



The World Bank

Ethiopia-Kenya Eastern Electricity Highway Project First Phase of Regional Eastern Africa Power Integration Program

At A Glance

- Globally, about 1.3 billion people live without electricity.
- Over 2.7 billion use wood, charcoal, coal and other fuels to cook and heat their homes. These fuels pollute and cause respiratory illnesses that lead to premature death. Universal access to electricity and clean cooking fuels is essential to ending poverty and achieving sustainable development.
- Across Africa, only one in three Africans has access to energy.
- Power sharing among countries and regionally is essential for tackling Africa's daunting energy crisis.

Project Information

- The Eastern Electricity Highway Project (EEHP) is a transformational initiative that will connect Ethiopia's electrical grid with Kenya, create power-sharing between the two countries, reduce energy costs, promote sustainable and renewable power generation, better protect the region's environment, and pave the way for more dynamic regional cooperation between the countries of East Africa.
- The project is financing construction of a cross-border power line, an interconnector, to be built according to strong social and environmental safeguards.
- Ethiopia will benefit through the sale of energy to Kenya, which faces severe power shortages, and is among the five African countries considered likely to achieve middle-income status in the next decade provided it can grow at six percent annually, significantly expand its electricity supply and improve its transport links. Both countries will benefit from additional jobs created by construction and installation activities.
- The project was approved by the World Bank's Board of Executive Directors on July 12, 2012.
- Contrary to claims, the World Bank is not financing the Gibe III dam in Ethiopia. The EEHP will become operational well after Gibe III dam has started producing electricity. Under EEHP, the exported electricity will originate from the large number of existing and future power plants in Ethiopia. When required, the flow of electricity can be reversed and Kenya would thus use the same interconnection facilities to sell electricity to Ethiopia.
- In response to claims that the project will affect Indigenous Peoples in Ethiopia, the World Bank has determined through field reviews that there are no Indigenous Peoples in areas traversed by the Bank-financed interconnector.

Project Financing

- The World Bank's approved financing to both governments— US\$243 million for Ethiopia and US\$441 million to Kenya— will be in the form of concessional financing, a credit from the International Development Association (IDA), the Bank's fund for the world's poorest countries.
- The new project marks the first phase of a regional East Africa power integration program which is likely to cost US\$1.3 billion at completion, eventually benefiting 212 million people living in five eastern African countries with a combined GDP of US\$107 billion.
- The EEHP is co-financed by the African Development Bank (AfDB) and the French Agence Française de Développement (AFD) in partnership with the Governments of Ethiopia and Kenya.

For more information, please visit: www.worldbank.org/africa, www.worldbank.org/ida

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