**Vote: 123**  Rural Electrification Agency (REA)

### V1: Vote Overview

(i) Snapshot of Medium Term Budget Allocations

Table V1.1: Overview of Vote Expenditures

<table>
<thead>
<tr>
<th>Billion Uganda Shillings</th>
<th>FY2016/17 Outturn</th>
<th>FY2017/18</th>
<th>FY2018/19</th>
<th>MTEF Budget Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approved Budget</td>
<td>Spent by End Sep</td>
<td>Proposed Budget</td>
<td>2019/20</td>
</tr>
<tr>
<td>Recurrent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Non Wage</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Devt.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GoU</td>
<td>53.419</td>
<td>81.976</td>
<td>10.795</td>
<td>81.976</td>
</tr>
<tr>
<td>Ext. Fin.</td>
<td>99.026</td>
<td>367.645</td>
<td>0.781</td>
<td>452.706</td>
</tr>
<tr>
<td>GoU Total</td>
<td>152.445</td>
<td>449.621</td>
<td>11.576</td>
<td>534.682</td>
</tr>
<tr>
<td>Total GoU+Ext Fin (MTEF)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.I.A Total</td>
<td>32.621</td>
<td>42.840</td>
<td>6.604</td>
<td>46.625</td>
</tr>
<tr>
<td>Grand Total</td>
<td>185.067</td>
<td>492.461</td>
<td>18.181</td>
<td>581.307</td>
</tr>
</tbody>
</table>

(ii) Vote Strategic Objective

To achieve an accelerated pace of Electricity access and service penetration to meet national development goals during the planning period and beyond.

### V2: Past Vote Performance and Medium Term Plans
Performance for Previous Year FY 2016/17

During the FY2016/17, REA continued to implement several projects that were planned. The overall progress for most of the ongoing projects was at 100% completion and others were under the Defects Liability period. 935 KMs of medium voltage lines and 895KMs of low voltage lines were constructed by the end of the Financial year. The Physical performance for the different projects was follows;

GoU 10 Lots,
Lot1: Wakiso Butambala
Lot2: Masaka/Seembabule- Under DLP
Lot3: Nakasaongola/Luweru-80% Completion
Lot4: Kayunga/Mukono-75% Completion
Lot5: Manafwa/Mbale-80% Completion
Lot6: Serere/Soroti-100% Completion
Lot7: Mbarara/Sheema-80% Completion
Lot8: Ntungamo/Rukungiri-Commissioned
Lot9: Bundibugyo/Kasese-100% completion
Lot10: Gulu/Kitgum- Under DLP

GOU 2 Lots: Networks in Eastern and Western Uganda projects were completed and closed

GOU 7 lots were all under the defects Liability period

Supplementary works for Jica phase III Projects of Mayuge/Namayingo, Lumino/Namayingo, Namayingo/Bumeru, Lutolo/Lufudu were all under DLP.

BADEA/SFD Funded projects
The overall project progress for the 8 lots was at 95% with stringing on-going in all schemes.

OPEC Funded projects: Pole erection and conductor stringing was on-going.
Lot1: Central ST (Mukono/Buikwe)- 55% project completion
Lot2: Central North & NNW Service Territory (Apac/Lira/Dokolo)-55% project completion.

French Development Agency Funded projects: contract signature and contractors mobilizing on site for grid extensions in North West, Rwenziro, Mid Western, South and South Western Service Territories.

ERTIII Projects
4 Fast Track projects
Kiganda Mile 16 with tee off Katabalanga & Kibyamirizi: Design Review report submitted; Ruhumba/Kashwa with tee-off Rwibushire-Engineering Design review ongoing; West Nile, Wand/Yumbe/Moyo- Contract Signature review sent to the Bank for No-Objection.

Other Line (17 Lots): Evaluation for prequalified consultants sent to the bank for No-Objection

IDB Funded Projects
IDB I & IDB II: Consultants were on board and bid evaluation was ongoing for selecting Contractors for the different grid extensions in North Eastern Uganda for lot 3: Nakapiripirit/Moroto and Northern Uganda for Lot 4 Moroto/Kotido Spur Abim, Koputh/Kaabong Under IDBI & RE projects in Mirama/ Kabale and Teso/Karamoja Sub Region under IDB II.

IDBIII Projects: Bid evaluation was on-going for selecting contractors for RE projects in Northern, Central, Eastern and Western Uganda.

