

ENERGY ACCESS FOR THE URBAN POOR



About 1 billion people currently live in urban slums and informal settlements. With rapid urbanization occurring in developing countries, this figure is expected to double by 2030 and cities are expected to house 64 percent of the world's population by 2050. These communities often lack access to legal, safe, and affordable electricity. Power distribution utilities are sometimes hesitant to operate in these communities due to the potential of non-payment of bills, electricity theft, and the additional costs and risks of working in areas outside of planned urban environments. For their part, the urban poor often do not possess land tenure. And policy and regulatory frameworks lack provisions that could help facilitate the delivery of energy services in these areas. Ensuring adequate energy access for the urban poor is imperative to achieving the [Sustainable Energy for All](#) goal of universal energy access by 2030.

LIFTING BARRIERS TO SLUM ELECTRIFICATION

To help countries address this, the Energy Sector Management Assistance Program ([ESMAP](#)) has launched an [Energy Access for the Urban Poor](#) program that seeks to increase or improve access to electricity for the poor in urban/peri-urban areas. Work at the country level began in 2014 following extensive consultations with practitioners from around the world, development partners, and World Bank operational staff. The program includes the following components designed to mainstream energy access for the urban poor:

Component 1 | Expanding Operational Support. The program supports the scale up of World Bank operations in the energy and urban sectors. Financial and technical support are made available to:

- Design and implement electricity access projects, as well as slum upgrading and municipal service improvement projects. Assistance involves assessment of implementation issues, pre-feasibility and design studies, action plan development, expert visits, practitioner workshops, and study tours.
- Expand the scope of the beneficiaries (currently slums/informal settlements) to include the poor in formal urban areas and encourage women to participate
- Continue to provide South-South exchanges as part of the operational support package to bring country practitioners together and bridge experience and knowledge gaps

For example, Kenya Power went from 5,000 households connected in slum areas, to over 100,000 in just one year. After years of struggle, Kenya's national utility—Kenya Power and Lighting Company, Ltd. (KPLC)—found a way to bring electricity to the country's poorest neighborhoods. At the end of January 2014, ESMAP and the World Bank/Global Partnership for Output-Based Aid discussed with KPLC to engage the community in a more proactive way. KPLC hired social scientists to assist in the dialogue with the slum community. A South-South knowledge exchange was held in Nairobi (with the



The Energy Sector Management Assistance Program (ESMAP) is a global knowledge and technical assistance program administered by The World Bank. It provides analytical and advisory services to low- and middle-income countries to increase their know-how and institutional capacity to achieve environmentally sustainable energy solutions for poverty reduction and economic growth. ESMAP is funded by Australia, Austria, Denmark, the European Commission, Finland, France, Germany, Iceland, Japan, Lithuania, the Netherlands, Norway, Sweden, Switzerland, and the United Kingdom, as well as The World Bank.

after which KLPLC committed to strengthening their community engagement program. The connectivity numbers started to improve. In January 2015, KPLC’s top management fully endorsed the program, involving the highest offices in the local governments and the political establishment. The combined efforts led to the unprecedented boom in new connections.

In other countries, assistance is provided to improve electricity access for the urban poor. In Haiti, for instance, the program assisted the power utility, EdH, to regularize informal electricity connections in selected areas of Port-au-Prince, under the World Bank-financed Rebuilding Energy Infrastructure & Access Project. Similarly, a support program is being finalized to assist Jamaica’s power

utility in regularizing illegal electricity connections while reducing nontechnical losses. Support is envisioned for other countries in South and East Asia.

Component 2 | Knowledge Products.

The program will also support the development of knowledge products aligned with operational and strategic needs, including:

- Generation of lessons learned briefs, and the development of urban poor access expansion plans
- Establish and deploy a roster of experts to inform the design of activities
- Continue the development of short “how-to” guidance notes

The products—policy notes, good prac-

tice notes, strategic briefs, and analytical papers—strengthen the global knowledge base and provide a foundation for the World Bank and development partners to integrate issues of access for the urban poor into their energy operations. A guidance note on low-income urban community engagement in slum electrification/nontechnical loss reduction is being developed. The note provides power distribution utilities, World Bank Group operational task teams, and other key stakeholders with a menu of practices, options, and reference material that could be tailored and applied at various stages of the slum electrification/nontechnical loss reduction process, to ensure an effective and sustainable engagement with slum communities and customers.

FOCUS ON IMPACTS, PARTNERSHIPS, & FLEXIBILITY

The program is designed to complement other programs being implemented in the area of urban electricity access, in particular the [Cities Alliance Program](#). In an effort to incorporate energy access dimensions into city development strategies and slum upgrading operations, the program will collaborate with the Cities Alliance, a global partnership for urban poverty reduction. The program aims to advance

access to electricity in informal settlements and slums in urban/peri-urban areas by: (i) conducting studies on the state of energy (both electricity and cooking fuels) access in urban slums/informal settlements to inform the preparation of city development strategies and action plans; (ii) providing training to enhance capacities of city authorities; and (iii) supporting the inclusion of safe and legal energy access into slum up-

grading activities.

Knowledge outputs under the program will directly benefit client governments by informing their policies and programs. Such outputs, including research studies, case studies, and guidance notes, will be used by World Bank operational teams and partners, and will be widely disseminated through events organized by the program and external partnerships like the Cities Alliance.