

Vote: 123 Rural Electrification Agency (REA)

Vote Summary

VI: Vote Overview

This section sets out the Vote Mission, Strategic Objectives, and provides a description of the vote's services

(i) Snapshot of Medium Term Budget Allocations

Table V1 below summarises the Medium Term Budget allocations for the Vote:

Table V1.1: Overview of Vote Expenditures (US\$ Billion)

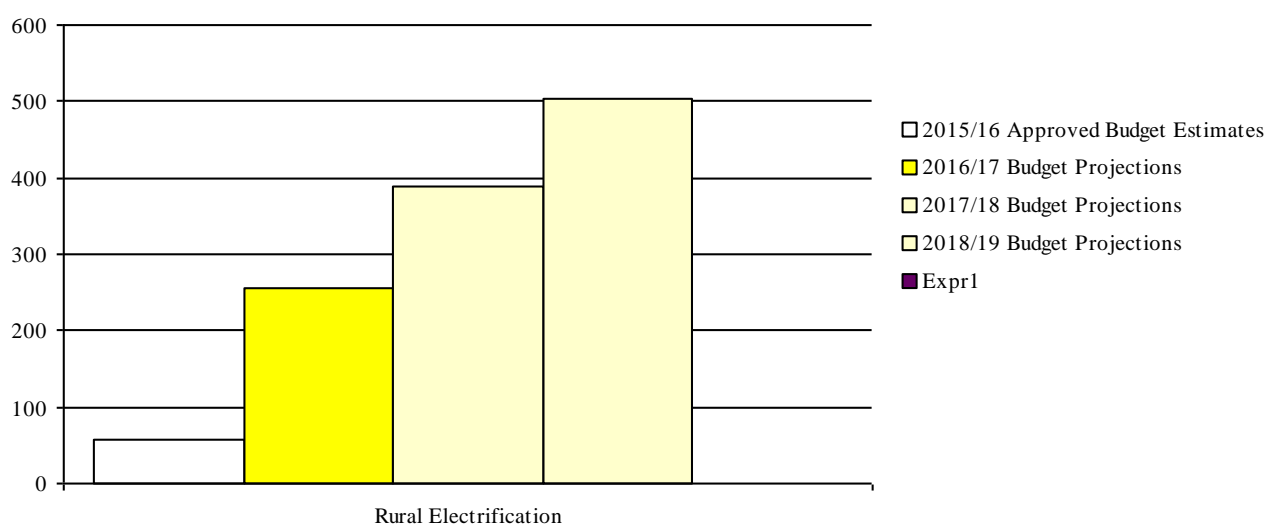
	2014/15 Outturn	2015/16		MTEF Budget Projections		
		Approved Budget	Spent by End Sept	2016/17	2017/18	2018/19
<i>(i) Excluding Arrears, Taxes</i>						
Recurrent Wage	0.000	0.000	0.000	0.000	0.000	0.000
Recurrent Non Wage	0.000	0.000	0.000	0.000	0.000	0.000
Development GoU	14.693	46.976	21.882	46.976	56.371	64.827
Development Ext.Fin	8.833	11.904	14.561	207.809	331.191	439.510
GoU Total	14.693	46.976	21.882	46.976	56.371	64.827
Total GoU+Donor (MTEF)	23.527	58.880	36.443	254.785	387.562	504.336
<i>(ii) Arrears and Taxes</i>						
Arrears	0.000	0.000	0.000	0.000	N/A	N/A
Taxes**	0.000	0.428	0.000	0.000	N/A	N/A
Total Budget	23.527	59.308	36.443	254.785	N/A	N/A
<i>(iii) Non Tax Revenue</i>	0.000	31.800	7.574	36.000	37.800	39.690
Grand Total	23.527	91.108	44.017	290.785	N/A	N/A
Excluding Taxes, Arrears	23.527	90.680	44.017	290.785	425.362	544.026

* Donor expenditure data unavailable

** Non VAT taxes on capital expenditure

The chart below shows total funding allocations to the Vote by Vote Function over the medium term:

Chart V1.1: Medium Term Budget Projections by Vote Function (US\$ Bn, Excluding Taxes, Arrears)



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(ii) Vote Mission Statement

The Vote's Mission Statement is:

"To facilitate provision of electricity for socio-economic rural transformation in an equitable and sustainable manner."

(iii) Vote Outputs which Contribute to Priority Sector Outcomes

The table below sets out the vote functions and outputs delivered by the vote which the sector considers as contributing most to priority sector outcomes.

Table V1.2: Sector Outcomes, Vote Functions and Key Outputs

V2: Past Vote Performance and Medium Term Plans

This section describes past and future vote performance, in terms of key vote outputs and plans to address sector policy implementation issues.

(i) Past and Future Planned Vote Outputs

2014/15 Performance

During the FY 2014/15, a total of 1568km of MV lines and 688kms of LV lines were completed and commissioned. Ongoing projects during the FY14/15 total to 1,938 kms of MV lines and 1,633kms of LV distribution lines will be completed in FY2015/16. Below is the summary of the performance progress for the FY 14/15

Seven(7) Lots under GOU funding

During the Financial Year, four projects completed their defects liability period and the lines are in good working conditions. Three projects were also completed and commissioned and will be in their defects liability period in the 2015/16 financial year. The status of the project is as follows:

Lot1: Wakiso/Mpigi/Mityana/Busuunju-Completed Defects Liability Period in good working condition

Lot3: Mbale/Manafwa/Tororo/Butaleja/Kapchorwa/Pallisa/Bulambuli/Sironko-Under Defects Liability Period

Lot4: Masindi/Lira/Nakasongola -Under Defects Liability Period

Lot5: Lwengo/Mbarara/Isingiro/Ibanda/Kiruhura-Completed Defects Liability Period and in good working condition

Lot6: Bushenyi/Buhweju/Kasese/Kyenjojo-Completed Defects Liability Period and in good working condition

Lot7: Rukungiri/Kanungu/Ntungamo/Kabale- Completed Defects Liability Period and in good working condition

Energy for Rural Transformation II Projects

These projects funded by the world Bank were under the Defects Liability Period during the Financial Year. However, the projects completed their Defects Liability Period and are in good working condition.

