STATUTORY COMMITTEE REPORT

TO: The President, International Bank for Reconstruction and Development

Report of the Committee under Section 4 (iii) of Article III of the Articles of Agreement on proposed Partial Risk Guarantees (PRGs), in respect of the Power Sector Guarantees Project to the Federal Republic of Nigeria

The undersigned Committee constituted under Section 7 of Article V of the Articles of Agreement of the International Bank for Reconstruction and Development (the Bank) hereby submits its report pursuant to Section 4, (iii) of Article III of said Articles in respect of the proposal that the Bank grant to the Federal Republic of Nigeria (the Borrower) the following Partial Risk Guarantees (PRGs) as part of a series under the Power Sector Guarantees Project: (i) a PRG for commercial debt mobilization, in an amount up to US$125 million (plus interest thereon) as well as a PRG to enhance the creditworthiness of Nigeria Bulk Electricity Trading Plc, (NBET), in an amount up to US$120 million (plus interest thereon), each for the Azura Edo Independent Power Project; and (ii) a PRG to enhance the creditworthiness of NBET, in an amount up to US$150 million (plus interest thereon), for the Qua Iboe Independent Power Project. The purpose of the said PRGs is to increase the supply of electricity received by Nigerian consumers (the Project).

1. The Committee has carefully studied the merits of the proposal to provide such PRGs, and of the purpose to which the proceeds of the underlying commercial loans so guaranteed are to be applied.
2. The Committee is of the opinion that the Project in support of which the proceeds of the underlying commercial loans so guaranteed are to be applied comes within the purposes of the Bank as set forth in Article I of said Articles of Agreement, and that said Project is designed to promote the development of the productive facilities and resources of the Federal Republic of Nigeria and is in the interest of the Federal Republic of Nigeria and of the members of the Bank as a whole.

3. Accordingly, the Committee finds that said Project merits financial assistance from the Bank in the form of the aforesaid PRGs, and hereby recommends said Project for such assistance.

COMMITTEE

[Signatures]

Senior Vice President and Group General Counsel

Nominee Selected by Governor for Federal Republic of Nigeria

Regional Vice President Africa

Dated at Washington, D.C.