Ministry of Energy and Mineral Development

ACCESS

The Bi-annual News Report on Electricity Connections

A Publication from the Rural Electrification Programme Volume 3 Issue 1 2022

Renewed Hope for Free Electricity Connections

Ugandans seeking access to electricity can now be optimistic that they will receive connections as the Government will soon provide the necessary funding for free connections following the World Bank Board's approval of the proposed Electricity Access Scale-up Project (EASP) on March 31, 2022.

Designed to boost Government's ongoing energy access initiatives, the EASP is a five-year project that will deliver about 1.3 million last mile connections on both the grid and off grid, expand the electricity network, promote clean cooking solutions and support productive use of electricity (PUE). The project will target households, businesses, institutions, industrial parks, refugee settlements and their host communities.

On the World Bank Board's approval of the EASP, the Permanent Secretary at the Ministry of Energy and Mineral Development (MEMD), Ms. Irene Bateebe said:

> *"The Ministry is pleased that the World Bank Board has approved the Electricity Access Scale-up Project. We shall hence proceed to Cabinet and then Parliament for approval. We hope to have implementation start in Financial Year 2022/2023. The EASP will go a long way in providing free connections for millions of Ugandans under the Electricity Connections Policy and unlock the socio-economic benefits that access to electricity comes with."*

The project will bring relief to the many that have been awaiting connection to electricity under the Electricity Connections Policy (ECP). Funding challenges have affected the provision of free connections since April 2020, leaving a considerable backlog of applications pending connection. The anticipated funding will revamp the ECP and put it back on track to providing many more Ugandans with electricity connections.

Additional Funding for the ECP

With funding support from the French Development Agency (AFD) and the European Union (EU), the MEMD is also putting together a project that will provide over 260,000 electricity connections. It is expected that this project will also become effective in the latter part of 2022. This is one of several other funding avenues that the Government is pursuing to ensure

Ms. Irene Bateebe
Permanent Secretary, MEMD

In this Issue:

364,428
ECP Connections made since Nov 2018

sustained funding for the ECP and other access-related initiatives.

Adequate and sustained funding is needed to ensure that the ECP meets its goal of increasing Uganda's electrification level to 60% by 2027. In meeting this target, the ECP will contribute significantly to the achievement of national and international clean energy access targets like the third National Development Plan (60% access by 2025), Vision 2040 (universal access by 2040) and Sustainable Development Goal 7 (universal access by 2030).

It is therefore anticipated that with the funding for connections from the World Bank, AFD/EU and other development partners, implementation of the ECP will run unimpeded and help deliver on the Government's ambitions of providing clean energy to all Ugandans by 2040.

Linesmen provide a customer with a connection. The EASP will provide no-pole and pole connections under the Electricity Connections Policy.

Electricity Access Improving Livelihoods

Even with the funding challenges, the ECP continues to prove that it is still the most effective mechanism to increase access to electricity. By subsidizing the connection cost and providing an affordable alternative to conventional house wiring like ready boards, the ECP has made access to electricity much easier to obtain, especially for those in rural areas where low household incomes are prevalent.

Alebon Ramazan runs an electronics repair shop in Acholi Inn, Kotido District. Alebon is glad he switched to grid electricity which he says is reliable.

For electronics repairman Alebon Ramazan in Kotido District, the chances of obtaining an electricity connection to power his shop were limited by the cost of both the connection and the required wiring. He opted for a solar energy system to run the electric components at his shop. While the system met some of his needs like lighting, Alebon felt that grid electricity would cater for all the energy he needed to fully run the equipment at his repair shop.

Kotido Town receives its electricity supply through the Pader-Abim Community Multi-Purpose Electric Cooperative Society (PACMECS) which provides electricity connections under the ECP. However, the requirement for the premises to be certifiably wired limits prospective customers from applying for free connections owing to the related costs.

So, when PACMECS approached households and business owners in the town with the prospect of obtaining ready boards, Alebon jumped at the chance. Ready boards are a low-cost and easy to install alternative to

conventional house wiring and are suited for single room premises like Alebon's shop. With a ready board installed, Alebon was then able to apply for a free electricity connection under the ECP. Alebon is one of the 700 customers in northern Uganda that received ready boards from the Government of Uganda.

The new electricity connection allows Alebon to run his machinery and carry out repairs for his customers.

"The electricity is more reliable and stable", a pleased Alebon testified when he was asked about his experience with the new electricity connection.

