Mr. Ricardo Herrera  
Executive Director  
Agencia de Cooperación Internacional de Chile—AGCI  
Teatinos 180, Piso 8  
Santiago, Chile

Re: Grant Agreement for Chile – Partnership for Market Readiness (PMR)  
Trust Fund Implementation – Grant No. TF017731  
Additional Instructions: AMENDED Disbursement Letter

Dear Mr. Herrera:

I refer to the Letter Agreement ("Agreement") between the International Bank for Reconstruction and Development ("World Bank"), acting as administrator of grant funds provided by multiple contributors ("Contributors") under the Partnership for Market Readiness Multi-Donor Trust Fund (PMR Trust Fund), and the Chilean International Cooperation Agency, AGCI ("Recipient") for the above-referenced grant activities, dated August 27, 2014. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF017731 ("Grant"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

This letter is the First Restatement of the Disbursement Letter dated August 27, 2014 for the above referenced project, restating Section III, paragraph (i) to eliminate the SOE limits and to replace Attachment 4. All other provisions and attachments of Disbursement Letter dated August 27, 2014, except as amended, shall remain in force and effect.

The World Bank Disbursement Guidelines for Projects, dated May 1, 2006, ("Disbursement Guidelines"), 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 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 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 submit Applications:

   The World Bank  
   1818 H Street, N.W.  
   Washington, DC 20433  
   United States of America  
   Attention: Alberto Rodriguez, Country Director

(ii) **Applications (subsections 3.2-3.3).** Please provide completed applications for withdrawal, together with supporting documents, through the World Bank's Client Connection, web-based portal, following the instructions for electronic delivery. In the case the recipient does not have internet access, the World Bank may permit the delivery of applications for withdrawal, together with supporting documents, in accordance with subsection 3.3, to the following address:

   Banco Mundial  
   Sector 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.

(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**
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 Maria Virginia Hormazabal at mhormazabal@worldbank.org using the corresponding project name and trust fund number in the subject line.

Sincerely,

[Signature]
Maria Virginia Hormazabal
Finance Officer

Attachments

4. Form of Statement of Expenditures
Documentation ("Terms and Conditions of Use of SIDC"); and (b) to such official to abide by those terms and conditions.

(v) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications for Reimbursements and Direct Payments is USD 50,000.

(vi) Advances (sections 5 and 6).

- Type of Designated Account (subsection 5.3): Segregated
- Currency of Designated Accounts (subsection 5.4): USD
- Financial Institution at which the Designated Account Will Be Opened (subsection 5.5): Banco Del Estado de Chile
- 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:
  - Statement of Expenditure in the form attached (Attachment 4).
- For reporting eligible expenditures paid from the Designated Account:
  - Statement of Expenditure in the form attached (Attachment 4); and
  - A reconciliation of the Designated Account, with a copy of the bank statement.
- For requests for Direct Payment: records evidencing eligible expenditures, e.g., copies of receipts, supplier invoices.

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

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 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 affected.
BANCO INTERNACIONAL DE RECONSTRUCCIÓN Y FOMENTO

Certificado de Gastos

PAGOS REALIZANDO DURANTE EL PERÍODO DE: AL

LOS PAGOS LISTADOS FUERON INCURRIDOS DURANTE EL PERÍODO RETROACTIVO (SI o NO):

LOS PAGOS LISTADOS FUERON INCURRIDOS ANTES DE LA FECHA DE CIERRE (SI o NO):

<table>
<thead>
<tr>
<th>No. Itm</th>
<th>Nombre del Proveedor</th>
<th>Breve descripción del gasto</th>
<th>Código del gasto</th>
<th>Contrato Sujeto a revisión previa (SI o NO)</th>
<th>Registro del contrato en C.C.</th>
<th>Moneda del contrato</th>
<th>Monto Total del Contrato</th>
<th>Monto acumulado del contrato (incluido en SOEs anteriores)</th>
<th>Número de la Factura o Recibo</th>
<th>Fecha del Pago</th>
<th>Monto Pagado al Proveedor</th>
<th>% Financ. por BIRF</th>
<th>Monto Admisible (Col 12 x 13)</th>
<th>Tasa de Cambio</th>
<th>Fecha Débito Cuenta Designada</th>
<th>Cantidad Debitada Cuenta Designada (Col 14 x 15)</th>
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CUENTA DESIGNADA SOLAMENTE

|                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |

DOCUMENTACIÓN DE RESPALDO PARA ESTE CERTIFICADO DE GASTOS ESTÁ EN: (indique el local)

Instrucciones: Preparar un Certificado de Gastos para cada Categoría

Columna 1: Informe el nombre del proveedor

Columna 2: Hacer una breve descripción del gasto (ejemplo: honorarios dic/2012, consultoría, servicio de limpieza, vías, servicios de auditoría, etc).


Columna 4: Informar si el contrato fue o no sometido a revisión previa del Banco Mundial.

Columna 5: Informar número de registro del contrato en Client Connection

Columna 6: Informar moneda del contrato

Columna 7: Informar valor del contrato (en la moneda que fue indicada en la columna 6)

Columna 8: Informar valor del contrato que ya fue pagado, incluido en SOEs anteriores.

Columna 9: Informar el número de la factura o recibo del proveedor

Columna 10: Informar fecha del pago al proveedor

Columna 11: Informar valor pagado al proveedor, en la moneda indicada en la factura.

Columna 12: Indicar el porcentual de financiamiento (de acuerdo al convenio de préstamo/donación)

Columna 13: Calcular el monto admisible para financiamiento (resultado de la multiplicación de la columna 12 por la 13). Para los casos en que el porcentual de financiamiento es de 100%, los valores de esa columna serán los mismos presentados en la columna 12.

Columna 14: Indicar la tasa de cambio. Favor tener en cuenta que la tasa de cambio a ser utilizada debe ser la tasa de internalización de los fondos. Es decir que, el proyecto debe utilizar la misma tasa que fue utilizada para transformar los dólares que el Banco envió al proyecto en moneda local. Este punto es muy importante, ya que el Banco no reconoce diferencias de cambio como gasto elegible de financiamiento.

Columna 15: Fecha en la cual el proyecto retiró los fondos de la cuenta designada (en dólares) y los envió a la cuenta operativa (en moneda local).

Columna 16: Calcular de la columna 14 x columna 15. Esa columna refleja en monto equivalente en dólares del gasto realizado, que será considerado por el Banco para documentación.