

Republic of Ghana**Sankofa Gas Project****Chair Summary*****July 30, 2015**

Executive Directors considered the President's Memorandum and Recommendation and approved the following for the Republic of Ghana in support of the Sankofa Gas Project (R2015-0143[IDA/R2015-0200]) on terms and conditions set out in the President's Memorandum: (i) IBRD enclave guarantees in an aggregate amount of up to US\$200 million; and (ii) an IDA guarantee of up to US\$500 million. Mr. McGuire wished to be recorded as abstaining.

Directors expressed broad support for the operation, through which the World Bank Group (WBG) has enabled the largest private investment currently being undertaken in sub-Saharan Africa and the largest WBG guarantee operation to date through its partnerships with the public and private sectors. They appreciated the operation's alignment with the WBG Country Partnership Strategy for Ghana, the government's medium-term strategy, and the WBG's broader engagement and collaboration in the energy sector. Directors welcomed the innovative combination of IBRD and IDA funding of the guarantee instruments to support the provision of natural gas for lower cost power generation and affordable electricity, which are important for Ghana's growth and macroeconomic recovery. Directors appreciated the government's commitment to reforms, including debt management and improvements in energy sector performance, to maximize impact of investments like the Sankofa Gas Project.

Directors welcomed the scale and ambition of this transformational and innovative project and its integration of lessons learned from previous operations in Africa and other regions. They supported the use of guarantees under the project to leverage private sector participation and enable mobilization of almost US\$8 billion of foreign direct investment in Ghana.

Directors noted the significant impact of Sankofa gas on public revenues, and noted that the increased fiscal space should be used to improve social spending and enhance the livelihoods of Ghanaians. Directors stressed the importance of risk monitoring and mitigation during implementation, including environmental and social risks. They urged staff to closely monitor the development impact of the project which they expected to contribute to Ghana's progress on poverty reduction and boosting shared prosperity. Directors also requested staff to pursue opportunities to assist Ghana in diversifying its energy mix and to help the country achieve its goal of 10% renewable energy in the total supply mix by 2020.

*This summary is not an approved record.