March 24, 2015

His Excellency
Axel Kicillof
Minister of Economy and Public Finance
Ministry of Economy and Public Finance
Hipólito Yrigoyen 250
C1086 AAB, Buenos Aires
Argentina

Excellency:

Re: Loan No. IBRD 7520-AR (Sustainable Natural Resources Management Project- Argentina)
Additional Instructions: AMENDED Disbursement Letter

I refer to the Loan Agreement (the “Agreement”) between the Argentine Republic (the “Borrower”) and the International Bank for Reconstruction and Development (the “Bank”), for the above-referenced project, dated February 27, 2009. The Agreement provides that the Bank may issue additional instructions regarding the withdrawal of the proceeds of the Loan 7520-AR (“Loan”). This letter (“Disbursement Letter”), replaces the original Disbursement Letter dated December 27, 2009, and its amendment dated March 24, 2010.

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
- Direct Payment
(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is four months after the Closing Date specified in the Agreement. Any changes to this date will be notified by the Bank.

(iii) Disbursement Conditions (subsection 3.8). Please refer to the Loan Agreement’s:
- Schedule 2, Section IV.B. 1 (a), (b) and (c).
- Schedule 2, Section I. C. 1 (d) *(related with the mandatory fiduciary/financial management assessment of Intermediary Agents involved in the implementation of subprojects prior to any disbursement to such agents).*
- Schedule 2, Section I. A. 3. *(related with conditions satisfactory to the Bank with regard to the entering into agreement with a Cooperating Agency, prior to any disbursement to such agency).*

II. Withdrawal of Loan Proceeds

(i) Authorized Signatures (subsection 3.1).
A 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: Jesko Hentschel, Country Director, Latin America and the Caribbean Region

(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  
7° 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 SDIC 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 Documentation ("Terms and Conditions of Use of SIDC") provided in Attachment 6; and (b) 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 for project component 1, to be implemented by SAyDS; USD 500,000 for project component 2, to be implemented by SAGPyA and USD 600,000 for project component 3, to be implemented by APN.

(v) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated

- **Currency of Designated Account (subsection 5.4):** United States Dollars (US$).

- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Banco de la Nación Argentina

**Ceiling (subsection 6.1):**
- SAyDS (Component 1) Designated Account - USD 250,000;
- MAGyPyAR (Component 2) Designated Account - USD 4,600,000; APN (Component 3) Designated Account - USD 2,800,000.

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 requests for Reimbursement:

- Records evidencing eligible expenditure (e.g., copies of receipts, supplier invoices) for payments for (i) Goods against contracts valued at USD 200,000 or more; (ii) Consulting Firms against contract valued at USD 100,000 or more; (iii) Individual Consultants against contracts valued at USD 50,000 or more; under Parts 1, 2 and 3 of the Project and (iv) Civil Works against contracts valued at USD 300,000 or more,
under Parts 2 and 3 (relevant spreadsheet, with supporting documentation, of Attachments 3A - Part 1; 3B - Part 2 and 3C - Part 3 of the Project);

- Statement of Expenditures in the form attached (relevant spreadsheet of Attachments 3A - Part 1; 3B - Part 2 and 3C - Part 3 of the Project, with no supporting documentation) for all other expenditures / contracts, including Operational Costs but excluding Forestry Research Subprojects, Sustainable Forestry Subprojects under Part 2 of the Project (Disbursement Category 4) and Sustainable Development and Conservation Subprojects under Part 3 of the Project (Disbursement Category 5);

- Statement of Expenditure, customized, in the form attached (relevant spreadsheet of Attachments 3B - Part 2, and 3C - Part 3 of the Project - Donaciones) for Forestry Research Subprojects and Sustainable Forestry Subprojects under Part 2 of the Project (Disbursement Category 4), and Sustainable Development and Conservation Subprojects under Part 3 of the Project (Disbursement Category 5);

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

For reporting eligible expenditures paid from the Designated Account:

- Records evidencing eligible expenditure (e.g., copies of receipts, supplier invoices) for payments for (i) Goods against contracts valued at USD 200,000 or more; (ii) Consulting Firms against contract valued at USD 100,000 or more; (iii) Individual Consultants against contracts valued at USD 50,000 or more; under Parts 1, 2 and 3 of the Project and (iv) Civil Works against contracts valued at USD 300,000 or more, under Parts 2 and 3 (relevant spreadsheet, with supporting documentation, of Attachments 3A - Part 1; 3B - Part 2 and 3C - Part 3 of the Project);

- Statement of Expenditures in the form attached (relevant spreadsheet of Attachments 3A - Part 1; 3B - Part 2 and 3C - Part 3 of the Project, with no supporting documentation) for all other expenditures / contracts, including Operational Costs but excluding Forestry Research Subprojects, Sustainable Forestry Subprojects under Part 2 of the Project (Disbursement Category 4) and Sustainable Development and Conservation Subprojects under Part 3 of the Project (Disbursement Category 5);

- Statement of Expenditure, customized, in the form attached (relevant spreadsheet of Attachments 3B - Part 2, and 3C - Part 3 of the Project - Donaciones) for Forestry Research Subprojects and Sustainable Forestry Subprojects under Part 2 of the Project (Disbursement Category 4), and Sustainable Development and Conservation Subprojects under Part 3 of the Project (Disbursement Category 5);

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

(iii) Other Supporting Documentation Instructions: A Designated Account activity reconciliation statement and Bank Statement should be submitted with each withdrawal application reporting on the use of Loan proceeds from the Designated Account.

