ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT *PROJECT*

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY

THE GOVERNMENT OF THE REPUBLIC OF IRAQ

MINISTRY OF EDUCATION

FUNDED BY

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS, REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANTS, AUDITORS

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of the Additional Loan for Emergency Operation for the Development Project Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ / Ministry of Education
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st, 2024. The preparation of the financial statement is the responsibility of the project management team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.
We have also audited the compliance with laws, regulations, guidelines, and provisions that govern the Loan Agreement covering the year ended December 31st, 2024.
We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines, and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.
We would like to point out the following:
There are discrepancies in the receipts, payments, and bank balance between the report submitted to the World Bank for Reconstruction and Development for the fourth quarter of 2024, as follows:
- Receipts: USD 207,070
- Payments: USD 212,344
- Bank Balance: USD 5,264

opinion
Apart from what was mentioned above:
(a) The Project's Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for the Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st, 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.
(b) A proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.
(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines, and provisions governed by the Loan agreement.

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic of Iraq
Date: January 21st 2026

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MINISTRY OF EDUCATION
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st, 2018, until December 31st 2023	Actual receipts and payments in the year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		14,469,924	2,109,997	16,579,921
Total cash receipts		**27,000,000**	**14,469,924**	**2,109,997**	**16,579,921**
CASH PAYMENTS					
Cash Payments for Components			(14,366,438)	(2,191,809)	(16,558,247)
Total cash payments	2	**27,000,000**	**(14,366,438)**	**(2,191,809)**	**(16,558,247)**
Cash at Bank as at the end of the period	3				**21,674**

PMT Manager
Duraid Dhari Daas

Financial Management
Sufyan Hameed Khudhair

وزارة التربية العراقية
فريق البنك الدولي

The notes on pages from 1 to 4 are an integral part of these financial statements.

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya, and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula- As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$400 million in 2017. The additional financing is planned to scale up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), and Ninewa (including Mosul).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity.

Component (2): Restoring Municipal Waste, Water, and Sanitation Services.

Component (3): Restoring Transport Infrastructure.

Component (4): Restoring Health Services.

Component (5): Technical Assistance.

Component (6): Project Management, Sensitization, and Monitoring and Evaluation.

Component (7): Restoring Agriculture Productivity.

Component (8): Emergency repair of water control infrastructure and irrigation schemes.

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by the Management Letter dated: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE WITH THE LOAN CONTRACT

Loan Agreement-part number	Nature of the task	Amount allocated to the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments by During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 9	Restoring Education Services	27,000,000	16,579,881	(16,558,207)	21,674

- With reference to the World Bank's letter dated June 20, 2024, the allocation for this component was reduced to $27,000,000.

IN U.S. DOLLARS

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	26,938	122,918
Add:		
Bank fees	-	10
Tender fees	-	-
Less:		
Bank fees	-	-
Differences	**(5,264)**	-
Outstanding checks	-	**(19,442)**
Fund balance per books as at 31 December	**21,674**	**103,486**

4 OFFICE EQUIPMENT

The office equipment was Equivalent to the actual Inventory.

5 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S dollars (USD), which is the functional currency of the Additional Loan for Emergency Operation for the Development Project (P 155732) LOAN NO. 8793-IQ.

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise cash in hand, deposits in demand at the bank, and cash equivalents received from the International Bank for Reconstruction and Development (Loan Agreement- LOAN NO. 8793-IQ).

6.3 Disbursements

The disbursements of the project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

7 GOING CONCERN

The entity shall be terminated and seize to exist once the final budget from the International Bank for Reconstruction and Development is expended or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF EDUCATION

Funded by
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANTS, AUDITORS
BAGHDAD – IRAQ

No: AFS/2/26

Date: 21/1/2026

Ministry of Education
Additional Loan for Emergency Operation for Development Project (P 155732)
LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, we had noticed certain matters that, in our opinion, might affect the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

Management Letter
The year ended December 31st 2024

TABLE OF CONTENTS

Definitions and Interpretation

Report	:Management Letter/ Ministry of Education.
Period	: Covering the year ended December 31st 2024 .
Project	:Emergency Operation for Development Project (P 155732) Loan No. (8793-IQ).
Submitted to	: Reconstruction Fund for areas affected by terrorist operations

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Note (1) :Receipts and payments difference.

Observation

1- The total amount received for the component, according to the trial balance, was USD 16,579,881, while the total amount received for the component, according to the fourth-quarter statements submitted to the International Bank for Reconstruction and Development (IBRD), was USD16,372,811, a difference of USD 207,070.

2- The total amount paid for the component, according to the trial balance, was USD 16,558,207, while the total amount paid for the component, according to the fourth-quarter statements submitted to the International Bank for Reconstruction and Development (IBRD), was USD 16,345,863, a difference of USD 212,344.

3- The bank's balance for the component, according to the trial balance, amounted to USD 21,674, while the bank's balance for the component, according to the fourth quarter statements sent to the International Bank for Reconstruction and Development (IBRD), appeared to be USD 26,938, a difference of USD 5,264.

