



UGANDA ENERGY CREDIT CAPITALIZATION COMPANY

Facilitating Renewable Energy Programmes with World Bank Support

The Uganda Energy Credit Capitalisation (UECCC) is a Government of Uganda (GOU) Company in place to facilitate investments in Uganda's Renewable Energy Sector. The Company is also the administrator of the Uganda Energy Capitalisation Trust ("The Trust") which is a framework for pooling resources from Government and Development Partners and to channel the same to renewable energy projects.

UECCC's main objective is to provide financial, technical and other support for renewable energy development in Uganda, with particular focus on enabling private sector participation.

With funding support from the World Bank under the GOU Energy for Rural Transformation Project Phase II and III, UECCC set up a Credit Support Facility (CSF) for renewable energy projects. The CSF is a menu of credit support instruments to Participating Financial Institutions (PFIs) that provide financing to energy projects and/or programmes. Current programmes funded under the CSF include:

Solar Loan Programme for PFIs

This financing facility is extended to PFIs regulated by Bank of Uganda for on-lending to households and commercial enterprises for solar systems acquisition.

The objective of the Facility is to address the affordability barrier posed by the initial upfront cost of acquiring solar systems that is relatively high for the target beneficiaries (rural households/enterprises).

The PFIs currently offering this product include:

- Pride Micro Finance Ltd
- Centenary Bank
- Finance Trust Bank
- Post Bank Uganda Ltd

Connection Loan Programme

The Government of Uganda Electricity Connection Policy (2018-2027) has set a target of 300,000 on grid connections per annum. 80% of these connections are expected to be made upon completion of wiring of premises. Under the Policy, UECCC will provide credit facilities through Financial Institutions for house wiring and three phase connection costs.

UECCC through its Connection Loan Programme has already extended financing to Centenary Bank for on-lending to households and commercial enterprises desiring to connect to grid electricity. The Programme aims to address the affordability barrier arising from upfront electricity connection costs. The Facility is available at all Centenary Bank branches country wide.

Solar Company Working Capital Facility

UECCC is implementing a Working Capital Facility for Solar Companies. Targeted Solar Companies are those selling Solar systems on Pay as you go, Pay plan and Cash business models.

The facility is availed to PFIs for lending as working capital loans to eligible Solar Companies/ Vendors to acquire Solar systems. Specifically, the working capital loans support the purchase/import financing of Solar Home Systems, and covers expenses relating to acquisition of stock including taxes, import dues, transport cost and clearing.

Currently the Financial Institutions prequalified to provide the Working Capital Facility include:

- Centenary Bank
- Stanbic Bank Uganda Limited
- PostBank Uganda Limited
- Barclays Bank Uganda Limited
- Finance Trust Bank

For further information, please contact UECCC, Amber House 3rd Floor Block E. Tel: +256 312 165650 Website: www.ueccc.or.ug