

**Republic of the Union of Myanmar: Electric Power Project****Chair Summary\*****Meeting of the Executive Directors****September 24, 2013**

Executive Directors approved a credit in the amount of SDR 92.6 million (US\$ 140 million equivalent) to the Republic of the Union of Myanmar for the Electric Power Project on the payment terms and conditions set out in the President's Memorandum (IDA/R2013-0238).

Directors welcomed this first IDA financed investment project under the Interim Strategy Note that the Board endorsed in November 2012. They expressed support for the project, which will expand electricity supply, help strengthen institutional capacity in the power sector, and generate positive environmental benefits by reducing CO2 emissions. They noted that, through these benefits, the project will contribute to poverty reduction and shared prosperity in Myanmar, stressing the need to ensure that the most vulnerable will benefit from the country's growth.

Directors emphasized the importance of building institutional capacity to underpin future reform and sustainable development of the power sector, and welcomed the program's proposed technical assistance in this regard. They encouraged progress on achieving critical long-term objectives such as increasing access to electricity, particularly for the poor and vulnerable, improving financial viability in the power sector, and strengthening financial management and procurement capacity. Looking ahead, Directors urged attention to the power distribution sector, highlighting the importance of a more sustainable and appropriate tariff structure and pricing model, while minimizing risks associated with currency depreciation to the poor. They also highlighted the potential of exploring renewable energy sources in the future. They appreciated the community consultations held for this project and encouraged continued broad consultations with both stakeholders and the private sector. In addition, Directors highlighted the need for a strong project results framework and reliable monitoring and evaluation system.

More broadly, Directors recalled the WB Group's Energy Strategy and encouraged a One WBG approach in Myanmar ensuring strong linkages across IDA, IFC and MIGA. Finally, Directors welcomed the authorities' convening role in donor coordination and encouraged the WB Group's continued close collaboration with the IMF and other development partners.

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\*This summary is not an approved record.