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 Additional Credit and Grant (Additional Financing for Rural Roads Infrastructure Improvement Project) to the Republic of Nicaragua.

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 Republic of Nicaragua (Recipient) an additional credit in an amount equivalent to one million nine hundred thousand Special Drawing Rights (SDR 1,900,000) and an additional grant in an amount equivalent to thirty four million nine hundred thousand Special Drawing Rights (SDR 34,900,000). The purpose of said additional credit and grant is to provide additional funds to supplement the financial assistance furnished by the Association under the Financing Agreement (Rural Roads Infrastructure Improvement Project, Credit No. 5028-NI and Grant No. H7440-NI), dated December 19, 2011, between the Republic of Nicaragua and the Association.

1. The Committee has carefully studied the merits of the proposal to grant such an additional credit and grant, and of the purpose to which the proceeds of the additional 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 additional credit and grant are to be applied continues to come 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 Republic of Nicaragua, and is of high developmental priority in the light of the needs of the Republic of Nicaragua.
Republic of Nicaragua

Additional Financing for Rural Roads Infrastructure Improvement Project

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

COMMITTEE

Senior Vice President and Group General Counsel

Nominee Selected by SOCSA for the Republic of Nicaragua

Regional Vice President
Latin America and the Caribbean

Dated at Washington, D. C.
June 4, 2014