

August 2024; Issue 8

WEST NILE LIGHTS UP, BUT ELECTRICITY SECTOR CHALLENGES COULD DIM SOCIO-ECONOMIC TRANSFORMATION DREAMS



President Museveni during commissioning of the Kole-Gulu-Nebbi-Arua transmission line that connects the West Nile sub-region to the national power grid.

Photo credit: State House Uganda

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Dear reader, welcome to AFIEGO's August 2024 newsletter. On August 3, 2024, the president of Uganda, H.E. Yoweri Kaguta Museveni, **commissioned** the Kole-Gulu-Nebbi-Arua 132kV Transmission line. The line connects the West Nile sub-region to the national power grid.

It is commendable that West Nile, a unique region that is home to **3,899,084** people, or about 8.5% of the country's population, has been connected to the grid.

Lack of access to reliable and affordable power has contributed to the socio-economic and environmental degradation challenges seen in the region. Some of these challenges include poverty with available information from the Uganda Bureau of Statistics (UBOS) showing that the level of multi-dimensional poverty in West Nile is **59%**.

Further, because of limited access to economic opportunities, youth in the region and elsewhere **cut** down shea nut and other trees for charcoal making purposes.

Forests such as Zoka that contain International Union for Conservation of Nature (IUCN)-listed vulnerable species such as *Azelia Africana* in the region are also being destroyed for charcoal burning among others.

Extension of the grid to the region therefore presents both environmental conservation and socio-economic opportunities.

While the above may be true, past and current government failures to ensure that grid electrification projects successfully deliver accessible, affordable and reliable power that is not only used for productive purposes but also for domestic needs such as cooking, offer little hope that extension of the grid to West Nile will meaningfully promote socio-economic transformation and environmental conservation.

In our **Word from the CEO and partners**, we extrapolate more on the above by discussing electricity sector challenges that must be addressed if citizens in West Nile and other regions in Uganda are to reap the benefits of grid electrification.

In this newsletter, we also bring you our **pictorial** section. In this section, we share the activities that we and our partners implemented this month (August).

For instance, AFIEGO and our partners supported Kingfisher and Tilenga Project-Affected Persons (PAPs) to participate in an exchange learning in Hoima district.

During the exchange learning, the PAPs shared experiences to strengthen their advocacy skills to address the challenges that they are facing.

In addition, AFIEGO and our partners supported Kingfisher PAPs to hold a radio talkshow at Spice FM in Hoima to raise public awareness on the

challenges the people face due to the project, which is operated by China National Offshore Oil Corporation (CNOOC). It is hoped that public awareness will build public pressure to spur CNOOC to address the challenges faced by the people.

Furthermore, AFIEGO supported lawyers to meet some households that have been displaced for the Tilenga oil project in Buliisa district.

The communities and lawyers discussed filing of a court case against TotalEnergies over the social and environmental harms that the people have suffered due to the Tilenga oil project.

This month, AFIEGO also held engagements with various Tilenga oil PAPs to share updates on the cases that the people filed due to compensation-related disputes with Total.

Furthermore, AFIEGO engaged oil-affected communities with a view of strengthening community-based organisations or groups that are playing a critical role in documenting and reporting human and other rights violations in oil-affected areas.

You will see the above and much more in our pictorial section.

In our **lobbying** section, we share some of the lobbying and advocacy products that we disseminated this month.

For instance, AFIEGO and our Inclusive Green Economy Network-East Africa (IGEN-A) partners wrote to the Speaker of Parliament requesting for a copy of the Consumer Protection and Management Bill, 2023. We hope to review, popularise and make input into the bill to promote clean energy access among others.

In addition, AFIEGO and our partners disseminated IEC materials including that that discussed what the European Union's (EU) Critical Raw Materials Act (CRMA) means for Ugandan and Congolese citizens.

We also disseminated a brochure summarising the key conditions in the EU-Government of Uganda Forest Partnership to increase public awareness and participation in implementation of the partnership.

Furthermore, we disseminated the environmental and social conditions that the National Environment Management Authority (NEMA) issued to the Tilenga project developers before approving the project to raise public awareness and compliance.

Finally, in **in the media** section, we bring you some of the newspaper articles written by our staff and partners that were published in the leading newspapers in August 2024.

We hope you enjoy the newsletter.