Effect : The amounts recorded in the reports are incorrect.

Recommendation : There is a need to adjust the difference.

Management Response : No response.

End of Management Letter

Additional Loan for Emergency Operation for Development Project

(P 155732)

Loan No. 8793-IQ

Implemented by

The Government of Republic of Iraq

Ministry Of Agriculture

Funded by

The International Bank for

Reconstruction and Development

Independent AUDITORS' REPORT

&

Financial Statements

The year ended December 31st 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANTS, AUDITORS

Baghdad – Iraq

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ/Ministry of Agriculture
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.
We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.
We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.
(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.
(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic Of Iraq
Date: January 21st 2026

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MINISTRY OF AGRICULTURE.
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS.
COVERING THE YEAR ENDED DECEMBER 31ST 2024.
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments In year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		2,406,720	3,641,171	6,047,891
Total cash receipts		**21,928,878**	**2,406,720**	**3,641,171**	**6,047,891**
CASH PAYMENTS					
Cash Payments for Components			(2,300,466)	(3,667,976)	(5,968,442)
Total cash payments	2	**21,928,878**	**(2,300,466)**	**(3,667,976)**	**(5,968,442)**
Cash at Bank as at end of the year	3				**79,449**

PMT Manager
Dr. Ahmed Qasim Naji

Financial Management
Omar Asim Ismail

The notes on pages from 1 to 4 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula- As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to4 were authorized for issuance by Management Letter dated: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement - part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 7	Restoring Agriculture Productivity	21,928,878	6,047,891	(5,968,442)	79,449

- With reference the international banks for reconstruction and development letter dated 20 June 2024, the allocated to the component has been reduced to USD (**21,928,878**).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	79,449	111,849
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	
Tender fees	-	-
Outstanding checks	-	(5,595)
Fund balance per books as at 31 December	**79,449**	**106,254**

4 OFFICE EQUIPMENT

The office equipment it was Equivalent with actual Inventory.

5 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

7 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF AGRICULTURE

Funded by

THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANTS, AUDITORS

BAGHDAD – IRAQ

No: AFS/2/26

Date: 21/1/2026

Ministry of Agriculture
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ.
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended 31st 2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

RECONSTRUCTION FUND FOR AREAS AFFECTED BY TERRORIST OPERATIONS

FUNDED BY

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS, REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ / Reconstruction Fund for areas affected by terrorist operations.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic Of Iraq
Date: January 21st 2026

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

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RECONSTRUCTION FUND FOR AREAS AFFECTED BY TERRORIST OPERATIONS
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		2,538,300	-	2,538,300
Total cash receipts		**2,437,986**	**2,538,300**	**-**	**2,538,300**
CASH PAYMENTS					
Cash Payments for Components			(2,106,886)	(165)	(2,107,051)
Total cash payments	2	**2,437,986**	**(2,106,886)**	**(165)**	**(2,107,051)**
Cash at Bank as at end of the period	3				**431,249**

PMT Manager
Mohammed Qassim Mohammed

Financial Management
Ali Flayyih Abdullah

The notes on pages from 1 to 4 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula ó As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN AGREEMENT

Loan Agreement- part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 5 and 6	**Technical Assistance and Project Management. Sensitization, and Communications, and Monitoring and Evaluation.**	**2,437,986**	**2,538,300**	**(2,107,051)**	**431,249**

- With reference the international bank's for reconstruction and development letter dated 20 June 2024, the allocated to the component has been reduced to USD (**2,437,986**).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	431,249	431,404
Add:		
Bank fees	-	10
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**431,249**	**431,414**

4 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

5 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

5-1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

5.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

5.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

6 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

RECONSTRUCTION FUND FOR AREAS AFFECTED BY TERRORIST OPERATIONS

Funded by
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANT & AUDITOR
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26

Date: 21/1/2026

**Reconstruction Fund for areas affected by terrorist operations
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq**

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31^{st} 2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

**Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad – Iraq**

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ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
MINISTRY OF ELECTRICITY

FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ/ Ministry of Electricity.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024 .The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic of Iraq
Date: January 21st 2026

بغداد – حي بابل – محلة 929 - زقاق 15 – الدار 6
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MINISTRY OF ELECTRICITY
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		31,567,092	385,263	31,952,355
Total cash receipts		**46,421,356**	**31,567,092**	**385,263**	**31,952,355**
CASH PAYMENTS					
Cash Payments for Components			(31,213,102)	(479,059)	(31,692,161)
Total cash payments	2	**46,421,356**	**(31,213,102)**	**(479,059)**	**(31,692,161)**
Cash at Bank as at end of the period	3				**260,194**

PMT Manager
Murtadha hussein mahdi

Financial Management
Laila Manea Mohsin

وزارة الكهرباء
E-O-D-P
AF
مشروع التمويل الاضافي
لقرض البنك الدولي

The notes on pages from 1 to 4 are integral part of these financial statements

MINISTRY OF ELECTRICITY
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT
(P 155732) LOAN NO. 8793-IQ
NOTES TO THE FINANCIAL STATEMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula- As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by anagement Letter Date: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN AGREEMENT

Loan Agreement-part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
part 1	Restoring Electricity Infrastructure and Connectivity	46,421,356	31,952,355	(31,692,161)	260,194

- With reference to the international banks for reconstruction and development letter dated 20 June 2024, the allocated to the component has been reduced to USD **(46,421,356)**.

