H.E. Ahmed Shide
Minister of Finance
Ministry of Finance
Addis Ababa
Ethiopia

Re: Grant No. D482-ET
(Ethiopia Climate Action Through Landscape Management Program)
Additional Instructions: Disbursement and Financial Information Letter

Excellency:

I refer to the Financing Agreement ("Agreement") between Federal Democratic Republic of Ethiopia (the "Recipient") and the International Development Association (the "Association") for the above-referenced Program. The General Conditions, as defined in the 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 Program 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

(i) 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, and instructions on documentation and reporting of advances.

(ii) Withdrawal Applications. Applications for withdrawal from the Grant Account ("Withdrawal Applications") of amounts of the Grant allocated to individual Disbursement Linked Results ("DLR") may, pursuant to the provisions of Section IV of Schedule 2 of the Agreement, be sent to the Association at any time after the Association has notified the Recipient in writing that it has accepted evidence of achievement of the specific DLR.

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

(iv) Prior Results. The Association confirms that provided it has received evidence satisfactory to it that the DLRs referred to in categories DL.R1 and DL.R4 of the Table in the Agreement have been achieved, the Recipient may withdraw the amount of the Grant allocated to said categories in the amount of SDR 21,654,000 equivalent after the Agreement has been declared effective.
(v) **Advances and Recovery of Advances.** The Recipient may, in accordance with provisions of the Agreement, request advances of amounts of the Grant allocated to DLIs that have not yet been achieved using the Form attached (Attachment 2).

The Association records an amount of the advance as disbursed for an achieved DLR ("recovered") after it has notified the Recipient of its acceptance of the evidence of achievement of the DLR for which the advance was provided. The amount so reclassified becomes available for further advances in accordance with the preceding paragraph.

(vi) **Electronic Delivery.** Section 11.01(c) of the General Conditions. The Association may permit the Recipient to electronically applications (with supporting documents) through the Association's web-based portal (https://clientconnection.worldbank.org) “Client Connection”. This option may be effected if the officials designated in writing by the Recipient who are authorized to sign and deliver Applications 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”. 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 Association by electronic means. The Recipient may continue to exercise the option of preparing and delivering Applications in paper form.

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 5.09 of the General Conditions.

(i) **Financial Reports.** The Recipient must prepare and furnish to the Bank not later than 90 days after the end of each Ethiopian Fiscal 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 audited Financial Statements for each such period must be furnished to the Bank 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 Association 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 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: Carolyn Turk  
Country Director for  
Ethiopia, Sudan and South Sudan  
Africa Region

Attachments
1. Form of Authorized Signatory Letter.
2. Sample Form for Advances.
Schedule 1: Disbursement Provisions

<table>
<thead>
<tr>
<th>Grant Number</th>
<th>Country</th>
<th>Closing Date</th>
<th>Disbursement Deadline Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>D482-ET</td>
<td>Federal Democratic Republic of Ethiopia</td>
<td>July 7, 2024</td>
<td>Six months after the closing date.</td>
</tr>
<tr>
<td>Recipient</td>
<td>Federal Democratic Republic of Ethiopia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name of the Program</td>
<td>Ethiopia Climate Action Through Landscape Management Program</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Disbursement Methods

<table>
<thead>
<tr>
<th>Methods</th>
<th>Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Confirmation issued by the World Bank</td>
</tr>
<tr>
<td>Advance</td>
<td>Request in the format provided in Attachment 2 of the DFIL</td>
</tr>
</tbody>
</table>

Financial Institution - Name

<table>
<thead>
<tr>
<th>Name</th>
<th>Ceiling</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>NBE - National Bank of Ethiopia</td>
<td>85,000,000</td>
<td>SDR equivalent</td>
</tr>
</tbody>
</table>

(i) Authorized Signatures

A letter in the Form attached (Attachment 1) should be furnished to the World Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

(ii) Applications

Please provide completed and signed (a) applications for withdrawal, together with supporting documents, to the address indicated below:
As currently Ethiopia has Lapsed Loans, no advances will be released until the full settlement of the outstanding balance of the Designated Accounts under the Lapsed Loans. Once the Lapsed Loans have been closed, advances will then be released based on the agreed above.
Form of Authorized Signatory Letter

[Letterhead]

Ministry of Finance

[Street address]

[DATE]
The Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: [Country Director]

Re: Grant No. D482-ET
(Ethiopia Climate Action Through Landscape Management Program)

I refer to the Financing Agreement ("Agreement") between the Federal Democratic Republic of Ethiopia (the "Recipient"), and the International Development Association (the "Association"), dated __________, providing for the above Grant. For the purposes of Section 2.03 of the General 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 Association, including by electronic means, [each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting [individually] [jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

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

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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.
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 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]
Sample Form for Advances

[Ministry/Implementing Agency Letterhead]

[Date]

Loan Department – [name of Regional Center]
The World Bank
[address of regional center]
Attention: [name of regional center team lead]

Subject: Re: IDA Grant No. D482-FT
(Ethiopia Climate Action Through Landscape Management Program)
Request for Advance

Dear Sir/Madam,

We refer to the Financing Agreement ("Agreement") between the Association (the "Association") and the Federal Democratic Republic of Ethiopia (the "Recipient") dated [insert date] providing for the above Grant.

In accordance with the provisions of the Disbursement Letter and Schedule ____, Section __________ of the Agreement, to support the implementation of the above Program and to facilitate the achievement of the planned results, we request an Advance in the amount of [insert amount] ¹.

[We request that the Advance be disbursed in [currency requested for disbursement] equivalent to the Total Advance Requested above.]² We acknowledge that the amount disbursed will be charged to the Grant Account in the currency of the Financing at the rate of exchange in effect at the time of disbursement.

Sincerely,

[insert Name, and Position]³

¹ The Proposed Advance should be in the currency of the DLL/DLR as set out in the disbursement table in the Agreement, and in accordance with provisions in the Disbursement and Financial Information Letter. Normally, this is the currency of commitment of the Grant.
² Use this text to designate the currency of the Advance if it should be different from the currency set out in the disbursement table in the Agreement.
³ To be signed by a representative of the implementing/coordinating agency of the Recipient, or by the person(s) authorized on behalf of the Recipient to sign applications for withdrawal under the Grant as set out in the applicable Authorized Signatory Letter.