



1. CAS Data

Country: The Democratic Republic of Congo

CAS Year: FY08

CAS Period: FY08- FY11

CASCR Review Period: FY08-FY12

Date of this review: April 30, 2013

2. Executive Summary

i. This review examines the implementation of the FY08-FY11 Country Assistance Strategy (CAS) of FY08 for the Democratic Republic of Congo (DRC) and the CAS Progress Report (CASPR) of FY10, and assesses the CAS Completion Report (CASCR) of FY13. The strategy was presented as an IDA strategy, but included IFC and MIGA as well. This review covers the joint program of the three institutions.

ii. The CAS was derived from the multi-donor Country Assistance Framework (CAF) for the DRC in the period 2007-10. The broad objective of the CAS was to lay the foundation for a medium-term poverty reduction effort, with a strong focus on governance and shared growth. As modified in the CASPR, the objectives of the WBG strategy were organized under three pillars: (a) rebuilding state capacity to increase access and improved quality of basic services; (b) creating conditions for growth and economic diversification; and (c) providing improved access to health and education. The CASPR also proposed to treat governance as a cross-cutting issue.

iii. IEG rates the overall outcome of WBG assistance as *moderately satisfactory*, concurring with the CASCR. The WBG support contributed to the substantial progress in improving access to primary education and in implementing the national capacity building program. In addition, good progress was made in helping the DRC maintain macroeconomic stability, rehabilitate roads, and improve the business environment and access to microfinance. However, there was uneven progress in establishing a more effective and transparent payroll system for civil servants, creating an effective civil service retirement and realignment process, strengthening public finance management, increasing access to electricity, and improving natural resource management. In health, the narrowly-defined outcome indicators, though achieved, were inadequate for assessing attainment of the health sector outcomes. Finally, the work on establishing a national code of values was stalled, as was the reform of public sector enterprises. There is little information on improved access to water and sanitation services in targeted urban areas, and no specific discussion of governance across the various sectors in which the WBG intervened.

iv. IEG rates the WBG performance as *satisfactory*, concurring with the CASCR while noting some CAS design and implementation issues. The objectives of the CAS were consistent with those of the Government's own development program and responded to the key development constraints facing the country. Although overly ambitious at entry, the strategy became more focused following the mid-term review. The shift from budget support to investment lending supported the overall objective of the CAS. The CAS specified joint activities among IDA/IFC/MIGA, but without identifying the exact nature of the division of labor. The results framework was broadly appropriate and further streamlined in the CASPR, although the outcome indicators, which relied mostly on project level information due to data deficiency, were not always adequate for assessing the contribution of the WBG assistance. Despite increased in-country presence and intensified dialogue with the Government during the annual Country Portfolio Performance Reviews and follow-up activities, the supervision continued to be a difficult challenge - although disbursement ratio increased significantly, a high proportion of IDA portfolio remained at risk. Overly complex program design and underestimation of procurement issues often led to implementation delays. On the other hand, the CAS correctly identified the implementation risks, proposed relevant mitigation measures within the CAF's three-pronged risk management framework, and responded quickly when the risks materialized. The WBG's AAA work was generally appropriate and timely. Coordination with other partners was consistent with the joint effort by all development partners in the DRC to improve aid effectiveness and to help avoid the resumption of hostilities.

v. The CASCR highlights 12 themes as the basis for lessons and recommendations. While these

are all encompassing, they need to focus on the priority lessons that could help the country team improve the CAS outcomes going forward. IEG underscores the following two lessons: First, maintaining strategic selectivity during CAS preparation and implementation is critical for avoiding the danger of overstressing IDA resources, which lead to implementation delays. In the DRC, although the CAS results matrix included only the core WBG activities that could be expected to produce results, IDA resources were spread across 15 (out of a total of 17) areas, making it difficult to achieve significant results in the core areas. Second, overestimating government capacity (and commitment), especially with the PIUs, could lead to unrealistic planning of the pace of reforms and project implementation, as occurred with respect to the administrative and public enterprise reforms.

3. Assessment of WBG strategy

Overview of CAS Relevance:

Country Context

1. The post-conflict period in the DRC has been characterized by both significant political progress (a transitional government, a new constitution, and presidential elections in 2006 and 2011) and revival of economic activities, with GDP growth averaging 6 percent during 2003-07 and 6.9 percent during 2008-11. Prudent macroeconomic policies and structural reforms underpinned the economic performance, while debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative improved the country's external position. Nevertheless, inflation remained a concern, and the economic environment exhibited substantial development challenges after many years of conflict: the infrastructure was largely in disrepair; the economic institutions were in shambles after having lost their assets, staff, and commercial networks; and subsistence agriculture and informal activities dominated the economy following the collapse of export (mainly mining) and value-adding activities. A high level of corruption and weak governance environment made it difficult to break the cycle of poverty and conflict. Consequently, poverty remained prevalent (70 percent in 2005, the latest data available); the DRC ranked 186 out of 186 countries on the Human Development Index in 2012, and the country is unlikely to meet any of the Millennium Development Goals (MDGs).

2. The DRC's development strategy and objectives were based on the vision of a "society of hope" that could lift the country to the level of human development enjoyed by MICs and converge toward the MDGs. This was developed into a Poverty Reduction and Growth Strategy Paper (PRSP), which covered the period 2006-2008 and was supplemented by a Priority Action Program (PAP, 2009-2010) aimed at putting the Government's objectives into action. The PRSP had five strategic pillars: (i) promote peace and good governance; (ii) consolidate macroeconomic stability and promotion of economic growth; (iii) improve access to social services and reduce vulnerability; (iv) combat HIV/AIDS; and (v) promote community dynamics.

Objectives of the WBG Strategy:

3. The CAS was derived from the multi-donor CAF for the DRC. The broad objective of the CAS was to lay the foundation for a medium-term poverty reduction effort, with a strong focus on governance and shared growth. The CAS objectives were organized under the five pillars of the PRSP, with the WBG playing a lead role in the first three pillars and a supportive role in the last two. The CASPR reaffirmed the validity of the overall objective of the CAS, but dropped the last two pillars (to be handled by other development partners) and reorganized the objectives under three pillars: (a) rebuilding state capacity to increase access and improved quality of basic services; (b) creating conditions for growth and economic diversification; and (c) providing improved access to health and education. The CASPR also proposed to treat governance as a cross-cutting issue.

Relevance of the WBG Strategy:

4. **Congruence with Country Context and Country Program.** The CAS objectives responded to the key development challenges facing the DRC. It highlighted improved governance, shared growth and enhanced social services, and appropriately emphasized the need to develop infrastructure (transport, energy and water). The strategy was derived from the PRSP and the CAF,

and rightly called for collaboration with other development partners, including IFC and MIGA, on key issues. The strategy also reflected the Bank's growing experience with post-conflict countries, recent analytic work on the DRC, as well as lessons and good practices from other post-conflict countries in Africa.

5. **Relevance of design.** The design of the WBG's interventions reflected its broader objective of laying the foundation for a medium-term poverty reduction effort. Such a foundation required that infrastructure expansion occur at a rapid pace to facilitate increased economic activity, as well as improved governance so as to enhance investor confidence in the country. In doing so, the WBG tended to spread its operations throughout the large country, thereby making it difficult to execute timely supervision. It was also unrealistic to expect in a post-conflict country with poor infrastructure, quick decision-making on administrative issues on the part of government and easy outreach into areas away from the capital. On the other hand, the WBG's effort to build the country's capacity to resolve its growth constraints, especially through analytic work, helped enhance the relevance of its interventions. The shift from budget support towards investment lending also supported the overall CAS objective. Moreover, the CASPR introduced the needed course correction, thus redressing the overly wide coverage of the original strategy and enhancing the WBG program's capability of achieving the CAS objectives.

6. **Strength of the Results Framework.** Although the results framework for the CAS was derived from the CAF, the WBG recognized the poor state of data in the DRC and adopted a second best set of indicators to monitor progress of its interventions. The results matrix was streamlined in the CASPR to reflect changes made to the overall strategy. While the set of chosen indicators was largely appropriate and the targets realistic in most cases, the effort made by the WBG in building up the statistical capacity of the DRC was weak and therefore required the use of project data to monitor progress, which for the most part captured only a small part of the WBG's contribution through both lending and non-lending assistance. In particular, data scarcity made it difficult to assess the outcome of most social sector interventions.

7. **Risk Identification and Mitigation.** The CAS correctly identified eight major risks for engagement in the post-conflict DRC, and proposed mitigation measures following the three-pronged risk management strategy of the CAF: (i) warning mechanisms: regular review and/or continuous monitoring for early detection of risks; (ii) response actions: scaling-down, redirection, revision, suspension and cancellation of IDA programs depending on the situation; and (iii) risk reduction mechanisms: interventions within the CAS program. Of the eight risks, the risk of economic fragility materialized in the context of the 2008/09 global financial crisis that threatened to substantially disrupt the WBG operations. The Bank acted flexibly by approving relevant emergency credits on a timely basis to support critical imports. It also responded to the malaria epidemic and polio outbreak with two supplementary financing to the health sector project. Although a resurgence of armed conflict occurred during the CAS period, it has not yet led to wide-spread political instability.