ABUDHABI Projects: Evaluation of bid s was on going

AfDB Projects: Evaluation report for consultant was submitted to the funder for No-Objection and No-Objection for SBD was received.
Performance as of BFP FY 2017/18 (Performance as of BFP)
The different Rural Electrification projects packaged for implementation in the Financial Year 2017/18 progressed as follows;

**GOU Projects (10 Lots):** under Defects Liability Period

**GOU Projects (7 Lots):** Under Defects Liability period

**BADEA/SFD Projects (8 Lots):** Under Defects Liability Period.

**Supplementary Works for JICA Phase III:** Under Defects Liability period.

**OPEC Projects:** 100% Completion of construction works and the projects were under the Defects Liability Period.

**French Development Agency Project:** Construction works were ongoing with pole erection, pole dressing and conductor stringing.

**ERT III Projects:**

- **4 Fast Track Projects:** A consultant was on board with a design review report approved by IDA
- **Other Lines (17 Lots):** short listing of Expressions of interest (EOIs) carried out for consultants

**IDB I:** Projects: Contract Signature and Commencement of surveying works

**IDBI:** Best Evaluated Bidder displayed and contracts sent to Solicitor General.

**IDB III:** Contract for consultants was sent to Solicitor General for clearance and contract preparation for works ongoing.

**ABUDhabi Projects:** Contract sent to Solicitor General For Clearance

**AfDB Projects:** No-Objection to the Bid document was obtained from the Bank

**BADEA/OPEC Projects:** Pole erection was ongoing at 30% progress

**FY 2018/19 Planned Outputs**

REA has planned several projects for the FY 2018/19 and the planned outputs are as follows:

**GOU Projects (10 Lots):** Project Closure for Lot 5 & 8

**GOU Community Cost sharing schemes:** Project Closure

**BADEA/OFID RE Project in Kayunga & Kamuli:**
- Lot 1: Commissioning
- Lot 2, 3 & 4: Defects Liability Period Monitoring

**AFD Project of extension and Rehabilitation of RE Project in the Mid-Western and South-Western Service Territories:**
- Lots 1, 2, 3, 5: Project closure and preparation of project closure report

**IDBI RE Projects Package 1: Construction of distribution and low voltage networks in Karamoja Region under the Opuyo/Moroto 132 kV Electricity Transmission line**
- Lot 4: Commissioning of schemes, Defects Liability period monitoring
- Lot 3: Commissioning of schemes
- Contract supervision

**IDBI Projects: 132kV Mirama/Kabale Electricity Transmission line and distribution project**
- 100% Project completion and Commissioning
- Construction supervision and participation in commissioning

**IDBIII Projects: Grid Rural Electrification Project**
- Lot 2, 3: Commence commissioning
- Lots 1, 4, 5, 6: 100% Project completion

**AfDB Projects: Uganda Rural Electrification Access Project**
- Delivery of connection materials, ready boards and prepaid meters to UMEME Stores
- Grid extension and last mile connections,
- 70% project completion
- Consultancy services for project supervision and management

**Abudhabi Fund for International Development (ADFD) Projects: Kalungu Rural Electrification Project**
Energy and Mineral Development

Vote: 123  Rural Electrification Agency (REA)

100% Project completion
Commence commissioning

Kuwait Fund for Arab Economic Development (KFAED) Projects: Implementation of various RE schemes in Uganda
60% Project completion
Construction supervision

ERT Project Phase III Projects:
70% Fast Track: Project completion

On-grid Energy Access; works plus last mile connections:
West Nile projects

5 Packages (17 lines):
Receive no-objection to bid document
Advertise for works
Approval of RAP report and Grid Intensification

Exim Bank China Projects for Sub county Electrification
40% Project completion
Construction supervision

KfW Projects: Power Evacuation and Grid Intensification for GET FIT projects in Uganda
Nyamisanga 1&2 in Kasese, Sindila and Ndugutu in Bundibugyo:
Defects Liability Period
Preparation of bidding documents
Construction supervision

GOU Non GET FIT Projects: (Mahoma Nkusi and Lubilia
Power evacuation lines Mahoma: Defects Liability Period
Nkusi (Longterm): 50% Project completion

GOU Projects in Kayebwa 1 & 2 - 20km Evacuation Line
50% Project completion

GOU Project in Sironko Hydro - 40k Evacuation Line
30% Project completion

Muzizi B Substation
Land acquisition, civil works, installation
20% project completion

Bukinda-Muzizi B - 30km and Nkusi/Muzizi B S/S - 30km Power Evacuation line
30% Project completion

