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 (Additional Financing for Road Maintenance and Rehabilitation Project II) (and Amendment to the Original Financing Agreement)

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 the Independent State of Papua New Guinea an additional credit in an amount equivalent to SDR 82,400,000. The purposes of said additional credit are to: (i) improve road transport to Project areas through providing satisfactory physical condition and safety in selected roads; (ii) strengthen institutional arrangements for road maintenance, including the participation of the private sector and local communities; and (iii) enhance road-related economic opportunities for women.

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

2. The Committee is of the opinion that the project in support of which the proceeds of such additional credit 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 Independent State of Papua New Guinea and is of high developmental priority in the light of the needs of the Independent State of Papua New Guinea.
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

[Signatures]

Senior Vice President and Group General Counsel

Nominee selected by Governor for the The Independent State of Papua New Guinea

Regional Vice President East Asia and Pacific

Dated at Washington, D.C.

2-7-14