Ricardo Ochoa Rodríguez  
Titular de la Unidad de Asuntos Internacionales de Hacienda  
Secretaría de Hacienda y Crédito Público  
Insurgentes Sur 1971  
Torre III, tercer piso  
Colonia Guadalupe Inn  
01020 México, D.F.

Re: GEF SCCF Grant No. TF096681 (Mexico: Adaptation to Climate Change Impacts on the Coastal Wetlands in the Gulf of Mexico Project)  
Additional Instructions: Disbursement

Dear Sir,

I refer to the Letter Agreement ("Agreement") between the International Bank for Reconstruction and Development ("World Bank"), acting as an implementing agency of the Global Environmental Facility, and United Mexican States (the "Recipient") for the above-referenced project, dated May 11, 2011. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TF096681 ("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:

- Advance
- Direct Payment
- Reimbursement
(ii) **Disbursement Deadline Date (subsection 3.7).** The Disbursement Deadline Date is four 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 Disbursement 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 José Insurgentes
03900 México, D.F. México
Attention: Gloria M. Grandolini, 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:

The World Bank
1818 H Street, N.W.
Washington, DC 20433
United States of America
Attention: Loan Department

(iii) **Minimum Value of Applications (subsection 3.5).** The Minimum Value of Applications is United States Dollars (USD) 100,000.

(iv) **Advances (sections 5 and 6).**

- **Type of Designated Account[s] (subsection 5.3):** Segregated.

- **Currency of Designated Account[s] (subsection 5.4):** United States Dollars (USD).

- **Financial Institution at which the Designated Account[s] Will Be Opened (subsection 5.5):** NAFIN.

- **Ceiling (subsection 6.1):** USD 500,000.

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 reporting eligible expenditures paid from the Designated Account and for reimbursements:**

  - Records evidencing eligible expenditure in the form attached (Attachment 3A - with supporting documentation) for payments for (i) Works against contracts valued at USD 1,000,000 equivalent or more; (ii) Goods against contracts valued at USD 500,000 equivalent or more; (iii) Consulting Firms against contract valued at USD 100,000 equivalent or more; and (iv) Individual Consultants against contracts valued at USD 50,000 equivalent or more;

  - Statement of Expenditures in the form attached (Attachments 3B - without supporting documentation) for payments for all other contracts, including Operational Costs and Non-Consulting Service; and

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

**IV. Other Important Information**


From the Client Connection 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.

If you have not already done so, the Bank recommends that you register as a user of the Client Connection website ([http://clientconnection.worldbank.org](http://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. 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 Jose Janeiro, Senior Finance Officer at jjaneiro@worldbank.org using the above reference.

Yours sincerely,

By /s/ Gloria M. Grandolini  
Director  
Country Management Unit  
Colombia and Mexico
Attacments

1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
3. Form 3A of Records - “Statement of Expenditure” – with supporting documentation and
   Form 3B - “Statement of Expenditure”– without supporting documentation.
4. Form of Payments Against Contracts Subject to the Bank’s Prior Review

Prepared by Jose Janeiro, CTRFC

Cleared with and cc: Mariángeles Sabella, LEGLA
   Walter Vergara, ENV, Task Team Leader

Cc with copies:

   Nacional Financiera S.N.C.
   Dirección Internacional de Agente Financiero
   Insurgentes Sur No. 1971, Torre IV, piso 11º, Col. Guadalupe Inn
   C.P. 01020 Delegación Álvaro Obregón, México D.F.

   SEMARNAT-INE

   Periférico sur 5000
   Colonia Insurgentes-Cuicuilco
   Delegación Coyoacán
   México, D.F.
   C.P. 04530

   IMTA

   Dirección General del IMTA
   Paseo Cuauhnahuac 8532
   Colonia Progreso
   Jiutepec, Morelos
   C.P. 62550