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 (Second Urban Local Government Development Program) to the Federal Democratic Republic of Ethiopia

The undersigned Committee constituted under Section 1(d) of Article V of the Articles of Agreement of International Development Association (the Association) hereby submits its recommendation pursuant to said Section in respect of the proposal that the Association grant to the Federal Democratic Republic of Ethiopia (the Recipient) a credit in an amount in various currencies equivalent to SDR 245,600,000. The purpose of said credit is to assist the Recipient in enhancing the institutional performance of participating urban local governments in developing and sustaining urban infrastructure and services.

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

2. The Committee is of the opinion that the program toward the financing of which the proceeds of such credit 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 program 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 program for such assistance.
COMMITTEE

Senior Vice President and Group General Counsel

Nominee selected by Governor for the Federal Democratic Republic of Ethiopia

Regional Vice President Africa

Dated at Washington, DC

APR 02 2014