

PROJECT PROFILE

<u>Sector:</u>	Mining & Energy
<u>Sub-sector:</u>	Energy
<u>Code:</u>	ME 28 (A)
<u>Title:</u>	Power IV Project
<u>Implementing Agency:</u>	Ministry of Energy & Mineral Development & Uganda Electricity Generation Company Ltd
<u>Location:</u>	Kampala, Jinja, other parts of the country
<u>Total Plan Expenditure:</u>	US\$ 1.05m
<u>Funds Secured:</u>	US\$ 1.05m
<u>Funding Gap:</u>	Nil
<u>Starting Date:</u>	June 2001
<u>Completion Date:</u>	June 2005

Objectives

The Project aims to:

- Improve power supply to meet demand by supporting critically needed investments in the subsector;
- Strengthen the borrower's capacity to manage reform, privatization and development in the power and petroleum sub-sectors.

Output Indicators

- An increase of between 80 and 120 MW in the capacity of the Kiira Power plant by early 2002;
- Rehabilitation of critical aspects of power system transmission and generation by 2004;
- Training of a minimum of 15 MEMD and ERA staff by end of 2003;
- Establishment of petroleum sector monitoring guidelines by mid-2003;
- Establishment of the operating regime for the Lake Victoria by end 2003.

Outcome Indicators

- Reduction of load shedding by early 2004;
- Increase in the number of new residential connections to 15,000 annually by end-2004;
- Reduction of system losses from 30 percent in 2000 to 24 percent by end-2004;
- Reduction in undelivered energy due to outages in the transmission system by 30 percent at the end of 2003;
- Implementation of transparent legal, regulatory and monitoring arrangements for the power and petroleum sub-sectors by end-2002; and
- Improvement in the Government's fiscal sustainability.

Technical Description

The project will be involved with

- Power System Expansion and Rehabilitation by installation of Units 14 and 15 at Kiira power plant, Upgrade of SCADA and Telecommunications System, Transmission rehabilitation, Civil works for Unit 13, and provision of Hydromechanical for Unit 13.
- Institutional Support through Project Design and Supervision, and Study on Unit 15.
- Environmental Monitoring
- Power Sector Development and Reform through Procurement of equipment and training, Water Management Study, Consultancies and workshops, and Assistance to ERA.
- Petroleum Sector Development and Reform through provision of Quality monitoring equipment, training and information, Consultancy Services for design and implementation of legal and regulatory system, and Project Preparation Facility.

Feasibility Study

Feasibility studies were done for the relevant components of the project.

Financing

IDA is providing US \$62m; GoU is providing US\$3.34; UEGCL and UETCL are both providing a total of US\$ 6.00m; the Nordic Development Fund is providing US \$11.30m and NORAD is providing a grant of US\$ 6.70m.