His Excellency  
Alfonso Prat-Gay  
Minister of Treasury and Public Finances  
Ministry of Treasury and Public Finances  
Hipólito Yrigoyen 250  
1086AAB  
Buenos Aires, Argentina

Re: Grant No. TF019086 (Argentine Republic’s Readiness Preparation  
Proposal - Readiness Fund of the FCPF)  
Additional Instructions: Disbursement

Excellency,

I refer to the Letter Agreement (“Agreement”) between the International Bank for  
Reconstruction and Development (“World Bank”), acting as Trustee of the Readiness Fund of the  
Forest Carbon Partnership Facility, and the Argentine Republic (the “Recipient”) for the above-  
referenced project, dated May 3, 2016. The Agreement provides that the World Bank may issue  
additional instructions regarding the withdrawal of the proceeds of Grant No. TF019086 (“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.

I. Disbursement Arrangements

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

- Reimbursement
- Advance
- Direct Payment
(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four (4) months after the Closing Date specified in Section 3.03 to the Annex of 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 Disbursement Condition in Section 3.02 to the Annex of 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:

The World Bank
Torre Bouchard
Bouchard 547,
Buenos Aires, Argentina
Attention: Jesko S. Hentschel, Country Director

(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
Setor Comercial Norte, Quadra 02, Lote A
Edificio Corporate Finance Center
7º andar
70712-900 Brasilia, 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.

1 The closing date referred to in Section 3.06 (c) of the Standard Conditions is April 17, 2019.
(iv) Terms and Conditions of Use of SIDC to Process Applications. By designating officials to use SDIC 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 is United States Dollar (USD) $100,000.

(vi) Advances (sections 5 and 6).

- **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):** Banco de la Nación Argentina
- **Ceiling (subsection 6.1):** USD $500,000

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 (e.g., copies of receipts, suppliers/contractors' invoices) for payments for (i) Goods against contracts valued at USD $350,000 equivalent or more; (ii) consultant services against contracts valued at USD $100,000 equivalent or more for consulting firms, and USD $50,000 equivalent or more for individuals; and (iii) Non-Consulting Services against contracts valued at USD $100,000 equivalent or more (Attachment 4A);
  - Statement of Expenditure in the form attached (Attachment 4B) for all other expenditures, including Workshops and Training, and Operating Costs; and
  - List of payments against contracts that are subject to the World Bank's prior review, in the form attached (Attachment 5).

- **For reporting eligible expenditures paid from the Designated Account:**
  - Records evidencing eligible expenditures (e.g., copies of receipts, suppliers/contractors’ invoices) for payments for (i) Goods against contracts valued at USD $350,000 equivalent or more; (ii) consultant services against contracts valued at USD $100,000 equivalent or more for consulting firms, and
USD $50,000 equivalent or more for individuals; and (iii) Non-Consulting Services against contracts valued at USD $100,000 equivalent or more (Attachment 4A);

- Statement of Expenditure in the form attached (Attachment 4B) for all other expenditures, including Workshops and Training, and Operating Costs;
- List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5); and
- A Designated Account activity reconciliation statement (Attachment 6) and bank statement(s) should be submitted with each withdrawal application reporting on the use of Grant proceeds from the Designated Account.

- **For requests for direct payment:** records evidencing eligible expenditures, e.g., copies of receipts, suppliers/contractors’ invoices.


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](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>.

If you have any queries in relation to the above, please contact us at locall@worldbank.org (service account email address) with copy to Victor Ordonez, Senior Finance Officer at vconde@worldbank.org, using the above Grant number and project name as reference.

Yours sincerely,

[Signature]

Jesko S. Hentschel
Country Director
Argentina, Paraguay and Uruguay
Latin America and the Caribbean Region
Attachments

2. Form for Authorized Signatures
4A. Statement of Expenditure - With supporting documentation for contracts equal or above established threshold, and
4B. Statement of Expenditure - Without supporting documentation for contracts below the established threshold, and for Operating Cost
5. Form of Payments Against Contracts Subject to the Bank’s Prior Review
6. Designated Account activity reconciliation statement