



**MINISTRY OF ENERGY AND MINERAL DEVELOPMENT**

**KEY NOTE SPEECH**

**BY**

**HON. PETER LOKERIS**

***MINISTER OF STATE FOR MINERALS***

**AT**

**THE COMMISSIONING OF THE 5.4MW LUBILIA MINI HYDRO PLANT – IN**

**KASESE DISTRICT**

**28<sup>th</sup> JUNE, 2018**

- Development Partners/Members of the Donor Community
- Honorable Members of Parliament Present
- Senior Government Officers Present
- The Lubilia Mini Hydro Project Developer
- Security Officers
- Invited Guests,
- The Press,
- Ladies and Gentlemen,

1. It gives me great pleasure to preside over the launch of the commissioning of the 5.4 MW Lubilia Mini Hydro Project. This is a significant milestone for the energy sector and the Country at large.

2. We are gathered here today to yet again mark a very important milestone in the promotion of Renewable Energy in Uganda. We are gathered in this place to witness the outcome of one of the most successful initiatives in Uganda's renewable energy that has supplemented Government of Uganda's efforts to realise Vision 2040.

3. Ladies and Gentlemen, the 5.4 MW Lubilia Mini Hydro plant whose commissioning we are witnessing today is one of the outcomes of the Global Energy Transfer Feed-in-Tariff (GETFiT) Program that was developed in 2012 by the Electricity Regulatory Authority (ERA), the Government of Uganda and German Development Bank KfW.
4. The Global Energy Transfer Feed-in-Tariff (GETFiT) Program Uganda was developed to address the short to medium term generation requirements of the country prior to the commissioning of the 600 MW Karuma and 183 MW Isimba Hydropower projects. Funds totalling to Euros 90 million (USD 107 million) for implementing the GETFiT program were provided by four Development Partners [the Governments of Norway, United Kingdom (through DECC and DFID), Germany (BMZ, BMU) and the European Union Infrastructure Trust Fund for Africa (ITF)].
5. As you are well aware, the NRM Government policy objective on energy is to ensure adequate and reliable supply of energy, increase access to modern energy services to support industrialization, social and economic growth.

6. This is because access to modern energy services is a necessary precondition for achieving sustainable development goals such as poverty reduction, access to clean water, improved public health, better education, women's empowerment and increased food production.
7. The Vision 2040 and NDP II observes that for Uganda to achieve the desired socio-economic transformation, the energy sector needs to provide at least 41,738 Mega Watts of energy by year 2040. Access to the national grid will have to increase to 80 percent. The sector is responding by developing its hydro power and also complementing with other renewable forms of energy including; wind, solar and bio-gas.
8. Government recognizes that the energy and mineral development sector has great potential in creating employment in the country. In this regard, investment in energy, oil and gas, and mineral sector remains a top Government priority. For the FY 2017/18, a total of UGX 2.999 trillion was provided as a budget allocation to the sector. Government is committed to providing additional resources to the sector as the financial situation improves, to

match the growing demand as a result of population growth and economic development needs.

9. To ensure adequate supply of power, government employed a two pronged approach of private and public investments in the sector. The private sector has significantly invested in the electricity sector to supplement on government projects. As government, we are now developing the Karuma Hydro power plant 600 MW and 183 MW Isimba Hydroelectric Power Project as public projects. Construction of the two power plants is in progress. Isimba Project is to be commissioned at the end of 2018 while Karuma project will be commissioned in 2019.

10. Other Generation projects being developed include: 50 MW from Cogeneration by private companies in sugar production using bagasse; Development of small hydropower plants with a total capacity of over 150 MW being developed by the private sector; Development of 83 MW on Agago river by PAC Spa of Italy; 60 MW from Solar PV; and studies for the Development of Orianga (400MW), Kiba 300 MW Hydro Power Plants, and Uhuru (600 MW) projects are still on going.

11. In order to increase the transmission infrastructure, Government has planned to undertake the construction of several transmission lines to evacuate power from the generation plants. These include; 264 km of 400KV, 396km of 220KV and over 1500km of 132KV. Along with these transmission lines, there will be associated infrastructure for the sub-stations.
12. Government is now putting emphasis on growing the demand through a number of interventions:
- a. Construction of twenty five (25) industrial Parks, with four (4) already at construction stage expected to increase the industrial demand by 200 MW in the short term and 500 MW in the medium term considering the new industries being set up at Tororo (Usukuru, Simba and Hima cement), Kapeeka, Kasaana, Nakasongola, Mbale and the associated loads in the mining subsector;
  - b. Accelerated Access through implementation of the new connection Policy which has been approved by Cabinet for free new connections for domestic customers and the Rebate Policy for connection of industrial customers; The Policy aims at addressing the major challenges that have hindered

increasing access. In line with this policy, Government will subsidize the cost of making new electricity connections. The target is to achieve a rural electrification from the current level of 22.5% to 60% by 2027.

c. Fast-tracking rural electrification through electrification of the 285 sub counties to accelerate access and contribute to demand growth.

13. Government shall continue to prioritize the Energy Sector to ensure that all our people have access to clean energy and in addition provide adequate and reliable power supply to support industrialization, to create jobs and transform society to middle income earners.

14. As I conclude, I wish to commend the Electricity Regulatory Authority and the Ministry of Energy and Mineral Development for the good progress made in transforming the energy sector and providing the needed engine for economic development for the Country as a whole.

15. I take this opportunity to thank the political leaders of Kasese District, Development Partners for their continued support that has yielded this project. It is your support that's enabling the sector to grow.

16. I thank the different institutions of the Ministry of Energy, the Private sector, Non-Governmental Organizations, Local leaders, the media and all of you, for attending this function.

I thank you for your attention.

**FOR GOD AND MY COUNTRY**