May 9, 2012

His Excellency
Guido Mantega
Minister of Finance
Ministry of Finance
Esplanada dos Ministérios, Bloco “P”- 8º Andar
70048-900 Brasília, D.F.
Brazil

Excellency:

Re: Brazil: IDF Grant for strengthening the Institutional Capacity of the
Procuradoria Especial da Mulher Project
IDF Grant No. TF011956
Additional Instructions: Disbursement Letter

I refer to the Letter Agreement ("Agreement") between the Federative Republic of Brazil ("Recipient") and International Bank for Reconstruction and Development ("World Bank"), for the above-referenced project, dated May 9, 2012. The Agreement provides that the World Bank may issue additional instructions regarding the withdrawal of the proceeds of Grant TF011956 ("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:

- Reimbursement
- Advance

(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.
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
Setor Comercial Norte,
Quadra 02, Lote A
Edifício Corporate Finance Center
7º Andar
70712-900 Brasilia, DF
Brazil
Attention: Deborah L. Wetzel, Director, Brazil, 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
Setor Comercial Norte,
Quadra 02, Lote A
Edifício Corporate Finance Center
7º Andar
70712-900 Brasilia, DF
Brazil
Attention: Loan Disbursement Team

(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) Minimum Value of Applications (subsection 3.5). The Minimum Value of Applications is USD30,000 for Reimbursement.
(vi) Advances (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated.
- **Currency of Designated Account (subsection 5.4):** USDollars.
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Banco do Brasil.
- **Ceiling (subsection 6.1):** USD100,000.

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 (e.g., copies of receipts, supplier invoices) for payments made under contracts costing USD50,000 per contract or more;
  - Statement of Expenditure in the form attached (Attachment 4) for all expenditures / contracts; and
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5).

- **For reporting eligible expenditures paid from the Designated Account:**
  - Records evidencing eligible expenditures (e.g., copies of receipts, supplier invoices) for payments made under contracts costing USD50,000 per contract or more;
  - Statement of Expenditure in the form attached (Attachment 4) for all expenditures / contracts;
  - List of payments against contracts that are subject to the World Bank’s prior review, in the form attached (Attachment 5); and
  - Designated Account Reconciliation/Activity Statement in the form attached (Attachment 6) with a copy of the bank statement.

*(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 a Finance Officer at loans@worldbank.org using the above reference.

Yours sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Deborah L. Wetzel
Director
Brazil
Latin America and the Caribbean Region

Attachments
1. World Bank Disbursement Guidelines for Projects, dated May 1, 2006
2. Form for Authorized Signatures
4. Form of Statement of Expenditure
5. Form of Payments Against Contracts Subject to the World Bank's Prior Review
6. Form of Designated Account Reconciliation/Activity Statement

Prepared by: Eunan Onyenuma, Finance Analyst
Cleared with and cc: Mariana Montiel, Country Lawyer
Maria Orlando, Task Team Leader

Cc with copies:

H.E. Hon. Marco Maia
President
Chamber of Deputies
Palácio do Congresso Nacional
Praça dos Três Poderes
Brasilia - DF - CEP 70160-900

Ms. Elcione Barbalho
Procuradora Especial da Mulher
Procuradoria Especial da Mulher
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