Alebon's story is one among thousands of Ugandans that have benefitted from the ECP. By addressing the high cost of connections and providing for alternatives to conventional wiring, the ECP has opened up a world of possibilities to Ugandans that would have otherwise had to wait longer or paid more for electricity. By easing access to electricity, the ECP has allowed thousands to participate in the economy and improve their livelihoods.

Jonathan Makubuya of Kigoma Village Wakiso, is able to power the machines at his metal fabrication workshop after receiving a free electricity connection.

Victoria Kabogoza, runs a shop in Kasangombe Wakiso District. She uses electricity for lighting and refrigeration of perishable products and soft drinks

Obtaining an Electricity Connection under the Electricity Connections Policy

1. Houses/Business owners must have their premises wired by a licensed wireman and must receive a Wiring Certificate;
2. The Customer must then go in-person to the area electricity service provider (utility) to apply for a connection;
3. An inspection fee of UGX20,000 must be paid to the electricity service provider (utility) in order for the premises to be inspected;
4. If the house/business premises pass the inspection the service provider (utility) will provide a connection at no additional cost.

***This presently only applies to premises that are within 90-meters of a low-voltage electricity pole**

The ECP contributes to Uganda's Fight Against Climate Change

It cannot be overstated that the world's most perilous challenge today is Climate Change. The effects of Climate Change are seen across the world in the shifting weather patterns, floods from rising sea levels and a host of extreme weather events.

While the effects of Climate Change are experienced across the world, poor countries suffer more than their richer industrialized counterparts due to poverty. The increased risk of disease and the impact on food security are some of the clear and present dangers faced by rural communities in poor countries. And as the world's need for energy grows, so does the threat posed by climate change. There is thus an urgent need for a decisive shift to more sustainable and cleaner forms of energy.

Adverse effects of Climate Change include extreme weather events which can lead to drought and affect food security particularly in poor countries like Uganda.

In rural Uganda, as with most African countries, the most common sources of energy are wood, charcoal and kerosene. Wood and charcoal are obtained by destruction of trees and forests while kerosene is a petroleum-based product whose extraction, manufacture and use involves release of Chlorofluorocarbons (CFCs) into the atmosphere contributing to climate change.

Agnes Chebet, an entrepreneur in Kotido District shows off one of her carpentry machines. Access to clean eletricity has enabled her to switch from the unclean energy of a diesel generator.

The Uganda National Household Survey 2019/2020 places grid electricity access at 18.9 % and solar energy use at 38%. This implies that nearly half of the population in Uganda is primarily dependent on firewood, charcoal and kerosene for cooking and lighting. This therefore highlights the importance of initiatives that promote the use of clean and affordable energy.

The ECP's role in Fighting Climate Change

The ECP is one of the most significant initiatives by the Government to increase access to clean energy. It provides for free electricity connections to eligible customers with the goal to increase electricity access to 60% by the year 2027. It was developed

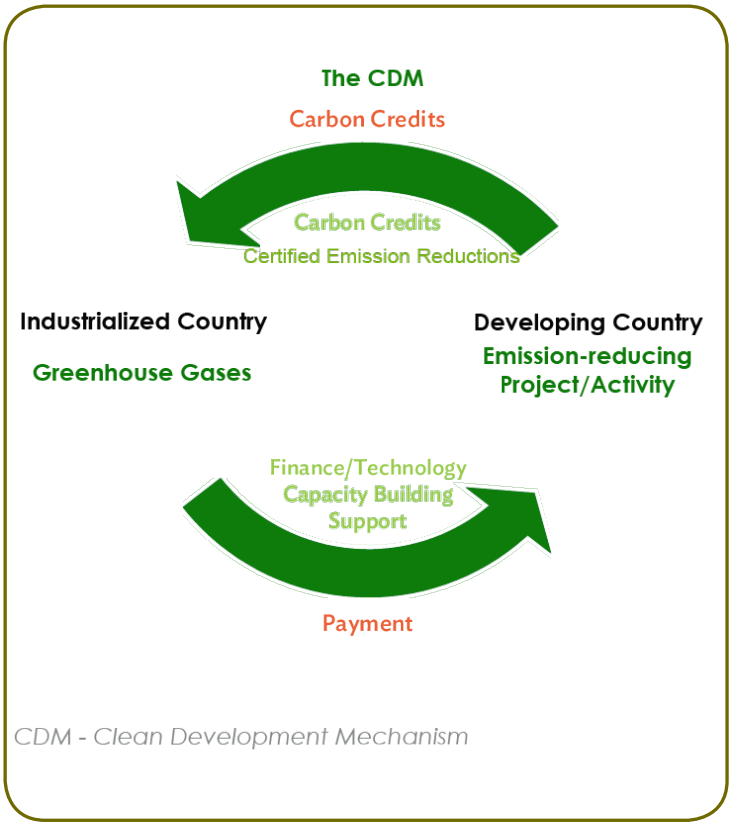
to address the different challenges that prevent people from seeking connections, key among them, the cost of obtaining a connection.