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	260,194	361,522
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	(7,532)
Difference	-	-
Fund balance per books as at 31 December	**260,194**	**353,990**

4 OFFICE EQUIPMENT

The office equipment it was Equivalent with actual Inventory

5 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development

6 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development PROJECT (P 155732) LOAN NO. 8793-IQ.

6-1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

6.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

7 GOING CONCERN

The entity shall be terminated and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF ELECTRICITY

Funded by
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANT & AUDITOR
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26
Date: 21/1/2026

Ministry of Electricity
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ.
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732), LOAN NO. 8793-IQ covering the year ended December 31st, 2024, in our opinion, there was no observation for the component that affects the "Project" Management Team (PMT), as to record, process, summarize, and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

This report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

بغداد – حي بابل – محلة 929 - زقاق 15 – الدار 6
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E-Mail: ahmedf.alsalman@gmail.com

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT *PROJECT*

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF CONSTRUCTION AND HOUSING - DEPARTMENT OF PROJECTS FUNDED EXTERNALLY

FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project

Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ / Ministry of Construction and Housing / Department of Projects Funded Externally.

Reconstruction Fund for Areas Affected by Terroristic Operations

Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st2024 .The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st2023, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic Of Iraq
Date: January 21st 2026

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MINISTRY OF CONSTRUCTION AND HOUSING - DEPARTMENT OF PROJECTS FUNDED EXTERNALLY
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		35,256,461	2,292,650	37,549,111
Total cash receipts		**38,563,820**	**35,256,461**	**2,292,650**	**37,549,111**
CASH PAYMENTS					
Cash Payments for Components			(34,317,114)	(3,173,551)	(37,490,665)
Total cash payments	2	**38,563,820**	**(34,317,114)**	**(3,173,551)**	**(37,490,665)**
Cash at Bank as at end of the period	3				**58,446**

PMT Manager
Ihsan Sattar Majhool

Financial Management
Halah Adnan Abdulameer

عمار والاسكان والبلديات والاشغال العامة
ة المشاريع الممولة خارجياً
Ministry of Construction , Hous
Municipalities & Public Wor
Office Of Externally Funded Proj

The notes on pages from 1 to 4 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula- As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21ST 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement-part number	Nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
part 2	Restoring Muni-copal Waste, Water and Sanitation Services	**38,563,820**	**37,549,111**	**(37,490,665)**	**58,446**

- With reference to the international banks for reconstruction and development letter dated 20 June 2024, the allocation to the component has been reduced to USD (**38,563,820**).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	58,446	939,347
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**58,446**	**939,347**

4 OFFICE EQUIPMENT

The office equipment it was Equivalent with actual Inventory

5 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

6,3 Disbursement

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

7 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

Additional Loan for Emergency Operation for Development PROJECT

(P 155732)
Loan No. 8793-IQ

Implemented by
The Government of Republic of Iraq

Ministry of Construction and Housing / Department of Projects Funded Externally

Funded by
The International Bank for Reconstruction and Development

Management Letter

On

Financial Statements

The year ended December 31st 2024

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANTS, AUDITORS
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26

Date: 21/1/2026

Ministry of Construction and Housing / Department of Projects Funded Externally
Additional Loan for Emergency Operation for Development Project (P 155732)
LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
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Baghdad – Iraq

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ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
MINISTRY OF WATER RESOURCES

FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report
To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ / Ministry of Water Resources.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic Of Iraq
Date: January 21st 2026

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MINISTRY OF WATER RESOURCES.
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS.
COVERING THE YEAR ENDED DECEMBER 31ST 2024.
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project USD	Actual receipts and payments from August 21st 2018 until December 31st 2023 USD	Actual receipts and payments in year 2024 USD	Accumulated receipts and payments balance as of 31 December 2024 USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		17,964,199	9,344,081	27,308,280
Total cash receipts		**31,242,971**	**17,964,199**	**9,344,081**	**27,308,280**
CASH PAYMENTS					
Cash Payments for Components			(17,711,031)	(9,392,073)	(27,103,104)
Total cash payments	2	**31,242,971**	**(17,711,031)**	**(9,392,073)**	**(27,103,104)**
Cash at Bank as at end of the period	3				**205,176**

PMT Manager
Raed Abd Zaied Al-Geshemi

Financial Management
Omar Safwat Hasan

The notes on pages from 1 to 4 are integral part of these financial statements

MINISTRY OF WATER RESOURCES
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
NOTES TO THE FINANCIAL STATEMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula- As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement-part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 8	**Emergency Repair of Water Control Infrastructure and Irrigation Schemes**	**31,242,971**	**27,308,280**	**(27,103,104)**	**205,176**

-With reference the international bank's for reconstruction and development letter dated 20 June 2024, the allocated to the component has been reduced to USD (**31,242,971**).

