





NEWS RELEASE

Kenya Electricity Expansion Project: World Bank Board Approves Action Plan for Kenya Inspection Panel case

WASHINGTON, February 16, 2017 — The World Bank's Board of Executive Directors met today to discuss and approve the Action Plan that Bank management presented in response to the Inspection Panel investigation of the Kenya Electricity Expansion Project (KEEP).

KEEP was approved in May 2010 and aims to increase the capacity and efficiency of electricity supply, and to expand access to electricity in urban, peri-urban, and rural areas. The project currently provides 280MW of low-cost green energy into Kenya's national grid system.

In November 2014, the Inspection Panel registered the Request for Inspection, submitted by members of the resettled Maasai community. Following Board authorization, the Panel undertook its investigation and issued its report outlining the findings. The Panel found noncompliance with Bank policies related to indigenous peoples and involuntary resettlement, and that some of the most vulnerable people experienced harms during the resettlement process. On October 20, 2015, the Board discussed the Panel's Investigation Report and Management's Report and Recommendation. The Board authorized the Bank's participation in a mediation between the Requesters and the project implementing agency – Kenya Electricity Generating Company Limited (KenGen). Further, the Board requested Bank Management to return with an action plan for approval. [Oct 2015 press release].

The mediation process was facilitated by the Complaints Mechanism of the European Investment Bank, a co-financier of the project, and the Bank's <u>Grievance Redress Service</u>. The mediation was successfully completed with a signed agreement between KenGen and the affected community in May 2016.

The approved Action Plan was substantially informed by the mediation agreement and addresses issues identified by the Inspection Panel report [link]. The Action Plan also includes measures to verify affected individuals who have been left out from the resettlement process, improvements in the physical infrastructure of the resettlement site, and livelihood restoration.

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