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WEST NILE LIGHTS UP, BUT FAILED RURAL ELECTRIFICATION PROJECTS DIM HOPE

The West Nile region of Uganda is unique. The region's peoples are known for their distinctive culinary delights, love for Congolese rumba, as well as their hospitality.

The region is home to over 3 million people, per the **preliminary** 2024 national census results that were released by the Uganda Bureau of Statistics (UBOS) in June 2024. In total, the population of West Nile is about 8.5% of Uganda's population of over 45.9 million.

Further, the region is strategically located, neighbouring the Democratic Republic of Congo (DRC) and South Sudan, which were the **third** and **fourth** biggest export markets respectively in East Africa for Uganda's goods by November 2023. Uganda had exported goods worth USD **56.9** million and USD **41.21** million to the DRC and South Sudan respectively by November 2023.

In addition, known for being a big producer of tobacco, cotton and other products, West Nile contributes 2.1% of Uganda's GDP, per the article, *Estimation and mapping of sub-national GDP in Uganda using NPP-VIIRS imagery*.

When it comes to hosting refugees, the region is known for being home to **50%** of the over 1.7 million refugees or asylum seekers in Uganda. These refugees are found at Bidi Bidi, Pagirinya, and Rhino refugee settlement camps.

Such a strategic region deserves clean energy access. However, before August 2024, the region was not

connected to the national grid. With the Kole-Gulu-Nebbi-Arua 132kV Transmission line having been commissioned by the president on August 3, 2024 however, the region was connected to the grid. Government assured the people that the region will develop quickly as a result.

RURAL ELECTRIFICATION EFFORTS

Albeit late, the above is commendable. However, in the current conditions, addition of the West Nile sub-region to the grid will not fully address the socio-economic and environmental challenges of the region, which experiences 59% multi-dimensional poverty and has seen immense forest loss owing to refugee challenges not to mention limited green economic alternatives for youth and others. The youth end up destroying shea nut and other trees for charcoal burning.

Why won't addition of West Nile to the grid address the above challenges? Well, for several decades now, the Ugandan government has implemented programmes or projects aimed at promoting grid electrification of the country for socio-economic transformation. These projects, where government and development partners, have invested over USD 6 billion in the last 15 or so years have largely failed, as discussed hereunder.

Electricity sector reforms: Since 1999, government has implemented many electricity sector legal reforms including enactment of the 1999 Electricity Act, the 2002 Energy Policy and others. Among others, the Electricity Act of 1999 established the Electricity Regulatory Authority (ERA). The law also provided for privatisation of the electricity sector and

separation of electricity generation, transmission and distribution functions as well as rural electrification services. While the reforms were aimed at attracting private investments in the sector, increasing electricity efficiency, making electricity affordable and reliable, increasing access and others, to date, most of the above objectives have not been met.

For instance, power prices remain high, with available information showing that Uganda has the **tenth highest** tariff in Africa. Grid power is also unreliable with Uganda being ranked **sixth** in Africa in an index showing countries that had the least reliable power supply in 2019/2021.

Government is also set to take over electricity distribution from private companies such as UMEME due to a number of failures.

Expensive hydropower dams due to corruption: Further, in the last 25 or so years, the government of Uganda supported by development partners and international financial institutions has heavily invested in construction or renovation of big hydropower dams including Owen Falls (180mw), Kiira (200mw), Bujagali (250mw), Isimba (183mw) and Karuma (600mw). Heavy investments have also been made in small dams as well as thousands of kilometres of transmission and distribution lines. Unfortunately, most if not all the above projects lacked in transparency.

As a result, electricity from dams such as Bujagali remains some of the most expensive. Further, while Karuma dam was meant to be commissioned in 2019, it remains incomplete to date. Isimba was commissioned with defects and

other problems. These challenges explain why the above so-called electricity reforms and associated projects have not helped even 30% of Ugandans across the country to get affordable and reliable grid electricity to date.

Rural Electrification Strategy I: In the early 2000s, government started implementing the country's Rural Electrification Strategy and Plan (RESP) I of 2001 to 2010. The Rural Electrification Agency (REA) was responsible for spearheading the country's rural electrification efforts.