The said projects include:

Ruhiira Millenium Village RE project,

Ntenjeru RE project

Masindi-Waki RE project

Gulu-Acholibur RE project

Nkonge-Kashozi RE project

Restructuring I – Intensification

Restructuring II – Kiziranfumbi, Nwoya and Ntungamo

Government of Norway Funded Projects

The projects that are funded by the Government of Norway completed the Defects Liability Period (DLP) and are in good working condition. The projects include: Kabale-Kisoro, Gulu-Adjumani-Moyo, Apala-Adwari, Rackoko-Awere. The balance of funds was used to construct Projects in Various regions.

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JICA funded projects

REA completed the construction of the JICA funded projects. These comprised of the MV line from Mayuge-Lumino. Commissioning of the line awaits completion of the LV network funded by the Government of Uganda.

ONGOING PROJECTS FUNDED FROM THE CONSOLIDATED FUND

GOU 2 Lots with 90% Overall progress

Lot 1: EASTERN- RE Schemes in Kayunga/Jinja/Iganga /Luuka/Kamuli/Buyende/Tororo/Busia/Manafa

Lot 2: WESTERN- RE Schemes in

Bundibugyo/Mubende/Sembabule/Kiruhura/Kisoro/Lyantonde/Nakasongola/Ibanda/Rukungiri

Progress on the GoU ten (10) Lots

The GoU funded projects which are the ten (10) lots have their progress for the financial year 2014/15 as outlined below.

Lot1: Wakiso,Butambala-Overall progress at 90%

Lot3:Masaka,Sembabule Progress at 70% completion

Lot3:Nakasongola,Luwero-Progress at 70% completion

Lot4:Kayunga,Mukono-Progress at 70% completion

Lot5:Manafwa,Mbale-Overall progress at 70%

Lot6:Serere,Soroti-Overall progress at 50%

Lot7:Mbarara,Sheema-Overall progress at 50%

Lot8:Ntugamo,Rukungiri-Overall progress at 50%

Lot9:Budibugyo,Kasese-Overall progress stands at 70%

Lot10:Gulu,Kitugum-Overall progress at 50%

BADEA/SFD funded projects

The implementation of the eight projects funded by BADEA/SFD started during the Financial Year 2014/15. The projects had a slow progress mainly due to bureaucracies involved in processing of payment certificates and lack of counterpart funding. The progress is as follows.

Lot 1: Kasambira Bugulumbya -40% completion

Lot 2: Kapchorwa-Bukwo-40% completion

Lot 3: Mayuge-Bwondha-30% completion

Lot 4: Mityana-Lusalira- 60% completion

Lot 5: Lake Victoria free Trade Zone-60% completion

Lot 6: Hoima – Nalweyo-50% completion

Lot 7: Apac – Chegere-50% completion

Lot 8: Kitgum – Namokora-70% completion

OPEC funded projects

REA procured a contractor who completed the final survey designs for these projects. The projects are projected to be completed in the financial year 15/16.

Lot 1: Grid extensions in the Central Service Territory-

Lot2: Grid extensions in the Central North and North North Western Service Territory

Connection of District Headquarters

Connection of district Headquarters is one of the key objectives of REA. Five (5) District Headquarters were connected during the Financial Year 2014/15. The districts include: Buliisa, Adjumani, Moyo, Amuru and Otuke. Kalangala district has been connected to solar/PV diesel hybrid powered generation plant and

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the District is now on 24hour service bringing the number of districts served to 103.

The Districts connected during the Financial Year 2015/16 include Koboko, Maracha, Zombo, Yumbe and Namayingo.

Preliminary 2015/16 Performance

During the quarter, REA continued to implement several projects funded by GoU and Development partners. There are ongoing projects most of which were above 50% completion. The said projects progressed as below:

GoU Consolidated Fund Projects(10 Lots)

Lot1: Wakiso,Butambala-Overall progress at 90%

Lot3:Masaka,Sembabule Progress at 70% completion

Lot3:Nakasongola,Luwero-Progress at 70% completion

Lot4:Kayunga,Mukono-Progress at 70% completion

Lot5:Manafwa,Mbale-Overall progress at 70%

Lot6:Serere,Soroti-Overall progress at 50%

Lot7:Mbarara,Sheema-Overall progress at 50%

Lot8:Ntugamo,Rukungiri-Overall progress at 50%

Lot9:Budibugyo,Kasese-Overall progress stands at 70%

Lot10:Gulu,Kitugum-Overall progress at 50%

GOU 2 Lots have overall progress is 90% completion.

Lot 1: Networks in Eastern Uganda Kayunga/Jinja/Iganga/Luuka/Kamuli/Buyende/Tororo/manafa

Lot 2: Networks in western Uganda Bundibugyo-mubende/sembabule/Kiruhura/kisoro/Lyantonde/Nakasongola/Ibanda/Rukungiri

GoU 7 Lots

100% complete

Lot 1: Wakiso/Mpigi/- Under Defects Liability Period

Lot 3: Mbale/Manafwa- Under Defects Liability Period

Lot 4: Masindi/Lira- Under Defects Liability Period

Lot 5: Lwengo-Mbarara- Under Defects Liability Period

Lot 6:Bushenyi-Buhweju- Project closed

Lot 7: Rukungiri-Kanungu- Under Defects Liability Period

BADEA/SFD Funded projects

Overall progress at 50% completion

Lot1: Kasambira Bugulumbya

Lot 2: Kapchorwa-Bukwo

Lot 3:Mayuge-Bwondha

Lot 4:Mityana-Lusalira

Lot 5:Lake Victoria free Trade Zone

Lot 6:Hoima – Nalweyo

Lot 7:Apac – Chegere

Lot8:Kitgum – Namokora

LV works for JICA phase III

Completion of LV Mayuge-Namaingo, Lumino-Namayingo, Namaingo-Bumeru, Lutolo-Lufudu

OPEC PROJECTS

Construction of the following Projects has commenced:

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Central Service Territory - Mukono & Buikwe

Central North and NNW Service Territory - Apac, Lira, Dokolo, Oyam and Nwoya

Some of the new projects planned for the Financial Year 15/16 commenced during the quarter. Most of these projects like ERT III projects have their feasibility studies completed and the procurement is ongoing.

