

May 25, 2007

Mr. Noel Jacobs
Regional Director
PCU - Barrier Reef System Project
Coastal Resources Multiplex Building,
Princess Margaret Drive
Belize City, Belize

Dear Mr. Jacobs:

Mesoamerican Barrier Reef Systems Project MULT 27739
Review of Financial Statements and Audit Report for the Years Ended December 31,
2006 and 2005

We have reviewed financial statements and the audit report prepared by Castillo Sanchez & Burrell, LLP (Independent Correspondent Firm to Deloitte Touche Tohmatsu), covering the funds managed by the Project Coordinating Unit (PCU) on behalf of the Central American Commission for Environment and Development (CCAD) for years ended December 31, 2006 and 2005 under the Conservation and Sustainable Use of the Mesoamerican Barrier Reef Systems Project (MBRS). The audit report can be considered acceptable to the World Bank, as it provides all the information required.

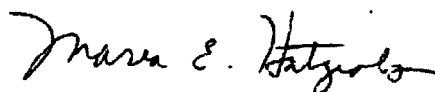
Pertaining to the Auditors

The auditors issued Unqualified opinions on: (i) the Cumulative Sources and Uses of Funds Statements for the years ended December 31, 2006 and 2005; (ii) Special Account Statements for the year ending December 31, 2006 and 2005; (iii) Statement of Expenditures for the years ending December 31, 2006 and 2005; and (iv) on Internal Controls.

Pertaining to the Audit

There were no major issues identified in the financial statements and the audit report. Presented financial data on Sources and Uses of Funds reconciles with the Bank's disbursement records.

Sincerely,



Marea Hatziolos
Task Team Leader
Environment Department