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 (Water Sector Investment Project) to Albania

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 Albania (the Borrower) a loan in an amount of sixty two million five hundred thousand Euro (EUR 62,500,000). The purposes of said loan are: (i) improve the quality of water and wastewater services in the Durres Water Utility Service Area; and (ii) improve the financial performance of Durres Water Utility.

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 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 Albania and is in the interest of Albania 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

[Signatures]

Senior Vice President and Group General Counsel

[Signature]

Expert Selected by Governor for Albania

[Signature]

Regional Vice President Europe and Central Asia

Dated at Washington, D.C.

November 25, 2013