
Access to Electricity

- Bring the benefits of electricity to people who still have no access to electricity.



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Introduction

An estimated 1.6 billion people - one-fourth of the world's population - have no access to electricity and must rely on other sources for energy. As long as this situation prevails, the prospect for the sustainable development of these communities remains stunted.

ABB is committed to the pursuit of sustainability and reports on its economic, social and environmental performance and priorities. In striving to be a good corporate citizen, it participates in common efforts to improve the situation of those communities in developing regions that are left on the margins of sustainable development¹ efforts. ABB recognizes that access to electricity is a key enabler and precursor for sustainable development, which is why we are focusing our common efforts on our Access to Electricity initiative. In this way, ABB is best placed to contribute to the global common good with its expertise, technology, contacts, networks, influence – whatever it takes – to bring the benefits of electricity to people in need of it.

Sustainability is at the heart of ABB's business and we recognize that sustainable development and electrification go hand in hand. In fact, electricity is a major contributor in meeting global goals for economic development, poverty alleviation, social development, transportation, health, and environmental quality as well as gender-related issues.

Access to Electricity is a multi-dimensional initiative that provides the preconditions for a sound and sustainable development of poor communities, enabling them to operate schools and hospitals, and to provide

communication services, modern health care, safe water supplies and sanitation.

Electricity helps small enterprises to start up and grow and thereby improving living conditions, increasing incomes and ultimately breaking the cycle of poverty by creating enhanced opportunities for education, employment and improved livelihoods.

ABB can help – not alone but in partnership with utilities, other concerned companies, governments and non-governmental organizations – to provide sustainable solutions to meet the needs of the local inhabitants of rural developing regions.

New solutions and non-traditional partners

Current and previous ABB common effort projects have always drawn on the support and collaboration of strategic partners. The Access to Electricity initiative will build on this experience and bring in new partners who can both contribute to a development project and share in its benefits. In particular, we will be approaching other companies that are specialist in infrastructure activities, such as roads, transportation, telecommunications, water and sanitation, as well as development aid organizations, multilateral and financial institutions, national and re-

FACTS:

- 1.6 billion people have no access to electricity.
 - 50% in South Asia (35% in India alone)
 - 32% in sub-Saharan Africa
 - 14% in East Asia (not including China)
- In absence of new policies 1.4 billion will still lack electricity 2030.
- 99% of people without electricity live in developing countries.
- Four out of five without electricity live in rural areas.

Access to electricity and other modern energy sources is a necessary, but not sufficient, requirement for economic and social development.

Source: IEA World Energy Outlook 2002

¹ Sustainable development - a definition: To manage global development in a way that we meet the needs of the present without compromising the ability of future generations to meet their own needs.

Access to Electricity

gional government authorities and non-governmental organizations.

Partners wanted

Since electricity by itself will not provide all the conditions necessary for development, the basic entity of ABB's Access to Electricity program is the Development Partner concept, where partnerships are formed to address a multitude of societal issues at the same time. Within such a partnership, all involved partners concentrate on their special fields of infrastructure expertise, or other demands. The aim is to create synergies such that the installation of complementary infrastructure services can be efficiently coordinated to enhance the end result and assure the sustainable development of a particular region.

ABB's role

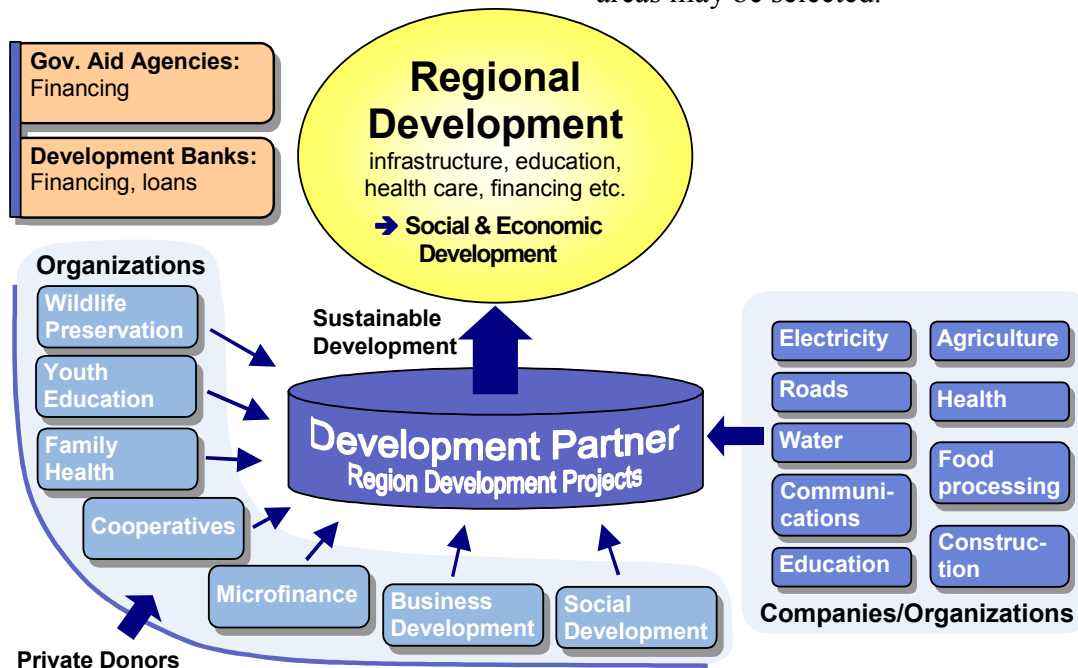
In pioneering this Access to Electricity initiative, ABB understands that committed partners are necessary and crucial to achieve good results. For ABB it is not a necessity to assume the project management role for the coordination of the multi-discipline activities concerned. Rather, we see ourselves as a

specialist partner responsible for an allocated section of the project involving consultancy and engineering, and the supply of equipment and solutions.

ABB will apply rigorous methods for the purpose of evaluating this type of project - specifically by applying a defined set of indicators to measure performance in terms of poverty alleviation and economic development, and which provide information on the local economic, social and environmental performance, as well as the effectiveness of the activities carried out. A central aim of these efforts is to ensure that the final results of such a completed project really make a difference in reducing poverty and providing a concrete impetus to the sustainable development of the region

Where?

ABB is currently focusing on selected poor regions where we already have an established local presence and which are already receiving the attention of development aid organizations - notably in Africa and Asia. A particular focus from ABB at present is Senegal and Tanzania. However, depending on the specialties of future partners, other areas may be selected.



The Development Partner concept of ABB's Access to Electricity program.

Access to Electricity

ABB INFORMATION

ABB is a leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The ABB Group of companies operates in more than 100 countries and employs about 146 000 people worldwide. We rank number one, two or three in almost all our activities.

- Total revenues in 2001: \$23,7 billion
Power Technologies: \$9,7 billion
Automation Technologies: \$13,4 billion
- Orders received in 2001: \$23,8 billion

Listed on New York (NYSE), London/Zürich (Virt-x), Stockholm (Stockholm Exchange) and Frankfurt (Xetra).
Member of Dow Jones Sustainability Index

Headquarter: Zürich, Switzerland

ABB has activities in thirty-eight of the forty-nine countries currently designated by the United Nations as the least developed countries in the world and has local representation in ten of them.

Commitment to sustainability is key to ABB's value creation. Sustainability is about securing our common future.

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