FRENCH DEVELOPMENT AGENCY PROJECTS(AfD)

Grid extensions in North West, Rwenzori, Western, Mid western, South and South Western Service territories evaluation was in progress.

ERTIII PROJECTS

Commencement of ERT III world bank Projects. Feasibility studies completed. Advanced procurement ongoing.

4 Fast Track Projects

-Kiganda-Mile 16 with tee-off Katabalanga & Kibyimirizi

-Ruhumba-Kashwa with tee-off Rwebishuri

-West Nile; Wandu

Other lines(13 Lots)

Lot 1: Kibaale - Kikalu

Lot 2: Kabowa - Lumuli

Lot 3: Bubiita - Bukalasi

Lot 4: Kyabadaza - Masankwa

Lot 5: Nakifuma - Nagojje

Lot 6: Mitemula - Nakiyaga

Lot 7: Mubende - Kyabayanga -

Lot 8: Kiyagara - Bwizi, Biguri

Lot 9: Rukoni (Mile 36) - Rwoho

Lot 10: Karugutu - Ntoroko

Lot 11: Kagongo - Rwengiri with tee-off Kigalama

Lot 12: Ngeta - Ayala - Alito

Lot 13: Dokolo -Aceng - Atur

ISLAMIC DEVELOPMENT BANK PROJECTS.

Islamic Development Bank I Loan became effective on October 25, 2015.

Grid extensions in Northern and North Eastern Uganda. Projects under the IDB I rural electrification project. The key lines under the project include:

-Nakapiripiriti- Moroto- Moroto Cement Factory

-Moroto-Kotido Spur Abim, Kopusu-Kaabong- Kidepo National Park with tee-off Karenga-Naam Okora

During the quarter:

The procurement of Supervision Consultancy was completed and the agreement signed.

In-house design review ongoing and is to be submitted to consultant on completion.

A joint site verification of the load centres was done by the Consultant, UETCL and REA team.

Islamic Development Bank II (RE Projects in Mirama-Kabale & Teso-Karamoja sub-region

-Submission of technical evaluation report for a No-objection

-In-house scoping and preparation of designs

-No-objection for technical evaluation report received and financial bids opened

Islamic Development Bank III

RE Projects in Northern, Central, Eastern, Western

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-In-house scoping and preparation of designs

During the quarter, REA continued to make connect consumers to the grid through the Grid Based Output Based Aid programe. 24,649 consumer connections were made country wide. UMEME which has a wide coverage joined the OBA service providers which greatly increased on the number of cosumer connections made countrywide.

Table V2.1: Past and 2016/17 Key Vote Outputs*

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	2015/16 Spending and Outputs Achieved by End Sept	2016/17 Proposed Budget and Planned Outputs
Vote: 123 Rural Electrification Agency (REA)			
Vote Function: 0351 Rural Electrification			
Output:035180	Construction of Rural Electrification Schemes (On-grid)		
<i>Description of Outputs:</i>	Number of line Kms of Low voltage (240V) constructed.	47.4% of the planned line Kilometres of LV were constructed.	Number of line Kms of Low voltage (240V) constructed.
	Number of line Kms of Medium Voltage (33Kv or 11Kv) constructed	46% of the planned line Kilometres of MV were constructed.	Number of line Kms of Medium Voltage (33Kv or 11Kv) constructed
	Number of solar systems installed		Number of sola
<i>Performance Indicators:</i>			
Number of line Kms of Medium Voltage (33Kv or 11Kv) constructed	3,262	1500	550
Number of line Kms of Low Voltage (240v) constructed	2,954	1400	450
<i>Output Cost: US\$ Bn:</i>	68.702	<i>US\$ Bn:</i> 34.271	<i>US\$ Bn:</i> 254.475
<i>Output Cost Excl. Ext Fin. US\$ Bn:</i>	58.758	<i>US\$ Bn:</i> 20.382	<i>US\$ Bn:</i> 51.036
Output:035182	Increased rural household connections		
<i>Description of Outputs:</i>	Number of private sector players participating in rural electrification for promotion of private sector involvement.	Four(4) Private sector players participating in Rural Electrification (Kisiizi, KIS, Hydromax and Biogas Company.	Number of private sector players participating in rural electrification for promotion of private sector involvement.
	Number of rural electrification cooperatives created for promotion of private sector involvement in rural electrification	Five (5) Rural Electrification Cooperatives created for promotion of private sector involvement in Rural Electrification	Number of rural electrification
<i>Performance Indicators:</i>			
Number of district connected	6	6	1
<i>Output Cost: US\$ Bn:</i>	3.460	<i>US\$ Bn:</i> 2.172	<i>US\$ Bn:</i> 5.830
<i>Output Cost Excl. Ext Fin. US\$ Bn:</i>	1.500	<i>US\$ Bn:</i> 1.500	<i>US\$ Bn:</i> 1.460
Vote Function Cost	US\$ Bn:	91.108 US\$ Bn:	36.443 US\$ Bn:
<i>VF Cost Excl. Ext Fin.</i>	<i>US\$ Bn</i>	<i>79.203 US\$ Bn</i>	<i>21.882 US\$ Bn</i>
Cost of Vote Services:	US\$ Bn:	90.680 US\$ Bn:	36.443 US\$ Bn:
<i>Vote Cost Excl. Ext Fin.</i>	<i>US\$ Bn</i>	<i>79.203 US\$ Bn</i>	<i>21.882 US\$ Bn</i>
			290.785
			82.976
			290.785
			82.976

* Excluding Taxes and Arrears

2016/17 Planned Outputs

During Financial Year16/17, REA will continue to implement several Rural Electrification projects. The completion of ongoing projects with funding from Norway, World Bank ERT II(additional

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funding),BADEA/SFDand OFID. The ongoing works will connect 550 kms of medium voltage lines and 450kms of low voltage lines on completion.