3 - FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	205,176	255,768
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	(2,600)
Fund balance per books as at 31 December	**205,176**	**253,168**

4 OFFICE EQUIPMENT

The office equipment it was Equivalent with actual Inventory

5 - REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6 - BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

1.6 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

2.6 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

3.6 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project.

7 - GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
MINISTRY OF WATER RESOURCES

Funded by
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANT & AUDITOR
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26

Date: 21/1/2026

Ministry of Water Resources
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

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ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF THE REPUBLIC OF IRAQ

MINISTRY OF TRANSPORTATION

FUNDED BY
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANTS, AUDITORS
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of the Additional Loan for Emergency Operation for the Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ/ Ministry of Transportation.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st, 2024. The preparation of the financial statement is the responsibility of the project management team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines, and provisions that govern the Loan Agreement covering the year ended December 31st, 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines, and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Opinion

(a) The Project's Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) A proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines, and provisions governed by the Loan agreement.

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic Of Iraq
Date: January 21st 2026

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MINISTRY OF TRANSPORTATION
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

THE WORLD BANK 1
وزارة النقل / فريق إدارة المشروع قرض البنك الدولي
Ministry of transport /Project management team for the International bank

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st, 2018, until December 31st, 2023	Actual receipts and payments in the year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		4,448,340	522,074	4,970,414
Total cash receipts		**73,470,938**	**4,448,340**	**522,074**	**4,970,414**
CASH PAYMENTS					
Cash Payments for Components			(4,385,265)	(544,734)	(4,929,999)
Total cash payments	2	**73,470,938**	**(4,385,265)**	**(544,734)**	**(4,929,999)**
Difference					**(240)**
Advance					**(30,000)**
Cash at Bank as at the end of the period	3				**10,175**

PMT Manager
Makki Jaber Naser

Financial Management
Hayder Sabah Mohammed Ali

The notes on pages from 1 to 4 are an integral part of these financial statements.

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya, and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$400 million in 2017. The additional financing is planned to scale up EODP activities and expand them in terms of sectoral coverage (adding irrigation and education) and geographical reach, as per the original EODP design. Such expansion is critical to ensure that project impacts are extended to new liberated cities in Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), and Ninewa (including Mosul).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water, and Sanitation Services.

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization, and Monitoring and Evaluation.

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by the Management Letter dated: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE WITH THE LOAN CONTRACT

Loan Agreement- part number	The nature of the task	Amount allocated to the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Difference During the period 21/8/2018-31/12/2024 (USD)	Advance During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 3 -B	**Restoring Transport Infrastructure and Services/Transport Services (Civil Aviation, Railways, and Public Transport)**	**73,470,938**	**4,970,414**	**(240)**	**(30,000)**	**(4,929,999)**	**10,175**

With reference to the international banks for reconstruction and development letter dated 20 June 2024, the allocation to the component has been increase to USD (**73,470,938**).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	10,175	71,160
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	(8,325)
Fund balance per book as at 31 December	**10,175**	**62,835**

4 OFFICE EQUIPMENT

The office equipment was Equivalent to the actual Inventory.

5 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq/Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

6 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S dollars (USD), which is the functional currency of the Additional Loan for Emergency Operation for Development PROJECT (P 155732) LOAN NO. 8793-IQ.

6.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

6.2 Receipts

Receipts comprise cash in hand, deposits in demand at the bank, and cash equivalents received from the International Bank for Reconstruction and Development (Loan Agreement- LOAN NO. 8793-IQ).

6.3 Disbursements

The disbursements of the project's resources are restricted for(Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

7 GOING CONCERN

The entity shall be terminated and seize to exist once the final budget from the International Bank for Reconstruction and Development is expended or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

THE WORLD BANK
1
النقل / فريق إدارة المشروع قرض البنك الدولي
Ministry of transport /Project management
for loan international bank

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF TRANSPORTATION

Funded by
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED. F.AL-SALMAN
PUBLIC ACCOUNTANT & AUDITOR
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26

Date: 21/1/2026

Ministry of Transportation
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, we had noticed certain matters that, in our opinion, might affect the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANTS, AUDITORS
Baghdad – Iraq

بغداد – حي بابل – محلة 929 - زقاق 15 – الدار 6
Mobile: + 964 7828 28 8888
E-Mail: ahmedf.alsalman@gmail.com

Management Letter
The year ended December 31st 2024

TABLE OF CONTENTS

Definitions and Interpretation

Report	:Management Letter / Ministry of Transportation.
Period	: Covering the year ended December 31st 2024 .
Project	: Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.
Submitted to	: Reconstruction Fund for areas affected by terrorist operations

Note (1) : Receipts difference.