One of the objectives of RESP I was to increase rural electricity access from 1% in 1999 to 10% by 2012. Per a January 2011 Value for Money Audit report on rural electrification by the Office of the Auditor General (OAG) however, REA did not deliver on the goals of RESP I.

In the aforementioned report by the OAG, the office noted that "there were low connections compared to planned connections showing performance levels of 39%, 31% and 26% in FYs 2006/07, 2007/08 and 2008/09".

Moreover, available information indicates that rural connections stood at 5% by 2012, yet the target was 10%.

Rural Electrification Strategy II: Be it as it may, in September 2012, government put in place the **second RESP** that was to be implemented between 2013 to 2022. In the plan, government set some of the following key targets: achieve a rural electrification access of 22% from about 5% by 2022, and displace kerosene lighting in all rural Ugandan homes by 2030 among others.

Available information shows that some of the above targets were not met with

the **Uganda National Household Survey** (UNHS) of 2019/2020 showing that only 5% rural households used grid electricity for lighting in 2018.

Moreover, 14% used 'tadooba' (canister wick lamps) while 2% used paraffin lanterns in 2018, despite plans to displace the use of kerosene. Todate, some households across the country still rely on kerosene lighting.

'Free' Electricity Connections Policy:

Government did not give up despite the failings seen under RESP I and II. To much fanfare, the GoU launched the 'Free' **Electricity Connections Policy** (ECP) in 2018. The goal of the policy, whose implementation period is 2018 to 2027, is to achieve 60% electricity access by 2027.

Some of its targets include: achieve 26% rural access by 2022, accelerate electricity access after 2020 to achieve a 60% access rate by 2027, increase annual connections from an average of 70,000 to 300,000 and others. The above targets were supposed to be attained by subsidising the cost of new grid connections among others.

By August 2020 however, problems had arisen. Uganda's main electricity distribution company, UMEME, announced that they had **paused** implementation of the ECP. This was due to government failure to pay USD 25 million for 105,412 connections that UMEME had made by May 2020.

Implementation of the ECP was also **abandoned** by government in December 2020 due to lack of funds, and the cost of new connections

greatly increased. This was a major failure. Yet it wasn't the only one. Despite the ECP target to attain a 60% connection rate by 2027, available information shows that just over three years before 2027, grid connections stand at only **24%**.

RECOMMENDATIONS

Access to clean energy is important as it aids socio-economic transformation and promotes environmental conservation while addressing gender inequalities.

Government therefore needs to do more by addressing challenges such as corruption in the electricity sector, delays in completion and commissioning of dams, lack of transparency in the negotiation and signing of Power Purchase Agreements (PPAs), high power tariffs, unreliability of power, deemed power challenges and others.

Most importantly, government must appreciate and face the reality that most rural and poor people cannot afford grid electricity because of monthly bills.

This explains why policies such as grid-based rural electrification, free connections and others have not meaningfully increased electricity access. The good news is that todate, there is evidence to show that off-grid solar is a game-changer for rural and poor people across the country.

In the last ten or so years, the private sector alone have ensured that nearly 40% of Ugandans get access to off-grid solar. Government should therefore shift at least 30% of investments in the grid to off-grid to facilitate universal access to clean energy for all.

By CEO and Partners

Pictorial of our activities

AFIEGO ORGANISES RADIO TALKSHOW FOR KINGFISHER PROJECT-AFFECTED COMMUNITY MEMBERS



On August 8, 2024, AFIEGO organised a radio talkshow for members of the Kingfisher oil project host communities at Spice FM in Hoima district.

During the radio talkshow, the participants discussed challenges they are facing due to oil activities around Lake Albert. The activities are by China National Offshore Oil Corporation (CNOOC).

The challenges include inadequate compensation, oil-induced militarisation of Lake Albert by the Uganda People's Defense Forces (UPDF) affecting fishing activities, increase in numbers of people seeking oil opportunities which increases the pressure on available social services and others.

AFIEGO SUPPORTS EXCHANGE LEARNING FOR OIL HOST COMMUNITIES



On August 9, 2024, AFIEGO organised an exchange learning for community leaders from the Tilenga, Kingfisher and oil-refinery project areas. The exchange learning took place in Hoima district.

During the exchange visit, the participants shared the different challenges they face due to oil projects and ways in which they can address them.

