Sr. Martín Mura  
Ministro  
Ministerio de Hacienda  
Av. De Mayo 525  
Ciudad Autónoma de Buenos Aires  
Buenos Aires, Argentina  

Re: ARGENTINA: Flood Risk Management Support Project for the City of Buenos Aires – IBRD  
Loan No. 8628-AR  
Additional Instructions: Disbursement Letter  

Sr. Mura,  

I refer to the Loan Agreement between the International Bank for Reconstruction and Development ("World Bank") and the Ciudad Autónoma de Buenos Aires ("Borrower") for the above-referenced project, dated November 10, 2016. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Loan 8628-AR ("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, Advance and Direct Payment.

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

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Disbursement Conditions in Section IV.B.1 of Schedule 2 to the Loan Agreement.

II. Withdrawal of Loan Proceeds
(i) Authorized Signatures (subsection 3.1). An authorized signatory 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:

The World Bank
Torre Bouchard
Bouchard 547
Buenos Aires, Argentina
Attention: Mr. 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
SCN, 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 Borrower 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 Borrower 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 Borrower have registered as users of Client Connection. If the World Bank agrees, the World Bank will provide the Borrower 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 Borrower 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 Borrower.

(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 Borrower 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.
Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications for Reimbursements is United States Dollar (USD) 8,000,000

Advances (sections 5 and 6) to Ciudad Autónoma de Buenos Aires

- 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 Ciudad de Buenos Aires (a Borrower-owned bank)
- Ceiling (subsection 6.1): USD 40,000,000

III. Reporting on Use of Loan Proceeds

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

- For requests for Reimbursement:
  1. Statements of Expenditure (Attachment 4A – Statement of Expenditure with supporting documentation) with documents evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments for: (i) Goods and Works against contracts valued at USD 350,000 equivalent or more; (ii) Consulting Firms against contracts valued at USD 350,000 equivalent or more; (iii) Non-Consultant’s Services against contracts valued at USD 200,000 equivalent or more and (iv) Individual Consultants against contracts valued at USD 50,000 or more;
  2. Statements of Expenditure (Attachment 4B – Statement of Expenditure without supporting documentation) for all other expenditures/contracts below the above mentioned thresholds, and for training and operating cost;
  3. Customized Statements of Expenditure (Attachment 4C) for grants for sub-projects to report the cost of eligible expenditures, including dissemination workshops, printed materials, and small goods;
  4. List of payments against contracts that are subject to the Bank’s prior review, in the form attached (Attachment 5)

- For reporting eligible expenditures paid from the Designated Account:
  1. Statements of Expenditure (Attachment 4A – Statement of Expenditure with supporting documentation) with documents evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments for: (i) Goods and Works against contracts valued at USD 350,000 equivalent or more; (ii) Consulting Firms against contracts valued at USD 350,000 equivalent or more; (iii) Non-Consultant’s Services against contracts valued at USD 200,000 equivalent or more;
more and (iv) Individual Consultants against contracts valued at USD 50,000 or more;

2. Statements of Expenditure (Attachment 4B – Statement of Expenditure without supporting documentation) for all other expenditures/contracts below the above mentioned thresholds, and for training and operating cost;

3. Customized Statements of Expenditure (Attachment 4C) for grants for sub-projects to report the cost of eligible expenditures, including dissemination workshops, printed materials, and small goods;

4. List of payments against contracts that are subject to the Bank’s prior review, in the form attached (Attachment 5), and

5. A Designated Account activity reconciliation statement (Attachment 6) and bank statement(s) should be submitted with each withdrawal application reporting on the use of Loan proceeds from the Designated Account.

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

**IV. Other Important Information**


If you have not already done so, the World Bank recommends that you register as a user of the Client Connection website (https://clientconnection.worldbank.org). From this website you will be able to download Applications, monitor the near real-time status of the Loan, and retrieve related policy, financial, and procurement information. All Borrower 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 Victor Ordonez, Senior Finance Officer at vconde@worldbank.org, using the above Loan number and project name as reference.

Yours sincerely,

[Signature]

Jesko Hentschel
Country Director
Argentina, Paraguay and Uruguay
Latin America and the Caribbean Region
## Attachments:

<table>
<thead>
<tr>
<th>Attachment Code</th>
<th>Description</th>
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<tbody>
<tr>
<td>W A 1</td>
<td>World Bank Disbursement Guidelines for Projects, dated May 1, 2006</td>
</tr>
<tr>
<td>W A 2</td>
<td>Form for Authorized Signatory Letter</td>
</tr>
<tr>
<td>W A 3</td>
<td>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</td>
</tr>
<tr>
<td>W A 4 A</td>
<td>Statement of Expenditure - With supporting documentation for contracts equal or above established threshold, and</td>
</tr>
<tr>
<td>W A 4 B</td>
<td>Statement of Expenditure - Without supporting documentation for contracts below the established threshold, and for Operating Cost</td>
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<tr>
<td>W A 4 C</td>
<td>Customized Statement of Expenditure</td>
</tr>
<tr>
<td>W A F</td>
<td>List of payments against contracts that are subject to the Bank’s prior review</td>
</tr>
<tr>
<td>W A M</td>
<td>Designated Account activity reconciliation statement</td>
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