Observation :The difference in the balance of cash receipts , as indicated in the accounting books, for the amount received from the International Bank for Reconstruction and Development was USD (240).

Effect :A shortage in the amount of actual cash received for the balance USD (240).

Recommendation : Settle the amount indicated above, and amend the accounting books accordingly.

Management Response : The accounting books a shall be amended during 2025 to that effect.

End of Management Letter

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

Ministry of Construction and Housing

Department of Roads and Bridges

FUNDED BY

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ /Ministry of Construction and Housing - Department of Roads and Bridges.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.
We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.
We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.
(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.
(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic of Iraq
Date: January 21st 2026

MINISTRY OF CONSTRUCTION AND HOUSING DEPARTMENT OF ROADS AND BRIDGES
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		88,109,208	7,295,214	95,404,422
Total cash receipts	2	**98,111,747**	**88,109,208**	**7,295,214**	**95,404,422**
CASH PAYMENTS					
Cash Payments for Components			(87,163,028)	(8,006,354)	(95,169,382)
Total cash payments	2	**98,111,747**	**(87,163,028)**	**(8,006,354)**	**(95,169,382)**
Cash at Bank as at end of the period	3				**235,040**

PMT Manager
Hussien Jasim Kadhem

Financial Management
Adwaa Qasim Mohammed

27-01-2026

The notes on pages from 1 to 4 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalulaó As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21ST 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement-part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments by During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 3 -A	Restoring Transport Infrastructure and Serv1ces/Transport Infrastructure (Roads and Bridges)	98,111,747	95,404,422	(95,169,382)	235,040

With reference the international bank's for reconstruction and development letter dated 20 June 2024, the allocated to the component has been raised to USD **(98,111,747)**.

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	235,040	946,908
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	(728)
Fund balance per books as at 31 December	**235,040**	**946,180**

4 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

5 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

5.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

5.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

5.3 Disbursements

The disbursements of project's resources are restricted for (Goods ,Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project.

6 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

MINISTRY OF CONSTRUCTION AND HOUSING DEPARTMENT OF ROADS AND BRIDGES

Funded by
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS
THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN
PUBLIC ACCOUNTANTS, AUDITORS
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26

Date: 21/1/2026

Ministry of Construction and Housing- Department of Roads and Bridges
Additional Loan for Emergency Operation for Development Project (P 155732)
LOAN NO. 8793-IQ.
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

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E-Mail: ahmedf.alsalman@gmail.com

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

ANBAR GOVERNORATE

FUNDED BY

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS, REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED. F. ALSALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732)
LOAN NO. 8793-IQ / Anbar Governorate.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic of Iraq
Date: January 21st 2026

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

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ANBAR GOVERNORATE

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ

STATEMENT OF CASH RECEIPTS AND PAYMENTS.

COVERING THE YEAR ENDED DECEMBER 31ST 2024.

IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		19,776,442	49,615	19,826,057
Total cash receipts		**19,999,504**	**19,776,442**	**49,615**	**19,826,057**
CASH PAYMENTS					
Cash Payments for Components			(19,762,676)	(51,364)	(19,814,040)
Total cash payments	2	**19,999,504**	**(19,762,676)**	**(51,364)**	**(19,814,040)**
Cash at Bank as at end of the year	3				**12,017**

PMT Manager
Jasim Mohammed Abdullah

Financial Management
Ali Hameed Rashid

The notes on pages from 1 to 4 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula- As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement-part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 10	**Restoring Basic Municipal Infrastructure and Services and Preserving Cultural Heritage Assets**	**19,999,504**	**19,826,057**	**(19,814,040)**	**12,017**

- With reference the International Bank's for Reconstruction and Development letter dated 20 June 2024, the allocation allocated to the component has been reduced to USD (**19,999,504**).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	12,017	13,766
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**12,017**	**13,766**

4 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

5 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

5.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

5.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

5.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

6 GOING CONCERN

The entity shall be terminated and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
ANBAR GOVERNORATE

Funded by
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON
FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F. SALMAN
PUBLIC ACCOUNTANT & AUDITOR
BAGHDAD – IRAQ

No: AFS/2/26

Date: 21/1/2026

Anbar Governorate
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended 31st2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

Diyala Governorate

FUNDED BY

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS, REPORT

&

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED. F.AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

Independent auditor's report
To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ / Diyala Governorate
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.
We would like to point out the following:
There are discrepancies in the receipts, payments, and bank balance between the report submitted to the World Bank for Reconstruction and Development for the fourth quarter of 2024, as follows:
- Receipts: USD 480,586
- Payments: USD 480,493
- Bank Balance: USD 93

Opinion
Apart from what was mentioned above:
(a) The Projects Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.
(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.
(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

أحمد فرقد محسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic of Iraq
Date: January 21st 2026