Achwa 3 - 28km Evacuation line
30% project completion

Electrification of Nangoma Village and Environ under Uganda-Tanzania Cross Border Electrification project:
Construction will be under Defects Liability period

RAPS for Kabeywa 1 & 2 - 20km Evacuation Lines; Sironko Hydro - 40km Evacuation line; Muzizi B Substation; Bukinda/Muzizi B - 30km & Nkusi/Muzizi B Substation - 30km; Achwa 3 - 28km Evacuation line:
Complete RAPs and land acquisition

Kyaterekera Switching Station - 4 Bays
Land acquisition, civil works, installation:
50% project completion

GOU - Engineering Software & Hardware
Procurement of AUTOCAD, PLS CAD and Web-based GIS
Supply and delivery

GOU - Procurement of contractor for construction of Kanyantorogo Switching Station in Kanungu district
100% Construction works
**Vote: 123**  Rural Electrification Agency (REA)

**Commissioning**

GOU - Power quality and Reliability Enhancement projects for RE Power lines in 13 Service Territories (SWST, NWST, SST, MWST, CNST, NNWST, NEST, EST, CST, WST, NST, RST, West Nile)
Prequalification of suppliers for supply and replacement of poles -100% project completion

Prequalification of suppliers for Supply and Repair of Transformers - 100% project completion

Prequalification of Regional based Installation and maintenance Contractors: Complete maintenance works

Financing O&M Costs for UEDCL's operations in Service Territories: Disbursement

Financing PACMECS operations in Northern Service Territories: O&M Disbursement

25 GIZ-EU Mini-Grids in Northern Uganda - Lamwo; 15 GIZ Mini-Grids in Southern ST - Isingiro & Rakai; 6 WWF-EU: Mini-Grids in Western Uganda -Kasese (GOU)
Mini-grid construction & connections

**Northern mini-grids:**
Complete construction works
Commission and Commence operation by January 2019

**Southern Mini-grids:**
Complete construction works
Commission and commence operation by March 2019

**GOU Support to Private Sector Investment in Mini-Grid**
Subsidy on Mini-grid construction and connections
Complete construction of sites under Nexus Green and Bukulu Energy Ltd.

**Wayleaves Compensation Pay-Outs**
Focus on ERT III 2 Lines: Compensation and Wayleaves acquisition

**ERTII Roll-out of Connection materials**
5% Roll-out - Connection acceleration

**Publicity and Community Mobilization**
Community mobilisation
Roll-out

**Medium Term Plans**

During the medium term, focus will be on the following:
- Intensification of consumer connections to the national grid.
- Construction of power evacuation lines for mini-grids.
- Contract signature for projects under procurement.
- Packaging projects for funding from different development partners.

**Efficiency of Vote Budget Allocations**

The resources allocated to the vote for the financial year will be used to ensure increased access to electricity through increased consumer connections, completion of already ongoing projects and kick starting the new ones.

**Vote Investment Plans**

The major capital purchases for the FY2018/19 will comprise of:
- Distribution of Transformers
- Connection materials ie cables and accessories
- Field vehicles

**Major Expenditure Allocations in the Vote for FY 2018/19**
Vote: 123  Rural Electrification Agency (REA)

- Construction of powerlines through the rural electrification project
- Construction of power evacuation lines for mini-grids
- Increased consumer connections
- Construction of mini-grids/ off-grid systems

V3: PROGRAMME OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATION

Table V3.1: Programme Outcome and Outcome Indicators

<table>
<thead>
<tr>
<th>Programme Performance Indicators (Output)</th>
<th>2016/17 Actual</th>
<th>2017/18 Target</th>
<th>Base year</th>
<th>Baseline</th>
<th>2018/19 Target</th>
<th>2019/20 Target</th>
<th>2020/21 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of consumers accessing electricity</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td>120,457</td>
<td>150,000</td>
<td>180,000</td>
</tr>
</tbody>
</table>

Table V3.2: Past Expenditure Outturns and Medium Term Projections by Programme

<table>
<thead>
<tr>
<th>Billion Uganda shillings</th>
<th>2016/17 Outturn</th>
<th>2017/18 Approved Budget</th>
<th>2018-19 Spent By End Sep</th>
<th>MTEF Budget Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2019-20</td>
</tr>
<tr>
<td>Vote: 123 Rural Electrification Agency (REA)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>51 Rural Electrification</td>
<td>152,445</td>
<td>449,621</td>
<td>11.576</td>
<td>534,682</td>
</tr>
<tr>
<td>Total for the Vote</td>
<td>152,445</td>
<td>449,621</td>
<td>11.576</td>
<td>534,682</td>
</tr>
</tbody>
</table>

