



TF096992

The World Bank
 INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
 INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street N.W.
 Washington, D.C. 20433
 U.S.A.

(202) 473-1000
 Cable Address: INTBAFRAD
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11/26/2012

Gregory Ch'oc
 Executive Director
 Sarstoon Temash Institute for Indigenous Management
 6 Pampana Street
 Punta Gorda Town, Toledo
 Belize Central America

**Re: Helping the Q'eqchi Maya Thrive with Sustainable Forest Management
 2009 Global Development Marketplace on Climate Change Adaptation
 Development Marketplace *Global Environmental Facility (GEF) TF096992*
 Additional Instructions: Disbursement – First Restatement**

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 Adaptation Development Marketplace, and Sarstoon Temash Institute for Indigenous Management (“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. **TF096992** (“Grant”). This letter (“Disbursement Letter”), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is the First Restatement of the Disbursement Letter dated October 12, 2012 for the above referenced project restating Appendix I. All other provisions of the Disbursement Letter dated October 12, 2012 shall remain in force and effect.

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: Ergun Ertekin, WBIIN

(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):** Scotiabank (Belize) Ltd.

- **Ceiling (subsection 6.1):** US\$140,000
- **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**
 - Interim Financial Report in the form attached (Attachment 4)
 - Unaudited Final Financial Report in the form attached (Attachment 5)
- **For reporting eligible expenditures paid from the Designated Account:**
 - Interim Financial Report in the form attached (Attachment 4)
 - 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.

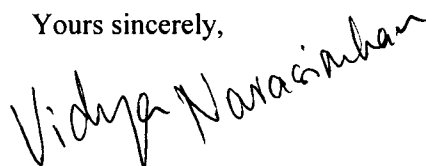
IV. Other Important Information

For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the World Bank's public website at <http://www.worldbank.org> and its secure website "Client Connection" at <http://clientconnection.worldbank.org>. Print copies are available upon request.

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>). 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 Karen Majli Vega-Coronel at kvegacoronel@worldbank.org using the above reference.

Yours sincerely,



Vidya Narasimhan
Finance Officer, Loan Department

Attachments: *As per the original Disbursement Letter dated October 12, 2012*
Appendix I: Indicative Withdrawal Schedule

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.

Period	End of Reporting Period	Expected Activities/Output
0	Effectiveness of the Agreement	<ol style="list-style-type: none"> 1. Milestones and withdrawal schedule discussed and agreed with the Global Development Marketplace Portfolio Manager (PM) and the Project Supervisor (PS) as specified in the Grant Agreement. 2. Outcome Indicators agreed upon with PS and PM: <ol style="list-style-type: none"> a. 12 Community members selected and trained in methodology for conducting commercial census. b. 100 community members educated on climate change and its linkage to sustainable forest management c. An Annual Plan of Operation 2013 developed for Conejo and Santa Teresa d. 20,000 board feet of sustainably harvested lumber e. Average net income of Conejo and Santa Teresa increased by \$10,000 annually. 3. Completed budget template for period 1 activities 4. All legal documents signed by the Project Team and the World Bank Country Director/ Manager
Forecast for advance payment to carry out activities for Periods 1: \$100,000 (50 % of Total)		
1	12 months after effectiveness	<ol style="list-style-type: none"> 1. Project – Specific Output Indicators (3-5) <ol style="list-style-type: none"> a. Formalization of the Community based forest enterprise of Conejo and Santa Teresa b. 12 Community members selected and trained in methodology for conducting forest commercial census c. 5 meetings/ workshops conducted with the Conejo and Santa Teresa Group members on sustainable forest management process and its linkage to climate change issues <p>End of activities covering this reporting period</p>
Forecast for advance payment to carry out activities for Period 2: \$60,000 (30% of Total)		

2	18 months after effectiveness	<ol style="list-style-type: none"> 1. Project – Specific Output Indicators (3-5) <ol style="list-style-type: none"> a. Twelve (12) members from each community trained in administrative and technical business management b. 2013 Annual Operating Plan developed for one Harvesting Block for Conejo c. 2013 Annual Operating Plan developed for one harvesting block for Santa Teresa 2. Project Supervisor’s or Project Manager’s site visit to review progress on all outputs outlined above <p>End of activities covering this reporting period</p>
Forecast for advance payment to carry out activities for Period 3: \$40,000 (20% of Total)		
3	24 months after effectiveness	<ol style="list-style-type: none"> 1. Project – Specific Output Indicators (3-5) <ol style="list-style-type: none"> a. At least one formalized written agreement signed with an interested buyer demonstrating their commitment to purchasing sustainably harvested timber from Conejo or Santa Teresa b. 2 lumber storage facility constructed – one in Conejo and one in Santa Teresa c. At least 20,000 board feet of lumber transformed for the local market 2. Submit sustainability plan for after Completion of Grant activities, and 3. Submit Project evaluation plan <p>End of activities covering this reporting period</p>
	July 31,2013	Completion of all Project activities.
	August 31, 2013	Submit Completion Report with Unaudited Final Financial Report to Project Manager and Project Supervisor.
Total Grant Amount: \$200,000		