With the connections subsidized by the Government, more and more people will have access to electricity which will reduce the overall dependence on firewood, charcoal and kerosene for cooking and lighting homes.

Access to electricity has also been shown to improve the livelihoods of people as they engage in productive uses of electricity. As household incomes grow, dependence on these destructive sources of energy reduces further.

Uganda To Earn From Increasing Electricity Access

In addition, as an incentive, countries like Uganda can also earn carbon credits by implementing projects known to reduce carbon emissions under the Clean Development Mechanism (CDM). Under the CDM, the Government of Uganda through the Rural Electrification Programme signed an Emissions Reduction Purchase Agreement (ERPA) in 2015 with the International Bank for Reconstruction and Development under the Accelerating Electrification through Grid Extension and off-grid electrification in Rural Areas of Uganda project. Under this agreement, Uganda will receive payment for carbon credits earned from electricity connections made.



CDM - Clean Development Mechanism

A significant portion of the payment due from these credits will be used to procure ready boards for low-income households which will in turn help more Ugandans gain access to electricity and move away from non-sustainable and unclean sources of energy.

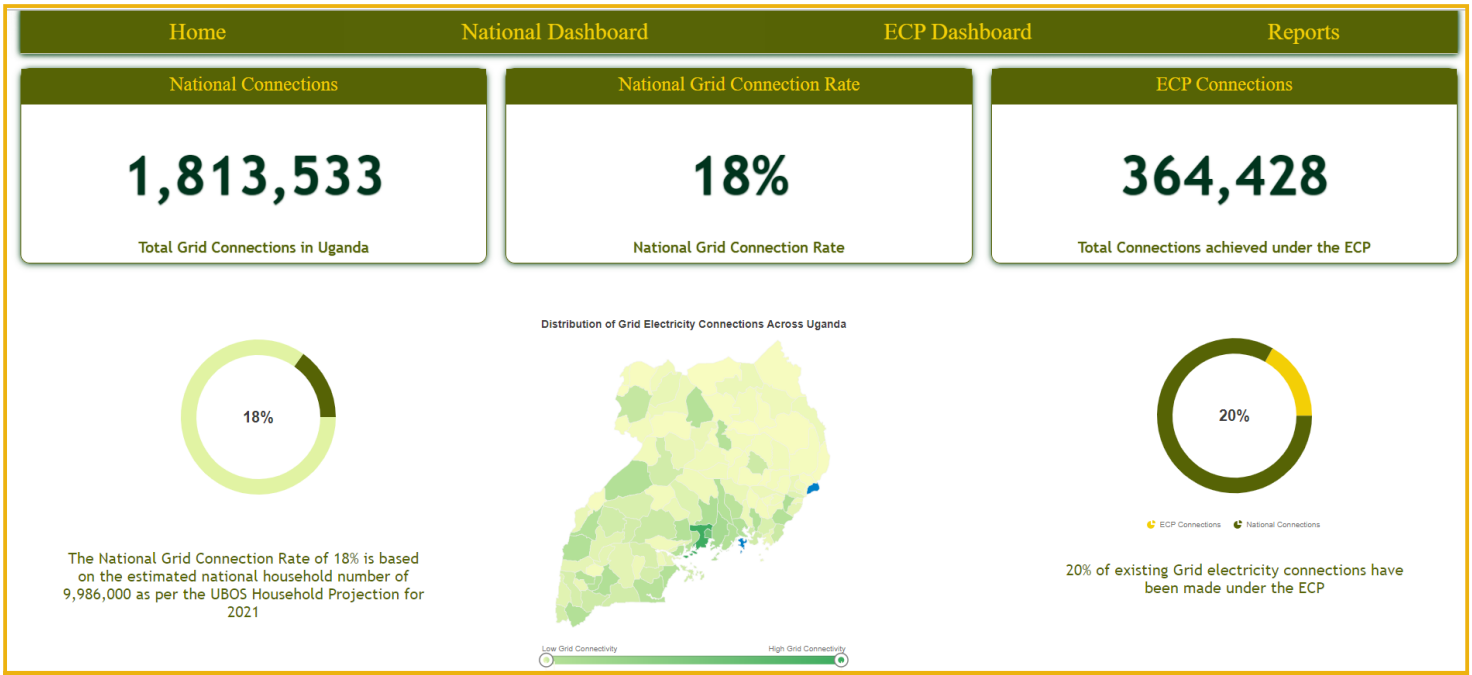
The ECP is in congruence with the United Nations' efforts to fight climate change. The 26th UN Climate Change Conference of the Parties (COP26) which took place in November 2021, advocated for the curtailing of deforestation and increased investment in clean energy (renewables) among other measures. The ECP supports a move to more renewable forms of energy through increasing access to grid power and also presents a mechanism through which development partners and private entities can increase funding and investment into clean energy solutions.

