

 Early Warning System

AFDB-P-Z1-FA0-192

Uganda - Power Interconnection Project between South Sudan and
Uganda



Quick Facts

Countries	South Sudan, Uganda
Specific Location	Juba, Nimule, Bibia, Olwiyo
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	A
Voting Date	2024-12-13
Borrower	Uganda Electricity Transmission Company Limited (UETCL)
Sectors	Energy, Hydropower, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 121.94 million
Loan Amount (USD)	\$ 121.94 million



Project Description

As stated by the AfDB, the South Sudan-Uganda Power Interconnection Project (hereinafter referred to as "SUPIP" or the "Project") is a cross-border initiative that will simultaneously address excess electricity generation in Uganda and energy deficits in South Sudan, thus ensuring affordable power supply in both countries. The project is aligned with the United Nations Sustainable Development Goals (in particular goals 7, 9 and 13) and contributes to the achievement of the African Union Agenda 2063 goal of "climate-resilient and environmentally sustainable economies and communities" and promoting "a high standard of living, quality of life and well-being for all citizens". This project mainly contributes to climate mitigation results. Thus, 100% of the total approved amount is allocated to climate financing, of which 100% is dedicated to mitigation.

The development objective is to "integrate South Sudan into the East African Power Pool network" and specifically aims to "address the deficit, ensure the reliability and affordability of electricity in South Sudan while creating a market for clean, surplus energy generated in Uganda". The project will, in the short and medium term, help to alleviate the electricity shortages in South Sudan, particularly in Juba and Nimule. Building on Uganda's generation expansion plan, this project is timely to help meet demand and ensure the country's long-term security of supply (i.e. by 2045), as it will open a path for regional imports once South Sudan's hydropower potential along the Nile River has been exploited, and facilitate the implementation of other cross-border interconnection operations such as those existing between South Sudan and Ethiopia and South Sudan and Kenya.

In addition, the Ugandan electricity supply sector will benefit financially, as UETCL will be able to export any surplus, thus reducing the financial burden of the energy clauses in the so-called "take-or-pay" power purchase agreements. Furthermore, the strengthening of the national electricity transmission infrastructure (thanks to the increase in the production capacity of the existing Olwiyo substation to 400/132/33kV and the new Bibia substation with a capacity of 400/132/33kV) will improve the reliability of supply in northern Uganda, in addition to reinforcing the benefits of the Bank's Rural Electrification Access Project (UREAP) send for completion in Uganda. The infrastructure improvement will also complement the second phase of the UREAP project (UREAP II), the feasibility studies for which are financed by the Korea-Africa Economic Cooperation Trust Fund administered by the Bank. The objective of the UREAP II Project is expected to focus on increasing access to electricity, currently estimated at 47%, the main obstacles being, among other things, insufficient downstream investment in the electricity supply sector, particularly in the transmission and distribution segments.



Investment Description

- African Development Bank (AFDB)



Private Actors Description

As stated on the company's website, the Uganda Electricity Transmission Company Limited (UETCL) was incorporated as a limited company on the 26th March 2001 in accordance with the provisions of the Companies Act as amended and the Public Enterprise Reform and Divestiture Act.

UETCL's existence is provided for in the Electricity Act Cap 145 that provided for un-bundling the Uganda Electricity Board (UEB) into successor Companies and establishment of the Electricity Regulatory Authority (ERA).



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Uganda Electricity Transmission Company Limited (UETCL)	Client	Energy



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [Appraisal Report](#)
- [Environmental Study](#)
- [Expression of Interest](#)
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