Overview of CAS Implementation:

Lending and Investments:

8. At the start of the CAS period, there were 8 active IDA projects under implementation for a total commitment of \$944 million. During the CAS period, IDA made 21 new commitments totaling \$1.5 billion, compared to the CAS proposal of \$1.05 billion. Six of the originally planned operations were dropped and replaced by six new operations following the CAS mid-term review, of which five provided additional financing for ongoing operations. Two Development Policy Loan (DPLs) were delivered on schedule, although a third DPL proposed in the CASPR was dropped and the proposed power expansion project was postponed. The significant deviation in commitment between the planned and actual lending reflected the emergency financing requirements to mitigate the effect of the global financial crisis. The ultimate composition of IDA's portfolio, in view of the large number of additional/supplemental/emergency financing, indicates a shift from the original orientation of mining and infrastructure in the CAS towards the social sector. The CASCR provides no commentary with respect to these changes. A large portfolio of trust funds complemented the Bank's own resources - the Bank's tracking system shows 31 active projects under

implementation during the CAS period for a total of \$192 million, but little is known of the implementation of these projects.

9. As expected in the CAS, a high proportion of projects were considered as at risk in the DRC. In FY08, 58 percent of the projects (74 percent of commitment) were assessed as at risk, above the average for African region (22 and 25 percent of project and commitment, respectively); and the share of projects at risk reached 80 percent (76 percent of commitment) in FY12. The rapid expansion of the active portfolio (from 12 in FY08 to 18 in FY10 before dropping to 15 in 2012), with the resulting increased demand on procurements and disbursements, may have affected the overall performance of the portfolio. IEG reviewed the completion reports of four projects during the CAS period and rated the development outcome as *moderately satisfactory* in two projects and *unsatisfactory* in the other two. This compares unfavorably with the average success rate (66.5 percent) for the African Region, although the sample size is too small to draw conclusions.

10. During the CAS period, IFC made two investments in the DRC, both for expanding access to credit for small businesses. Following the Government's cancellation in 2009 of the Kingamyambo Musonoi Tailing mining contract, of which the IFC was a party, the IFC suspended all investment activities in the DRC until its resolution in February 2012. MIGA provided two guarantees in the services and mining sectors.

Analytic and Advisory Activities and Services

11. Of the 17 Economic and Sector Work (ESWs) planned in the CAS, 12 were completed, plus one un-programmed ESW. These included 6 policy notes and 7 reports that included the Public Expenditure Review, Country Economic Memorandum, Reports on the Observance of Standards and Codes and analytic works in such areas as mining, climate change and pygmy development. However, 5 important ESWs pertinent to the CAS objectives were dropped, including the Financial Sector Assessment Program, Country Financial Accountability Assessment, risk and vulnerability assessment, health status and export crops assessments. Given the importance of these anticipated ESWs for the Bank's governance and capacity building objectives, it was unfortunate that they were not delivered and the CASCR offers no explanation for their exclusion. In addition to the ESW, 14 Technical Assistance (TA) activities (of which 7 were planned) were undertaken, which provided timely responses to client request on issues including implementation of country procurement assessment report, economic governance and ICT policies and strategies. In the absence of quality assurance group reviews, it was not possible to assess the quality of the ESWs.

12. Much of IFC's support in the DRC was through advisory services, which continued even when IFC investments were suspended. Key interventions included developing leasing activities through IFC's Africa Leasing Facility and with Alios Finance (a pan-African leasing group) and setting up a Special Economic Zone near Kinshasa. MIGA had no advisory and analytic activities.

Partnerships and Development Partner Coordination

13. Official Development Assistance accounted for more than a third of the DRC's public spending. Partnership coordination under the CAF included the establishment of thematic groups and the holding of the Aid Effectiveness Forum that resulted in the Kinshasa Agenda, a coordination framework that called for better division of labor among the partners and the use of harmonized implementation mechanism. Being an active part in 15 of the 17 thematic groups, the WBG played a leadership role in most of the partnership efforts, and especially in developing joint mechanisms for project implementation to help reduce cost and respond to weak capacity within the civil service. The CASCR does not reflect on the lessons related to the CAF, or donor coordination challenges.

Safeguards and Fiduciary Issues

14. A complaint was brought before the Inspection Panel by the retrenched workers at some parastatal companies regarding severance payments in the context of the Private Sector Development

and Competitiveness Project. A decision by the Panel is pending on whether an investigation of the claims alleged is warranted. During FY09-FY12, INT received 14 allegations of fraud and corruption and found sufficient base to open 5 investigations, of which 2 were substantiated.

Overview of Achievement by Objective:

Pillar I: Rebuilding State Capacity to Increase Access and Improve Quality of Basic Services

15. Bank assistance under this pillar highlighted the issues of public administration, public finance management and improved service provision in water and sanitation. The efforts were intended to help improve transparency, strengthen public finance management, reform the public service and assist in the decentralization process.

16. **Implementation by 2011 of National Code of Values to provide overall guidance and basic principles to the Congolese administration. Adoption by Government and partners of the National Capacity Building Program (PRONAREC).** Despite leadership seminars held in March and September 2011 on the issue, the National Code of Values was not implemented as a result of the disruptions during the presidential and legislative elections. On the other hand, the PRONAREC was adopted in 2011 and the Results Based Management approach to resolving key impediments to the implementation of priority policy agenda started to be piloted in some ministries and at the provincial level. The Capacity for Core Public Management Project (FY11) was IDA's main instrument for supporting the phased structural reform process to enhance state capacity, but was only approved in June 2011. A number of TF-financed projects approved in FY10 and FY11 supported capacity building and demand (by citizen and civil society) for good governance.

17. **Establish a more effective and transparent payroll system for civil servants.** Some progress was made in this regard: a simplified payroll system led to an increase of civil servants being paid through the new system (from 31 to 55 percent during 2008-11, below the CAS target of 65 percent and subsequently declined to 33 percent by June 2012), and the share of base pay in real pay increased (from 10 to 55-60 percent during 2007-09), although there are no updated data to assess whether the 75 percent target for 2011 was met. The discrepancy between the personnel registers and payroll numbers was not reduced; the expected completion of civil service retirement process in two ministries did not happen even though some progress was made in the context of the President's Zero Tolerance Initiative on retirement (e.g., the mass retirement of 1,212 Secretaries-General and other ministry officials in 2009 and 2010, defining eligible staff and processes in several ministries).

18. **Fiduciary systems are established in targeted provinces.** Good progress was made in increasing the share of national revenue transferred to the provinces (from 11 to 31.5 percent during 2008-11, against CAS target of 35 percent). A citizen survey conducted in 2009 in targeted provinces (Bandundu, South-Kivu and Katanga) showed that at that time, 50-66 percent of the population was satisfied with services provided in the education, health, water and energy sectors (against CAS target of 60 percent); it is not clear what has happened since then (a new survey is planned for 2013). Overall, reforms in public financial management (PFM) and human resource management systems took place in four provinces (Katanga, South Kivu, Bandundu, and Kasai Occidental), although delays in the reform of centrally managed systems limited the efficiency gains from these local-level reforms.

19. **Central government revenues are increased and the budgetary process is reformed.** To improve PFM, a number of initiatives were undertaken: a comprehensive PFM Reform Strategic Action Plan was approved in 2010; a new Procurement Law was adopted in 2010 with two new procurement institutions established at central level (although only partially operational by 2011); and a new organic PFM Law was enacted in 2011. The CASCR also reports that about 50 percent of the PEFA ratings increased between 2008 and 2012. These contributed to an increase in the share of revenues to GDP from 13.3 to 18.8 percent during 2006-11, just shy of the 20 percent CAS target. However, the deviation between actual and budget expenditures by the central government increased from 34 percent in 2008 to 36 percent in 2010 and estimated 66 percent based on budget execution in 2011, instead of decreasing to 20 percent as the CAS expected.

20. IDA support for the three objectives above included the Enhancing Governance Capacity project (FY08), which sought to enhance transparency and efficiency in central and sub-national public finance and human resource management; TF-financed assistance on PFM and administrative reform; as well as a PER (FY08), a series of policy notes through the programmatic governance ESW (FY08-FY10), and TA on governance and economic governance (FY11). Delayed project approvals resulted in weak outcome with respect to Bank support in building national capacity for public finance and procurement systems in the DRC. For example, although Bank-supported TA helped develop medium-term expenditure frameworks (MTEF) for the health, education, and agriculture Ministries, these outputs and training were not incorporated into the budgeting process, thus having limited impact.

21. **Improved access to water and sanitation services in targeted urban areas.** The CASCR does not report on the outcome indicators (number of additional persons with access to portable water in Kinshasa and REGIDESO performance on utility indicator scorecard), which had neither baselines nor targets; instead, it notes that 160,000 m³ of additional water per day were produced, doubling the distribution capacity to provide water to about 3 million people in Kinshasa. The Urban Water Supply Project (FY09) was rated as *moderately unsatisfactory* until the last ISR and was about to be operational.

