

December 16, 1994

Ms. Sonia de Alemendra Portella Castro
Procuradora da Fazenda Nacional
(on behalf of the Federative Republic of Brazil)
Washington, D.C.

Re: Loan No. 3789-BR
(Ceara Urban Development and Water
Resource Management Project)

Dear Ms. Portella:

Enclosed are the following documents of even date herewith, except as otherwise indicated below, regarding the above mentioned Loan, which are delivered to you as the authorized representative of the Federative Republic of Brazil (the Guarantor):

1. One signed copy of the Loan Agreement between International Bank for Reconstruction and Development (the Bank) and the State of Ceara;
2. One signed copy of the Guarantee Agreement between the Guarantor and the Bank;
3. One signed copy of the the Supplemental Letter re: Audit;
4. One conformed copy of the Supplemental Letter re: Financial and Economic Data;
5. One copy of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated January 1, 1985; and
6. One copy of the Guidelines for Procurement under World Bank Loans and IDA Credits, dated May 1992, and of the Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency, dated August 1981.

Pursuant to the provisions of Section 6.03 of the Loan Agreement, March 19, 1995 is the terminal date for effectiveness of the Loan and Guarantee Agreements.

Please confirm on behalf of the Guarantor receipt of the documents listed above by signing the enclosed copy of this letter.

Sincerely yours,

Jose A. Carvalho
Senior Counsel

encl

RECEIVED:

FEDERATIVE REPUBLIC OF BRAZIL

By /s/
Authorized Representative

