

**OFFICIAL  
DOCUMENTS**

TF010261

**The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

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Washington, D.C. 20433  
U.S.A.

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Cable Address: INTBAFRAD  
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March 19, 2014

Ing. Juan Bosco Martí Ascencio  
Titular de la Unidad de Asuntos Internacionales de Hacienda  
Secretaría de Hacienda y Crédito Público  
Insurgentes Sur 1971, Torre III, piso 3  
Col. Guadalupe Inn  
01020 México, D.F

Lic. Juan Pablo Newman Aguilar  
Director Adjunto Financiero  
Nacional Financiera, S.N.C.  
Insurgentes Sur 1971  
Edificio Anexo, piso financiero  
01020 México, D.F.

Ing. Jorge Rescala Pérez  
Director General  
Comisión Nacional Forestal  
Periférico Poniente No. 5360,  
Col. San Juan de Ocotán  
CP 45019  
Zapopan, Jalisco  
México

**Re: United Mexican States: Forest Carbon Partnership Facility REDD+  
Readiness Preparation Support (Grant No. TF010261)  
Additional Instructions: Disbursement Letter**

Dear Sirs,

I refer to the Letter Agreement (“Agreement”) between the International Bank for Reconstruction and Development (“World Bank”), acting as trustee of the Readiness Fund for the Forest Carbon Partnership Facility, and the United Mexican States (“Recipient”) for the above-referenced Readiness Preparation Activities, dated March 19, 2014. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF010261 (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

The attached *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006, (“Disbursement Guidelines”) (Attachment 1), are an integral part of the Disbursement Letter.

The manner in which the provisions in the Disbursement Guidelines apply to the Grant is specified below. Sections and subsections in parentheses below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter, the capitalized terms used have the meanings ascribed to them in the Disbursement Guidelines.

According to the Article III, Section 3.01 of the Annex of the Grant Agreement, the Recipient shall cause Nacional Financiera, S.N.C. (NAFIN, as financial agent), to withdraw the proceeds of the Grant. Therefore, these additional instructions must be understood to be directed to NAFIN as the Recipient's representative and direct responsible of the withdrawal of the proceeds of the Grant, including, without limitation, the reception and utilization of Secure Identification Credentials (SIDC).

### **I. Disbursement Arrangements**

**(i) Disbursement Methods (section 2).** The following Disbursement Methods may be used under the Grant:

- Reimbursement
- Advance

**(ii) Disbursement Deadline Date (subsection 3.7).** The Disbursement Deadline Date is 4 months after the Closing Date specified in the Grant Agreement. Any changes to this date will be notified by the World Bank.

**(iii) Disbursement Conditions (subsection 3.8).** Please refer to the Withdrawal Condition(s) in the Grant Agreement.

### **II. Withdrawal of Grant Proceeds**

**(i) Authorized Signatures (subsection 3.1).** A letter in the Form attached (Attachment 2) should be furnished to the World Bank at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

Banco Mundial  
Insurgentes Sur 1605  
Piso 24  
San Jose Insurgentes 03900  
Mexico D. F.  
Mexico  
Attention: Gloria M. Grandolini, Director, México and Colombia  
Latin America and the Caribbean Region

**(ii) Applications (subsections 3.2 - 3.3).** Please provide completed and signed applications for withdrawal, together with supporting documents, to the address indicated below:

Banco Mundial

Sector Comercial Norte  
Quadra 02, Lote A  
Edifício Corporate Finance Center  
7º andar  
70712-900 Brasília, D.F., Brazil  
Attention: Loan Department

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

**(iv) Terms and Conditions of Use of SIDC to Process Applications.** By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Recipient confirms through the authorized signatory letter its agreement to: (a) abide by the *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation* ("Terms and Conditions of Use of SIDC") provided in Attachment 3; and (b) to cause such official to abide by those terms and conditions.

**(v) Minimum Value of Applications (subsection 3.5).** The Minimum Value of Applications for Reimbursement is US\$50,000.

**(vi) Advances (sections 5 and 6) to NAFIN.**

- **Type of Designated Account (subsection 5.3):** Segregated.
- **Currency of Designated Account (subsection 5.4):** USD.
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** NAFIN.
- **Ceiling (subsection 6.1):** USD 300,000.

### **III. Reporting on Use of Grant Proceeds**

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

- ***For requests for Reimbursement:***
  - Records evidencing eligible expenditures (Attachment 4A, Statement of Expenditure with supporting documents e.g., copies of receipts, supplier invoices) for payments for (i) Consulting Firms against contracts at USD \$ 100,000 equivalent or more; (ii) Individual Consultants against contracts valued at USD \$ 50,000 equivalent or more; and (iii) Non-Consultant Services against contracts valued at USD \$ 50,000 equivalent or more; and
  - Statement of Expenditure in the form attached (Attachment 4B – Statement of Expenditure without supporting documents) for all other expenditures/contracts, including Operating Cost and Training.
  
