

Democratic Republic of Congo**Inga 3 Basse Chute and Mid-Size Hydropower Development Project****Chair Summary*****March 20, 2014**

The Executive Directors approved a credit in the amount of SDR 47.7 million (US\$ 73.1 million equivalent) to the Democratic Republic of Congo (DRC) for the Inga 3 Basse Chute and mid-size Hydropower Development Technical Assistance Project on the payment terms and conditions set out in the President's memorandum. The minutes will record that Ms. Aviel wished to be recorded as abstaining.

Directors welcomed the World Bank Group's upstream support for this potentially transformational project, both for the DRC and the region. Assisting the Government of DRC to plan appropriately for a responsible, viable, and sustainable development of the Inga 3 BC hydropower site was recognized as an opportunity to address one of the biggest infrastructure constraints in Africa, and thus help reduce poverty and boost shared prosperity.

Directors acknowledged the significant implementation risks associated with project and emphasized the importance of sound governance in the DRC's power sector. They encouraged the project's capacity building components to establish strong institutional arrangements, including the establishment of the Inga Development Authority. Keeping a long-term public policy perspective was emphasized, particularly to ensure fair and equitable benefit sharing with the Congolese population of the full hydropower capacity at the Inga site. The importance of sound fiscal management of the eventual project's revenues was also emphasized. Furthermore, Directors underscored the ongoing need to incorporate lessons learned from other large projects, including detailed planning to minimize cost overruns.

Directors appreciated that the environmental and social safeguards assessment for Inga 3 BC would cover the cumulative impact of the potential subsequent stage as well. They also welcomed the intended support for communication and consultation with shareholders, which would enhance social accountability.

Directors welcomed the unified WBG approach, bringing to bear the full range of the Institution's expertise and adding credibility to efforts to attract reputable private sector participation, while avoiding any potential conflict of interest. More broadly, Directors encouraged close collaboration with other development partners in the sector, as well.

Finally, recognizing the high-risk-high-reward nature of this very important project, Directors urged very close monitoring and looked forward to being updated regularly by World Bank Group Management.

*This summary is not an approved record.