

VISION

Resilient and dignified communities, managing their environment and natural resources sustainably.



MISSION

Environmental Alert exists to advocate for enabling environment, sustainable natural resources management and food security frameworks for targeted communities through empowerment and policy engagement.

23rd February 2018

Mr. Kasande Robert,

The Ag. Permanent Secretary, Ministry of Energy and Mineral Development,
Amber House, Kampala Road, P.O. Box 7270 Kampala, Uganda.

Dear Sir,

RE: Submission of a Civil Society Organizations and Network's Position Paper with Issues and Recommendations for Consideration in the Review of the Uganda Renewable Energy Policy, (2007).

On behalf of the Civil Society Organizations (CSOs) and Networks in the Renewable Energy sub-Sector in Uganda, **I hereby submit the Position Paper with Issues and suggested Recommendations for your consideration in the ongoing Renewable Energy Policy, (2007) Review for Uganda.**

This Position Paper is an output from several consultative engagements by CSOs and Networks in the renewable energy sector. These were facilitated by Environmental Alert in collaboration with WWF-UCO through financial support from NORAD.

We recognize the several achievements the Government of Uganda through the Ministry of Energy and Mineral Development (MEMD) and other Government Departments and Agencies have registered in the Energy Sector over the last 10 years through implementation of various policies such as: *the Energy Policy 2002 (MEMD, 2002), Renewable Energy Policy 2007 (MEMD, 2007), Electricity Act, 1999 (MEMD, 1999), Biofuel Bill, Energy Efficiency Bill, Draft Electricity Connection Policy, Rural Electrification Strategy and Plan and the Biomass Strategy among others Energy policy 2002, in the Energy sector.* Most of these policies have matured in terms of implementation and are due for review. Some of the achievements include:

- a) *Liberalization of the energy sector where by concession companies and private companies have come in to support power generation and distribution.*
- b) *Development of the scaling up renewable energy investment plan to increase access to renewable energy technologies among communities and stakeholders.*
- c) *Creation of platforms for public awareness such as the energy week and the Joint sector review meeting.*
- d) *Establishment of various institutions with clear roles and responsibilities such as Electricity Regulatory Authority Rural Electrification Agency, Uganda electricity and Transmission Company limited as well as the Uganda electricity generation company limited; to advance the aspirations of the sector.*

Despite these achievements, there are several emerging (i.e. challenges and opportunities) issues which require immediate response and action. The MEMD is commended for the ongoing process for the review of the energy policies including the Renewable Energy Policy of 2007. This process is a timely and strategic. Hence, it provides the opportunity for addressing these emerging issues to enable the Government meet its commitments and targets regarding energy access and utilizations as stipulated in the National Development Plan II, Uganda's Sustainable Energy for All Initiative Action Agenda and Vision 2040 and also in the commitments in international treaties such as United Nations Framework Convention on Climate Change (UNFCCC) United Nations Convention on Biodiversity (UNCBD), United Nations Convention to Combat Desertification (UNCCD) and East African Community ratified by the Government of Uganda.

As you may be aware, some of the key emerging challenges are:

- a. *Weak institutional framework to support effective extension support and guidance for sustainable utilization of renewable energy resources among beneficiaries at household and community levels*
- b. *Inadequate public financing to develop sustainable and affordable energy supply to match growing demand;*
- c. *The risk and hazards associated with the Renewable Energy Technologies (RETs) tools and fire, especially in the case of on-grid energy where there are fire break outs;*

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- d. *Protection of the local industry/private sector manufacturing Renewable Energy Technologies;*
- e. *Very high investment and or upfront costs for energy projects hindering investments in the sector*
- f. *Inefficient utilization of energy sources like geothermal and wind. These have not been well exploited and developed to generate energy.*
- g. *Low modern energy coverage throughout the country especially in the rural areas (current coverage is about 6% rural and overall 16%);*
- h. *Uncoordinated efforts in energy research and development;*
- i. *Inadequate research and development, thus various research gaps in the renewable energy sub-Sector. E.g. the utilization of RETs by population; inadequate information on resource availability for energy projects such as (geothermal, solar, wind, and mini- and micro-hydro) have hindered investments in these projects;*
- j. *Poor quality and standard of the renewable energy technology products;*
- k. *Limited technology transfer for the various Renewable Energy Technologies e.g. for stoves;*
- l. *Limited access to the RETs by the most vulnerable communities (need for the definition of the vulnerable)*
- m. *Weak/inadequate coordination of different players and stakeholders leading to overlapping and at times conflicting institutional mandates.*

