

ENERGY FOR RURAL TRANSFORMATION (ERT II) HIGHLIGHTS

MAIN OUTPUTS

Outputs have been realised in five activities: (i) Grid extensions (ii) On-and Off-grid household connections (iii) Energy Efficiency and Savings in Industry (iv) Solar Water-heater Installations (v) Financial Transactions concluded and (vi) Solar Energy Packages for Social Services.

Grid Extensions

- The project scope is nine grid extensions of medium voltage lines covering about 1000km. All the nine grid extensions were complete and five were issued operational acceptance certificates by REA. The status of the grid lines is in Table 1.

Table 1: Status of ERT II Grid Extensions, December 2014

Line name	MV Line Length km	Completion Date	Operational Acceptance Date
Soroti-Katakwi-Amuria	92	December 31, 2012	April 25, 2013
Ayer-Kamdini-Bobi-Minakulu	100	January 31, 2013	June 1, 2013
Ibanda-Kazo-Rushere	143	January 31, 2013	June 16, 2013
Opeta-Achokora	55	April 6, 2013	August 1, 2013
Ntenjeru Electrification Project	70	February 18, 2013	February 26, 2014
Ruhiira Millenium Village	92	March 31, 2014	February 2015
Gulu-Acholibur	117	July 25, 2014	July 2015
Masindi-Waki-Buliisa	178	September 29, 2014	September 2015
Nkongge-Kashozi	178	June 30, 2014	June 2015

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- During the Restructuring II of the ERT II Project, REA was allocated more funds for construction of approximately 119km of medium voltage and 40km of low voltage lines. The status of these lines is as in Table 2 below.

Table 2: Status of ERT II Additional Grid Extensions, December 2014

Line name	MV Line Length km	Implementation Status	Operational Acceptance Date
Kiziranfumbi-Kidoma-Kikooba-Kyapoloni-Kabaale	50	Feasibility Study was carried out by MultiKonsults and the final report is ready.	To be updated
Amuru-Nwoya District Headquarters (Anaka)	43	Feasibility Study was carried out by Power Networks and report is being finalized.	To be updated
Rubaare-Kakukuru-Kyempen	26	Feasibility Study was carried out by Power Networks and the final report is being finalized.	To be updated

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Household connections*

- **On-grid connections** - The ERT II revised target after approval of additional financing is 120,000 on-grid household connections. As of March 2015, a cumulative total of 18,290 household connections had been completed with 14,819 under OBA and 3,471 under other initiatives. Ernest and Young continues to carry out verification of OBA connections.

The OBA connections are carried out by WENRECO, PACMECS, BECS, FESL, KIL and UMEME.

- **Off-grid connections** – The project target is 20,000 solar home systems and 1,000 non-government institutions like churches and commercial establishments. By March 2015, about 8,000 home systems and 1,000 non-government institutional systems had been installed in over 100 districts, verified by an independent agent and subsidies paid.

Energy Efficiency

- The target is to save 10MVA of power in high consuming industries through financing installations of power-factor correction equipment.

By December 2014, the intervention had realised savings of about 8MVA from 21 industries. Verification of energy savings at Lugazi Kinyoro Millers, Jesa Dairies,

Southern Range Nyanza and Steel Rolling is scheduled with a potential to save an additional 4MVA.

Solar Water Heaters

- By March 2014, the project target of 911 solar water heater installations had been completed and verified.

Financial Transactions Concluded

- The target is Six Financing transactions (defined in terms of credit enhancement instruments extended to Participating Financial Institutions (PFIs)) concluded.

By December 2014, the project target of Six financing transactions was achieved in terms of; Solar Loan Refinance (4), Connection Loan Refinance (1) and Standby Liquidity Option (1).

Solar Energy Packages for Social Services

The performance on target installations for social services is in Table 3.

Table 3: Installations of Energy Packages by Sector

Sector	Target Installations No.	Completed Installations No.	Comments
Health	676	661	Target of 676 health centres: 540 health centres funded by IDA & GEF and 136 health centres funded by the Nordic Development Fund (NDF). These are spread in 31 districts.
Education	560	478	82 post-primary education institutions are partially done due to delays in the construction of service buildings – evaluation has been carried out to enable Contractor complete installations. Completed systems are located in about 80 districts.
Water	33	33	Target of 33 water-pumping stations: 29 funded by IDA and 4 funded by NDF.

			All installations were completed in the 16 districts by March 2014. Commissioning and handover to operators and local authorities was done.
Local Government	6	6	Installations at 5 out of the 6 targeted sub-county headquarters are complete and in the case of the primary schools, installations are complete at the targeted 30 Primary Schools.

DISBURSEMENTS

As of March 2015, the project has disbursed 84.2% of funds secured from IDA, GEF and NDF. The details of fund-commitments and corresponding disbursements are in Table 4.

Table 4: Status of ERT II Financing and Disbursements, March 2015

Source	Original Funding Amount US\$ m	Commitments		Disbursements	
		Amount US\$ m	% of Original Funding	Amount US\$ m	% of Original Funding
IDA	75	74.2	88.3	72.0	85.71
GEF	9				
NDF	4	3.2	80.0	2.9	72.5
Total 1	88	77.4	88.0	74.1	84.2
	Additional Funding Amount US\$ m				
IDA	12	11.3	94.2	7.4	61.7
Total 2	12	11.3	94.2	7.4	61.7

ERT II Interim Unaudited Financial Reports (IUFRs), March 2015
World Bank Client Connection, March 2015

Table 5: Status of ERT II Financing and Disbursements May 2015

Source	Original Funding Amount US\$ m	Commitments		Disbursements	
		Amount US\$ m	% of Original Funding	Amount US\$ m	% of Original Funding
IDA	75	74.2	88.3	73.1	87.02
GEF	9				
NDF	4	3.2	80.0	2.9	72.5
Total 1	88	77.4	88.0	76.0	86.36
	Additional Funding Amount US\$ m				
IDA	12	11.3	94.2	7.6	62.5
Total 2	12	11.3	94.2	7.5	62.5

World Bank Client Connection, May 2015