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DIYALA GOVERNORATE
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS
COVERING THE YEAR ENDED DECEMBER 31ST 2024
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		6,980,964	618,157	7,599,121
Total cash receipts		**9,849,886**	**6,980,964**	**618,157**	**7,599,121**
CASH PAYMENTS					
Cash Payments for Components			(6,932,489)	(631,572)	(7,564,061)
Total cash payments	2	**9,849,886**	**(6,932,489)**	**(631,572)**	**(7,564,061)**
Cash at Bank as at end of the period	3				**35,060**

PMT MANAGER
Ali Abbas Bida

FINANCIAL MANAGEMENT
Abdul jabbar Abdul sattar Dawod

محافظة
ديالى

The notes on pages from 1 to 4 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalulaó As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21st 2026

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS FOR ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement- part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments by During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 10	Restoring Basic Municipal Infrastructure and Services and Preserving Cultural Heritage Assets	9,849,886	7,599,121	(7,564,061)	35,060

- With reference the International Bank's for Reconstruction and Development letter dated 20 June 2024, the allocation allocated to the component has been reduced to USD (**9,849,886**).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	**34,967**	**48,475**
Add:		
Differences	93	-
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**35,060**	**48,475**

4 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

5 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

5.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

5.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development(Loan Agreement-LOAN NO. 8793-IQ).

5.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

6 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

DIYALA GOVERNORATE

Funded by
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F. AL- SALMAN
PUBLIC ACCOUNTANT & AUDITOR
BAGHDAD – IRAQ

No: AFS/2/26

Date: 21/1/2026

Diyala Governorate
Additional Loan for Emergency Operation for Development Project (P 155732)
LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31^{st} 2024, we had noticed certain matters that, in our opinion, might affect the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

أحمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed. F. Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

Management Letter
the year ended December 31st 2024

TABLE OF CONTENTS

Definitions and Interpretation

Report	: Management Letter / Diyala Governorate.
Period	: Covering the year ended December 31^{st} 2024 .
Project	: Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.
Submitted to	: Reconstruction Fund for areas affected by terrorist operations

Note (1) :Receipts and payments difference.

Observation

1- The total amount received for the component, according to the trial balance, was USD 7,599,121 while the total amount received for the component, according to the fourth-quarter statements submitted to the International Bank for Reconstruction and Development (IBRD), was USD 7,118,535 a difference of USD 480,586.

2- The total amount paid for the component, according to the trial balance, was USD 7,564,061, while the total amount paid for the component, according to the fourth-quarter statements submitted to the International Bank for Reconstruction and Development (IBRD), was USD 7,083,568, a difference of USD 480,493.

3- The bank's balance for the component, according to the trial balance, amounted to USD 35,060, while the bank's balance for the component, according to the fourth quarter statements sent to the International Bank for Reconstruction and Development (IBRD), appeared to be USD 34,967, a difference of USD 93.

Effect : The amounts recorded in the reports are incorrect.

Recommendation : There is a need to adjust the difference.

Management Response : No response.

End of Management Letter

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
SALAH EL-DIN GOVERNORATE

FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT

&

FINANCIAL STATEMENTS

THE PERIOD YEAR ENDED DECEMBER 31ST 2024

AHMED. F.AL-SALMAN

PUBLIC ACCOUNTANT &AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ / Salah El-Din Governorate.
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic of Iraq
Date: January 21st 2026

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Salah El-Din Governorate
Additional Loan for Emergency Operation for Development PROJECT (P 155732) LOAN NO. 8793-IQ
Statement of cash receipts and payments.
Covering the year ended December 31st 2024.
In U.S. Dollars

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
Cash receipts					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		8,345,245	1,491,570	9,836,815
Total cash receipts		**9,977,004**	**8,345,245**	**1,491,570**	**9,836,815**
Cash payments					
Cash Payments for Components			(8,333,413)	(1,492,137)	(9,825,550)
Total cash payments	2	**9,977,004**	**(8,333,413)**	**(1,492,137)**	**(9,825,550)**
Cash at Bank as at end of the period	3				**11,265**

PMT Manager
Raed Mazban Abdullh

Financial Management
Oday Dkheel Hameed

The notes on pages from 1 to 4 are integral part of these financial statements

محافظة صلاح الدين
مشروع القرض الطارئ الاضافي

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalula- As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

Both EODP and EODP-AF projects are composed of ten components that focus on the following areas:

Component (1): Restoring Electricity Infrastructure and its Connectivity;

Component (2): Restoring Municipal Waste, Water and Sanitation Services;

Component (3): Restoring Transport Infrastructure;

Component (4): Restoring Health Services;

Component (5): Technical Assistance;

Component (6): Project Management, Sensitization and Monitoring and Evaluation;

Component (7): Restoring Agriculture Productivity;

Component (8): Emergency repair of water control infrastructure and irrigation schemes;

Component (9): Restoring Education Services; and,

Component (10): Restoring Municipal Infrastructure and Services and Preserving Cultural Heritage Assets

This financing agreement cover all works contracts to restore and repaired Electricity, Municipalities, Roads and Bridge, Transport, Medical Equipment, Consulting Services for REFAATO, Agriculture, Water supply, Education in 5 liberated governorates at Al Anbar, Diyala, Ninawa, Salah Ad-Din and Kirkuk as well as contracts implemented by Component 10 governorates (Al Anbar, Diyala, Ninawa and Salah Ad-Din) furthermore cover supervision contracts and consultant contracts, projects implementation.

