06 April 2016

H.E. Eklil Ahmad Hakimi
Minister of Finance
Ministry of Finance
Islamic Republic of Afghanistan

H.E. Dr. Farida Momand
Minister of Higher Education
Ministry of Higher Education
Islamic Republic of Afghanistan

Your Excellencies:

Afghanistan Higher Education Development Project (HEDP)
(ARTF Grant Number TF0A0730)
Achievement of Disbursement-Linked Indicators – Authorization to Disburse

We refer to the Grant Agreement (the “Grant Agreement”) entered into between the Islamic Republic of Afghanistan (the “Recipient”) and the International Development Association (the “Association”) acting as administrator of the Afghanistan Reconstruction Trust Fund (ARTF) dated September 28, 2015, extending a grant (ARTF Grant Number TF0A0730) for the financing of the Higher Education Development Project (the “Project”).

We are pleased to inform you that, after an assessment of the evidence submitted by the Ministry of Higher Education, we have concluded that the Recipient has successfully documented: (a) the achievement of disbursement condition set forth in Section IV.B.1(b)(i) of Schedule 2 to the Grant Agreement (i.e. adoption of the Project Implementation Plan, in form and substance satisfactory to the World Bank); (b) the achievement of the Disbursement-Linked Indicator (DLI) listed under the second column of the table in Schedule 3 to the Grant Agreement (i.e. Year1 (ending December 21, 2015); namely, DLI#2, DLI#4, and DLI#6; and (c) documented expenditures amounting to seven million Dollars ($7,000,000) or more against Eligible Expenditure Program expenditures incurred to the date of this letter.

Accordingly, as per Sections IV.B.1(b)(i) and IV.B.1(b)(ii) of the Schedule 2 to the Grant Agreement, we are pleased to confirm that the Recipient is entitled to withdraw an amount up to $7,000,000 from Category 1 of the table in Section IV.A.2 of the Schedule 2 to the Grant Agreement on account of achievement of DLI #2 ($2,000,000), DLI #4 ($3,000,000) and DLI #6 ($2,000,000), respectively.
As per the additional instructions for disbursement outlined in the Disbursement Letter (attached to the Grant Agreement), the funds disbursed under Part A of the Project are being made on a reimbursement basis. The Ministry of Higher Education can proceed to submit a withdrawal application in Client Connection under ARTF Grant Number TF0A0730. As per the Grant Agreement, the Project is required to submit an IUFR for the expenditures under the Eligible Expenditures programs during the respective year of the Project up to date against which the withdrawal is requested.

I wish to reaffirm our commitment to supporting the development of higher education in Afghanistan. I look forward to continuing our close collaboration in this regard and to the successful implementation of this important Project.

Sincerely,

Robert J. Saum
Country Director for Afghanistan
South Asia Region

cc: Professor Mohammad Osman Babury, Deputy Minister of Academic Affairs, MOHE
Dr. Mohammad Mustafa Mastoor, Deputy Minister of Finance, MoF
Dr. Gul Hassan Walizai, Deputy Minister of Finance and Administration, MoHE
Noor Ahmad Darwish, Project Coordinator, HEDP, MOHE
Masoud Hashimi, Education Sector Manager, Budget Department, Ministry of Finance
Moheb Arsalan J., Coordinator for the World Bank & ARTF Portfolio, MoF
Mr. Nasir Mahmood Khan Khosa, Executive Director for Afghanistan, the World Bank
Mr. Mohamad Humayun Hamidzada, Advisor to Executive Director for Afghanistan, the World Bank
H.E. Eklil Ahmad Hakimi
H.E. Dr. Farida Momand

April 6, 2016

bcc: Afghanistan CMU, Miwa, Aturupane, Sofizada, Mirbacha (GEDDR), Saum, Pryce (SACSL), Wijegunewardena (GGDR)