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 (Second Community Agricultural Resource Management and Competitiveness Project) to the Republic of Armenia

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 the Republic of Armenia (the Borrower) a loan in an amount of twenty three million United States Dollars (US$ 23,000,000). The purposes of said loan are to: (i) improve productivity and sustainability of pasture and livestock systems in targeted communities; and (ii) increase the marketed production from selected livestock and high value agri-food value chains. The operation is also supported by the IDA Credit in an amount equivalent to four million six hundred thousand Special Drawing Rights (SDR 4,600,000).

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 the Republic of Armenia and is in the interest of the Republic of Armenia and of the members of the Bank as a whole.
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

Expert Selected by Governor for Republic of Armenia

Regional Vice President Europe and Central Asia

Dated at Washington, D.C.

May 12, 2014