The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21st 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement-part number	The nature of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 10	**Restoring Basic Municipal Infrastructure and Services and Preserving Cultural Heritage Assets**	**9,977,004**	**9,836,815**	**(9,825,550)**	**11,265**

- With reference the International Bank's for Reconstruction and Development letter dated 20 June 2024, the allocation allocated to the component has been reduced to USD (9,977,004).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	11,265	11,832
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	-
Fund balance per books as at 31 December	**11,265**	**11,832**

4 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

5 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

5.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

5.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

5.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works , Non-Consulting Services, Consulting Services , Operating Costs, Training And Workshop) related to implementing, managing, and monitoring the project.

6 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ

SALAH EL-DIN GOVERNORATE

Funded by
THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F. AL-SALMAN
PUBLIC ACCOUNTANT & AUDITOR
BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26

Date: 21/1/2026

Salah El-Din Governorate
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31^{st} 2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٢٨

Ahmed.F.Al-Salman
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ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)
LOAN NO. 8793-IQ

IMPLEMENTED BY
THE GOVERNMENT OF REPUBLIC OF IRAQ
NINEWA GOVERNORATE

FUNDED BY
THE INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INDEPENDENT AUDITORS' REPORT

&

FINANCIAL STATEMENTS

THE PERIOD YEAR ENDED DECEMBER 31ST 2024

AHMED.F. AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors
احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات

Independent auditor's report

To the management of Additional Loan for Emergency Operation for Development Project
Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ / Ninewa Governorate
Reconstruction Fund for Areas Affected by Terroristic Operations
Baghdad - Republic of Iraq

Report on the financial statement

We have audited the accompanying statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024. The preparation of the financial statement is the responsibility of project managements team (PMT). Our responsibility is to express an opinion on these financial statements based on our audit.

We have also audited the compliance with laws, regulations, guidelines and provisions which governs the Loan Agreement covering for the year ended December 31st 2024.

We have conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, and whether The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ has complied with the laws, regulations, guidelines and provisions governed by the Loan Agreement. An audit involves performance, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

opinion

(a) The Projects' Financial Statement (PFS) presents fairly, in all material respects, the cash receipts and payments of The Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31st 2024, in accordance with the International Public Sector Accounting Standards (IPSAS), under the cash basis accounting approach.

(b) Proper level of internal control over financial reporting had been practiced by PMT during the preparation of replenishments, direct payments, payments through special commitments, and reimbursements for the project.

(c) The project is in all material respects, has been in compliance with the laws, regulations, guidelines and provisions governed by the Loan agreement.

احمد فرقد حسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed.F.Al-Salman
Public Accountants, Auditors
Baghdad, Republic of Iraq
Date: January 21st 2026

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NINEWA GOVERNORATE
ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT (P 155732) LOAN NO. 8793-IQ
STATEMENT OF CASH RECEIPTS AND PAYMENTS.
COVERING THE YEAR ENDED DECEMBER 31ST 2024.
IN U.S. DOLLARS

	Notes	Allocated amounts for the life of the project	Actual receipts and payments from August 21st 2018 until December 31st 2023	Actual receipts and payments in year 2024	Accumulated receipts and payments balance as of 31 December 2024
		USD	USD	USD	USD
CASH RECEIPTS					
Receipts from IBRD (LOAN NO. 8793-IQ)	2		17,866,647	1,729,004	19,595,651
Total cash receipts		19,995,910	17,866,647	1,729,004	19,595,651
CASH PAYMENTS					
Cash Payments for Components			(17,828,766)	(1,750,466)	(19,579,232)
Settlement during the year			(100)	100	-
Total cash payments	2	19,995,910	(17,828,866)	(1,750,366)	(19,579,232)
Cash at Bank as at end of the period	3				16,419

PMT Manager
Fattah Ibrahim Fanash

Financial Management
Omar Lqman Hammadi

The notes on pages from 1 to 4 are integral part of these financial statements

1 GENERAL

The Emergency Operation for Development Project (EODP) is a US$ 350 million operation for Iraq launched in 2015 with a development objective aimed at supporting the Government of Iraq (GoI) in the reconstruction of the damaged infrastructure and the restoration of public service delivery in targeted municipal areas (the cities of Tikrit, Dour, Al Dalooeyya and Al-Alam in the Salah Al-Din governorate, as well as the cities of Jalulaó As-Saidiya and Al-othiem in Diyala governorate).