Some of the projects that are projected to be running during the financial. The projects are located in different parts of the country and will be funded by the Government of Uganda, ERTIII, French Development Agency, IDB, ABU DHABI, AfDB, GOUCommunity Cost Sharing Schemes and BADEA among others. Under the OBA program, REA plans to make 40000 consumer connections during the financial year 2016/17

Table V2.2: Past and Medium Term Key Vote Output Indicators*

Vote Function Key Output Indicators and Costs:	2014/15 Outturn	2015/16		MTEF Projections		
		Approved Plan	Outturn by End Sept	2016/17	2017/18	2018/19
Vote: 123 Rural Electrification Agency (REA)						
Vote Function:0351 Rural Electrification						
Number of line Kms of Low Voltage (240v) constructed		2,954	1400	450	2500	1000
Number of line Kms of Medium Voltage (33Kv or 11Kv) constructed		3,262	1500	550	3500	1200
Number of district connected		6	6	1	2	1
Vote Function Cost (US\$ bn)	<i>N/A</i>	90.680	36.443	290.785	425.362	544.026
<i>VF Cost Excl. Ext Fin.</i>	<i>14.693</i>	<i>78.776</i>	<i>21.882</i>	<i>82.976</i>	<i>N/A</i>	<i>N/A</i>
Cost of Vote Services (US\$ Bn)	<i>N/A</i>	90.680	36.443	290.785	425.362	544.026
<i>Vote Cost Excl. Ext Fin</i>	<i>14.693</i>	<i>78.776</i>	<i>21.882</i>	<i>82.976</i>	<i>N/A</i>	<i>N/A</i>

Medium Term Plans

Focus will be on the following: -

- Construction of mini-grids.
- Intensification of Consumer connections to the grid
- Mini-hydro.

(ii) Efficiency of Vote Budget Allocations

Creation of the Project Monitoring Unit (PMU) to improve follow-up of No-objections from Funders, expedite follow-up of payment certificates and disbursements.

Table V2.3: Allocations to Key Sector and Service Delivery Outputs over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Vote Budget			
	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19
Key Sector	72.2	260.3	400.4	519.0	79.6%	89.5%	94.1%	95.4%
Service Delivery	72.2	260.3	400.4	519.0	79.6%	89.5%	94.1%	95.4%

- The variations are as a result of different service providers and contractors who charge different rates.
- There are also Changes in prices of connection materials.
- Depreciation of the USHS against USD also causes the variations

Table V2.4: Key Unit Costs of Services Provided and Services Funded (Shs '000)

Unit Cost Description	Actual 2014/15	Planned 2015/16	Actual by Sept	Proposed 2016/17	Costing Assumptions and Reasons for any Changes and Variations from Plan
<i>Vote Function:0351 Rural Electrification</i>					
Kilometer	54,000	54,171	54,000	92,500	Depreciation of the Uganda shilling against the USD
connections	250	256	250	740	Depreciation of the Uganda shilling against the USD

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(iii) Vote Investment Plans

The allocation is dependent on the signed contracts and the contracts which are due for signing.

Projects identified and already in PIP.

The effectiveness of the funding agreements for the Projects funded by Development Partners.

Table V2.5: Allocations to Capital Investment over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Vote Budget			
	2015/16	2016/17	2017/18	2018/19	2015/16	2016/17	2017/18	2018/19
Consumption Expenditure(Outputs Provided)	18.5	30.5	25.0	25.0	20.4%	10.5%	5.9%	4.6%
Investment (Capital Purchases)	72.2	260.3	400.4	519.0	79.6%	89.5%	94.1%	95.4%
Grand Total	90.7	290.8	425.4	544.0	100.0%	100.0%	100.0%	100.0%

The capital purchases will include construction materials for 33kV and 11kV power lines. The materials include poles, conductors, transformers, auto reclosures.

Table V2.6: Major Capital Investments

Project, Programme Vote Function Output <i>US\$ Thousand</i>	2015/16		2016/17
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Project 1261 West Nile Grid Extension Program-GBOBA			
035182 Increased rural household connections	15000 consumer connections.	24,649 consumer connections	40,000 consumer connections country wide.
Total	3,460,000	2,172,339	5,830,000
<i>GoU Development</i>	<i>1,500,000</i>	<i>1,500,000</i>	<i>1,190,000</i>
<i>External Financing</i>	<i>1,960,000</i>	<i>672,339</i>	<i>4,370,000</i>
<i>NTR</i>	<i>0</i>	<i>0</i>	<i>270,000</i>
Project 1262 Rural Electrification Project			
035180 Construction of Rural Electrification Schemes (On-grid)	REA will undertake a number of rural electrification projects funded funded by both GoU and Development partners. The projects to be undertaken include:- A.GOU projects under 10 LOTS 100% Completion of GoU ongoing project Lot 1: wakiso/butambala/Mpigi/Mityana/Mubende Lot 2: Masaka/sembabule/Rakai/Gomba/Kiruhura Lot 3: Nakasongola/Luwero/Nakaseke/Hoima Lot 4: Kayunga/Mukono/Jinja/Luuka/Kamuli Lot 5: manafwa/Mbale/Tororo/Sironko/Butaleja/Budaka/bulambuli/Bududa Lot 6: serere/Soroti/pallisa/Kapchorwa/Kumi Lot 7: Mbarara/sheema/Bushenyi/Ibanda	During the quarter, REA undertook several projects funded by GoU and Development partners. The said projects progressed as below. GoU CONSOLIDATED FUND PROJECTS(10 Lots) Overall progress at 50% Completion Lot 1: Wakiso/Butambala Projects completed awaits commissioning Lot 2: Masaka/Sembabule LV stringing & HV stringing at 80% completion Lot 3: Nakasongola/Luwero -Pole erection for both MV & LV completed -All materials delivered to site -Pole dressing and stringing ongoing in Kikyusa and Paidha. Lot 4: Kayunga/Mukono -HV and LV pole erection in Buikwe and Kayunga is complete. -Works completed and commissioned in Jinja	Rural Electrification projects, Germany (kFW) Grid Densification Review of Final Designs BADEA Construction of 33kv distribution lines kayunga Buyende and kamuli districts Pole erection in progress BADEA/SFD Electricity power networks in various regions Monitoring Defects Liability Period Lot1: Kasambira Bugulumbya Lot 2: Kapchorwa-Bukwo Lot 3:Mayuge-Bwondha Lot 4:Mityana-Lusalira Lot 5:Lake Victoria free Trade Zone Lot 6:Hoima – Nalweyo Lot 7:Apac – Chegere Lot8:Kitgum – Namokora OFID PROJECTS Construction of 33kv distribution lines Buikwe and Oyam 100% completion of works

