



THE REPUBLIC OF UGANDA

SPEECH

BY

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MINISTER FOR ENERGY AND MINERAL DEVELOPMENT

AT

THE UNVEILING OF ERA'S ISO CERTIFICATION

KAMPALA - SERENA HOTEL

30TH MAY, 2018

TIME: 6:00 PM

The Right Hon Prime Minister

Excellences of Diplomatic Missions Present

Hon. Members of Parliament

The Chairman and Board of ERA,

CEOs of Energy Agencies and Private Sector Companies in the Electricity Sector,

Distinguished Guests,

Ladies and Gentlemen.

Introduction

1. Right Honourable Prime Minister, it is my honour and pleasure to welcome you and all distinguished guests to this important occasion when we celebrate ERA's attainment of certification by the International Standardization Organisation (ISO). I commend the Electricity Regulatory Authority (ERA) for their tireless efforts in improving the Electricity Supply Industry, which efforts have led to this recognition.

2. RT. Hon. Prime Minister, Uganda's Electricity Sector is now run under a liberalised set up, following its liberalisation in 1997 and the enactment of the Electricity Act, 1999. Liberalisation through the enactment of the Electricity Act 1999, mandated the unbundling of UEB, which was a monopoly, managing generation, transmission, distribution, sale, import and exportation of Uganda's electricity. Legally, Uganda's electricity sector is regulated under the Electricity Act 1999, Cap 145, the Energy Policy, the National Environment Act Cap 153 and the Statutory Instruments and Guidelines issued by Electricity Regulatory Authority (ERA).

3. The Electricity Act 1999, mandated the creation of the Electricity Regulatory Authority (ERA), with the goal of contributing to the development of a vibrant, well-regulated, private-sector driven electricity sector, capable of supporting Uganda's sustainable development and promoting the country's strategic interests in the regional Electricity Supply Industry. RT. Honourable Prime Minister, ERA fulfils this goal through the issuance of licenses for generation, transmission, distribution, sale and import Licenses, and the setting of electricity tariffs and charges among others as detailed in the Electricity Act.

Growth of the Sector

4. RT. Hon. Prime Minister, I am glad to note that this sector has registered tremendous growth since the unbundling due combined efforts by Government, Development Partners and private investors. The sector now boasts of more than 21 electricity generating plants with a total installed capacity of 927.4 MW as at end of 2017.

5. Further to this capacity, RT. Hon. Prime Minister, Uganda's generation capacity is expected to grow further by 803 MW, at the end of this year when the Government-funded large hydro projects of Karuma Hydropower Project – (600 MW) and Isimba Hydropower Project – (183 MW) and two other mini-hydro projects Siti II in Bukwo District and Waki in Buliisa District commission.

6. RT. Hon. Prime Minister, the Government of Uganda with support from Development Partners including the German Development Bank (KfW), the Governments of Norway, Germany, the United Kingdom and European Union, launched the Global Energy Transfer for Feed-in-Tariff (GETFiT) Program. The

program provides a results-based premium payment (Top-up) on the Renewable Energy Feed-in-Tariff (RE FiT). Under the GET FiT Program, 17 projects with a combined capacity of 157 MW utilizing various technologies including Hydro, Solar and Bagasse Co-generation were licensed to generate and sell electricity to the National Grid. This program and many other improvements have made Uganda a Model Country for Renewable Energy Project development in Africa.

7. On the transmission and distribution segments, there has been considerable improvements to infrastructure through upgrade of existing lines and substations and establishment of new ones for domestic and industrial use through Industrial Parks.

8. RT. Hon. Prime Minister, as a result a robust regulatory environment, the sector has been able to reduce energy losses from 30% as at concessioning to 17.2% in 2017. The connection rate has increased through the efforts of the Rural Electrification and the legally connected customer base has increased from 290,000 in 2005 to over 1.2m customers in 2018.

The above milestones and so much has happened in the electricity sector supervised by the ERA, are indicators of ERA's operational excellence that has led to the attainment of various international wards and now the ISO 9001:2015

How ERA ISO Certification came about

9. ISO 9001 is the International standard for Quality Management Systems. It provides an organisation with a set of principles that ensure a common sense approach to the management of business activities to consistently achieve customer satisfaction while standardizing their processes and continually improving effectiveness of the business processes.

10. In its desire to effectively deliver on its mandate and realise operational Excellency, ERA identified a need to conform to the international Quality Management standards. It was thus subjected to an independent, external body that audited its management system and verified that it conforms to the requirements specified in the standard (ISO 9001).

Therefore I would like to say **Hearty congratulations** to ERA upon having gone through the above critical assessments to attain this great milestone. Right Hon Prime Minister, ISO certification brings with it a range of benefits that the sector is yet to enjoy as ERA continues to comply with the required standards. They include but are not limited to:

- a) International, expert consensus on state-of-the-art practices for quality and environmental management.
- b) Increase efficiency and effectiveness.
- c) Model for continual improvement and satisfying customers and other stakeholders.
- d) Address environmental concerns of customers and public, and comply with government regulations.
- e) Technical support for regulations, and;
- f) Sustainable business practices

11. Right Hon Prime Minister, the above benefits are important for the energy sector that the Government has prioritised in its development agenda to attain social economic transformation and deliver the economy to a middle income status. With

this certification, the Regulator is setting the tone for other players in the sector (who are not yet certified) to attain certification for overall Industry efficiency.

CONCLUSION

12. I wish to thank all the companies and Sector Agencies present for their contribution to the growth of the energy sector. We need to collaborate and work together to ensure that we provide adequate and reliable power supply to support national programs.

13. It's one thing to attain certification, and the other to sustain it. I would therefore like to congratulate the Board, Management and Staff of ERA upon attaining this milestone and encourage them to work towards sustaining this certification.

14. I now have the pleasure of inviting the Right Honorable Prime Minister of the Republic of Uganda to come and address guests on this occasion.