22. IEG rates the outcome of IDA support under Pillar I as *moderately unsatisfactory*. Although the Government and partners adopted the National Capacity Building Program, work on establishing National Code of Values to provide overall guidance and basic principles for the Congolese administrative reform was stalled. In the process, progress toward establishing a more effective and transparent payroll system for civil servants, dealing with over-aged staff was, and improving PFM and budgetary process fell short of expectation. The status of access to water and sanitation services in targeted urban areas was not clear.

Pillar II: Creating Conditions for Growth and Economic Diversification

23. Under Pillar II, the WBG sought to help the Government consolidate the gains of the macroeconomic stabilization efforts under the interim and full PRSP (2003-2007) and assist in developing the environment to facilitate growth by maintaining macroeconomic stability and improving fiscal management, rehabilitating infrastructure (transport and power) and improving the business environment to support private sector development.

24. **Debt, inflation and fiscal management improved.** Economic management was robust during the CAS period. The DRC reached HIPC Completion Point in July 2010, resulting in debt cancellation of \$12.3 billion, which translated into approximately \$300 million per year in reduced principal and interest payments. All external debt indicators post-HIPC remained below the required thresholds, with the exception of the present value of debt-to-GDP ratio (which was over 30 percent, mainly as a result of loans contracted under the Sino-Congolese agreement to finance infrastructure, and the export credit loans from China and India). Fiscal balance was contained to 1.7 percent of GDP on cash basis by 2011 in the context of an IMF ECF. Inflation, however, increased from 10 percent in 2007 to 27.6 percent by the end of 2008, peaking at 53.4 percent in 2009, and subsequently dropping to 15.5 percent in 2011 (and below 10 percent by September 2012). Beyond the HIPC support, IDA provided financial support through the Emergency Project to Mitigating the Impact of Financial Crisis (FY09), and the PER (FY08) and TF support for the MTEF/PRSP.

25. **Targeted transport infrastructure is rehabilitated.** The Bank's support for rehabilitation of transport infrastructure was in coordination with several multilateral and bilateral partners. Since 2002, about 7,000 km of DRC's 15,800 km high-priority road network had been rehabilitated or under rehabilitation, leading to 36 percent of the national roads being considered in good and fair condition now (up from the 13.8 percent in 2009). The CASCR does not report on the outcome indicators (reduction in transport costs in selected road segments), but indicates that travel time was reduced dramatically from 60 to 3 hours in one targeted segment, while rehabilitation work for the other targeted segment was incomplete (nonetheless, travel time and transport cost were reportedly reduced on this segment as well). IDA's main instrument of support in the infrastructure area was the Pro-Routes Project (FY08, and additional financing FY11), which experienced substantial

implementation delays on account of procurement constraints. In addition, the Emergency Living Condition Improvement Project (FY05-FY12) had a component on restoring key transport links to reconnect two isolated regions; and the Emergency Urban and Social Rehabilitation Project (FY07) included work on rehabilitation of priority urban roads in Kinshasa.

26. **Increased availability of electricity to serve domestic demand and for export.** The outcome indicators measuring availability of electricity (i.e., power delivered from Inga units, number of households connected in Kinshasa) were not achieved because the Inga units were not fully rehabilitated and commissioned. More progress was made on institutional capacity building within the National Electricity Company (SNEL): the revenue performance of SNEL improved as revenue collected per kWh increased by 53 percent during 2007-2011 (surpassing CAS target of 30 percent), and total collection rate, with arrears, increased from 57.7 to 78.5 percent during this period (not strictly comparable with CAS target of increasing collection rate of account receivables from 35 to 55 percent). Nevertheless, SNEL continued to face difficulties in maintaining its machinery in compliance with established standards. By the close of the CAS period, it was estimated that only 7 percent of the country had access to electricity. Bank support in this area came mainly from the Regional and Domestic Power Markets Development Project and additional financing (FY07 and FY11). Country specific limitations to procurement (including complexity of contract, post-conflict environment, etc.) contributed to delays in program implementation.

27. **Undertake reforms and build capacity so that natural resources are managed in a sustainable manner.** No quantitative targets were provided for the three outcome indicators. There was a new logging control system funded by the Bank's Forest and Nature Conservation Project (FY09), but it only became operational in May 2012, and although it led to seizure of 100,000 m³ of illegal logs, no court cases have been filed yet. Some progress was made in strengthening the Congolese Nature Conservation Institute's PFM capacity and in expanding its conservation role; and contracts for management were signed for two national parks with a third in progress. However, there is no evidence of improved management effectiveness as there is no data on the management effectiveness scores (outcome indicator). Progress was also made in forest protection area: a moratorium on new forest concessions was maintained; a legal review of 156 logging contracts by an inter-ministerial commission led to the cancellation of 76 concessions deemed illegal; and the DRC secured \$60 million of investment capital from the Forest Investment Program targeted at the Reduced Emission from Deforestation and Degradation (REDD) activities (also supported by FAO, UNDP and UNEP). In the mining sector, the CASCR states that significant progress was made (e.g., transparency improved with the publication of existing petroleum and mining contracts, work toward EITI validation). There is no information on the outcome indicator (number of contract and initiatives based on payment for carbon storage, biodiversity conservation and other environmental services). The Forest and nature Conservation loan was accompanied by a large number of TF projects.

28. **Business climate improved and public enterprises are restructured and reformed in line with international standards.** As measured by the Doing Business indicators, the time required to start a company (outcome indicator) was reduced substantially from 133 to 65 days during 2008-12, and it became easier (i.e., quicker) to get a construction permit and register a property. Overall, the DRC's business climate improved as reflected in its Distance to Frontier DB scores, but there was little change in its overall Ease of Doing Business ranking. Beyond direct DB-related support, the WBG also provided assistance in a number of areas (e.g., preparing the DRC for adhesion to OHADA, facilitating the DRC participation in the African Trade Insurance System) that would help build the institutions for a modern business environment. In terms of access to finance, the IMF assessed that strengthened banking sector supervision had led to satisfactory compliance with prudential regulations. The CASCR provides no data on the outcome indicator (at least 5 microfinance institutions reach self-sufficiency by 2011), but reports that the Bank-supported Private Sector Development and Competitiveness Project (FY04, additional financing FY08) reached more than 700,000 clients in the microfinance sector as of December 2009, which was a phenomenal growth over previous years. There is no updated information on what has happened since then. The Microfinance Promotion Fund was registered as an NGO in November 2010 with funding from IDA and began operations in February 2011. The CAS outcome indicator related to public enterprise restructuring was removed in the CASPR; the CASCR notes that restructuring of public sector enterprises was slow because of the complexity of the reforms and the lack of political consensus. IFC provided

advisory services in microfinance, global trade finance and doing business reform areas.

29. IEG rates the outcome of the WBG support under Pillar II as *moderately satisfactory*. Sustained macroeconomic stability was facilitated through the Bank's HIPC support with the IMF. Mixed results were realized in respect to infrastructure, with good progress in road rehabilitation, but little improvement in access to electricity. Some progress was also made in building the capacity for managing natural resources, but the evidence of improved management is lacking as most efforts were recent. Some aspects of the business environment improved; the banking sector supervision strengthened; and the microfinance sector expanded. Little was achieved in reform of public enterprises.

Pillar III: Providing Improved Access to Health and Education

30. The scope of the CAS objectives under this pillar was reduced in the CASPR, with a smaller number of outcome indicators focusing on improved access to quality basic education services; and to a well-defined package of quality essential health services in target areas.

31. **Access to and quality of basic primary education services is improved.** Substantial progress was made in improving access to primary education: during 2007-11, the primary Gross Enrollment Rate increased from 64 to 93 percent and primary completion rate increased from 29 to 59 percent, exceeding the CAS targets for both indicators (but below IDA project level targets which reflect the sub-sector strategy). The fee-free policy introduced in 2009 may have strongly contributed to these positive results. It is not possible to assess the quality of education, in part due to data limitations (no CAS outcome indicator on education quality); the CASCR reports that considerable efforts in this regard were made, including recruitment of primary school teachers, reform of teacher career structure, integration of teachers into the public payroll, distribution of books and teacher guides to public and private primary schools, and provision of teachers' in-service training. Strategies for the basic education sub-sectors (primary, secondary, and vocational training) were approved by the Government in 2010, setting the stage for further expansion of services for the sub-sector; although an overall education strategy was progressing slowly. The Bank is one of many partners active in the education sector. Its main support instrument was the Education Sector Project (FY07). In addition, the Emergency Social Action Fund (FY05) helped construct 396 schools; the Emergency Urban and Social Rehabilitation Project (FY07) financed school operating costs in targeted areas; and AAA work (e.g., Youth Education Study) supported the development of education sector strategies.