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Project, Programme Vote Function Output <i>US\$ Thousands</i>	2015/16 Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	2016/17 Proposed Budget, Planned Outputs (Quantity and Location)
	<p>Lot 8: Ntungamo/Rukungiri/Kabale/Kanungu/Kisoro</p> <p>Lot 9: Bundibugyo/Kasese/Rubirizi</p> <p>Lot 10: Gulu/Kitgum/pader/Otuke/Lira/Lamwo</p> <p>B.GOU projects under 7 LOTS Monitoring of Defects Liability period.</p> <p>Lot 1: Wakiso/Mpigi/Mityana/Busunju</p> <p>Lot 3: Mbale/Manafwa/Tororo/Butaleja / Kapchorwa/Pallisa</p> <p>Lot 4: Masindi/Lira – Partial commissioning was ongoing</p> <p>Lot 5: Lwengo-Mbarara-Isingiro-Ibanda-Kiruhura</p> <p>Lot 6: Bushenyi, Buhweju, Kasese and Kyenjojo</p> <p>Lot 7: Rukungiri-Kanungu-Ntungamo-Kabale</p> <p>C.BADEA/SFD Projects 100% Completion of ongoing project</p> <p>Kapchorwa-Bukwo-Suam(kapchorwa)</p> <p>Mayuge-Bwondhs Landing Site(Mayuge)</p> <p>Kasambira-Bugulumbya-Bukuutu(Kamuli)</p> <p>Mityana-Lusalira(Hoima)</p> <p>Lake Victoria free Trade Zone(Rakai)</p> <p>Apac-Chegere-Alemi(Apac)</p> <p>Hoima-Nalweyo(Hoima)</p> <p>Kitgum-Namakora/Padipe(Kitgum)</p> <p>D.LV works for JICA phase III 100% Completion of LV JICA projects of Mayuge-Namaingo, Lumino-Namaingo, Namaingo-Bumeru, Lutolo-Lufudu</p> <p>E.ERTIII PROJECTS Commencement of ERT III world bank Projects.20% completion</p> <p>F.OPEC PROJECTS 100% Completion of ongoing projects</p> <p>-Ntenjeru-Mpenja</p> <p>-Biafra-Nakusubuyaki</p> <p>-Ziba-Namaseke-Nansagazi</p> <p>-Kiwale-Buyiira-Lugonjo-</p>	<p>Lot 5: Manafwa/Mbale -8/26 schemes complete and awaiting transformer installation.</p> <p>-Pole erection in progress for other schemes</p> <p>Lot 6:Serere/Soroti -Completed works in Serere, Soroti & Kumi</p> <p>-HV pole dressing and stringing is complete in Nalidi-Pallisa area while LV pole erection and stringing is 95% complete.</p> <p>Lot 7: Mbarara/Sheema -Pole erection complete</p> <p>-Dressing and stringing in progress</p> <p>Lot 8: Ntungamo/Rukungiri -90% Stringing MV & LV for schemes in Ntungamo</p> <p>-Commissioned Rwibale, Rwempiri and Nyaburiza</p> <p>-85% of HV & LV pole erection and dressing is on-going in Kibale</p> <p>-Pole erection at 50% for Other Districts</p> <p>Lot 9: Bundibugyo/Kasese -MV & HV Stringing works Completed in Kahendero</p> <p>Kasese, Mwongera & Nyahuka</p> <p>Bundibugyo, Kanara</p> <p>Kamwenge.</p> <p>-LV stringing complete in Mwaro Kasese</p> <p>-HV & LV Stringing in Kabuga</p> <p>Kamwenge was on-going.</p> <p>Lot 10: Gulu/Kitgum -Works in Lira, Pader, Gulu and Otuke are completed and pre-commissioning carried out by contractor</p> <p>-LV pole erection in Kitgum is complete</p> <p>-HV and LV stringing done except in Agago.</p> <p>Pit excavation for Agago 100% completed.</p> <p>GOU 2 Lots have overall progress is 90% completion.</p> <p>Lot 1: Networks in Eastern Uganda</p> <p>Kayunga/Jinja/Iganga/Luuka/Kamuli/Buyende/Tororo/manafa</p>	<p>IDBII(RE Projects in mirama-Kabale & Teso-Karamoja sub-region</p> <p>Commence procurement for works</p> <p>IDB III Funded Projects Pole erection in progress</p> <p>RE Projects in Northern, Central, Eastern, Western</p> <p>AfDB (African Development Bank)</p> <p>Pole erection in progress</p> <p>Uganda Rural electricity access</p> <p>FRENCH DEVELOPMENT AGENCY PROJECTS 50% construction works</p> <p>Grid extensions in North West, Rwenzori, Western, Mid western, South and South Western Service territories</p> <p>Hoima and Kabarole</p> <p>Ntungamo</p> <p>Masaka</p> <p>Busshenyi and kasese and environs</p> <p>WORLD BANK ERT III (four fast track lines</p> <p>4 Fast track Projects</p> <p>Pole erection in progress</p> <p>-Kiganda-Mile 16 with tee-off</p> <p>Katabalanga & Kibyimirizi</p> <p>-Ruhumba-Kashwa with tee-off</p> <p>Rwebishuri</p> <p>-West Nile; Wandii</p> <p>WORLD BANK ERT III OTHER LINES</p> <p>Commence procurement for works</p> <p>Lot 1: Kibaale - Kikalu</p> <p>Lot 2: Kabowa - Lumuli</p> <p>Lot 3: Bubiita - Bukalasi</p> <p>Lot 4: Kyabadaza - Masankwa</p> <p>Lot 5: Nakifuma - Nagojje</p> <p>Lot 6: Mitemula - Nakiyaga</p> <p>Lot 7: Mubende - Kyabayanga -</p> <p>Lot 8: Kiyagara – Bwizi, Biguri</p> <p>Lot 9: Rukoni (Mile 36) - Rwoho</p> <p>Lot 10: Karugutu - Ntoroko</p> <p>Lot 11: Kagongo - Rwengiri with tee-off Kigalama</p> <p>Lot 12: Ngeta - Ayala - Alito</p> <p>Lot 13: Dokolo -Aceng - Atur,)</p> <p>NORWEGIAN PROJECTS Monitoring Defects Liability</p>

