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 Additional Loan (Additional Financing for the Sustainable Agriculture and Rural Development Project) to the Republic of Paraguay.

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 Paraguay (the Borrower) an additional loan in an amount of US$100,000,000. The purpose of said additional loan is to provide additional funds to supplement the financial assistance furnished by the Bank under Loan Agreement (Sustainable Agriculture and Rural Development Project), dated June 24, 2008, between the Borrower and the Bank.

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

2. The Committee is of the opinion that the Project toward the financing of which the proceeds of such additional loan are to be applied continues to come 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 Paraguay and is in the interest of the Republic of Paraguay and of the members of the Bank as a whole.
Republic of Paraguay

(Additional Financing for the Sustainable Agriculture and Rural Development Project)

3. Accordingly, the Committee finds that said Project continues to merit financial assistance from the Bank, and hereby recommends said Project for such additional assistance.

COMMITTEE

[Signature]
Senior Vice President and Group General Counsel

[Signature]
Expert Selected by Governor for the Republic of Paraguay

[Signature]
Regional Vice President
Latin America and the Caribbean

Dated at Washington, D. C.

11/14/13