H.E. Nizar Baraka
Minister of Economy and Finance
Ministry of Economy and Finance
Rabat
Kingdom of Morocco

Re: IBRD Loan 8181-MA (National Initiative for Human Development Program – Phase 2)
Additional Instructions: Disbursement

Excellency:

I refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “Bank”) and the Kingdom of Morocco (the “Borrower”) providing the above-referenced loan (the “Loan”), dated July 27, 2012 (the “Loan Agreement”). The Loan Agreement provides that the Bank may issue additional instructions regarding the withdrawal of the proceeds of the Loan. This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The capitalized terms used in this Disbursement Letter have the meanings ascribed to them in this Disbursement Letter or in the Loan Agreement (as the case may be).

I. Disbursement Arrangements

(i) Withdrawal Applications. Applications for withdrawal from the Loan Account (“Withdrawal Applications”) of amounts of the Loan allocated to individual Disbursement-linked Results (“DLR”) may, pursuant to the provisions of Section IV.A of Schedule 2 of the Loan Agreement, be sent to the Bank at any time after the Bank has notified the Borrower in writing that it has accepted evidence of achievement of the specific DLR.

(ii) Withdrawal Amount. The Withdrawal Application may be for an amount not to exceed the amount of the Loan confirmed by the Bank for the specific DLR in respect of which the withdrawal is requested, as specified in the Bank’s notice to the Borrower.

(iii) Advances and Recovery of Advances. The Borrower may, in accordance with provisions of the Loan Agreement, request advances of amounts of the Loan allocated to certain DLRs that have not yet been achieved. The aggregate amount of all such advances made in respect of amounts allocated to DLRs may not exceed the equivalent of Euro 56,750,000. The amount of the advance(s) and the specific DLR(s) to which it relates must be clearly indicated in the Withdrawal Application.
The Bank records an amount of the advance as justified ("recovered") after it has notified the Borrower of its acceptance of the evidence of achievement of the DLR for which the advance was provided.

(iv) Disbursement Deadline Date. The period of disbursement of the Loan ends six months after the Closing Date ("Disbursement Deadline Date"). This is the final date established by the Bank for receipt by the Bank of Withdrawal Applications. Normally, to support orderly closure of the Loan Account, the Bank does not accept Withdrawal Applications received after the Disbursement Deadline Date. The Borrower should promptly inform the Bank of any expected implementation delays or exceptional administrative issues before these dates. The Bank will notify the Borrower of any exception that the Bank may make to the Disbursement Deadline Date.

(v) Deposits of Loan Amounts. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.

(vi) Withdrawal Conditions. Please refer to the Withdrawal Condition(s) in the Loan Agreement.

II. Withdrawal Applications

(i) Authorized Signatories for Withdrawal Applications. An authorized signatory letter in the Form attached (Attachment 1) should be furnished to the Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Withdrawal Applications:

The World Bank
1818 H Street, NW
Washington, DC 20433
Attention: Mr. Simon Gray
Country Director, Middle East and North Africa Region

(ii) Withdrawal Applications. Please provide completed and signed Withdrawal Applications, to the address indicated below:

Loan Department – Regional Center Zagreb
The World Bank
Radnicka 80/9, 10 000
Zagreb, Croatia
Attention: Mr. Srgo Lomtatidze, Senior Finance Officer
Tel: +385 1 235 7281
Fax: +385 1 235 7233

(iii) Electronic Delivery. The Bank may permit the Borrower to electronically deliver to the Bank Withdrawal Applications through the Bank’s Client Connection, web-based portal. The option to deliver Withdrawal Applications to the Bank by electronic means may be effected if:
(a) the Borrower has designated in writing, pursuant to the terms of subparagraph (i) of this Section, its officials who are authorized to sign and deliver Withdrawal Applications and to receive secure identification devices ("Tokens") from the Bank for the purpose of delivering such Withdrawal Applications by electronic means; and (b) all such officials designated by the Borrower have registered as users of Client Connection. If the Bank agrees, the Bank will provide the Borrower with Tokens for the designated officials. Following which, the designated officials may deliver Withdrawal Applications electronically by completing Form 2380, which is accessible through Client Connection (https://clientconnection.worldbank.org). The Borrower may continue to exercise the option of preparing and delivering Withdrawal Applications in paper form. The Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Withdrawal Applications by the Borrower.

(iv) Terms and Conditions of Use of Tokens to Process Withdrawal Applications. By designating officials to accept Tokens and by choosing to deliver the Withdrawal Applications electronically, the Borrower confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation ("Terms and Conditions of Use of Tokens") provided in Attachment [2]; and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions.

III. Other Important Information

For additional information on disbursement arrangements and electronic delivery of Withdrawal Applications, please visit our secure website “Client Connection” at https://clientconnection.worldbank.org.

If you have not already done so, the Bank recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to prepare and deliver Withdrawal Applications, monitor the near real-time status of the Loan, and retrieve related policy, financial, and procurement information. All Borrower officials authorized to sign and deliver Withdrawal Applications by electronic means are required to register with Client Connection before electronic delivery can be effected. For more information about the website and registration arrangements, please contact the Bank by email at <clientconnection@worldbank.org>.
If you have any queries in relation to the above, please contact Hassine Hedda, Finance Officer at hhedda@worldbank.org or a member of the Loan Department team responsible for the Morocco portfolio using the above reference.

Yours sincerely,

Simon Gray
Country Director
Middle East and North Africa Region

Attachments

1. Form for Authorized Signatures

Cc with copies: Ms. Nadira Guermai
Governor, National Coordinator of INDH
nelguermai@interieur.gov.ma
Letter drafted by: Hassine Hedda, CTRLA

Cleared with and cc: Jean-Charles de Daruar, LEGEM,
Mohamed Medojar, MNSAR and Andrea Liverani, MNSSO