum Value of Applications (subsection 3.5)		
The minimum value of applications for Reimbursement, Direct Payment, and Special Commitment is USD 100,000 equivalent		
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> <i>Withdrawal and Documentation Applications</i> <i>(Subsection 3.3 and 3.4 **)</i>		
Authorized Signatures. The Authorized Signatory Letter (ASL) will be sent to the following address: The Association Attention: Loan Operations Unit, WFACS (Pakistan) 20-A Shahrah-e-Jamhuriat, G-5/1 Islamabad, Islamic Republic of Pakistan		

Withdrawal Applications (WAs). All WAs and its supporting documentation will be electronically sent through the Association's system *ClientConnection*.

Other Instructions

1. For Parts 1, 2 and 3 of the Project

- a. Disbursements will be made upon achievement of Disbursement-Linked Indicator (DLI) Targets and submission of evidence (satisfactory to Association) covering Eligible Expenditure Programs (EEPs) for amount equivalent to or more than the value of DLIs under consideration. Schedule 3 to the Financing and Grant Agreements provides the formulas and amount corresponding to each DLI.
- b. Withdrawal application will be prepared at the Project level and submitted by the Federal EPI Cell under the Ministry of National Health Services, Regulation and Coordination (MONHSRC). Disbursements in USD will be on reimbursement basis and made annually directly to each of the four (4) Project Provincial Government Consolidated Fund Account (Non-food Account 1) on verified achievement of results and execution of Eligible Expenditure Programs (EEPs).
- c. However, a one-time advance of US\$4,300,000 from the IDA credit and US\$5,700,000 from the MDTF Original Grant will be provided upon Project effectiveness against forecast Eligible Expenditure Programs. Further advance may be provided if financing needs of these Parts are justified. For the Association's disbursement purposes, Provincial Government's Consolidated Fund account No. 1 (non-food) will be treated as pooled designated account.

2. For Parts 4 and 5 of the Project

- a. A separate Designated Account will be established for Part 5.2 (Categories 3a and 3b) of the project by Benazir Income Support Program
- b. Disbursement conditions under categories 3(a) & 3(b): Please refer to the Disbursement Conditions specified in paragraph (d) in Sections IV.B.1 of Schedule 2 to the Financing Agreement, as cross referenced in the Additional MDTF Grant Agreement. No advance to the Designated account shall be requested for categories 3a and 3B until these disbursement conditions are fulfilled.

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

Attachment 1 – Form of Authorized Signatory Letter (ASL)

[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

Original MDTF Grant No. TF0A2189-PK & Additional Financing MDTF Grant No. TF0B3039-PK
For the National Immunization Support Project

I refer to the TF Grant Agreement (“Agreement”) between the International Development Association (the “Association”) and the Islamic Republic of Pakistan (the “Recipient”), dated _____, providing the above Financing. For the purposes of Section 3.04 (b) of the Standard Conditions, as defined in the 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 this Grant.

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*

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.*

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 /

[Position]

Attachment 2 – Interim unaudited Financial Reports (IFR)

FOR OFFICIAL USE ONLY

Daisy Zita/Victor Ordonez, WFACS

Cleared with and cc: Robert Oelrichs, HSAHP
Aliya Kashif, HSAHP
Anu Bakshi, LEGES
Junko Funahashi, LEGES
Mazhar Farid, LEGES

Cc: Qurat ul Ain Hadi, ESAG1