TO: The President, International Bank for Reconstruction and Development

Report of Committee under Section 4 (iii) of Article III of the Articles of Agreement on the Proposed Loan (Subnational Institutional Strengthening Project) to the Republic of Colombia.

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 Republic of Colombia (the Borrower) a loan in an amount of US$70,000,000. The purposes of said loan are to: (i) improve the Borrower’s regional government entities performance in core public management areas; and (ii) strengthen the capacity of the Borrower’s central government to manage the decentralization and territorial management framework.

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

2. The Committee is of the opinion that the Project in support 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 Colombia and is in the interest of the Republic of Colombia and of the members of the Bank as a whole.
Republic of Colombia  
(Subnational Institutional Strengthening Project)

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]
Expert Selected by Governor for the Republic of Colombia

[Signature]
Regional Vice President
Latin America and the Caribbean

Dated at Washington, D.C.

2/05/13