The GoI has expressed the need to review some of the components in order to expand the geographical and sector coverage of the project. The WB and the GoI have agreed to restructure the existing project to include needs arising from the evolving context, where the amount was extended by an additional US$ 400 million in 2017. The additional financing is planned to scale-up EODP activities and expand them in terms of sectoral (adding irrigation and education) and geographical coverage as per the original design of EODP. Such expansion is critical to ensure that project impacts are extended to new liberated cities in the Salah Al-Din and Diyala governorates, as well as in Kirkuk, Al-Anbar (including Ramadi), Ninewa (including Mosel).

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The financial statements and the notes on pages 1 to 4 were authorized for issuance by Management Letter dated: January 21ST 2026.

IN U.S. DOLLARS

2 CATEGORIES OF ALLOCATED SPENDING AND ACTUAL PAYMENTS IN ACCORDANCE TO THE LOAN CONTRACT

Loan Agreement-part number	The nature Of the task	Amount allocated of the Component from the loan (USD)	Actual Amount Receipts from IBRD During the period 21/8/2018-31/12/2024 (USD)	Actual Amount Payments During the period 21/8/2018-31/12/2024 (USD)	Cash at Bank as of 31-12-2024 (USD)
Part 10	Restoring Basic Municipal Infrastructure and Services and Preserving Cultural Heritage Assets	**19,995,910**	**19,595,651**	**(19,579,232)**	**16,419**

- With reference the International Bank's for Reconstruction and Development letter dated 20 June 2024, the allocation allocated to the component has been reduced to USD (**19,995,910**).

3 FUND BALANCE

	2024 USD	2023 USD
Fund balance per bank as at 31 December	16,419	40,038
Add:		
Bank fees	-	-
Tender fees	-	-
Less:		
Bank fees	-	-
Tender fees	-	-
Outstanding checks	-	(2,257)
Fund balance per books as at 31 December	**16,419**	**37,781**

4 REPORTING ENTITY

The financial statements for the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ, encompasses the reporting entity as specified in the Loan Agreement NO. 8793- IQ dated 17 December 2017 between the Republic of Iraq / Reconstruction Fund for Areas Affected by Terroristic Operations and the International Bank for Reconstruction and Development.

5 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the cash basis of accounting.
The accounting policies have been applied consistently throughout the period.
The financial statements have been presented in U.S Dollar (USD) which is the functional currency of the Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ.

5.1 Cash

Cash comprises cash in hand, deposits in demand at the bank, and cash equivalents, as deposits in demand and cash equivalents are considered as balances at banks.

5.2 Receipts

Receipts comprise of cash in hand, deposits in demand at the bank, and cash equivalents received from International Bank for Reconstruction and Development (Loan Agreement-LOAN NO. 8793-IQ).

5.3 Disbursements

The disbursements of project's resources are restricted for (Goods, Works, Non-Consulting Services, Consulting Services, Operating Costs, Training and Workshop) related to implementing, managing, and monitoring the project.

6 GOING CONCERN

The entity shall be terminate and seize to exist once the final budget from the International Bank for Reconstruction and Development is Expensed or the projects indicated in the Loan agreement are fulfilled and accomplished.

ADDITIONAL LOAN FOR EMERGENCY OPERATION FOR DEVELOPMENT PROJECT

(P 155732)

LOAN NO. 8793-IQ

IMPLEMENTED BY

THE GOVERNMENT OF REPUBLIC OF IRAQ

NINEWA GOVERNORATE

Funded by

THE INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPMENT

MANAGEMENT LETTER

ON

FINANCIAL STATEMENTS

THE YEAR ENDED DECEMBER 31ST 2024

AHMED.F.AL-SALMAN

PUBLIC ACCOUNTANT & AUDITOR

BAGHDAD – IRAQ

A.F. Al-Salman
Public Accountants, Auditors

احمد فرقد محسن السلمان
محاسب قانوني ومراقب حسابات

No: AFS/2/26

Date: 21/1/2026

Ninewa Governorate
Additional Loan for Emergency Operation for Development Project
(P 155732) LOAN NO. 8793-IQ .
Funded by the International Bank for Reconstruction and Development
Baghdad – The Republic of Iraq

Dear Sirs,

Subject: Management Letter

While performing our audit for the statement of Cash Receipts and Payments of Additional Loan for Emergency Operation for Development Project (P 155732) LOAN NO. 8793-IQ covering the year ended December 31^{st} 2024, in our opinion, there was no observation for the component which affects the "Project" Managements' Team (PMT), as to record, process, summarize and report financial data consistent with the assertions of management in the Statement of Cash Receipts and Payments.

While this report is intended solely for the use of management and others within The Reconstruction Fund for areas affected by terrorist operations and the International Bank for Reconstruction and Development. It should not be used for any other purposes.

Finally, we would like to take this opportunity to express our gratitude and appreciation for your kind cooperation during the performance of our audit.

Yours Faithfully

احمد فرقد محسن السلمان
محاسب قانوني ومراقب حسابات
رقم الاجازة ٧٨٨

Ahmed. F. Al-Salman
Public Accountants, Auditors
Baghdad – Iraq

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