ELECTRICITY

Electricity exports rise 34 percent to Shs267b

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Electricity. |

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Uganda's electricity sector is sizzling with growth, with export earnings jumping 34 percent to $72m (Shs267b) in a remarkable display of the country's power potential.

According to the Bank of Uganda's latest report, the cumulative period between March 2025 and February 2026, saw a surge from the same period the previous year, when the country's export receipts were $48m (Shs177billion).

This growth was largely driven by a significant boost in electricity exports, with 735,826 MWh sold to neighbouring countries in the period in review, up from 490,235 MWh the previous year.

According Engineer Ziria Tibalwa Waako, chief executive officer of the Electricity Regulatory Authority (ERA), "The objective was to provide adequate, efficient, reliable, and least-cost power supply to meet the country's development demands as well as scale-up rural and peri-urban access to electricity."

Surplus energy

The surplus energy is being exported to neighbouring countries, including Kenya, Rwanda, Tanzania, and the Democratic Republic of Congo.

Waako in an interview with this newspaper noted that Uganda has an extremely competitive off-peak industrial tariff, making it a cost-effective manufacturing hub in the region.

The completion of the 600MW Karuma Hydropower dam has catapulted Uganda's installed capacity to 2,048 megawatts, leaving a surplus of 1,063 megawatts.

Because of this, Uganda is poised to join the Eastern Africa Power Pool (EAPP), a regional electricity market that will enable countries to trade power as a commodity. Eng. Waako highlights that the EAPP will improve efficiency, reduce operational costs, and integrate renewable energy sources. The launch of the competitive regional electricity market is expected to strengthen cross-border trade and foster sustainable energy growth

Experts attribute the surge to increased generation capacity, positioning Uganda as a rising star in the regional energy market.

Engineer George Mutetweka, chief operations officer of Uganda Electricity Generation Company Limited (UEGCL), in an earlier interaction with this newspaper noted that electricity has evolved from a service to a tradable commodity, attracting new investments.

"The surplus energy presents opportunities for industrial growth and economic development. Increased exports are a welcome boost, generating revenue for development projects and infrastructure improvement," Mutetweka shared.

Uganda's strategic location and abundant renewable energy resources make it an attractive destination for energy investments. The country's electricity sector is poised for further growth, with potential for increased exports to neighbouring countries.

As Uganda develops its electricity sector, it attracts investors and creates new opportunities.

The government is committed to increasing electricity access and promoting renewable energy and initiatives are underway to improve transmission infrastructure and increase generation capacity.

According to information from government, preparation for Uganda to join the East African Power Pool, are underway. This pool will enable member countries to trade power as a commodity.

As a result, country's electricity sector is expected to continue growing, driven by increased demand and thus prospective attraction of new investment into the sector.

Despite progress, Uganda's electrification rate remains low, with 51.5 percent access nationwide. Urban areas fare better at 76.4 percent, while rural areas lag at 42.4 percent.

According to the Electricity Regulatory Authority (ERA), the rate of progress required to reach universal access is steep, but not unprecedented.

Prior to disruptions from the Covid-19 pandemic, electricity access rates improved at 5 percent annually, and clean cooking rates around 1.5 percent.

ERA says that to reach universal access to electricity by 2030, over 800,000 households would need to gain a connection each year to 2030.

Uganda's electricity sector is experiencing significant growth, with electricity exports surging 34 percent to $72m (Shs267b).

An electrical engineer during a day's work at Nalubaale power station in Jinja. Uganda is poised to join the Eastern Africa Power Pool that will enable countries to trade power as a commodity PHOTO/MICHAEL KAKUMIRIZI

Key figures

1,063 MW

The completion of the 600MW Karuma Hydropower dam has catapulted Uganda's installed capacity to 2,048 megawatts, leaving a surplus of 1,063 megawatts.