32. **Increase access in target areas to a well-defined package of quality essential health services.** Cognizant of the daunting challenges in the health area and data limitations, only two narrowly-defined indicators were retained in the CASPR results matrix. In IDA project areas, the CAS targets were exceeded for both indicators (share of 0-11 month infants vaccinated with DPT3, and share of deliveries assisted by qualified personnel). The CASCR also reports that over 15 million of bed-nets were distributed through various projects; 86 health centers and 808 health facilities were constructed/renovated and equipped. IDA support for health was significant and was undertaken through two major operations: the Health Sector Rehabilitation Support (FY06), which met some project-level targets, including those adopted as CAS targets, but missed several others and saw an overall decline in the progress of key indicators; and the Emergency Living Conditions Improvement Support Project (FY05). IDA's support for HIV/AIDS, including the Multisectoral HIV/AIDS Project (FY04-FY11) and the Health Sector Rehabilitation Support Project, was unable to meet its goal of mitigating the negative impact of the pandemic. They were not included in the CASPR results matrix.

33. IEG rates the outcome of Bank support under Pillar III as *moderately satisfactory*. Through school rehabilitation and capacity strengthening, primary education gross enrolment rates improved along with an increase in primary completion rates, despite likely weaknesses in data quality. Data scarcity does not provide evidence on improvement of education quality, but the focus on teachers' support appears to be in the right direction. In the health sector, there is evidence of improvements in primary service delivery at targeted project sites, but the narrowly-defined indicators reduced their relevance for assessing the contribution of the Bank to the health sector goals.

Objectives	CASCR Rating	IEG Rating
Pillar I: Rebuilding State Capacity to Increase Access and Improve Quality of Basic Services	<i>Moderately Satisfactory</i>	<i>Moderately Unsatisfactory</i>
Pillar II: Creating Conditions for Growth and Economic Diversification	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
Pillar III: Providing Improved Access to Health and Education	<i>Satisfactory</i>	<i>Moderately Satisfactory</i>

4. Overall IEG Assessment

	CASCR Rating	IEG Rating
Overall Outcome:	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
WBG Performance:	<i>Satisfactory</i>	<i>Satisfactory</i>

Overall outcome:

34. IEG rates the overall outcome of WBG assistance as *moderately satisfactory*, concurring with the CASCR rating. The WBG support contributed to the substantial progress in improving access to primary education and in implementing the national capacity building program. In addition, good progress was made in helping the DRC maintain macroeconomic stability, rehabilitate roads, and improve the business environment and access to microfinance. However, there was uneven progress in establishing a more effective and transparent payroll system for civil servants, creating an effective civil service retirement and realignment process, strengthening public finance management, increasing access to electricity, and improving natural resource management. In health, the narrowly-defined outcome indicators, though achieved, were inadequate for assessing attainment of the health sector outcomes. Finally, the work on establishing a national code of values was stalled, as was the reform of public sector enterprises. There is little information on improved access to water and sanitation services in targeted urban areas, and no specific discussion of governance across the various sectors in which the WBG intervened.

WBG Performance:

35. IEG rates the WBG performance as *satisfactory*, concurring with the CASCR while noting some CAS design and implementation issues. The objectives of the CAS were consistent with those of the Government's own development program and responded to the key development constraints facing the country. Although overly ambitious at entry, the strategy became more focused following the mid-term review. The shift from budget support to investment lending supported the overall objective of the CAS. The CAS specified joint activities among IDA/IFC/MIGA, but without identifying the exact nature of the division of labor. The results framework was broadly appropriate and further streamlined in the CASPR, although the outcome indicators, which relied mostly on project level information due to data deficiency, were not always adequate for assessing the contribution of the WBG assistance. Despite increased in-country presence and intensified dialogue with the Government during the annual Country Portfolio Performance Reviews and follow-up activities, portfolio supervision continued to be a difficult challenge - although disbursement ratio increased significantly, a high proportion of IDA portfolio remained at risk. Overly complex program design and underestimation of procurement issues often led to implementation delays. On the other hand, the CAS correctly identified the implementation risks, proposed relevant mitigation measures within the CAF's three-pronged risk management framework, and responded quickly when the risks materialized. The WBG's AAA work was generally appropriate and timely. Coordination with other partners was consistent with the joint effort by all development partners in the DRC to improve aid effectiveness and to help avoid the resumption of hostilities.

5. Assessment of CAS Completion Report

36. The CASCR provides a frank but rather upbeat assessment of the implementation of the country program during FY08-FY11. It closely follows the results framework as updated in the CASPR, although as in the CAS the expected results chains are not usually outlined and attention is often focused on outputs instead of outcomes. The CASCR could benefit from a better explanation of the deviation between the proposed lending and non-lending programs as contained in the CAS and CASPR. The CASCR could also benefit from a discussion of the relevance of the indicators. Similarly, a discussion of partnership would be useful and could benefit from an assessment of the role played by other development partners in order to highlight the WBG's leadership role in policy dialogue and the joint partnership.

6. Findings and Lessons

37. The CASCR highlights 12 themes as the basis for lessons and recommendations. While these are all encompassing, they fail to zero in on the priority lessons that could help the country team improve the CAS outcomes going forward. IEG underscores the following two lessons: First, maintaining strategic selectivity during CAS preparation and implementation is critical for avoiding the danger of overstressing IDA resources. In the DRC, although the CAS results matrix included only the core WBG activities that could be expected to produce results, IDA resources were spread across 15 (out of a total of 17) areas, making it difficult to achieve significant results in the core areas. Second, overestimating government capacity (and commitment) could lead to unrealistic planning of the pace of reforms and project implementation, as occurred with respect to the administrative and public enterprise reforms.



CASCR Review
Independent Evaluation Group

Annex Table 1:	Summary of Achievements of the CAS Objectives
Annex Table 2:	Planned and Actual Lending, FY08-FY12
Annex Table 3:	Grants and Trust Funds Active in FY08-FY12 (in US\$ million)
Annex Table 4:	Planned and Actual Analytical and Advisory Work, FY08-FY12
Annex Table 5:	IEG Project Ratings for Congo, Democratic Republic, FY08-FY12
Annex Table 6:	IEG Project Ratings for Congo, Democratic Republic and Comparators, FY08-FY12
Annex Table 7:	Portfolio Status for Congo, Democratic Republic and Comparators, FY08-FY12
Annex Table 8:	IDA Net Disbursements and Charges Summary Report for Congo, Democratic Republic (in US\$ million)
Annex Table 9:	Total Net Disbursement of Development Assistance and Official Aid, 2007-2011
Annex Table 10:	Economic and Social Indicators for Congo, Democratic Republic and Comparators, FY08-FY11
Annex Table 11:	Country - Millennium Development Goals

Annex Table 1: Summary of Achievements of the CAS Objectives.

CAS FY08-FY11: Pillar I Rebuilding State Capacity to Increase Access and Improve Quality of Basic Services		Actual Results (as of current month year)	Comments
Major Outcome Measures	1. Implementation by 2011 of National Code of Values to provide overall guidance and basic principles to the Congolese administration		
	Number of key ministries implementing Code	The Code of Values is not yet implemented.	Source: CASCR A leadership seminar was held by Government in March and September 2011 to conduct the consultation process. Following the seminar, 16 Ministerial Rapid Results Initiatives have been implemented into eight ministries; including the one related to the implementation of the Code of Values within the public administration. However, the process got disrupted during the presidential and legislative elections, and the Code of Values is not yet implemented. The Establishing Capacity for Core Public Management Project which was expected to contribute to its implementation was only approved end-June 2011, due to the governance situation in the country.
	2. Adoption by Government and partners of the National Capacity Building Program (PRONAREC)		
	PRONAREC approved by government	PRONAREC adopted on December 14, 2010 by the Economic Commission of the Government (ECOREC) and approved by Government Decree in March 2011.	Source: CASCR
	Implementation plan with budget approved	A pilot strategic leadership seminar was held for nine selected ministries on March 2011 with the aim to pilot a Results Based Management approach to resolving key impediments to the implementation of priority policy agendas. The Establishing Capacity for Core Public Management" Project approved (FY11) is designed as a Technical Assistance Grant with a programmatic perspective and it is built on a short term and a long-term track. The system of results based management operates successfully in some ministries as well as at the provincial level, including in Katanga and South Kivu.	Source: CASCR
	3. Establish a more effective and transparent payroll system for civil servants		
	Discrepancy between personnel register and payroll numbers is reduced from 20% (2007) to less than 5% in 2011	The latest data available is from 3rd quarter 2009 and shows that 28% of the civil servants are paid through the simplified payroll system known as PTS.	Source: CASCR
	Base pay is at least 75% of real pay in 2011, up from 10% in 2007	Achievement estimated at 55% to 60% by end-2009 and varies by ministry (latest data available).	Source: CASCR
	65% of central government civil servants are paid through a reformed payroll system by 2011, up from 31% 2008	By end-2011, 55% of civil servants from Central Government were paid by the PTS	Source: CASCR
	Civil service retirement process and organizational re-alignment completed for at least two ministries	In the context of the President's Zero Tolerance Initiative, the retirement process was re-initiated; including (i) the launching	Source: CASCR

