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 the proposed Second Additional Loan for the Second Rural Roads Project to the Caisse pour le Financement Routier to be guaranteed by the Kingdom of Morocco.

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 grants to the Caisse pour le Financement Routier a second additional loan in the amount of €70,000,000, which additional loan is to be guaranteed by the Kingdom of Morocco (the Guarantor). The purpose of said additional loan is to increase rural populations’ access to all-weather roads in support of the Guarantor’s Program.

1. The Committee has carefully studied the merits of the proposal to grant such an additional loan, and of the purpose to which the proceeds of the additional loan are to be applied.

2. The Committee is of the opinion that the project toward the financing of which the proceeds of such additional loan are to be applied continues to come within the purposes of the Bank as set forth in Article 1 of said Articles of Agreement, and that said project is designed to promote the development of the productive facilities and resources of the Kingdom of Morocco and is in the interest of the Kingdom of Morocco and of the members of the Bank as a whole.

3. Accordingly, the Committee finds that said project continues to merit financial assistance from the Bank, and hereby recommends said project for such additional assistance.