As more households and businesses gain access to electricity under the ECP together with different interventions and support from development partners, Uganda will continue to register its own contribution to the global efforts against Climate Change.

New Tool Provides Access To Electricity Connections Data

Electricity sub-sector stakeholders can now access data on electricity connections in Uganda through the Uganda Electricity Connections Database Portal. The online portal, which is now live and operational, provides users with visual representations of vital statistics on electricity connections across the country.

The connections portal and its database have been developed with support from USAID and Power Africa to aid the monitoring, reporting and disbursement functions under the Electricity Connections Policy (ECP).



A screenshot of the Connections Database Portal Home Page

While the database was primarily intended for ECP connections, it holds records on all electricity connections made in Uganda, both on and off-grid. From the database portal, stakeholders can obtain the most accurate statistics on electricity connections like geographic distribution, periodic connection trends, and tariff class, among others.

The database is updated monthly with connections data submitted by utilities and presently holds 1,813,533 connection records as of March 2022, making it the most comprehensive database on electricity connections in Uganda.

The portal is live although still undergoing optimization to improve its interface for a better user experience in line with the ECP stakeholder needs. The portal can be accessed at http://ecdp.rea.or.ug:8080/ECDP/.

The electricity connections database portal promises to be an important tool for the MEMD and electricity subsector stakeholders that will aid in monitoring ongoing projects and planning for future electrification projects.

ECP PROGRESS CHART

The Goal of the ECP is to increase the grid electricity access level in Uganda to

60%

by 2027

364,428

grid electricity connections have been made under the ECP since November 2018,

The ECP has yielded an approximated

25%

increase in grid connections

Over 351,000 HOUSEHOLD CONNECTIONS

Benefits:

- Cleaner and safer lighting
- Exposure to more information from TV and Radio
- More study time leading to better school grades for students
- Improved security

Over 13,000 COMMERCIAL CONNECTIONS

Benefits:

- Reduced costs of starting up businesses
- Imprved quality of services and outputs
- Reduced tur-around time for production
- Reduced energy costs
- Diversification to other PUE activities

936 EDUCATION FACILITIES CONNECTED

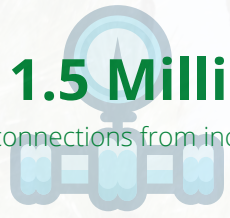
Benefits:

- Better lighting in classrooms
- Better learner grades due to extended night study
- Safety for learners in boarding schools
- Powering laboratories
- Running administrative systems

425 HEALTH FACILITIES CONNECTED

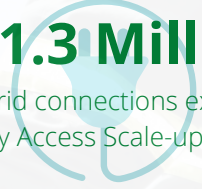
Benefits:

- Improved services to patients
- Better lighting for treatment, delivery and surgery rooms and in-patient facilities
- Refrigerated storage for medicines, vaccines, blood, etc
- Power to run other medical and laboratory equipment and administrative systems



About **1.5 Million**

Pipeline connections from incoming projects



About **1.3 Million**

On and off-grid connections expected under the Electricity Access Scale-up Project (EASP)

Rural Electrification Programme
Ministry of Energy and Mineral Development
Plot 10 Windsor Loop Kololo, House of Hope, 2nd Floor
P. O. Box 7317 Kampala Tel: +256 312318100
rea@rea.or.ug