CAS FY08-FY11: Pillar I Rebuilding State Capacity to Increase Access and Improve Quality of Basic Services	Actual Results (as of current month year)	Comments
	process of mass retirement of 1,212 Secretaries-General and other Ministry officials in July 2009 and of 2,569 Ministry Officials in January 2010. The Ministry of Environment, Nature Conservation and Tourism (MENCT) is the most advanced with a biometric census that has identified all MECNT staff including approximately 2,700 workers eligible for retirement, 1,700 of whom received their retirement payments in May 2011. Progress was also made in defining eligible staff and processes in several other ministries (agriculture, budget and finance in particular).	
4. Fiduciary systems are established in targeted provinces		
At least 35% of domestic revenue is transferred to sub-national level by 2011 compared to 10-15% in 2007	By end-2011, 31.54% of national revenue was transferred to the provinces	Source: CASCR
Citizen satisfaction with public services in targeted provinces reaches at least 60%	The following results have been obtained with the 2009 survey: In targeted provinces (Bandundu, South-Kivu and Katanga), results obtained so far show that: 60% of the population is satisfied with services provided in the health sector; 50% in the education sector, 60% in the water sector, and 66% in the energy sector.	Source: CASCR
5. Central Government revenues are increased and the budgetary process is reformed		
20% increase in Government revenues excluding grants (from 13.3% of GDP in 2006)	18.8% of GDP in 2011, representing an increase of more than 40 percent.	Source: CASCR
Deviation between actual and budgeted expenditure by central government is reduced from 34% in 2008 to less than 20% by 2011	The deviation between the voting budget and expenditure from domestic resources increased from 34% in 2008 to 36% in 2010, and then estimated 66% based on budget execution in 2011, due to the insecurity in the Eastern DRC.	Source: CASCR
6. Improved access to water and sanitation services in targeted urban areas		
Increase the number of additional persons with access to potable water in Kinshasa by 2011 in targeted urban areas	The Bank supported the rehabilitation of water facilities under two existing emergency operations, including construction of a new unit at the N'Djili water treatment facility, adding 160,000 m3 of drinking water per day, and doubling the distribution capacity in order to provide water to about <u>3 million people</u> in Kinshasa.	Source: CASCR
REGIDESO performance on utility indicator scorecard (baselines Tbd following recruitment of Private Operator) in targeted urban areas	No information provided by the CASCR	

CAS FY08-FY11: Pillar II Creating Conditions for Growth and Economic Diversification		Actual Results (as of current month year)	Comments
Major Outcome Measures	1. Debt, inflation and fiscal management improved		
	Debt indicators below the threshold levels by 2011	Following the achievement of the DRC at the completion point of HIPC, all external debt indicators remain below the required thresholds, with the exception of the PV (Present value) of the debt-to-GDP ratio (over 30%), due to government guarantees for loans contracted by a joint venture under the agreement Sino-Congolese to finance infrastructure.	Source: CASCR
	Inflation below 15% by 2011	15.5 in 2011, and below 10 percent by end September 2012	Source: IMF (Direction of Trade Statistics) and CASCR
	Domestic fiscal balance deficit < 2% (IMF definition) by 2011	The domestic fiscal balance deficit (on a cash basis) would be contained in 1.7 percent of GDP, through fiscal discipline supported by the IMF EFC program.	Source: CASCR
	2. Targeted transport infrastructure is rehabilitated		
	Increase in % national roads (RN) in good condition (2077 km, 13.8%, in good condition 2009)	Progress was made in improving the condition of the high-priority road network (15,800 km). 36% of the national roads are now considered in good and fair condition.	Source: CASCR
	Average transport costs on upgraded roads: <input type="checkbox"/> 25% reduction in transport costs for goods between Lubumbashi and Kasenga by 2010 compared to 2007 <input type="checkbox"/> 30% reduction in transport costs for goods between Akula and Gemena by 2010 compared to 2007	No information on reduction of transport costs between Lubumbashi and Kasenga or between Akula and Gemena.	Source: CASCR Although no economic analysis has been carried out, this objective is considered as achieved with regard to the huge time savings recorded in these main arterial roads (although roads from Akula-Gemena-Zongo were not completed). Travel time has been dramatically reduced. There is a 60% of reduction of transport costs on the Bank-financed road (750km) between Kisangani and Beni. Between Lubumbashi and Kasenga, before the roads were rehabilitated and reopened to the traffic, it took 60 hours to cross 110 km, which has now reduced to 3 hours.
	3. Increased availability of electricity to serve domestic demand and for export		
	Increase power delivered from Inga : <input type="checkbox"/> to Kinshasa from 3000 GWhs in 2007 to 3650 GWhs in 2011) <input type="checkbox"/> to South African Power Pool to 210 MW from 100MW by 2012, and to Katanga region to 300 MW by 2012	No data available yet	Source: CASCR The project has not yet achieved its intended results up to now. Because of their complexity, the contracts have a long implementation period. In addition, due to the country's post conflict environment, studies and bidding documents could not properly define the scope of the required rehabilitation works leading to protracted or repeated bidding for many contracts. Currently, works on four Inga units are ongoing and first results will be visible by end-2012 when the first Inga unit (G12) will be completely rehabilitated and commissioned.
	330,000 households connected in Kinshasa by 2011 (up from 290,000 in 2006)	No data yet available	Source: CASCR Power distribution infrastructure is not yet in place, but works are well underway.
	Improved performance of SNEL as measured by: (i) 30% increase in revenue collected per kWh	i) Revenue collected per kWh has increased by 53% from 2007 to 2011. ii) SNEL data show 57.7% of total	Source: CASCR

CAS FY08-FY11: Pillar II Creating Conditions for Growth and Economic Diversification		Actual Results (as of current month year)	Comments
	(ii) Increase in collection of account receivables from 35% to 55% in 2011	collection rate with arrears in 2007 and 78.5% in 2011	
4. Undertake reforms and build capacity so that natural resources are managed in a sustainable manner			
	Percentage of logging infractions discovered that are prosecuted in pilot provinces (Baselines and targets Tbd)	<p>A new logging control system funded by the Bank-funded Forest and Nature Conservation Project has become operational in Western DRC in May 2012 and has already led to seizure of 100,000 m³ of illegal logs, but no court cases have been brought as yet.</p> <p>An Independent Observer for the Forest Sector (IO), the NGO Resource Extraction Monitoring originally to be hired under a Bank-managed Multi-Donor Trust Fund was recruited by the EU and has carried out a number of missions but their reports have not been made public as the Regulation for the establishment of the IO Oversight Committee has not been adopted.</p>	Source: CASCR
	The management of key bio-diversity and natural habitats is improved (as measured by increases in the management scores)	No management effectiveness scores yet produced.	<p>Source: CASCR</p> <p>There has been significant progress in strengthening the capacity of the Congolese Nature Conservation Institute (ICCN) to manage targeted protected areas. At the central level, with support from the Bank Project, ICCN has reinforced human resources in the Finance Department, which is in the process of modernizing its financial, accounting and auditing systems in order to provide reports on budget execution. Newly recruited social development experts have launched a program of training and support to reinforce the social development dimension of ICCN's conservation role. A contract for management of the Mikeno Sector (the mountain gorilla sector of the Virunga National Park) was signed with German conservancy institution in May 2010 and a contract for management of the Maiko National Park was signed with an NGO consortium in January 2012. ICCN has also completed negotiations with African Parks Network for a similar contract to manage the Garamba National Park. The contract is expected to be signed in the coming months. The management effectiveness scores will be updated annually following contract signature.</p>
	Number of contracts and pilot initiatives based on payment for carbon storage, biodiversity conservation, and other environmental services	7 REDD pilot projects are under implementation throughout the country led by the National REDD Coordination supported by the World Bank. DRC has been able to secure USD 60 million of investment capital from the Forest Investment Program, targeted at REDD+ activities ranging from sustainable biomass production to the promotion of community-based natural resource management. The	Source: CASCR

<u>CAS FY08-FY11: Pillar II</u> Creating Conditions for Growth and Economic Diversification		Actual Results (as of current month year)	Comments
		<p>country is currently putting in place the legislative framework for awarding rights for private sector firms to conduct forest carbon transactions in the country.</p> <p>Two contracts with private companies (Canadian Ecosystem Restoration Association and Jadora Company) have been signed for private-led REDD projects in DRC. Markets for other environmental services, such as Biodiversity, are still lagging behind, which is also a reflection of the global markets for ecosystem services in general.</p>	
5. Business climate improved and public enterprises are restructured and reformed in line with international standards			
	Number of days to create a company reduced by 30 percent between 2006 and 2011	35 days in the DB2006 and 17 days in DB2012, implying a reduction of around 50 percent.	Doing Business
	Commercial banks' compliance with prudential regulations is satisfactory (as per IMF assessment) by 2011	The IMF assessed that banking sector has strengthened supervision leading to satisfactory compliance, as evidenced by dramatic reduction in non-performing loans, number of problem banks and the fully recapitalized banking sector.	Source: CASCR
	At least 5 microfinance institutions reach operational self sufficiency by 2011	No information provided by the CASCR	Source: CASCR Information available in ISR indicates that as of end-Dec 2009, clients in the microfinance sector exceeded 700,000, indicating a phenomenal growth

