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 (First Development Policy Financing) to the Republic of Moldova

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 the Republic of Moldova (the Recipient) a credit in an amount equivalent to thirteen million seven hundred thousand Special Drawing Rights (SDR 13,700,000). The purpose of said credit is to support the Recipient's efforts to improve the business climate, promote financial sector stability and development, and improve the equity and efficiency of the public expenditure. The operation is also supported by an IBRD Loan in an amount of nine million United States Dollars (US$9,000,000).

1. The Committee has carefully studied the merits of the proposal to grant such a 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 in support 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 Republic of Moldova and is of high developmental priority in the light of the needs of the Republic of Moldova.
3. Accordingly, the Committee finds that said program merits financial assistance from the Association, and hereby recommends said program for such assistance.

COMMITTEE

[Signatures]

Senior Vice President and Group General Counsel

Nominee Selected by Governor for Republic of Moldova

Regional Vice President Europe and Central Asia

Vice President, Concessional Finance and Global Partnerships

Senior Vice President, Development Economics and Chief Economist

Dated at Washington, D.C.

March 13, 2014