

Peru**Lima Metro Line 2 Project****Chair Summary*****September 15, 2015**

The Executive Directors approved an IBRD Loan in the amount of US\$300 million to the Republic of Peru for the Lima Metro Line 2 Project (R2015-0168) on the terms set out in the President's Memorandum.

Directors noted that this Project is aligned with the current Country Partnership Strategy and builds on the World Bank Group's long-standing partnership with Peru and global strategy for sustainable urban transport. Directors supported the Project's development objective to enhance access to jobs and public services in a major axis of the Lima-Callao Metropolitan Region through a modern and integrated mass transit system. They acknowledged the importance of the Project for improving urban mobility, mitigating adverse impacts including greenhouse gas emissions, promoting sustainable urban development, and removing barriers to continued growth and social inclusion in light of the World Bank Group's twin goals of eliminating extreme poverty and boosting shared prosperity.

In addition, Directors appreciated the technical and institutional actions supported by the Project and underscored the challenges of metropolitan governance and institutional coordination to deliver the expected benefits, particularly to the poor. They noted the need to address the overall long-term fiscal and operational sustainability of the urban transport system. In this regard, Directors noted the need to continue benefiting from lessons learned from past Bank-financed projects in Peru's urban transport sector, and urged robust supervision and monitoring of the project's implementation. Looking ahead, Directors stressed the importance of capacity building in data collection and management as well as in implementing Public-Private Partnerships.

The summary is not an approved record.