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 or Grant, and retrieve related policy, financial, and procurement information.

If you have any queries in relation to the above, please contact the World Bank Finance and Accounting Department by sending an email to vconde@worldbank.org and naming the project and Loan number in the subject line.

Yours sincerely,

Victor Ordonez
Sr. Finance Officer
World Bank Finance and Accounting

Attachments
1. Note: Attachments 1 to 4 listed below remain valid, as per the original disbursement letter. Attachment 5 is hereby introduced.

1 - World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2 - Form for Authorized Signatures
3 - Attachments 3A - Part 1; 3B - Part 2 and 3C - Part 3 of the Project, including, as applicable, 3A - "Statement of Expenditure - with supporting documents" - above SOE thresholds, 3B - "Statement of Expenditure - without supporting documents" - below SOE thresholds and 3C - Statement of Expenditure - Customized for Subprojects".
4 - Form of Payments Against Contracts Subject to the Bank's Prior Review.
5 - 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
Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation

March 1, 2013

The World Bank (Bank)\(^1\) will provide secure identification credentials (SIDC) to permit the Borrower\(^2\) to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

SIDC can be either: (a) hardware-based (Physical Token), or (b) software-based (Soft Token). The Bank reserves the right to determine which type of SIDC is most appropriate.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide SIDC to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.

2. Each Signatory must register as a user on the Bank’s Client Connection (CC) website (https://clientconnection.worldbank.org) prior to receipt of his/her SIDC. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Initialization of SIDC.

1. Prior to initialization of SIDC by a Signatory, the Signatory will acknowledge having read, understood and agreed to be bound by these Terms and Conditions of Use.

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\(^1\) “Bank” includes IBRD and IDA.

\(^2\) “Borrower” includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.
2. Where a Physical Token is to be used, promptly upon receipt of the Physical Token, the Signatory will access CC using his/her account name and CC Password and register his/her Physical Token and set a personal identification number (PIN) to be used in connection with the use of his/her Physical Token, after which the Physical Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Where a Soft Token is to be used, the Signatory will access CC using his/her account name and CC Password and set a personal identification number (PIN) to be used in connection with the use of his/her Soft Token, after which the Soft Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the SIDC, the Signatory will be a “SIDC User”. The Bank will maintain in its database a user account (Account) for each SIDC User for purposes of managing the SIDC of the SIDC User. Neither the Borrower nor the SIDC User will have any access to the Account.

3. Prior to first use of the SIDC by the SIDC User, the Borrower shall ensure that the SIDC User has received training materials provided by the Bank in use of the SIDC.

C. Use of SIDC.

1. Use of the SIDC is strictly limited to use in the delivery of Applications by the SIDC User in the manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other use of the SIDC is prohibited.

2. The Bank assumes no responsibility or liability whatsoever for any misuse of the SIDC by the SIDC User, other representatives of the Borrower, or third parties.

3. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank in granting SIDC) that each SIDC User understands and will abide by, these Terms and Conditions of Use, including without limitation the following:

4. Security

4.1. The SIDC User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.

4.2. The SIDC User shall not allow anyone else to utilize his/her SIDC to deliver an Application to the Bank.

4.3. The SIDC User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.

4.4. If the SIDC User believes a third party has learned his/her PIN or has lost his/her Physical Token he/she shall immediately notify clientconnection@worldbank.org.
4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised SIDC, and take other reasonable steps to ensure such SIDC are disabled immediately.

5. **Reservation of Right to Disable SIDC**

5.1. The Borrower shall reserve the right to revoke the authorization of a SIDC User to use a SIDC for any reason.

5.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a SIDC, de-activate a SIDC User’s Account or both.

6. **Care of Physical Tokens**

6.1. Physical Tokens will remain the property of the Bank.

6.2. The Bank will physically deliver a Physical Token to each Signatory designated to receive one in a manner to be determined by and satisfactory to the Bank.

6.3. Physical Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Physical Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Physical Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Physical Token.

6.4. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care of Physical Tokens are available at http://www.rsa.com.

7. **Replacement**

7.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Physical Tokens will be replaced at the expense of the Borrower.

7.2. The Bank reserves the right, in its sole discretion, not to replace any Physical Token in the case of misuse, or not to reactivate a SIDC User’s Account.