March 1, 2012

Minister of Finance  
Ministério da Fazenda  
Procuradoria-Geral da Fazenda Nacional  
Esplanada dos Ministérios, Bloco "P" - 8º andar  
70048-900 Brasilia, DF  
Brazil  
Facsimile: (55-61) 3412-1740  

Re: IBRD Loan 8095-BR (Brazil- Energy and Mineral Sectors Strengthening Project) Additional Instructions: Disbursement Letter

Excellency,  

I refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “Bank”) and the Federative Republic of Brazil (the “Borrower”) for the above-referenced project, dated March 1, 2012. The Loan Agreement provides that the Bank may issue instructions regarding the withdrawal of the proceeds of Loan 8095-BR (“Loan”). 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 Loan 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 Loan:  
- Reimbursement  
- Advances  

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four months after the Closing Date specified in the Loan Agreement. Any changes to this date will be notified by the Bank.
II. Withdrawal of Loan Proceeds

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

Banco Mundial
Setor Comercial Norte,
Quadra 02, Lote A
Edificio Corporate Finance Center
7º Andar
70712-900 Brasilia, DF
Brazil
Attention: Mr. Makhtar Diop, Director Brazil-Country Management Unit

(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) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications for Reimbursement is United States Dollars (USD) 1,500,000 equivalent.

(iv) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated
- **Currency of Designated Account (subsection 5.4):** United States Dollars
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Central Bank of Brazil
- **Ceiling (subsection 6.1):** Forecast for two quarters as provided in the quarterly Interim Financial Report
III. Reporting on Use of Loan Proceeds

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

- **For requests for Reimbursement:**
  - Summary Sheet in the form attached (Attachment 3) with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments made:
    - Under contract for Works costing USD 1,000,000 equivalent per contract or more;
    - Under contracts for Goods and Non-consulting Services costing USD 800,000 equivalent per contract or more;
    - Under contracts with Consulting Firms costing USD 200,000 equivalent per contract or more;
    - Under contracts with Individual Consultants costing USD 100,000 equivalent per contract or more; and
  - Statement of Expenditure in the form attached (Attachment 4) for payments that do not exceed the thresholds established above.

- **For reporting eligible expenditures paid from the Designated Account:**
  - Summary Sheet in the form attached (Attachment 3) with Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments made:
    - Under contract for Works costing USD 1,000,000 equivalent per contract or more;
    - Under contracts for Goods and Non-consulting Services costing USD 800,000 equivalent per contract or more;
    - Under contracts with Consulting Firms costing USD 200,000 equivalent per contract or more;
    - Under contracts with Individual Consultants costing USD 100,000 equivalent per contract or more;
    - Statement of Expenditure in the form attached (Attachment 4) for payments that do not exceed the thresholds established above;
  - Forecast for two quarters as provided in the quarterly Interim Financial Report; and
  - Reconciliation of the Designated Account with a copy of the Designated Account Bank Statement(s).

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3): Quarterly
IV. Other Important Information


If you have not already done so, the Bank recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Loan, and retrieve related policy, financial, and procurement information. For more information about the website and registration arrangements, please contact the Bank by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact us at loalcrelworldbank.org using the above Project name and Loan number as a reference in the subject line.

Sincerely,

Makhtar Diop
Director
Brazil
Latin America and the Caribbean Region
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
3. Summary of Expenditures
4. Statement of Expenditures

Prepared by: Miguel-Santiago Oliveira, CTRFC

Cleared with and cc: Catarina Portelo, LEGLA
Christophe de Gouvello, LCSEG

Cc with copies: His Excellency
Secretary of International Affairs
Ministry of Planning, Budget and Management
Secretariat of International Affairs
Esplanada dos Ministérios, Bloco K, room 508
70040-906 Brasília-DF
BRAZIL
Fax: 61-2020-5006
[DATE]

Banco Mundial
Setor Comercial Norte,
Quadra 02, Lote A
Edificio Corporate Financial Center
7ª Andar
70712-900 Brasilia, DF
Brazil

Attention: Mr. Makhtar Diop, Director Brazil-Country Management Unit

Re: IBRD Loan 8095- BR – Brazil- Energy and Mineral Sectors Strengthening Project

Dear Mr. Diop:

I refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “Bank”) and the Federative Republic of Brazil (the “Borrower”), dated ______, providing the above Loan. For the purposes of Section 2.03 of the General Conditions as defined in the Loan Agreement, any 1 [one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign Applications for withdrawal under this Loan.

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

1 Instruction to the Borrower: 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 Bank.

2 Instruction to the Borrower: 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 Bank.

3 Instruction to the Borrower: 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 Bank.

4 Instruction to the Borrower: 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 Bank.
This Authorization replaces and supersedes any Authorization currently in the Bank records with respect to this Agreement.

[Name], [position]  Specimen Signature: ______________________
[Name], [position]  Specimen Signature: ______________________
[Name], [position]  Specimen Signature: ______________________

Yours truly,

/ signed /

Executive Secretary of the Ministry of Mines and Energy
Pagamentos realizados durante o período de: ______________

Para despesas realizadas com:
- Obras com contratos de valor igual ou maior que USD: ______________
- Bens e serviços não de consultoria com contratos de valor igual ou maior que: ______________
- Firmas de Consultoria com contratos de valor igual ou maior que: ______________
- Consultores Individuais com contratos de valor igual ou maior que: ______________

**PARA CONTRATOS QUE NÃO REQUEREM REVISÃO PRÉVIA**

<table>
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<tr>
<th>Categoría Nº</th>
<th>Nome do fornecedor/firma/consultor ou Número do Contrato</th>
<th>Valor Total do Contrato</th>
<th>Número da Fatura</th>
<th>Valor Total das Faturas</th>
<th>% Financ pelo BIRD</th>
<th>Valor Financiado pelo Banco Mundial (6x7)</th>
<th>Data do Pagamento</th>
<th>Observações</th>
<th>Conta Designada</th>
<th>Data do Débito da Conta Designada</th>
<th>Quantidade Debital da Conta Designada</th>
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Obs.: Comprovantes de despesas em anexo.
Indicar as despesas Retroactivas se for o caso
Preparar uma Folha de Resumo por Categoria
Declaracao de Gastos-SOE
- BR

Pagamentos realizados durante o período de: [Escreva aqui]

Data: [Escreva aqui]

Para despesas realizadas com:
- Obras com contratos devalor inferior a [inserir valor em USD]
- Bens e serviços não de consultoria com contratos de valor inferior a [inserir valor em USD]
- Firma de Consultoria com contratos de valor inferior a [inserir valor em USD]
- Consultores Individuais com contratos de valor inferior a [inserir valor em USD]
- Formação

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<th>Item No</th>
<th>Nome do fornecedor/firma/consultor ou beneficiário</th>
<th>Número do Contrato</th>
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<th>Valor dos Pagamentos para este SOE</th>
<th>% Financiado pelo BIRD</th>
<th>Valor Financiado pelo Banco Mundial (6x7)</th>
<th>Data do Pagamento</th>
<th>Quantidade Debitada da Conta Designada</th>
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**Total**

**Obs.:** Documentos de Suporte para este SOE recebidos em ____________________

Preparar uma Declaração de Gasto por categoria
Indicar as despesas Retroactivas se for o caso