



UGANDA ENERGY CREDIT CAPITALIZATION COMPANY

Facilitating Renewable Energy Investments

Uganda Energy Credit Capitalization Company (UECCC) congratulates Electricity Regulatory Authority (ERA) on acquiring ISO 9001: 2015 Certification

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 the administrator of the Uganda Energy Capitalisation Trust ("The Trust") which is a framework for pooling resources from Government and Development Partners for 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.

UECCC's current Programmes include:

i. A Solar Financing Programme

Working in partnership with regulated Financial Institutions and Tier IV Financial Institutions, UECCC has put in place a facility that enables households and commercial enterprises acquire solar systems on credit.

This Product is aimed at addressing the affordability barrier posed by the initial upfront cost of acquiring Solar systems. Regulated Financial Institutions currently offering this product include; Post Bank Uganda Ltd, Pride Micro Finance Ltd, Finance Trust Bank and Centenary Bank.

UECCC also established linkages with grass root based Savings and Credit Cooperative Organizations (SACCOs) and Microfinance Institutions (Tier IV Financial Institutions). UECCC is currently working with Tuijenge Uganda Limited, Hofokam Limited, EBO SACCO Limited and Buyanja SACCO Limited to extend Solar Loans to households and commercial enterprises at the grassroots.

ii. A Power Connection Loan

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.

iii. Technical Assistance

One of the main objectives of UECCC is to provide Technical Assistance to PFIs and Independent Power Producers (IPPs). In the case of PFIs, UECCC extends Technical Assistance to address various capacity gaps in the areas including but not limited to renewable energy lending techniques and product development.

For the case of IPPs, UECCC extends Technical Assistance to address various capacity gaps in the areas including but not limited to pre-feasibility study development and business plan development.

iv. 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

v. Biomass

UECCC is currently piloting a Biomass Financing Facility for domestic Biogas Digesters with EBO SACCO Limited. The facility is aimed at addressing affordability barrier associated with the upfront costs of acquiring the domestic biogas digesters.

vi. The ORIO Mini Hydro Power and Rural Electrification Project

Within the framework of the Uganda Energy Capitalisation Trust, UECCC mobilized a Grant of up to 13.1 million from the Government of the Netherlands towards development of nine (9) mini hydro power sites as a single project for rural electrification. The Project entails the development of the 9 sites, a distribution network around each of the sites and last mile connections in the Project area. The selected sites are small and not attractive to the private sector but still remain important for rural electrification. On completion of construction, management of the power generation plants will be concessioned to the private sector.

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