Democratic Republic of Congo

Country Assistance Strategy
and
Urban Development Project

Meeting of the Executive Directors

May 9, 2013

Chair’s Summing Up*


Directors offered support to the CAS and its four strategic objectives to increase the effectiveness of the state and improve governance, to boost the competitiveness of the economy by accelerating private-sector-led growth, to improve social service delivery to raise human development indicators; and to address the development deficits contributing to fragility and conflicts in DRC’s Eastern provinces. They noted that the country is emerging from years of conflict and welcomed the reform efforts made by the national authorities and urged them to consult widely to secure wider and lasting support for reforms. They emphasized the importance of World Bank coordination and alignment with the IMF to address key macroeconomic policies.

Directors highlighted the central role of DRC in successful development of Sub-Saharan Africa and achievement of the Bank Group’s poverty reduction goals. They welcomed the design of the CAS which is aligned with the Bank’s Africa Strategy and addresses key challenges such as weak state institutions, poor governance, and lack of a conducive business environment. Directors strongly emphasized the importance of regional integration to achieve peace and stability, which can have a transformational impact on development of DRC and the region. Within DRC, they underscored the need to tackle over-dependence on natural resources and high levels of poverty. They welcomed initiatives to further increase transparency and oversight of the mining and energy sectors, strengthen governance of state-owned enterprises, and foster peace in the Eastern provinces.

Directors encouraged continued efforts to develop the country’s substantial human potential with investments in social protection, health, and education that take account of demographic challenges and improve social service delivery. They welcomed gender as a cross-cutting theme in the CAS and encouraged activities that address gender-based violence and other gender challenges.

Directors urged Bank Group entities to focus their interventions in areas that help DRC reduce poverty, remove constraints to development, and meet the Millennium Development
Goals. They supported the Bank stance on accountability for results within government programs and policies and the need to improve governance. They emphasized a scale-up of IFC activity, interventions that boost private sector development and job creation, and efforts that ensure regional access to energy. Directors noted the important complementarity of the Bank Group and partners in addressing the drivers of fragility. They emphasized deeper collaboration and harmonization among all development partners.

Summary of Discussion*

With respect to the Urban Development Project, Executive Directors approved the Grant amount of SDR 66.1 million (USD 100 million equivalent) on the terms and conditions set out in the President’s Memorandum. Directors welcomed the project design that links infrastructure development to strengthened governance and financial management and emphasizes improved service delivery in growing urban areas. In particular, Directors highlighted the importance of community-based monitoring activities and the impact it could have on the outcome of the annual performance assessments through strengthening lines of accountability between local governments and city residents.

*This summary is not an approved record.