- ***For reporting eligible expenditures paid from the Designated Account:***
  - Records evidencing eligible expenditures (Attachment 4A, Statement of Expenditure with supporting documents e.g., copies of receipts, supplier invoices) for payments for (i) Consulting Firms against contracts at USD \$ 100,000 equivalent or more; (ii) Individual Consultants against contracts valued at USD \$ 50,000 equivalent or more; and (iii) Non-Consultants Services against contracts valued at USD \$ 50,000 equivalent or more;
  - Statement of Expenditure in the form attached (Attachment 4B – Statement of Expenditure without supporting documents) for all other expenditures / contracts, including Operating Cost and Training; and
  - A reconciliation of the Designated Account, in the form attached (Attachment 5), with a copy of the bank statement.

**(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3):** Quarterly or more often if required.

### **IV. Other Important Information**

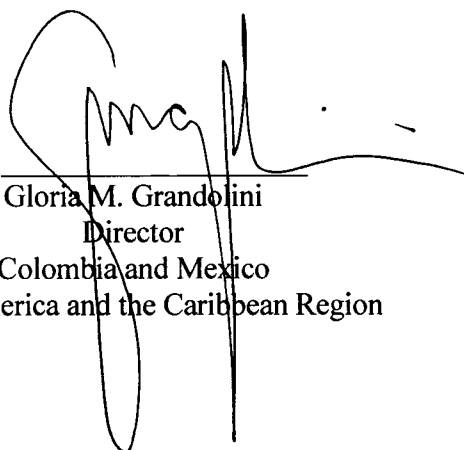
For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the World Bank's public website at <https://www.worldbank.org> and its secure website "Client Connection" at <https://clientconnection.worldbank.org>. Print copies are available upon request.

If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (<https://clientconnection.worldbank.org>). From this website

you will be able to download Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver Applications by electronic means are required to register with Client Connection before electronic delivery can be effected. For more information about the website and registration arrangements, please contact the World Bank by email at [clientconnection@worldbank.org](mailto:clientconnection@worldbank.org).

If you have any queries in relation to the above, please contact the World Bank Loan Department at [CTRLD-TF@worldbank.org](mailto:CTRLD-TF@worldbank.org) using the above reference.

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**  
(Acting as Trustee of the Readiness Fund of the Forest Carbon Partnership Facility)

By   
Gloria M. Grandolini  
Director  
Colombia and Mexico  
Latin America and the Caribbean Region

Attachments

NIA\*

1. *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006.
- ✓ 2. Form for Authorized Signatures.
3. *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation*, dated March 1, 2013.
4. Form 4A "Statement of Expenditures" with supporting documentation and Form 4B "Statement of Expenditures" without supporting documentation.
5. Designated Account Reconciliation Statement

NOT ATTACHED

**Form of Authorized Signatory Letter**

[Letterhead]  
Secretaría de Hacienda y Crédito Público  
[Street address]  
[City] [Country]

\_\_\_\_\_, 20\_\_

The World Bank  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Attention: Gloria M. Grandolini, Director, México and Colombia  
Latin America and the Caribbean Region

Re: United Mexican States: Forest Carbon Partnership Facility REDD+  
Readiness Preparation Support (Grant No. TF010261)

Dear Ms. Grandolini:

I refer to the Grant Agreement (“Agreement”) between the International Bank for Reconstruction and Development (“World Bank”), acting as trustee of the Readiness Fund for the FCPF, and the United Mexican States (“Recipient”), dated \_\_\_\_\_, 20\_\_, providing the above Grant. For the purposes of Section 3.04 (b) of the Standard Conditions, as defined in the Agreement, any [one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient to sign applications for withdrawal [and applications for a special commitment] under this Grant.

For the purpose of delivering Applications to the World Bank, <sup>2</sup>[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting <sup>3</sup>[individually] <sup>4</sup>[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the World Bank.

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<sup>1</sup> Instruction to the Recipient when sending this letter to the World Bank: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. *Please delete this footnote in final letter that is sent to the World Bank.*

<sup>2</sup> Instruction to the Recipient: Stipulate if more than one person needs to *jointly* sign Applications, if so, please indicate the actual number. *Please delete this footnote in final letter that is sent to the World Bank.*

<sup>3</sup> Instruction to the Recipient: Use this bracket if any one of the authorized persons may sign; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the World Bank.*

<sup>4</sup> Instruction to the Recipient: Use this bracket only if several individuals must jointly sign each Application; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the World Bank.*