CAS FY08-FY11: Pillar III Providing Improved Access to Health and Education		Actual Results (as of current month year)	Comments
Major Outcome Measures	1. Access to and quality of basic primary education services is improved		
	Increase in primary education GER from 64% in 2007 to 72% in 2011	Increase from 64% in 2007 to 93% in 2011	Source: CASCR It is important to note that baseline data was probably not entirely accurate at that time, due to the weak statistical capacity in the country.
	Increase in primary education completion rate from 29% in 2007 to 34% in 2011	Primary education completion rate increased from 29% in 2007 to 59% in 2011	Source: CASCR It is important to note that baseline data was probably not entirely accurate at that time, due to the weak statistical capacity in the country.
	2. Increase access in target areas to a well-defined package of quality essential health services		
	% children 0-11 months vaccinated with DPT3 increases from 54% (2007) to 75% (2011) in targeted urban areas	The % of 0-11 months vaccinated with DPT3 has increased from 54% in 2007 to 83 % in 2011 in project districts	Source: CASCR
% deliveries assisted by qualified personnel increases from 47% (2007) to 65% (2011) in targeted urban areas	77% of deliveries were assisted by qualified personnel in 2011, compared to 47% in 2007, in project districts	Source: CASCR	

Annex Table 2: Planned and Actual Lending, FY08-FY12

Project ID	Project name	Proposed FY	Approval FY	Proposed Amount	Approved Amount	Outcome rating
<i>Programmed projects</i>						
P104041	DRC-Enhancing Governance Capacity (FY08)	2008	2008	50	50	LIR: MS*
P090872	DRC Priv Sec Dev & Compet Addl Financing	2008	2008	60	60	LIR: MS
P108905	DRC - EMRRP Supp 2 ERL	2008	2008	12	12	LIR: S
P101745	DRC- Pro-Routes	2008	2008	40	50	LIR: MS
P105729	DRC Emergency Demobilization & Reintegration AF	2008	2008	50	50	IEG rating: U
P091092	DRC Urban Water Supply Project (FY09)	2009	2009	150	190	LIR: MU
P100620	DRC- Forest and Nature Conservation SIL	2009	2009	50	64	LIR: MS
P115642	DRC:Emerg Proj to Mitig Impact Fin Cris	2009	2009	100	100	IEG rating: MS
P105654	South AFR Power Market Add'L Financing	2009	2009	30	62	LIR: MS
P092537	DRC-Multi-Modal Transp	2010	2010	180	255	LIR: MS
P092724	DRC Ag Rehab & Recovery SIL	2010	2010	120	120	LIR: MU
P118658	DRC: Emergency Social Action Project AF	2010	2010	50	35	LIR: S
P106982	DRC-Growth w/ Gov in Mineral Sector	2011	2011	50	50	LIR: S
P117382	DRC: Capacity for Core Public Management	2011	2011	30	30	LIR: S
P122251	DRC Malaria Control Additional Financing to Health Sector Rehab Support	2011	2011	80	80	LIR: MS
	Mining	2009		50	Dropped	
	Economic Management Support TA	2009		30	Dropped	
	Urban Rehabilitation and Development	2010		100	Dropped	
	Development Policy	2010		50	Dropped	
	Power Expansion	2011		150	Dropped	
	Education SWAP	2011		80	Dropped	
<i>Total programmed projects CAS FY08-12</i>				<i>1,052</i>	<i>1,208</i>	
<i>Non-programmed projects</i>						
P115318	DRC-Street Children Project		2010		10	LIR: MU
P120898	DRC PURUS Additional Financing		2010		40	LIR: S
P120709	DRC Pro-Routes - Additional Financing		2011		63	LIR: MS
P125677	ZR-Polio Control - Add Fin		2011		30	LIR: MS
P126683	DRC: Emergency Social Action Project AF2		2011		7	LIR: S
P126421	Second Additional Financing for Southern African Power Market Project (APL1)		2012		202	LIR: MS
<i>Total Non programmed projects CAS FY08-12</i>					<i>352</i>	
<i>Total projects CAS FY08-12</i>					<i>1,560</i>	
Project ID	Project name	Approval FY	Closing FY		Approved Amount	Outcome rating
<i>Ongoing projects</i>						
P071144	DRC Priv Sec Dev Competitiveness	2004	Active		120	LIR: MS
P078658	Emergency Demobilization and Reintegration Project	2005	2012		100	IEG rating: U
P082516	ZR-Multisectoral HIV/AIDS (FY04)	2004	2011		102	IEG rating: U
P086874	DRC Emerg Soc Action (FY05)	2005	Active		60	LIR: S
P088619	DRC-Emergen Living Condition Impr (FY05)	2005	2012		82	LIR: MS
P088751	ZR-Health Sec Rehab Supt (FY06)	2006	Active		150	LIR: MS
P086294	DRC-Education Sector Project (FY07)	2007	Active		150	LIR: MS
P104497	DRC Em. Urban & Social Rehab ERL (FY07)	2007	Active		180	LIR: S
<i>Total ongoing projects</i>					<i>944</i>	

Source: Congo, Democratic Republic CAS, CASPR and WB Business Warehouse Table 2a.1, 2a.4 and 2a.7 as of 10/10/2012.

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 3: Grants and Trust Funds Active in FY08-FY12 (in US\$ million)

Project ID	Project	TF ID	Approval FY	Closing FY	Approved Amount
P073864	Emergency Stabilization and Recovery project	TF 20224	2001	2010	13.55
P085984	Demobilization and Reintegration of Child Soldiers in Orientale, N. Katanga, Maniema	TF 52748	2004	2009	2.12
P084955	Community Recovery & Re-Integration of ex-combattants in Eastern Congo	TF 52896	2004	2009	5.00
P083813	Support for the Rehabilitation of the Protected Areas System	TF 54463	2005	2008	0.28
P081166	Poverty Reduction Strategy Paper	TF 54549	2005	2008	0.50
P071064	Strengthening of Accounting and Auditing Institutional Framework and Practices	TF 54456	2005	2008	0.38
	Preparation of Commercial Debt Reduction Program	TF 55758	2006	2010	0.90
P092724	DRC - Agriculture Rehabilitation and Recovery Support	TF 57809	2007	2009	0.45
P091092	Urban Water Supply Project	TF 92105	2008	2009	0.08
P111150	Support to the Social and Economic Reintegration of Demobilized Ex-combatants in the Provinces of North and South Kivu	TF 90963	2008	2010	1.98
P083813	Support for the Rehabilitation of the Protected Areas System	TF 94033	2009	Active	7.00
P111621	Rehabilitation and Participatory Management of Key Protected Areas in the DRC	TF 94135	2009	Active	6.00
P100620	Forest and Nature Conservation Project	TF 92910	2009	2010	6.45
P111133	Support to the Social & Economic Reintegration of Demobilised CAFF and OVC in the DRC	TF 93787	2009	2010	1.52
P111150	Support to the Social and Economic Reintegration of Demobilized Ex-combatants in the Provinces of North and South Kivu	TF 93497	2009	2010	1.35
P124072	DRC-FCPF Redd Readiness	TF 93871	2009	2011	0.20
P101745	CONGO DRC - Pro-Routes Project	TF 92300	2009	Active	60.00
P117434	DRC Labor Intensive Works in the Katanga Province - State and Peace-Building Fund	TF 96000	2010	2011	5.00
P098842	DR of Congo-Extractive Ind.Trans.Initiat	TF 91920	2010	2012	0.50
P096414	BCF - IBI Carbon Sink - Bateke	TF 94916	2010	Active	2.00
P088751	DRC Health Sector Rehabilitation Support Project	TF 95892	2010	Active	0.86
P120647	DRC Statistical capacity building	TF 96011	2011	Active	0.22
P125191	NPFE Congo DR	TF 98533	2011	2012	0.03
P125656	Belgian Multi-donor Trust Fund for Finacing Teachers Salaries	TF 99033	2011	2011	26.84
P121445	DRC- Demand-side Governance and Strengthening of the Civil Society	TF 97437	2011	Active	0.47
P117558	Addressing Sexual Gender Based Violence in South Kivu	TF 95954	2011	Active	1.98
P124072	DRC-FCPF Redd Readiness	TF 99125	2011	Active	3.40
P126890	Capacity Building in Budget Preparation for the Health Sector in the Democratic Republic of Congo	TF 10950	2012	Active	2.63
P128452	BPRP funded support for capacity building at the DRC PRSP unit	TF 10641	2012	Active	0.60
P106982	DRC-Growth with Governance in the Mineral Sector	TF 10744	2012	Active	39.46
P126214	DRC - FIP Investment Plan Preparation Grant	TF 99487	2012	Active	0.25
Total FY08-12					191.98