Section B - Vote Overview

Vote: 123 Rural Electrification Agency (REA)

Vote Summary

Project, Programme Vote Function Output <i>US\$ Thousand</i>	2015/16		2016/17
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
	<p>Ntimbe-Bukasa-Kisimbize-Buzzu-Banda-Kalambya-Natyole</p> <p>-Lukonda-Wangege village</p> <p>-Nansagazi-Ssenyi landing sites</p> <p>-Aduku-Cawente, Aduku-Nambieso, Anduku-Inomo</p> <p>-Lira-Bala</p> <p>-Aloi-Omoro</p> <p>-Dogapio-Atura</p> <p>Muhanga-Rwamacucu –Kisiizi-Kyempene with tee-offs to Ruyeyeyo via Nyakishenyi.</p> <p>G. ISLAMIC DEVELOPMENT BANK PROJECTS</p> <p>30% Completion of projects to be funded by IDB</p> <p>-Islamic development BankII (RE Projects in mirama-Kabale & Teso-Karamoja sub-region</p> <p>H. IDB III Funded Projects</p> <p>RE Projects in Northern, Central, Eastern, Western targeting 30% completion.</p> <p>I. ABU DHABI projects targeting 30% completion</p> <p>J. AfDB Funded Project</p> <p>RE schemes in Luwero, Nakasongola, Kalungu, Kaliro, Buyende, Masaka, Kalangala, Nebbi, Nwoya & Gulu targeting 30% completion.</p>	<p>Lot 2: Networks in western Uganda Bundibugyo-mubende/sembabule/Kiruhura/ki soro/Lyantonde/Nakasongola/Ibana/Rukungiri</p> <p>50% overall progress for GoU 7 Lots</p> <p>Lot 1: Wakiso/Mpigi/- Under Defects Liabilty Period</p> <p>Lot 3: Mbale/Manafwa- Under Defects Liabilty Period</p> <p>Lot 4: Masindi/Lira- Under Defects Liabilty Period</p> <p>Lot 5: Lwengo-Mbarara- Under Defects Liabilty Period</p> <p>Lot 6: Bushenyi-Buhweju- Project closed</p> <p>Lot 7: Rukungiri-Kanungu- Under Defects Liabilty Period</p> <p>BADEA/SFDFunded projects</p> <p>Overall progress at 50% completion</p> <p>Lot1: Kasambira Bugulumbya</p> <p>-HV pole erection at 50%</p> <p>-LV pole erection at 30%</p> <p>Lot 2: Kapchorwa-Bukwo</p> <p>-HV pole erection at 65%</p> <p>-LV pole erection at 50%; complete in other areas except Bukwo-Suam, Bugobero and Bugiboni.</p> <p>-LV stringing at 30%</p> <p>Lot 3: Mayuge-Bwondha</p> <p>-HV pole erection 95%</p> <p>-LV pole erection 75%</p> <p>Lot 4: Mityana-Lusalira</p> <p>-MV works at 100%</p> <p>-LV works at 90%</p> <p>Lot 5: Lake Victoria free Trade Zone</p> <p>-Kyazanga scheme commissioned</p> <p>-HV and LV pole erection complete</p> <p>-Dressing on Kyotera-Kabira-Mitondo is 100% complete and stringing is at 85%.</p> <p>Lot 6: Hoima – Nalweyo</p> <p>-HV and LV pole erection complete</p> <p>-HV and LV pole stringing at 40%</p>	<p>Period</p> <p>Electricity power networks in various regions</p> <p>Muhanga –Rwamacucu</p> <p>Myanzi, Kiganda, Katabalanga</p> <p>Mubende-Kyegegwa</p> <p>Rakai-Isingiro</p> <p>Lyantonde-Lumbugu</p> <p>Kinoni-Lwebitakuli</p> <p>Sembabule-Lwemiyaga</p> <p>Kabale Kisoro</p> <p>Apala-Adwari</p> <p>Gulu-Adjumani-Moyo</p> <p>Rwackoko-Awere</p> <p>WORLD BANK ERT II</p> <p>100% completion of works</p> <p>Energy for Rural Transformation-ERT II additional funding</p> <p>GOU</p> <p>Community Cost Sharing Schemes</p> <p>100% completion of works</p> <p>ABUDHABI</p> <p>Commence procurement for works</p> <p>Electricity power networks in Kalungu</p>

Vote: 123 Rural Electrification Agency (REA)

Vote Summary

Project, Programme Vote Function Output <i>US\$ Thousands</i>	2015/16		2016/17
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
		Lot 7: Apac – Chegere -MV pole erection at 85% -MV stringing at 25% -LV pole erection at 80%	
		Lot 8: Kitgum – Namokora -MV stringing at 85% -Transformer installation at 50%	
		LV works for JICA phase III Completion of LV Mayuge- Namaingo, Lumino-Namaingo, Namaingo-Bumeru, Lutolo- Lufudu -Pole erection at 90% -Stringing at 80% -Transformer installation at 97%	
		ERTIII PROJECTS Commencement of ERT III world bank Projects. Feasibility studies completed. Advanced procurement ongoing. 4 Fast track Projects -Kiganda-Mile 16 with tee-off Katabalanga & Kibyimirizi -Ruhumba-Kashwa with tee-off Rwebishuri -West Nile; Wand-	
		Other lines (13 Lots) Lot 1: Kibaale - Kikalu Lot 2: Kabowa - Lumuli Lot 3: Bubiita - Bukalasi Lot 4: Kyabadaza - Masankwa Lot 5: Nakifuma - Nagojje Lot 6: Mitemula - Nakiyaga Lot 7: Mubende - Kyabayanga - Lot 8: Kiyagara – Bwizi, Biguri Lot 9: Rukoni (Mile 36) - Rwoho Lot 10: Karugutu - Ntoroko Lot 11: Kagongo - Rwengiri with tee-off Kigalama Lot 12: Ngeta - Ayala - Alito Lot 13: Dokolo -Aceng - Atur,)	
		OPEC PROJECTS 30% Completion of construction works of Grid extensions in different Service Territories. -Ntenjeru-Mpenja -Biafra-Nakusubuyaki -Ziba-Namaseke-Nansagazi -Kiwale-Buyiira-Lugonjo- Ntimbe-Bukasa-Kisimbize- Buzzu-Banda-Kalambya- Natyole -Lukonda-Wangege village	