V4: SUBPROGRAMME PAST EXPENDITURE OUTTURNS AND PROPOSED BUDGET ALLOCATIONS

Table V4.1: Past Expenditure Outturns and Medium Term Projections by SubProgramme

<table>
<thead>
<tr>
<th>Billion Uganda shillings</th>
<th>2016/17 Outturn</th>
<th>FY 2017/18 Approved Budget</th>
<th>FY 2017/18 Spent By End Sep</th>
<th>2018-19 Proposed Budget</th>
<th>Medium Term Projections</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2019-20</td>
<td>2020-21</td>
</tr>
<tr>
<td>Programme: 51 Rural Electrification</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total For the Programme : 51</td>
<td>152,445</td>
<td>449,621</td>
<td>11.576</td>
<td>534,682</td>
<td>658,482</td>
</tr>
<tr>
<td>Total for the Vote :123</td>
<td>152,445</td>
<td>449,621</td>
<td>11.576</td>
<td>534,682</td>
<td>658,482</td>
</tr>
</tbody>
</table>

N / A

Table V4.3: Major Capital Investment (Capital Purchases outputs over 0.5Billion)

| FY 2017/18 | FY 2018/19 |
## Vote: 123  Rural Electrification Agency (REA)

<table>
<thead>
<tr>
<th>Appr. Budget and Planned Outputs</th>
<th>Expenditures and Achievements by end Sep</th>
<th>Proposed Budget and Planned Outputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vote 123 Rural Electrification Agency (REA)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programme: 51 Rural Electrification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project: 1262 Rural Electrification Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Output: 80 Construction of Rural Electrification Schemes (On-grid)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Construction supervision
- Monitoring for projects under the Defects Liability Period
- Intensification of consumer connections
- Disbursement of connection materials to the different service providers
- Commissioning and hand over of completed projects.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany (kfW) - 50%</td>
<td>GOU 10 LOTS: Lots 1-4, 6-9 under DLP Monitoring, Lot 5: Commissioning on-going, Lot 10: Closed.</td>
<td></td>
</tr>
<tr>
<td>BADEA-100%</td>
<td>GOU 7 LOTS: Lots 1, 2, 6: Closed, Lots 3-5, 7 under DLP Monitoring</td>
<td></td>
</tr>
<tr>
<td>BADEA/SFD- closed</td>
<td>BADEA/SFD Projects: Lots 4, 5 Closed &amp; Lots 1-3, 6-8 under DLP Monitoring</td>
<td></td>
</tr>
<tr>
<td>Abudhabi-50%</td>
<td>JICA phase III-DLP Monitoring and Contractor to correct snags in order to catalyse project closure.</td>
<td></td>
</tr>
<tr>
<td>OFID-closed</td>
<td>WORLD BANK ERT II (additional funding) – under DLP Monitoring</td>
<td></td>
</tr>
<tr>
<td>IDBII RE-50%</td>
<td>OPEC PROJECTS: Lot 1 &amp; Lot 2 DLP Monitoring</td>
<td></td>
</tr>
<tr>
<td>IDB III RE-50%</td>
<td>BADEA/ OPEC Funded Project: Lot 1: Engineering Design Review on-going, Lot 2: MV and LV pole erection on-going at 70%, Lot 3: MV and LV pole erection on-going at 50%, Lot 4: Pole erection on-going at 60%</td>
<td></td>
</tr>
<tr>
<td>AfDB - 50%</td>
<td>FRENCH DEVELOPMENT AGENCY PROJECTS (AFD) Consultancy: Consultant undertaking construction supervision Works: Lot 1: MV &amp; LV pole erection at 70%, MV stringing at 70%, LV stringing at 60% and Installation of transformers on-going, Lot 2: Material supply on-going at 80%, MV pole erection at 60%, LV pole erection at 70% and MV and LV conductor stringing at 40%, Lot 3: MV pole erection at 50%, LV pole erection at 70%, MV conductor stringing at 30% and LV conductor stringing at 40%, Lot 4: MV pole erection at 90%, Lot 5: MV pole erection at 64%, LV pole erection at 51%, LV pole dressing</td>
<td></td>
</tr>
<tr>
<td>French projects - DLP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERT II - End DLP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOU Schemes - close</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Vote: 123** Rural Electrification Agency (REA)