Source: Congo, Democratic Republic CAS, CASPR and WB Business Warehouse Table 2a.1, 2a.4 and 2a.7 as of 7/16/2012

Annex Table 4: Planned and Actual Analytical and Advisory Work, FY08-FY12

AAA ID	Economic and Sector Work	Proposed FY	Delivered to Client FY	Output Type
	<i>Planned (CAS FY08-12)</i>			
	Financial Sector Assessment Program (FSAP)	2008	Dropped	
P101585	Public Expenditure Review (PER) II	2008	2008	Report
P104047	Programmatic Governance: Phase 1	2008	2008	Policy Note
P100294	Youth Education Study	2008	2008	Report
P097645	DRC Investment Climate Assessment	2008	2008	Report
P101019	DRC Mining Sector Study	2008	2009	Report
	Country Financial Accountability Assessment (CFAA)	2009	Dropped	
P111516	DRC ROSC Accounting & Auditing	2009	2009	Report
P114948	DRC Infrastructure Review	2009	2009	Policy Note
P104047	Programmatic Governance: Phase 2	2009	2009	Policy Note
	Risk and Vulnerability Assessment Study	2009	Dropped	
	Health Country Status Report	2010	Dropped	
P111838	DRC Review Gender-Based Activities	2010	2010	Policy Note
P104047	DRC Programmatic Governance (Phase 3)	2010	2010	Policy Note
P113578	DRC Pygmy Development Strategy	2010	2010	Report
P106432	DRC CEM and DTIS	2010	2011	Report
	Export Crops Study	2011	Dropped	
	<i>Non-planned</i>			
P104047	Dem. Rep. Congo Governance & Public Service		2012	Policy Note
AAA ID	Technical Assistance	Proposed FY	Delivered to Client FY	Output Type
	<i>Planned (CAS FY08-12)</i>			
P107640	DRC-Follow Up Impl. of CPAR	FY08	FY08	Institutional Development Plan
P099203	CD-Poverty & PRSP BPRP2	FY09	FY09	"How-To" Guidance
P113796	DRC:State-Owned Enterprises Review	FY09	FY11	"How-To" Guidance
P113809	DRC: Env. & Soc. Portfolio review	FY10	FY10	Institutional Development Plan
P110768	300DRC governance diagnostic	FY11	FY11	"How-To" Guidance
P121127	DRC PPP Policy Dialogue TA	FY11	FY11	Knowledge-Sharing Forum
P125207	DRC Economic Governance Dialogue TA	FY11	FY11	"How-To" Guidance
	<i>Non-planned</i>			
P112550	DR Congo - ICT Strategy		FY09	"How-To" Guidance
P113479	DRC:Technical Assistance on China Deal		FY10	Client Document Review
P117960	DRC - ICT Strategy		FY10	"How-To" Guidance
P080421	DRC -Forestry TAS (FY03-10)		FY11	"How-To" Guidance
P122396	DRC: ICT Policy Dialogue and Support		FY11	"How-To" Guidance
P123847	DRC Higher Education Strategy TA		FY11	Client Document Review
P118929	TA for Poverty Monitoring		FY12	Advisory Services Document

Source: Congo, Democratic Republic CAS, CASPR and WB Business Warehouse Table ESW/TA 8.1.4 as of 10/10/2012.

Annex Table 5: IEG Project Ratings for Congo, Democratic Republic, FY08-FY13

Exit FY	Project Name	Total Evaluated (US\$M)	IEG Outcome	IEG Risk to Development Outcome *
2010	DRC-Emerg MS Rehab & Recovery ERL (FY03)	678.9	Moderately Satisfactory	High
2011	ZR-Multisectoral HIV/AIDS (FY04)	102.9	Unsatisfactory	High
2011	DRC:Emerg Proj to Mitig Impact Fin Cris	101.1	Moderately Satisfactory	Significant
2013	Emergency Demobilization and Reintegration Project	100.0	Unsatisfactory	High

Source: WB Business Warehouse Table 4a.5 and 4a.6 as of as of 03/05/2013.

* With IEG new methodology for evaluating projects, institutional development impact and sustainability are no longer rated separately.

Annex Table 6: IEG Project Ratings for Congo, Democratic Republic and Comparators, FY08-FY12

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower (\$) *	RDO % Moderate or Lower (No) *
DCR**	982.9	4	79.4	50.0	0.0	0.0
AFR	10,726.3	201	77.5	66.5	39.1	39.5
World	63,473.7	810	84.7	72.8	68.7	55.8

Source: WB Business Warehouse Table 4a.5 and 4a.6 as of as of 10/10/2012.

* With IEG new methodology for evaluating projects, institutional development impact and sustainability are no longer rated separately.

**DCR data includes one ICR review from FY13.

Annex Table 7: Portfolio Status for Congo, Democratic Republic and Comparators, FY08-FY12

Fiscal year	2008	2009	2010	2011	2012
DRC					
# Proj	12	16	18	17	15
# Proj At Risk	7	7	10	11	12
% at Risk	58	44	56	65	80
Net Comm Amt	1,956	2,323	2,192	2,036	1,807
Comm At Risk	1,444	909	1,450	1,724	1,367
% Commit at Risk	74	39	66	85	76
Africa					
# Proj	419	440	454	470	452
# Proj At Risk	94	131	137	117	108
% at Risk	22	30	30	25	24
Net Comm Amt	23,307	28,178	34,189	37,466	38,963
Comm At Risk	5,890	6,951	9,494	7,950	6,300
% Commit at Risk	25	25	28	21	16
World					
# Proj	1,525	1,552	1,590	1,595	1,500
# Proj At Risk	276	344	366	337	333
% at Risk	18	22	23	21	22
Net Comm Amt	106,762	131,076	158,287	168,249	168,408
Comm At Risk	18,428	19,930	28,186	22,979	23,723
% Commit at Risk	17	15	18	14	14

Source: WB Business Warehouse Table 3a.4 as of 10/10/2012.

Annex Table 8: IDA Net Disbursements and Charges Summary Report for Congo, Democratic Republic (in US\$ million)

FY	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
2008	286.3	41.4	245.0	8.9	10.0	226.1
2009	333.0	41.0	292.0	0.0	17.8	274.1
2010	332.3	42.6	289.7	0.0	19.1	270.6
2011	316.9	7.5	309.4	0.0	7.7	301.7
2012	465.2	0.0	465.2	0.0	6.8	458.4
Total (FY08-FY12)	1733.7	132.5	1601.2	8.9	61.3	1531.0

Source: WB Loan Kiosk, Net Disbursement and Charges Report as of 10/10/2012.

Annex Table 9: Total Net Disbursement of Development Assistance and Official Aid, 2007-2011

Development Partners	2007	2008	2009	2011	2007-2011
<i>Bilaterals</i>					
Australia	0.54	1.5	6.86	8.21	17.11
Austria	5.95	6.38	2.43	129.64	144.4
Belgium	209.77	174.38	177.02	648.8	1209.97
Canada	32.99	22.93	44.85	26.52	127.29
Denmark	4.47	6.73	5.42	6.21	22.83
Finland	6.11	6.8	7.1	6.47	26.48
France	27.6	30.51	30.29	13.47	101.87
Germany	62.96	61.21	79.42	77.11	280.7
Greece	1	1.97	2.03	1.14	6.14
Ireland	15.65	17.83	9.32	8.79	51.59
Italy	4.14	8.16	12.19	9.58	34.07
Japan	22.93	51.22	65.7	80	219.85
Korea	1.64	2.51	2.16	5.67	11.98
Luxembourg	3.56	3.45	3.46	3.27	13.74
Netherlands	50.74	47.79	43.36	422.16	564.05
New Zealand	..	0.77	0.08	..	0.85
Norway	23.33	34.88	28.05	28.3	114.56
Portugal	1.49	1.26	0.48	0.21	3.44
Spain	17.69	39.25	42.74	306.2	405.88
Sweden	33.39	67.96	61.65	71.48	234.48
Switzerland	10.4	8.55	10.49	6.47	35.91
United Kingdom	120.69	192.85	225.46	250.78	789.78
United States	132.44	196.63	238.69	277.85	845.61
DAC Countries, Total	789.48	985.52	1,099.25	2,388.33	5,262.58
Czech Republic	0.33	0.56	0.72	0.51	2.12
Hungary	..	0.01	0.03	..	0.04
Iceland	..	..	0.06	0.12	0.18
Israel	..	0.07	0.02	0.02	0.11
Kuwait (KFAED)	-1.02	3.23	1.3	3.48	6.99
Lithuania	..	0.01	..	..	0.01
Poland	0.09	0.3	0.06	0.05	0.5
Slovenia	..	0.21	..	0.04	0.25
Turkey	0.08	0.97	0.22	1.27	2.54
United Arab Emirates	0.33	0.24	0.27	2.4	3.24
Non-DAC Countries, Total	-0.19	5.6	2.68	7.8	15.89
<i>Multilaterals</i>					
AfDB	115.55	120.2	131.14	134.07	500.96
AfDF	12.6	25.48	151.99	115.85	305.92
BADEA	-0.99	-0.6	-1.4	-1.32	-4.31
EU Institutions	158.01	224.26	232.76	364.26	979.29
GAVI	16.62	67.95	24.62	42.35	151.54
GEF	7.78	..	2.55	..	10.33
Global Fund	27.79	64.96	66.87	85.7	245.32
IAEA	0.45	0.56	0.41	0.3	1.72
IDA	222.83	291.47	396.78	295.59	1206.67
IFAD	0.83	25.69	3.28	3.17	32.97
IMF (Concessional Trust Funds)	-64.2	-136.94	154.23	18.86	-28.05
UNAIDS	0.31	0.7	0.93	..	1.94
UNDP	15.01	23.59	21.23	15.51	75.34
UNFPA	5.51	7.97	8.4	7.27	29.15
UNHCR	0.08	0.25	1.01	0.47	1.81
UNICEF	43.27	57.93	55.35	57.67	214.22
UNPBF	..	..	..	5.6	5.6
UNTA	4.35	1.31	..	..	5.66
WFP	1.62	0.07	4.77	1.41	7.87
Multilateral, Total	567.42	774.85	1,254.92	1,146.76	3,743.95
All Development Partners Total	1,356.71	1,765.97	2,356.85	3,542.89	9,022.42