On the other hand, there are various opportunities in the renewable energy sub-sector, which should be tapped. Some of them include:

- i. According to the UBOS report, 2017, 77% of Uganda's population is dominated by the youth under 30 years of age. This young population presents an opportunity that the country can capitalize on to increase its competitiveness and can participate in various renewable energy enterprises if organized;
- ii. Government programs/projects promoting renewable energy technologies (RETs) like improved cook stoves, solar, briquette making among others. Such programs can be up scaled and replicate best practices for wider impact;
- iii. Existing private companies and networks engaged in RETs play an important role in promoting access to the technologies and innovations. These present an opportunity for government to work with such through the public private partnership arrangement;
- iv. The existing financing mechanisms (e.g. Uganda energy credit capitalization company (UECCC) which facilitates investments in renewable energy sub sector through financial and technical support for renewable energy projects and programs;
- v. The abundant wind, sun, and thermal which can be developed further to enhance modern energy;
- vi. Agriculture waste that can be used to make renewable energy alternative such as briquettes.

Given these emerging issues and the changes in the operating context in the Renewable Energy sub-Sector, it's prudent for the ongoing review of the energy policies to address these issues. It is in this spirit that the CSOs and Networks in the Renewable Energy sub-Sector are suggesting the following recommendations for consideration by the MEMD during the ongoing Renewable Energy Policy review process:

- a) MEMD should establish a decentralized coordination at District Local Government levels to support the promotion of renewable energy investments at the lowest level;
- b) MEMD should support Local Governments to mainstream renewable energy in local government (district and sub county) planning and implementation;
- c) MEMD and MWE should support Local Governments i.e. district and sub counties to development and implement *Renewable energy strategies, ordinances and bylaws* to advance sustainable Renewable energy utilization;
- d) MEMD should pursue/fast-track financing and investment in the sector through public private partnerships (PPP), to increase finance and investment in the sector;
- e) MEMD should set aside a renewable energy fund;

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- f) Financing at the lower level through tapping into the oil revenues. This could be through the following strategies when integrated in the policy: i) *Cooperate social responsibility requirements by the private sector should also support investments to advance access to renewable energy technologies by the vulnerable/poor communities; ii) A portion of royalties to the local governments should be allocated to promote renewable energy technologies invest and access; and iii) Setting aside – for each litre of oil sold at least 1 shilling should be reserved for investment in access to renewable energy at all levels.*
- g) MEMD should enhance coordination of R&D in renewable energy through effective coordination with R&D institutions (such as Academia, National Forestry Resources Research Institute (NAFORRI) and CSOs);
- h) MEMD should upscale establishment of mini-hydro power generation targeting remote and rural areas with potentials to have these developed;
- i) MEMD should come up with mitigation actions that can be integrated in the Strategic Environment and Social Impact Assessments for the policy before implementation;
- j) The Renewable energy policy should maintain and increase tax barriers on some renewable energy technologies e.g. improved cooking stoves from foreign countries;
- k) Provide significant subsidies to enable the most vulnerable communities to access clean RETs;
- l) MEMD should enhance collaboration between the Ministry of Gender, Labor and Socio Development to support and advance mainstreaming of gender in RE sector policies planning and implementation at all levels;
- m) Promote use of Village Loan and Saving Scheme to scale up RETs for improved access and benefit to women groups.

We hope that you will consider these as priority issues in your action plans and policies. We also welcome further discussions with you on our findings and recommendations. Further details about the emerging issues and corresponding recommendations are in **Table 2** of the CSO's and Network's Position Paper (**attached**). We look forward to your consideration of the suggested recommendations into the Renewable Energy Policy Review process. We are available to provide further information and clarifications.

Any further information about the policy review process and guidance towards effective participation of CSOs and Networks to contribute for value addition into the process is very much welcome. Additionally, Environmental Alert is interested in strengthening the collaboration with MEMD towards sustainable utilization of energy resources in the country.

Yours sincerely,

.....*Joshua Zake*

Dr. Joshua Zake (PhD),

Executive Director, Environmental Alert.

On behalf of the Civil Society Organizations and Networks in the Renewable Energy sub-Sector in Uganda.

C.c. Mr. Wafula Wilson, Commissioner Renewable Energy Department, Ministry of Energy and Mineral Development.

C.c. Mr. Mutebi Ibrahim, Renewable Energy Manager, World Wide Fund-Uganda Country Office (WWF-UCO).

C.c. CSOs and Networks in the Renewable Energy Sub sector.