RECOMMENDATION OF STATUTORY COMMITTEE

TO: The President, International Development Association

Recommendation of the Committee under Section 1(d) of Article V of the Articles of Agreement on the proposed Credit and Grant (Rural Water Supply and Sanitation Improvement Project) to Nepal

The undersigned Committee constituted under Section 1(d) of Article V of the Articles of Agreement of the International Development Association (the Association) hereby submits its recommendation pursuant to said Section in respect of the proposal that the Association grant to Nepal (the Recipient) a credit in an amount equivalent to SDR 32,400,000 and a grant in an amount equivalent to SDR 14,300,000. The purpose of said credit and grant is to (i) increase sustainable access to improved water services and promote improved sanitation and hygiene practices in rural areas; and (ii) develop and implement a long-term support mechanism to promote the sustainability of water supply schemes in selected districts.

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

2. The Committee is of the opinion that the project toward the financing of which the proceeds of such credit and grant are to be applied comes within the purposes of the Association as set forth in Article I of said Articles of Agreement, and that said project is designed to promote the economic development of the Recipient and is of high developmental priority in the light of the needs of the Recipient.
3. Accordingly, the Committee finds that said project merits financial assistance from the Association, and hereby recommends said project for such assistance.

COMMITTEE

Senior Vice President and Group General Counsel

Nominee selected by Governor for Nepal

Regional Vice President South Asia

Dated at Washington, D.C.

5/10/14