CONFORMED COPY

Mr. Luis Alberto Lopez Jamioy  
President  
Organizacion Zonal Indígena del Putumayo (OZIP)  
Calle 14 N° 8a Esquina Barrio Olímpico  
Municipio de Mocoa, Departamento del Putumayo  
Colombia.  
860001

Re: Colombia: “2009 Global Development Marketplace on Climate Change Adaptation”  
DM2009-GEF Grant No. TF096718  
“Drafting Environmental Management Plans for Five Indigenous Groups According to Their  
Traditional Knowledge Project”  
Additional Instructions: Disbursement

Dear Sir:

I refer to the Letter Agreement (“Agreement”) between the International Bank for Reconstruction and Development and the International Development Association (collectively, “World Bank”), acting as administrator of grant funds provided under the Global Environmental Facility (“GEF) Trust Fund (TF050551) which supports the “2009 Global Development Marketplace on Climate Change Adaption” Development Marketplace, and Organization Zonal Indígena del Putumayo (“OZIP”) (“Recipient”) for the above-referenced project. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF096718 (“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
- Reimbursement

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is the Closing Date specified in the Agreement. Any changes to this date will be notified by the World Bank.
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
1818 H Street, N.W., MSN 6-615
Washington, D.C. 20433
United States of America
Attention: Karen Majli Vega-Coronol

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed applications for withdrawal, together with supporting documents, to the address indicated above.

(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 devices (“Tokens”) 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 Tokens 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 Tokens to Process Applications. By designating officials to accept Tokens 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 Devices in connection with Use of Electronic Means to Process Applications and Supporting Documentation (“Terms and Conditions of Use of Tokens”) provided in Attachment 3; and (b) to deliver the Terms and Conditions of Use of Tokens to each such official and to cause such official to abide by those terms and conditions.

(v) 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):** Banco Bilbao Viscaya Argentaria BBVA Columbia.
- **Ceiling (subsection 6.1):** US$139,813.
- **Applications (subsection 3.3):** Applications for advances should be accompanied by the documents specified in the Appendix to this letter. The final application for an advance must be submitted no later than three (3) months before the Closing Date in the legal agreement.
III. Reporting on Use of Grant Proceeds

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

- **For requests for Reimbursement**
  - Unaudited Final Financial Report in the form attached (Attachment 5).

- **For reporting eligible expenditures paid from the Designated Account**:
  - Unaudited Final Financial Report in the form attached (Attachment 5).

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3): the periodicity specified in the Agreement for furnishing interim unaudited financial reports.

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 ([http://clientconnection.worldbank.org](http://clientconnection.worldbank.org)). From this website you will be able to prepare Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. 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 kvegacoronel@worldbank.org using the above reference.

Yours sincerely,

By /s/ Gloria M. Grandolini
Country Director
Country Management Unit
Colombia and Mexico
Attachments
2. Form for Authorized Signatures
4. Form of Interim Financial Report
5. Form of Unaudited Final Financial Report

Appendix I: Indicative Withdrawal Schedule

Prepared by: Jill A. Roberts, CTRFC

Cleared with and cc: Alejandro Alcala, LEGLA
TACT
Appendix I

Indicative Withdrawal Schedule

Withdrawal of the proceeds of the Grant shall be made by the Recipient in accordance with the schedule set forth below, subject to receipt by the World Bank of the Application and Supporting Evidence (as defined in Section 3.04 (b) of the Standard Conditions) satisfactory to the World Bank. The Supporting Documentation shall include the Project Report or, in the case of the last period specified in the schedule below, the Completion Report and Unaudited Final Financial Report, indicating the achievement of the items specified below for the respective period so indicated.

<table>
<thead>
<tr>
<th>Period</th>
<th>End of Reporting Period</th>
<th>Expected Activities/Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td></td>
<td>1. Milestones and withdrawal schedule discussed and agreed with the DM2009 Development Marketplace Portfolio Manager (PM) and the Project Supervisor (PS) as specified in the Grant Agreement.</td>
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<tr>
<td></td>
<td></td>
<td>2. Outcome Indicators agreed upon with PS and PM: By the end of the project: a) At least 1,250 people will participate in communitarian meetings and workshops for the construction of environmental management plans. b) At least 5 agreements will be signed with indigenous traditional authorities. c) An area of 207.000 ha will be georeferenced and mapped. d) At least 10 maps will be surveyed by the indigenous groups as a result of the fieldwork. The maps must express and identify the categories of land management, based in the fieldwork and with the participation of the community. e) At least 1,750 people will participate in meetings for the socialization of the environmental management plans. f) At least 25 publications will be made and distributed to the indigenous communities and other entities: g) At least 5 groups will be trained to teach about the plans and manage them: the environmental land management plans should trigger processes of improving the relationship with the environment as well as a constant awareness of changing circumstances.</td>
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<td>3. Completed budget template for Period 1 activities.</td>
</tr>
<tr>
<td></td>
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<td>4. All legal documents signed by the Project Team and the World Bank Country Director/Manager</td>
</tr>
</tbody>
</table>

Effectiveness of the Agreement
### Forecast for advance payment to carry out activities for Periods 1 and 2: $99,866.5 (50% of Total)

<p>| | |</p>
<table>
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</table>
| 1 | 1. Project-Specific Output Indicators (3-5)  
   a) At least 1,250 people will participate in community meetings and workshops for the construction of the environmental management plans.  
   b) At least 5 agreements with indigenous traditional authorities will be signed.  
   c) At least 5 maps will be surveyed by the indigenous groups.  
   d) An area of 103,000 ha will be geo-referenced and mapped. |

<table>
<thead>
<tr>
<th>6 months after effectiveness</th>
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<tbody>
<tr>
<td>End of activities covering the first and second reporting periods</td>
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</table>

### Forecast for advance payment to carry out activities for Period 2: $99,866.5 (50% of Total)

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</table>
| 2 | 1. Project-Specific Output Indicators (3-5)  
   a) At least 1,750 people will participate in socialization meetings.  
   b) At least 207,000 ha will be geo-referenced and mapped.  
   c) At least 10 maps will be surveyed by indigenous groups.  
   d) At least 25 publications will be made and delivered to the indigenous people and other entities.  
   e) At least 5 groups will be trained to teach about the plans and manage them.  
   2. Project Supervisor’s or Project Manager’s site visit to review progress on all outputs outlined above  
   3. Submit sustainability plan for after completion of Grant activities, and  
   4. Submit Project evaluation plan |

<table>
<thead>
<tr>
<th>12 months after effectiveness</th>
<th>End of activities covering this reporting period</th>
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<tbody>
<tr>
<td>November 30, 2011</td>
<td>Completion of all Project activities.</td>
</tr>
</tbody>
</table>

**Total Grant Amount:**  
$199,733