



**The World Bank**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

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November 10, 2016

Mr. Alfonso Prat-Gay Minister  
Ministry of Treasury and Public Finance  
Hipolito Yrigoyen 250  
Buenos Aires, Argentina

Mr. Juan Jose Aranguren Minister  
Ministry of Energy and Mining  
Av. Hipolito Yrigoyen 250  
Buenos Aires, Argentina

Excellences,

**Subject: Support to Argentina's Fund for the Development of  
Renewable Energy –FODER on RenovAr phase 1.5**

We refer to our letter dated August 8, 2016 published and available on CAMMESA's website<sup>1</sup> where we expressed the World Bank's support to Argentina's Fund for the Development of Renewable Energy ("FODER") and the World Bank's intention to support FODER through a series of guarantees for a total amount of US\$500 million, in two (2) tranches of approximately US\$250 million each. The World Bank is pleased to see the results of phase 1.0 of the first auction under the RenovAr program, and has continued to work actively with the Government of Argentina in connection with phase 1.5.

Given this and the Government of Argentina's decision to move forward with RenovAr phase 1.5, the World Bank intends to structure the two guarantee tranches as follows: (i) a first tranche in support of phase 1 of the first RenovAr auction, in an amount of at least US\$250 million, and to be made available in the first half of calendar year 2017, and (ii) a second tranche in support of the remaining of phase 1 plus phase 1.5 of the first RenovAr auction, of up to US\$250 million, to be made available during the second half of calendar year 2017.

The indicative terms and conditions of IBRD's support included in the Term Sheet<sup>2</sup> to the World Bank's August 8, 2016 letter remain applicable to both guarantee tranches. The World Bank's decision to provide an IBRD guarantee continues to be contingent upon (i) due diligence to ensure that the proposed operation, including FODER and the project documentation, meets the guidelines set in World Bank's OP 10.00<sup>3</sup>; and (ii) final approval by the World Bank's Management and Board of Directors.

The World Bank reiterates its full support to this tendering process and remains available to discuss any queries the prospective bidders may have on any of the above. Bidders may contact the following World Bank representative directly for further questions:

<sup>1</sup> <http://portalweb.cammesa.com/Pages/RenovAr.aspx>

<sup>2</sup> IBRD has only prepared the attached English version of the indicative terms and conditions and this English version is the only version that IBRD will use in any discussion.

<sup>3</sup> [https://policies.worldbank.org/sites/ppf3/PPFDocuments/4035OP10%2000\\_July1\\_2016%20clean.pdf](https://policies.worldbank.org/sites/ppf3/PPFDocuments/4035OP10%2000_July1_2016%20clean.pdf)



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- (a) on Project Finance and Guarantee related matters,  
  
Arnaud Braud, Infrastructure Finance Specialist, [abraud@worldbank.org](mailto:abraud@worldbank.org)
  
- (b) on Argentina's Energy Sector related matters,  
  
Lucia Spinelli, Senior Energy Specialist, [lsinelli@worldbank.org](mailto:lsinelli@worldbank.org)

Sincerely

*For* Pankaj Gupta  
Practice Manager  
Financial Solutions  
Energy & Extractives Global Practice

*for* Antonio Barbalho  
Practice Manager  
Energy Sector  
Latin America and the Caribbean  
Energy & Extractives Global Practice