Vote: 123 Rural Electrification Agency (REA)

Vote Summary

Project, Programme Vote Function Output <i>US\$ Thousand</i>	2015/16		2016/17
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
		<ul style="list-style-type: none"> -Nansagazi-Ssenyi landing sites -Aduku-Cawente, Aduku-Nambieso, Anduku-Inomo -Lira-Bala -Aloi-Omor -Dogapio-Atura Muhanga-Rwamucucu –Kisiizi-Kyempene with tee-offs to Rugeeyo via Nyakishenyi. 	
		<p>FRENCH DEVELOPMENT AGENCY PROJECTS (AFD)</p> <p>Evaluation in progress</p> <p>Grid extensions in North West, Rwenzori, Western, Mid western, South and South Western Service territories evaluation was in progress.</p>	
		<p>ISLAMIC DEVELOPMENT BANK PROJECTS.</p> <p>Islamic Development Bank II (RE Projects in mirama-Kabale & Teso-Karamoja sub-region</p> <ul style="list-style-type: none"> -Submission of technical evaluation report for a No-objection -In-house scoping and preparation of designs -No-objection for technical evaluation report received and financial bids opened 	
		<p>Islamic Development Bank III</p> <p>RE Projects in Northern, Central, Eastern, Western</p> <ul style="list-style-type: none"> -In-house scoping and preparation of designs 	
	Total	58,085,592	20,382,000
	<i>GoU Development</i>	<i>45,903,500</i>	<i>20,382,000</i>
	<i>External Financing</i>	<i>0</i>	<i>0</i>
	<i>NTR</i>	<i>12,182,092</i>	<i>0</i>
Project 1354 Grid Rural Electrification Project IDB I- Rural Electrification			
035180 Construction of Rural Electrification Schemes (On-grid)	REA will carry out grid extensions in Northern and North Eastern Ugandal. projects under the IDB I rural electrification project targeting a 30% achievement. The key lines under the project include: <ul style="list-style-type: none"> -Nakapiripiriti- Moroto- Moroto Cement Factory -Moroto-Kotido Spur Abim, 	Grid extensions in Northern and North Eastern Ugandal. projects under the IDB I rural electrification project. The key lines under the project include: <ul style="list-style-type: none"> -Nakapiripiriti- Moroto- Moroto Cement Factory -Moroto-Kotido Spur Abim, Koputh-Kaabong- kidepo National park with tee-off Karenga-Naam Okora <p>During the quarter:</p>	IDBI Grid rural electrification projects in Karamoja region Pole erection in progress <ul style="list-style-type: none"> Nakapiripiriti- Moroto- Moroto Cement Factory -Moroto-Kotido Spur Abim, Koputh-Kaabong- kidepo National park with tee-off Karenga-Naam Okora

Section B - Vote Overview

Vote: 123 Rural Electrification Agency (REA)

Vote Summary

Project, Programme Vote Function Output <i>US\$ Thousand</i>	2015/16		2016/17
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
	Koputh-Kaabong- kidepo National park with tee-off Karenga-Naam Okora	Consultancy agreement signed by both parties In-house design review ongoing to be submitted to consultant on completion A joint site verification of the load centres was done by the Consultant, UETCL and REA team	
Total	100,000	0	11,291,794
<i>GoU Development</i>	<i>0</i>	<i>0</i>	<i>2,416,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>8,875,794</i>
<i>NTR</i>	<i>100,000</i>	<i>0</i>	<i>0</i>

(iv) Vote Actions to improve Priority Sector Outcomes

- The creation of the PMU which will be tasked to interface with the donors and ensure that any issues raised are resolved in time.
- Engagement of the stake holders to ensure timely remittance of the 5% Levy which forms the bulk of the NTR.

Table V2.7: Priority Vote Actions to Improve Sector Performance

2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:
Sector Outcome 1: Increased access to affordable and efficient sources of energy			
Vote Function: 03 51 Rural Electrification			
<i>VF Performance Issue:</i>			
<i>VF Performance Issue:</i>	<i>Capacity building</i>		
-staff training for better service delivery.	staff training	A number of initiatives are being proposed both locally and internationally to develop capacity in key operational areas.	A number of initiatives proposed both locally and internationally to develop capacity in key operational areas.
<i>VF Performance Issue:</i>	<i>Increased funding for rural electrification project</i>		
- Persistent requests for additional funding to complete the manifesto projects. - Package and market projects to development partners for funding.	Persistent requests have been made for additional funding especially for the manifesto projects Projects have been put at the exposure of development partners for funding.	A number of projects for donor financing will commence in FY 2016/17, which calls for the timely release of GOU counterpart funding	Packaging projects for funding by GoU and development partners.
<i>VF Performance Issue:</i>	<i>Procurement</i>		
		Advance procurement to improve on loan effectiveness.	Advance procurement to improve on loan effectiveness.
<i>VF Performance Issue:</i>	<i>Timely release of funds</i>		
Timely submission of the funding requirements to the respective development partners and Ministry of	submissions of funding requirements to the development partners and Ministry of Finance Planning	This is still a challenge especially for NTR which is majorly funded by the 5% Levy. Umeme has been	The settlement of the NTR 5% Levy.

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Vote Summary

2015/16 Planned Actions:	2015/16 Actions by Sept:	2016/17 Planned Actions:	MT Strategy:
Finance Planning & Economic Development.	& Economic Development have been made in time	withholding payment on account of unsettled bills by MDAs which in turn affects the settlement of the levy.	

V3 Proposed Budget Allocations for 2016/17 and the Medium Term

This section sets out the proposed vote budget allocations for 2016/17 and the medium term, including major areas of expenditures and any notable changes in allocations.