Source: OECD DAC Online database, Table 2a. Destination of Official Development Assistance and Official Aid - Disbursements, as of May 2012.



Annex Table 10: Economic and Social Indicators for Congo, Democratic Republic and Comparators, FY08-FY11

Series Name	Congo, Democratic Republic				Congo, Democratic Republic	Africa	World
	2008	2009	2010	2011	Average 2008-2011		
Growth and Inflation							
GDP growth (annual %)	6	3	7	..	5.33	4	1.3
GDP per capita growth (annual %)	3	0	4	..	2.33	2	0
GNI per capita, PPP (current international \$)	324	330	347	..	333.67	2,217	10,815
GNI, Atlas method (millions current US\$)	9,720.0	10,856.9	11,946.9	..	10,841.3	961,529	60,013,710
Inflation, consumer prices (annual %)	17	..	..	..	17	..	..
Composition of GDP (%)							
Agriculture, value added (% of GDP)	..	43	40	..	41.5	12.3	3
Industry, value added (% of GDP)	..	24	28	..	26	31.0	26
Services, etc., value added (% of GDP)	..	33	32	..	32.5	57.0	71
Gross fixed capital formation (% of GDP)	..	29	24	..	26.5	21.3	20
Gross domestic savings (% of GDP)	..	15	9	..	12	16	20
External Accounts							
Exports of goods and services (% of GDP)	23	17	26	..	22.00	32.3	27.7
Imports of goods and services (% of GDP)	39	30	39	..	36.00	36.0	27.7
Current account balance (% of GDP)	..	..	..	..	..	..	..
External debt, total (% of GNI)	118	118	47	..	94.33	..	..
Total debt service (% of GNI)	6	6	2	..	4.67	1.7	..
Total reserves in months of imports	..	..	..	..	..	6.0	13.3
Fiscal Accounts ^{1/}							
Revenue and Grants (% of GDP)	20.8	24.3	33	..	26.0	..	..
Total Expenditure (and net lending, % of GDP)	23	28.5	30.6	..	27.4	..	..
Overall Balance, commitments (% of GDP)	-2.2	-4.2	2.4	..	-1.3	..	..
Overall Balance, cash basis (% of GDP)	-3.0	-5.2	1.2	..	-2.3	..	..
Public Sector Gross Debt (% of GDP)	..	34.3	36	41	37.1	..	..
Social Indicators							
Health							
Life expectancy at birth, total (years)	48	48	48	..	48.0	53.7	69.3
Immunization, DPT (% of children ages 12-23 months)	68	77	63	..	70.0	74.7	84.3
Improved sanitation facilities (% of population with access)	..	..	24	..	24.0	31.0	62.0
Improved water source (% of population with access)	..	..	45	..	45.0	61.0	88.0
Mortality rate, infant (per 1,000 live births)	114	113	112	..	112.5	78.0	42.0
Population							
Population, total (in million)	62.5	64.2	66.0	..	64.2	833.5	6,816.0
Population growth (annual %)	3	3	3	..	3.0	2.0	1.0
Urban population (% of total)	34	35	35	..	34.7	36.7	50.3
Education							
School enrollment, preprimary (% gross)	3	4	3	..	3.3	17.0	50.0
School enrollment, primary (% gross)	93	93	94	..	93.3	99.5	107.0
School enrollment, secondary (% gross)	36	38	38	..	37.3	35.5	68.0

1/ IMF. Congo Republic: Article IV Consultations.

Source: WB World Development Indicators for all indicators excluding those noted.

Annex Table 11: Country - Millennium Development Goals

	1990	1995	2000	2005	2010
Goal 1: Eradicate extreme poverty and hunger					
Employment to population ratio, 15+, total (%)	66	67	67	66	66
Employment to population ratio, ages 15-24, total (%)	40	40	40	40	39
GDP per person employed (constant 1990 PPP \$)	1,482	839	602	633	690
Income share held by lowest 20%	..	..	..	5	..
Malnutrition prevalence, weight for age (% of children under 5)	..	31	34	28	..
Poverty gap at \$1.25 a day (PPP) (%)	..	..	..	53	..
Poverty headcount ratio at \$1.25 a day (PPP) (% of population)	..	..	..	88	..
Goal 2: Achieve universal primary education					
Literacy rate, youth female (% of females ages 15-24)	..	..	63	..	62
Literacy rate, youth male (% of males ages 15-24)	..	..	78	..	73
Persistence to last grade of primary, total (% of cohort)	55	50	..	76	55
Primary completion rate, total (% of relevant age group)	49	44	32	50	59
Total enrollment, primary (% net)	57	62	33	..	..
Goal 3: Promote gender equality and empower women					
Proportion of seats held by women in national parliaments (%)	5	5	..	12	8
Ratio of female to male primary enrollment (%)	71	69	91	82	87
Ratio of female to male secondary enrollment (%)	48	61	53	53	58
Ratio of female to male tertiary enrollment (%)	..	..	..	35	31
Share of women employed in the nonagricultural sector (% of total nonagricultural employment)	25.9	..	..	..	..
Goal 4: Reduce child mortality					
Immunization, measles (% of children ages 12-23 months)	38	27	46	61	68
Mortality rate, infant (per 1,000 live births)	117	117	117	117	112
Mortality rate, under-5 (per 1,000 live births)	181	181	181	181	170
Goal 5: Improve maternal health					
Adolescent fertility rate (births per 1,000 women ages 15-19)	..	242	235	213	183
Births attended by skilled health staff (% of total)	..	..	61	74	79
Contraceptive prevalence (% of women ages 15-49)	8	..	31	21	17
Maternal mortality ratio (modeled estimate, per 100,000 live births)	930	870	770	660	540
Pregnant women receiving prenatal care (%)	..	..	68	85	88
Unmet need for contraception (% of married women ages 15-49)	..	..	..	24	..
Goal 6: Combat HIV/AIDS, malaria, and other diseases					
Children with fever receiving antimalarial drugs (% of children under age 5 with fever)	..	..	52	30	39
Condom use, population ages 15-24, female (% of females ages 15-24)	..	..	..	26	..
Condom use, population ages 15-24, male (% of males ages 15-24)	..	..	..	16	..
Incidence of tuberculosis (per 100,000 people)	327	327	327	327	327
Tuberculosis case detection rate (% , all forms)	18	30	38	52	53
Goal 7: Ensure environmental sustainability					
Forest area (% of land area)	70.7	..	69.4	68.7	68.0
Improved sanitation facilities (% of population with access)	9	12	16	21	24
Improved water source (% of population with access)	45	44	44	44	45
Marine protected areas (% of territorial waters)	4	4	4	4	4
Net ODA received per capita (current US\$)	25	4	4	33	54
Goal 8: Develop a global partnership for development					
Debt service (PPG and IMF only, % of exports, excluding workers' remittances)	..	..	3	15	2
Internet users (per 100 people)	0.0	0.0	0.0	0.2	0.7
Mobile cellular subscriptions (per 100 people)	0	0	0	5	18
Fertility rate, total (births per woman)	7	7	7	6	6
Other					
GNI per capita, Atlas method (current US\$)	230	140	90	120	180
GNI, Atlas method (current US\$) (billions)	8.4	6.0	4.2	6.9	11.9
Gross capital formation (% of GDP)	9.1	9.4	3.5	14.0	28.7
Life expectancy at birth, total (years)	47	46	46	47	48
Literacy rate, adult total (% of people ages 15 and above)	..	..	67	..	67
Population, total (billions)	36.4	44.1	49.6	57.4	59.1
Trade (% of GDP)	58.7	52.2	43.8	76.3	64.9

Source: World Development Indicators database as of 10/10/2012.