

Project Profile

Sector	Agriculture
Sub sector	Agriculture
Code:	0092
Title	Rural Electrification - ERT - MAAIF
COVERAGE:	10 districts of Arua, Nebbi, Mbarara, Kabale, Pallisa, Luwero, Lira, Kasese, Wakiso and Ntungamo.
Total Plan Exp. :	US\$ 0.739m
Funds Secured:	US\$ 0.739m
Funding gap :	Nil
Funding Agency:	US \$ 726,100
Start date	2002
Completion date	2012

Background:

Energy for Rural Transformation Program (ERT) provides the Agriculture sector a unique and timely opportunity to address the crucial importance of Energy and Information, Communication Technology (ICT) in Agriculture transformation so as to eradicate poverty.

Energy for Rural Transformation (ERT) is a government program whose aim is to increase rural access to electricity, (Hydro geothermal) animal, solar, wind, biogas and other forms of power/energy from presently about 1% to 10% in ten years. ICT packages include rural community broadcasting, rural telephony and telephone help lines and in some cases community telecentres.

A key aspect of the ERT program is across - sectoral approach in the expansion of rural access to energy and Information Communication Technology (ICT). The agricultural sector is one of the major energy/ICT end users and hence the Agriculture sub-component of the ERT Project

The Agriculture Sub-Component Of The ERT Program

The ERT Agriculture Component will focus on guidance and promotion of the opportunities with the ERT program for investing in energy and/or ICT with technical support and subsidies from the rural electrification fund to lower the investment cost in energy access for agriculture related activities. The agriculture component will have two phases. The first phase of 4 years is largely for capacity building, sensitization and promotion of energy/ICT investments. The second phase of 6 years will see full-scale energy/ICT investments and rollover to cover most parts of the country where energy/ICT is a major constraint to agriculture development.

Objective of the Agriculture Component of ERT

The overall objective of the Agriculture component of the ERT program is to support the PMA process of transforming agriculture from largely subsistence to commercial through the use of energy/ICT in agricultural activities so as to:

Increase incomes by raising farm productivity of rural enterprises through use of energy and ICT.

Raise the share of agriculture that can be marketed through increased agro-processing and post harvest management

Create on farm and off-farm employment through the investment opportunities that arise with access to energy/ICT.

Improve communication and information flow especially in the marketing of agricultural products for which ICT and energy access will play a crucial role.

Financing:

The project is financed by GoU and IDA. For the FY 2005/06, a total of US \$ 0.067 million was provided by GoU.

Plan of Operation:

The following are the project activities of the ERT Agricultural sub-component to be undertaken during the initial phase of 4 years.

Identification and prioritization of areas/enterprises where lack of energy/ICT is a major constraint to agriculture development.

Feasibility studies and development of subsidy guidelines

Creating an enabling environment for the private sector involvement and investment in the agriculture sector by assisting access to energy and ICT.

Information packages and workshops

Providing guidance and promotion for agro enterprises to participate

Capacity building for the centre districts farmers and other stakeholders.

Selection of energy/ICT access investment pilot projects

Monitoring and evaluation of the programme sensitizing the population about the opportunities that exist with energy and ICT access.

Designing parameters/criteria for enterprise participation.

Expected outputs :

Increased energy access to by agricultural enterprises

Increased access to critical ICT services by agricultural enterprises in rural areas.

Increased access to energy/ICT will accelerate the PMA process and enhance agriculture development in the country.