<table>
<thead>
<tr>
<th>Total Output Cost (Ushs Thousand):</th>
<th>310.065</th>
<th>13.533</th>
<th>454.215</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gou Dev’t:</td>
<td>72.999</td>
<td>10.795</td>
<td>80.326</td>
</tr>
<tr>
<td>Ext Fin:</td>
<td>225.045</td>
<td>0.137</td>
<td>372.363</td>
</tr>
<tr>
<td>A.I.A:</td>
<td>12.022</td>
<td>2.601</td>
<td>1.526</td>
</tr>
</tbody>
</table>

Project: 1354 Grid Rural Electrification Project IDB I - Rural Electrification

**Output: 80 Construction of Rural Electrification Schemes (On-grid)**

- Grid extensions in Northern and North Eastern Uganda, projects under the IDB I Rural Electrification Project
- Construction supervision
- Commissioning and hand over of completed projects.

Rural Electrification Projects in Karamoja region.

- Progress: 50% Completion of works.
### Vote: 123  Rural Electrification Agency (REA)

#### Total Output Cost (Ushs Thousand):

<table>
<thead>
<tr>
<th>Details</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gou Dev’t:</td>
<td>8,977</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Ext Fin:</td>
<td>91,900</td>
<td>0.000</td>
<td>24,412</td>
</tr>
<tr>
<td>A.I.A:</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>Total Output Cost</strong></td>
<td><strong>100,877</strong></td>
<td><strong>0.000</strong></td>
<td><strong>24,412</strong></td>
</tr>
</tbody>
</table>

#### Output: 80 Construction of Rural Electrification Schemes (On-grid)

- **WORLD BANK ERT III (first four track lines)** - Commencement of works
  - 4 Fast track Projects
  - Consultant for Design review and procurement support on-board.
  - Design review report approved by IDA.

- **WORLD BANK ERT III (17 lines)** - Approval of Resettlement Action Plan (RAP) study reports
  - Kiganda-Mile 16 with tee-off Katabalanga & Kibyamirizi
  - Ruhumba-Kashwa with tee-off Rwebishuri
  - West Nile: Wandi-Yumbe-Moyo
  - Onduparika-Odramachaku-Abiria
  - Other 17 lines (13 Lots)
  - EOI issued and submissions received
  - Shortlisting of EOIs carried out
  - 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: Murinde - Kyabagala - Masita
  - Lot 8: Kiyagara – Bwizi, Biguri
  - Lot 9: Rukoni (Mile 36) - Rwobo
  - Lot 10: Karugutu - Ntoroko
  - Lot 11: Kagongo - Rwengiri with tee-off Kigalama
  - Lot 12: Ngeta - Ayala - Alito
  - Lot 13: Dokolo - Aceng - Atur

#### Total Output Cost (Ushs Thousand):

<table>
<thead>
<tr>
<th>Details</th>
<th>Amount 1</th>
<th>Amount 2</th>
<th>Amount 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gou Dev’t:</td>
<td>0.000</td>
<td>0.000</td>
<td>1.650</td>
</tr>
<tr>
<td>Ext Fin:</td>
<td>50,700</td>
<td>0.645</td>
<td>55.931</td>
</tr>
<tr>
<td>A.I.A:</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td><strong>Total Output Cost</strong></td>
<td><strong>50,700</strong></td>
<td><strong>0.645</strong></td>
<td><strong>57.581</strong></td>
</tr>
</tbody>
</table>

### V5: Vote Challenges for 2018/19 and Additional Funding Requests

Vote Challenges for FY 2018/19
The vote challenges include:
- Lack of funds to carry out compensations for old projects
- Poor quality poles rotting within a short period of time
- Untimely remittance of Non Tax Revenue by UETCL to REA

Table V5.1: Additional Funding Requests

<table>
<thead>
<tr>
<th>Vote : 123 Rural Electrification Agency (REA)</th>
<th>Justification of requirement for additional outputs and funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme : 51 Rural Electrification</td>
<td></td>
</tr>
<tr>
<td>Output : 80 Construction of Rural Electrification Schemes (On-grid)</td>
<td>The unfunded priorities amounting to UGX. 615,197,790,000 are Rural Electrification projects and payment arrears which will increase electricity access by extending the national grid to the rural population all over the country. The Budget for future projects amounts to UGX 598,461,950,000 and wayleaves compensations amounting to UGX 16,735,840,000 respectively.</td>
</tr>
</tbody>
</table>

Funding requirement UShs Bn : **615.198**