

May 17, 2013

Mr. Peter Bosshard
Ms. Rudo Sanyanga
International Rivers
2150 Allston Way, Suite 300
Berkeley, CA 94704-1378

Dear Mr. Bosshard, Ms. Sanyanga,

World Bank Support for Hydropower Projects in Africa

Thank you for your letter of May 15, 2013 addressed to Dr. Jim Yong Kim, President, World Bank Group, concerning our support for large hydropower projects in Africa. Dr. Kim has asked me to respond on his behalf.

Since I became Vice President of the Africa Region, I have made energy one of my priorities. Africa is the world's poorest continent, and also the one with lowest access to energy. There is a consensus that without sustainable energy, Africa cannot generate the jobs it needs to develop and escape poverty, and will not be able to reach many of the MDGs. Your letter raises a set of important questions that go to the heart of Africa's development. Sub Saharan Africa (SSA) is suffering from a sustained and chronic power crisis. Only one in three Africans has access to electricity. The cost of power in SSA at US\$0.20/kWh on average is double that in other developing countries. Africans pay more for power and routinely endure power outages. The status quo needs to change if we want to end poverty and boost shared prosperity.

To do this, Africa will have to expand power generation capacity by around 7 percent annually. The continent is blessed with large hydropower, geothermal, gas reserves, as well as wind, and solar potential. Africa will have to tap all these resources if it wants to expand affordable, reliable, and clean energy services.

For this reason, and in line with the aspirations of African leaders, civil society organizations and other stakeholders, filling the energy gap is a main priority for the continent. This needs to be done with the resources and comparative advantage of Africa. Hydropower development can be an important part of the energy mix as it is a proven, renewable, large scale, and cost-effective source of energy. Hydro-based power systems face substantially lower end-user costs of electricity than other technologies, and can be done in accordance with best practice environmental and social standards to assure sustainable development.

Our approach in developing Africa's untapped hydropower potential is to focus on technically-sound, well-prepared projects that deliver lasting development outcomes. We will continue to seek the inputs and advice from all stakeholders, apply the lessons of experience and the best technical knowledge available – as well as the Bank Group's own strict safeguards and guidelines – to ensure maximum sustainability and socially inclusive results. This focus on inclusiveness is in line with the Sustainable Energy for All Initiative of the UN Secretary General.

Thank you again for your interest in our work and for sharing your concerns.

With best wishes,

Sincerely,



Makhtar Diop
Vice President
Africa Region