Mr. Diego Molano Aponte  
*Director*  
*Agencia Presidencial para la Acción Social y la Cooperación Internacional*  
Calle 7 No. 6-54  
Bogotá, Republic of Colombia  

Mr. Juan Camilo Restrepo  
*Ministro*  
*Ministerio de Agricultura y Desarrollo Rural*  
Avenida Jimenez No. 7-65  
Bogotá, Republic of Colombia  

Re: Colombia: Avian Flu Prevention and Early Response Project  
MDTF AHI Facility Grant No. TF098473  
**Additional Instructions: Disbursement**

Dear Sirs:

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 donors under the Multi Donor Trust Fund for the Avian and Human Influenza Facility (AHI Facility), and the Republic of Colombia (“Recipient”), acting through its Ministry of Agriculture and Rural Development, with the participation of the Recipient’s *Agencia Presidencial para la Acción Social y la Cooperación Internacional* (“Acción Social”) (in fulfillment of Acción Social’s role set forth in the Recipient’s Presidential Decree No. 2467, dated July 19, 2005) for the above-referenced project, dated December 22, 2010. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant No. TF098473 (“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 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
Carrera 7 No. 71-21
Torre A, Piso 16
Apartado 10229
Bogota, Colombia
Attention: Gloria Grandolini, Director, Country Management Unit, Colombia and Mexico

(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
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 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 5; 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) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications is USD $50,000.

(vi) Advances (sections 5 and 6).

- Type of Designated Account (subsection 5.3): Segregated.
- Currency of Designated Account (subsection 5.4): United States Dollars (USD).
- Financial Institution at which the Designated Accounts will be opened (subsection 5.5): A commercial bank/financial institution acceptable to the World Bank.
- Ceiling (subsection 6.1): USD $178,000.

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:

- Records evidencing eligible expenditures (Attachment 3A, with supporting documents e.g., copies of receipts, suppliers’ invoices) for Goods against contracts valued at USD $100,000 equivalent or more.

- Statement of Expenditure (Attachment 3B, without supporting documentation) for all other expenditures/contracts, including training.

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

(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 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 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 Conde, Finance Officer at vconde@worldbank.org using the above reference.

Yours sincerely,

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

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
3. Statement of Expenditure:
   Attachment 3A: "Statement of Expenditure - With supporting documents" - above SOE thresholds; and
   Attachment 3B: "Statement of Expenditure - Without supporting documents" - below SOE thresholds.
4. Form of Payments Against Contracts Subject to the World Bank’s Prior Review

Prepared by: Victor Ordonez

Cc with and cc: Victor Ordonez
Viviana Maya, LEGLA
Diego Arias, Task Team Leader

Cc with copies: Mr. Cesar Echeverry
Director de Desarrollo Tecnológico y Protección Sanitaria
Ministerio de Agricultura y Desarrollo Rural
Av. Jimenez No 7-65
Bogota, Colombia
Email: cesar.echeverry@minagricultura.gov.co