Re: Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund.  
(Multi-Sectoral Action for Nutrition Project)  
Grant No TF0A5202-PK  
Additional Instructions: Disbursement Letter

Dear Sir:

I refer to the Grant Agreement between the Islamic Republic of Pakistan (the “Recipient”) and the International Bank for Reconstructions and Development/International Development Association (the “World Bank”) acting as Administrator of Pakistan Partnership for Improved Nutrition Multi-Donor Trust Fund for the above-referenced project, dated November 8, 2017. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of the Grant No. TF0A5202-PK (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The attached World Bank Disbursement Guidelines for Investment Project Financing, dated February 2017 (“Disbursement Guidelines”) (Attachment 1), are an integral part of the Disbursement Letter. The manner in which the provisions in the Disbursement Guidelines apply to the grant is specified below. Sections and subsections in parentheses below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter, the capitalized terms used have the meanings ascribed to them in the Disbursement Guidelines.

I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The Disbursement Methods which may be used under the Grant are Advance, Reimbursement, Direct Payment and Special Commitment.

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four (4) months after the Closing Date specified in Section IV.B.2 of Schedule 2 to the Grant Agreement. Any changes to this date will be notified by the World Bank.

II. Withdrawal of Grant Proceeds

(i) Authorized Signatures (subsection 3.1). An authorized signatory letter in the Form attached (Attachment 2) should be furnished to the World Bank at the address indicated in the paragraph “(ii)” below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications.
(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed (a) applications for withdrawal, together with supporting documents, and (b) applications for special commitments, together with a copy of the commercial bank letter of credit, to the address indicated below:

The World Bank Office
20 A, Shahrah-e-Jamhuriat
Ramna 5, Sector G-5/1
Islamabad, Islamic Republic of Pakistan

Attention: Anwar Ali Bhatti
Disbursement Management Unit

(iii) Electronic Delivery (subsection 3.4) The World Bank may permit the Recipient to electronically deliver to the World Bank Applications (with supporting documents) through the World Bank’s Client Connection, web-based portal. The option to deliver Applications to the World Bank by electronic means may be effected if: (a) the Recipient has designated in writing, pursuant to the terms of subparagraph (i) of this Section, its officials who are authorized to sign and deliver Applications and to receive secure identification credentials (“SIDC”) from the World Bank 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. If the World Bank agrees, the World Bank will provide the Recipient with SIDC for the designated officials. Following which, the designated officials may deliver Applications electronically by completing Form 2380, which is accessible through Client Connection (https://clientconnection.worldbank.org). The Recipient may continue to exercise the option of preparing and delivering Applications in paper form. The World Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient.

(iv) Terms and Conditions of Use of SIDC to Process Applications. 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 (“Terms and Conditions of Use of Secure Identification Credentials”) provided in Attachment 3; and (b) to cause such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications for reimbursement, direct payment and special commitment is USD 700,000 equivalent.

(vi) Advances (sections 5 and 6).

• Type of Designated Account (subsection 5.3): Two (2) Segregated Designated Accounts as follows:

  ✓ The first account will be managed by the Project Management Unit of the Directorate of Sanitation in Local Government Department, and
  ✓ The second account will be managed by the Project Management Unit of the Directorate of Agriculture Extension.

• Currency of Designated Account (subsection 5.4): United States Dollar (USD)
- **Financial Institution at which the Designated Accounts Will Be Opened (subsection 5.5):** National Bank of Pakistan.

- **Ceiling (subsection 6.1):** Forecast for two (2) quarters as provided in the quarterly Interim Financial Report (IFR).

### III. Reporting on Use of Grant Proceeds

(i) **Supporting Documentation (section 4).** Supporting documentation should be provided with each application for withdrawal as set out below:

- **For requests for Reimbursement.** Interim Financial Report in the form attached (Attachment 4)

- **For requests for Direct Payment:** Records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices.

- **For reporting eligible expenditures paid from the Designated Account.** (a) Interim Financial Report in the form attached (Attachment 4), and (b) World Bank’s account statement and bank account reconciliation.

### IV. Other Important Information


If you have not already done so, the World 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 Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver 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 World Bank by email at <clientconnection@worldbank.org>.
If you have any queries in relation to the above, please contact the Loan Operations Department (WFALA) at vconde@worldbank.org using the above reference.

Yours sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

[Signature]

Patchamuthu Illango
Country Director
Pakistan
South Asia Region

Attachments

1. World Bank Disbursement Guidelines for Investment Project Financing, dated February 2017
2. Form for Authorized Signatures
4. Form of Interim Financial Report (IFR)
cc with copies:

Project Director, Local Government & HTP Department
Sindh Secretariat # 5
Karachi
Pakistan

Project Director, A4N Project, Agriculture Department
Karachi
Pakistan