

**Republic of Zambia****Kariba Dam Rehabilitation Project****December 9, 2014****Chair Summary\***

Executive Directors approved a loan to the Republic of Zambia for the Kariba Dam Rehabilitation Project (IDA/R2014-0340) in the amount of US\$75 million on the terms and conditions set out in the President's Memorandum. The Minutes will reflect that Ms. Aviel wished to be recorded as abstaining.

Directors expressed strong support for the operation, highlighting the criticality of safe maintenance of the Kariba Dam for the significant economic benefits it brings to the region. They appreciated the role of the World Bank Group in facilitating cooperative management and development of internationally shared water resources as a foundation for facilitating sustainable, climate resilient growth.

Directors acknowledged that a potential catastrophic failure of the dam would result in devastating regional flooding, significant loss of human life, and unprecedented economic damage downstream in the Zambezi River. They also acknowledged the complexity and risks of the proposed undertaking and underscored the importance of building strong capacity and sound institutional arrangements for success. The importance of close monitoring and taking appropriate precautions to mitigate environmental and social risks was strongly urged.

Directors considered the operation a balanced response to the financing risks and those associated with a failure to invest in the rehabilitation. Finally, Directors emphasized the need for close supervision and continued coordination among partners during project implementation, in order to provide a solid foundation for future success.

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\* This summary is not an approved record.