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 Loan (Third Sustainability and Competitiveness Development Policy Loan) to the Republic of Seychelles

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 grants to the Republic of Seychelles a loan in an amount of $7,000,000. The purpose of said loan is to: i) improve the business climate; (ii) enhance fiscal transparency; (iii) improve public financial management; (iv) improve targeting of social assistance; and (v) increase fiscal oversight and controls over public enterprises.

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 program 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 program is designed to promote the development of the productive facilities and resources of the Republic of Seychelles and is in the interest of the Republic of Seychelles and of the members of the Bank as a whole.

3.   Accordingly, the Committee finds that said program merits financial assistance from the Bank, and hereby recommends said program for such assistance.

COMMITTEE

Act. by Senior Vice President and Group
General Counsel

Expert Selected by Governor for
Republic of Seychelles

Regional Vice President
Africa Region

Vice President and WBG
Chief Risk Officer

Senior Vice President and
Chief Economist

Dated at Washington, D.C.

AUGUST 25, 2014