

78% Ugandans have no access to electricity

By David Lumu and Joan Murungi

Only about two out of every 10 Ugandans have access to electricity, leaving majority of Ugandans in darkness or at least using rudimentary kerosene lamps for lighting, according to a new report from the energy ministry. "We are still at 22% rate of electricity distribution in the country, which means that a good number (78%) of Ugandans are still in darkness," energy minister Irene Muloni said, rallying able Ugandans to tap into other energy sources such as solar and biogas to escape darkness.

Uganda is below the performance of the African continent, where an estimated 600 million people, or 70% of the population, do not have access to electricity.

It is below the level of Kenya, which added 1.3 million households to its electricity grid last year, increasing the percentage of Kenyans with access to electricity to 55%, from 27% in 2013, when the country's electrification campaign, similar to Uganda's rural electrification drive, started. Tanzania estimates that 33% of its mainland population has access to electricity.

Muloni, who was addressing journalists in Kampala yesterday, revealed that government has intensified negotiations with proprietors of Bujagali hydropower dam to cut the power tariffs.

"Hopefully, by the end of next month, we shall have concluded these negotiations with Bujagali stakeholders. We want to reduce the tariff from 10.5 US cents to 7 US cents per unit for domestic users," she said. Similar efforts are also underway to ensure that the electricity tariff for manufacturers is reduced to at least 5 US cents.

"The Government is also focused on its priority of increasing access to clean, reliable and affordable energy to its population. This is guided by the Rural Electrification Strategy and Plan (RESP) covering the period 2013 to 2022 that aims at facilitating accelerated access to modern energy services for the rural communities," Muloni said, emphasising that the aim of government is to extend power to all sub-counties in the country.

President Yoweri Museveni's directive is to reduce the electricity tariff for manufacturers and industry players to 4 US cents per unit. By cutting the cost of electricity, Muloni said, the country will attract investors and spur job creation for the youth.

Tax rebate for Bujagali owners

As part of the efforts to lower the electricity tariff, Parliament recently passed a five-year tax exemption for Bujagali stakeholders.

Muloni said the reason why Bujagali private proprietors hiked the power tariffs is the fact that they had to recoup their investment profits and pay loans they acquired to build the dam.

"We are also trying to see if they can extend the period of the loan (payment) so that the tariff can go down," she said.

Muloni said the other alternative to reliable and affordable electricity supply is the expansion of the generation capacity.

"On the supply side, government is committed to expanding the electricity generation capacity. Several projects such as Karuma (600MW), Isimba (183MW) and several renewable energy projects totalling over 125MW are under construction, while others are being studied," she said. Karuma and Isimba will be launched next year. Feasibility studies for the 840MW Agago project, Muloni said, have been completed, and government has started engaging the developer so that work commences.

Export power to DRC, South Sudan

With the key hydropower dams on board, Muloni added, Uganda will sell excess electricity to neighbouring countries. She said memoranda of understanding have been signed for Uganda to supply electricity to the Democratic Republic of Congo and South Sudan.

Under earlier arrangements, Uganda has been exporting 38MW to Kenya and 10MW to Rwanda. Muloni said the process of building large 400KV transmission lines to facilitate electricity trade to regional neighbours is underway with the support of the African Development Bank.