AFIEGO SUPPORTS LAWYERS' MEETING WITH TILENGA PROJECT-AFFECTED PERSONS



On August 10, 2024, AFIEGO supported lawyers to meet persons affected by TotalEnergies' Tilenga oil project activities in Buliisa district.

During the meeting, the lawyers and affected persons discussed the challenges faced by the people, and how communities can use litigation to address the challenges.

The communities agreed to file a case against TotalEnergies for the human rights violations, health and environmental impacts of their project.

AFIEGO SHARES COURT CASE UPDATES WITH OIL-AFFECTED HOUSEHOLDS



On August 22, 2024, AFIEGO met with community observers in Bullisa district.

During the meeting, Bullisa community observers shared their workplan and upcoming events for effective implementation and coordination of activities.

AFIEGO also met with several oil-affected households that have filed court cases due to compensation disputes. AFIEGO shared updates on the progress of households' court case.

AFIEGO AND PARTNERS SENSITISE PUBLIC ON THE EU-GOVERNMENT OF UGANDA FOREST PARTNERSHIP



On August 14, 2024, AFIEGO in partnership with the Save Bugoma Forest Campaign (SBFC) local taskforce organised a radio talkshow at Spice FM in Hoima.

During the radio talkshow, we shared highlights of the key commitments made by government in the EU-Government of Uganda forest partnership.

It is hoped that public sensitisation will promote public participation for effective implementation of the commitments to promote forest conservation and livelihoods.

During the radio talkshow which was also participated in by Kikuube district leaders, listeners were informed that chimpanzee trekking was opened in Bugoma forest.

Lobbying

In August 2024, AFIEGO partnered with IGEN-EA to write to the Speaker of Parliament to request for a copy of the 2023 Consumer Protection and Management Bill that was tabled before parliament. We hope to review, popularise and make input into the bill to promote clean energy access.

Further, we disseminated IEC materials including one on the EU-Uganda forest partnership and another on the EU's Critical Raw Materials Act (CRMA).

We also disseminated IEC materials to sensilise the public on the social and environmental conditions issued by NEMA before approval of the Tilenga oil project.



INTRODUCTION

On November 8, 2022, the European Union (EU) and the Government of Uganda (GoU) signed the Uganda-European Union (EU) Forest Partnership. The GoU developed and validated a roadmap for the partnership, whose objectives include:

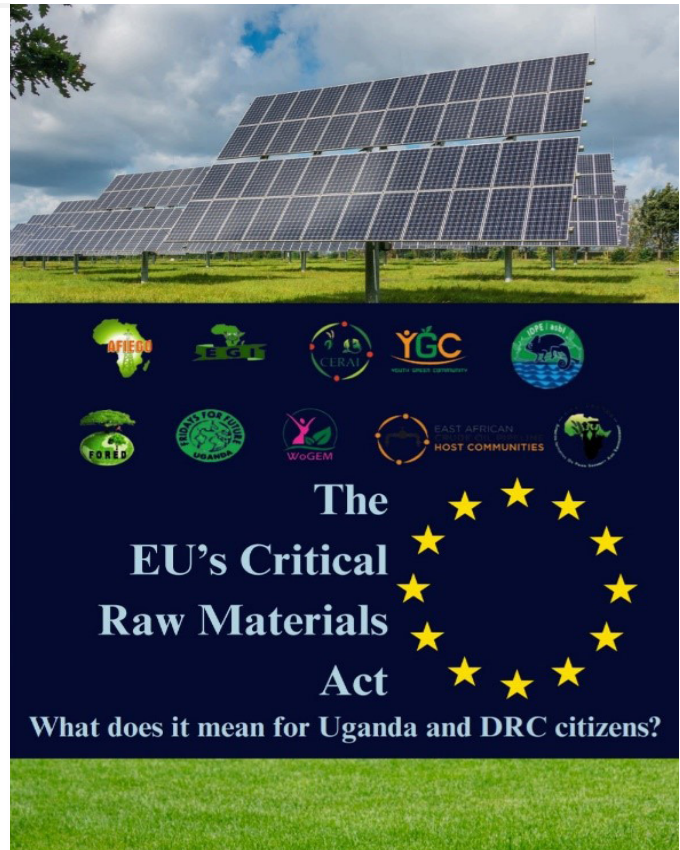
- Increasing the area of protected, restored or sustainably managed forests;
- Increasing the number of forest-related decent jobs;
- Reducing the annual rate of deforestation of natural forests; and
- Looking for ways to facilitate trade in legal and sustainable wood products.

