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 Loan (Manta Public Services Improvement Project) to the Municipality of Manta to be guaranteed by the Republic of Ecuador.

The undersigned Committee constituted under Section 7 of Article V of the Articles of Agreement of 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 Municipality of Manta (the Borrower) a loan in an amount of one hundred million Dollars ($100,000,000), which loan is to be guaranteed by the Republic of Ecuador. The purpose of said loan is to support the Borrower in increasing the quality and sustainability of public services for water, sanitation, and urban mobility.

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

2. The Committee is of the opinion that the project toward the financing of which the proceeds of such loan 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 Republic of Ecuador and is in the interest of the Republic of Ecuador and of the members of the Bank as a whole.
3. Accordingly, the Committee finds that said Project merits financial assistance from the Bank, and hereby recommends said project for such assistance.

COMMITTEE

[Signature]
Senior Vice President and Group General Counsel

[Signature]
Governor for the Republic of Ecuador

[Signature]
Regional Vice President
Latin America and the Caribbean

Dated at Washington, D. C.

july 18, 2013