Table V3.1: Past Outturns and Medium Term Projections by Vote Function*

	2014/15 Outturn	2015/16		MTEF Budget Projections		
		Appr. Budget	Spent by End Sept	2016/17	2017/18	2018/19
Vote: 123 Rural Electrification Agency (REA)						
0351 Rural Electrification	23.527	90.680	36.443	290.785	425.362	544.026
Total for Vote:	23.527	90.680	36.443	290.785	425.362	544.026

(i) The Total Budget over the Medium Term

The total resource allocation over the mid term comprises of the domestic finances, External financing and the Non Tax Revenue. The resource allocation is increasing over the mid term and it will be used to complete the ongoing Rural Electrification projects and to start implementing the new projects planned for the mid term.

(ii) The major expenditure allocations in the Vote for 2016/17

- Construction of power lines through the Rural Electrification Project.
- Increased consumers connections.

(iii) The major planned changes in resource allocations within the Vote for 2016/17

There is an increase in externally financed projects for the FY2016/17. REA has manifesto projects that were promised to the beneficiaries and needed additional funding to be delivered.

Table V3.2: Key Changes in Vote Resource Allocation

Changes in Budget Allocations and Outputs from 2015/16 Planned Levels:			Justification for proposed Changes in Expenditure and Outputs
2016/17	2017/18	2018/19	
<i>Vote Function:0301 Rural Electrification</i>			
Output: 0351 01 Policy planning, monitoring, and advisory services			
<i>US\$ Bn:</i> 11.962	<i>US\$ Bn:</i> 6.482	<i>US\$ Bn:</i> 6.482	<i>The allocated resources will be used mainly for the operational expenses of the Agency during the financial year.</i>
Increase in resource allocation	There is a decrease in resource allocation.	No change in resource allocation.	
Output: 0351 80 Construction of Rural Electrification Schemes (On-grid)			
<i>US\$ Bn:</i> 176.897	<i>US\$ Bn:</i> 15.060	<i>US\$ Bn:</i> 116.244	<i>There is an increase in the resources from external funding which has increased the output allocation for the financial year.</i>
Increment in resource allocation.	Reduction in resource allocation	Increment in resource allocation.	
Output: 0351 82 Increased rural household connections			
<i>US\$ Bn:</i> -2.000	<i>US\$ Bn:</i> 313.140	<i>US\$ Bn:</i> 330.620	<i>The project is projected to end during this Financial year meaning all of the activities will be in their last stages</i>
Reduction in resource allocation.			

V4: Vote Challenges for 2016/17 and the Medium Term

This section sets out the major challenges the vote faces in 2016/17 and the medium term which the vote has been unable to address in its spending plans.

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- Counterpart funding (UGX42 billion)
- Construction of REA House (UGX 15 billion)
- Wayleaves Compensation for both GoU and Donor (UGX 23.12 billion)
- Priority Rural Electrification Schemes(UGX 100 billion)

Table V4.1: Additional Output Funding Requests

Additional Requirements for Funding and Outputs in 2016/17:	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function:0380 Rural Electrification</i>	
Output: 0351 80 Construction of Rural Electrification Schemes (On-grid)	
<i>UShs Bn: 506.500</i>	
1) Counterpart funding (UGX245billion) 2) Construction of REA House(UGX 15 billion) 3) Wayleaves Compensation for both GoU and Donor Projects(UGX 15 billion) 4) Priority Rural Electrification Schemes(UGX 182 billion) 5)Construction of Hydro Power Station Evaluation Lines (UGX 49.5 billion)	<i>The additional outputs and funding will contribute to the sector objectives in a way it will enable REA to realise the GoU target of achieving a rural electrification atarget of 26% by the year 2023</i>
Output: 0351 82 Increased rural household connections	
<i>UShs Bn: 0.000</i>	
Funds secured for the Grid Based OBA project	<i>There are no unfunded priorities under this project as its projected to end during the Financial year 2016/17.</i>

This section discusses how the vote's plans will address and respond to the cross-cutting policy, issues of gender and equity; HIV/AIDS; and the Environment, and other budgetary issues such as Arrears and NTR..

(i) Cross-cutting Policy Issues

(i) Gender and Equity

Objective: To ensure equitable access to on and off grid electricity
<i>Issue of Concern :</i> Equal access
<i>Proposed Interventions</i>
REA will put gender equality when programming the different Rural Electrification Project
<i>Budget Allocations</i> UGX billion 0
<i>Performance Indicators</i> Equal access to on and off grid electricity

(ii) HIV/AIDS

Objective: To Sensitise members about HIV/AIDS
<i>Issue of Concern :</i> HIV/AIDS sensitisation
<i>Proposed Interventions</i>
The contractor shall carry out sensitisation of the project workersand the general community about the HIV/AIDS related hards and measures to be taken to prevent the spread of the disease
<i>Budget Allocations</i> UGX billion 0
<i>Performance Indicators</i> Project workers and communities sensitised.

(iii) Environment

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Objective: To conserve and protect the Environment

Issue of Concern : Environmental conservation and protection.

Proposed Interventions

The works shall include the implementation of the environmental and social management plan. The contractor shall present to the project Manager a detailed Environmental and social Management Report highlighting the key environmental activities on a quarterly basis.

Budget Allocations UGX billion 0

Performance Indicators The environment protected and conserved.

(ii) Payment Arrears

The table below shows all the payment arrears outstanding for the Vote:

Payee	Payment Due Date	Amount (US\$ Bn)
Various Contractors.	6/30/2015	20.00
Various Contractors	6/30/2015	4.00
Claimants	6/30/2015	15.00
	Total:	39.000

The creation of the project Monitoring Unit (PMU) to improve on follow up of No objections from funders, expedite follow-up of payment certificates and disbursements.

(ii) Non Tax Revenue Collections

The table below shows Non-Tax Revenues that will be collected under the Vote:

Source of NTR	US\$ Bn	2014/15 Actual	2015/16 Budget	2015/16 Actual by Sept	2016/17 Projected
Interest from private entities - Domestic		9.000	31.800		36.000
	Total:	9.000	31.800		36.000

The NTR forecasts depend on the project collections that will be made. The forecasted NTR money will be used for the operational expenses and implementation of the Rural Electrification projects.