Through this publication, Africa Institute for Energy Governance (AFIEGO) has worked with our partners under the Save Bugoma Forest Campaign (SBFC) to share highlights of the key conditions in the partnership.

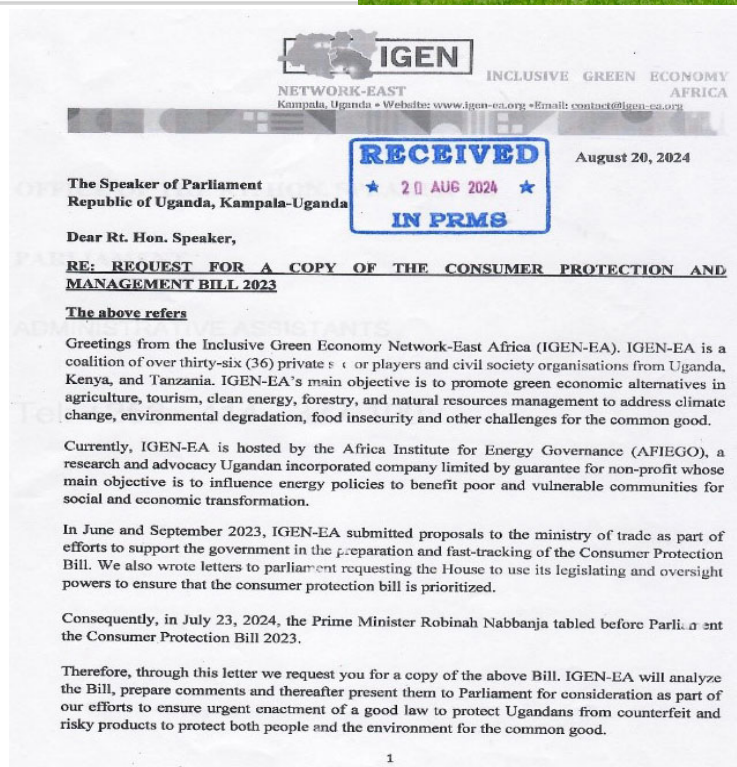
We hope that this will promote public participation in the implementation of the partnership to promote forest conservation in Uganda.

KEY COMMITMENTS

Reducing greenhouse gas emissions by approximately 22% by 2030: The GoU committed to use the funds received from the EU to reduce greenhouse emissions that come from unsustainable human activities such as deforestation, industrial processes and fossil fuels for energy among others. Despite this commitment, the GoU continues to invest in fossil fuel projects such as the East African Crude Oil Pipeline (EACOP). On May 16, 2024 the Ugandan parliament passed a supplementary budget of Shs132.634Bn for EACOP activities.



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Upcoming events

September 4-30, 2024; Buliisa, Hoima, Masindi: Airing of radio spot messages on what constitutes a human rights abuse under the Tilenga, Kingfisher and EACOP oil projects

September 16, 2024; Kampala: Dissemination of a community report that defines the Just Energy Transition concept as viewed by communities

September 19-20, 2024; Kampala: Women's conference to discuss the role of women and other stakeholders in clean energy promotion

September 26, 2024; Hoima and Kikuube: Training of oil host community members on clean energy entrepreneurship

September 30, 2024; Nationwide: Dissemination of a simplified brief on Uganda's Energy Transition Plan (ETP)

About Africa Institute for Energy Governance (AFIEGO)

AFIEGO is a non-profit company limited by guarantee that was incorporated under Uganda's Companies Act. AFIEGO undertakes public policy research and advocacy to influence energy policies to benefit the poor and vulnerable. Based in Kampala-Uganda, the non-profit company was born out of the need to contribute to efforts to turn Africa's clean energy potential into reality and to ensure that the common man and woman benefits from this energy boom. Through lobbying, research and community education, AFIEGO works with communities and leaders to ensure that clean energy resources are utilised in a way that promotes equitable development, environmental conservation and respect for human rights.

Our Vision

A society that equitably uses clean energy resources for socio-economic development

Our Mission

To promote energy policies that benefit poor and vulnerable communities