

Afghanistan**Trans-Hindukush Road Connectivity Project****Chair Summary*****October 20, 2015**

Executive Directors approved an IDA grant in the amount of SDR178.1 million (US\$250 million equivalent) to the Islamic Republic of Afghanistan for the Trans-Hindukush Road Connectivity Project (IDA/R2015-0255) on the terms and conditions set out in the President's Memorandum.

Directors expressed appreciation of the continued engagement in Afghanistan despite the challenging security environment. They supported the operation, which aims to improve road transport connectivity across the Hindukush mountain range. Directors also welcomed the project's prospects for improving connectivity between rural and urban areas, for strengthening regional integration, and for job creation. They acknowledged the importance of improving service delivery to the sustenance of the transition and boosting citizens' confidence in the Government.

Directors noted the high-risk nature of the project, highlighting the deteriorating security situation and fragility in the country and the need to ensure the safety of staff and contractors at project sites. They welcomed efforts to mitigate the security risk, integrity risk and implementation capacity constraints surrounding the project by using third party monitoring agents, employing implementation support and ensuring sustainable road maintenance arrangements. Directors stressed the importance of using the project as an opportunity to address Afghanistan's infrastructure needs and to strengthen the technical and managerial capacity of Afghanistan's Ministry of Public Works and at the local community level.

Directors noted the diverse factors contributing to the high risks related to project costs, and welcomed the potential for leveraging financial assistance, including public-private partnerships, to help mitigate such risks. Directors appreciated the consultative process with the various communities given the challenging security environment. They stressed the need for continued one World Bank Group approach, and encouraged the Bank to continue engaging and coordinating with the country authorities, local communities and development partners during project implementation and to ensure proper implementation and oversight of safeguards standards.

* This summary is not an approved record.