

# Finance ministry asks donors to support renewable energy

By Prossy Nandudu

The deputy secretary to the Treasury, Patrick Ocailap, has appealed to donor communities to support Uganda in renewable energy, saying it will help Ugandans access water for production.

According to Ocailap, climate change and its effects are real and yet agriculture is still expected to drive the country to its Vision 2040 development goals. Prolonged droughts, he said, are affecting agriculture.

One of the solutions, according to Ocailap, is renewable energy, such as solar power, which could be used to extract water from the ground for domestic and commercial use.

"The impacts of climate change on the economy are grave because it leads to the collapse of household incomes, increases poverty levels and helplessness because people are unable to do anything until they get the next rains," Ocailap said.

He noted that Africa has over 13 trillion Gigabytes of solar energy, which could be harnessed using solar panels and used for pumping water from the ground for irrigation.

He was speaking during the launch of the Country Planning Framework (CPF) on co-operation between the Global Green Growth Institute (GGGI) and the Government, at the finance ministry, headquarters in Kampala yesterday. The co-operation runs until 2021.

The framework is a commitment to



Ocailap, the Deputy Secretary to the Treasury (second-right) and Dexipos Gourides, (second-left) after signing the strategic frameworks at the Ministry of Finance. Photo by Prossy Nandudu

support Government in transitioning towards a green economy.

The country framework focuses on mobilising investments for the Uganda Green Growth Development strategy, expanding national access by boosting investment in off-grid renewable energy and energy efficiency and investment in Uganda's cities with improved services.

For Uganda, it aims at 22% reduction in greenhouse gas emissions by 2030.

Ocailap said preparation of bankable projects that can meet risk reward expectations of

## BETWEEN THE LINES:

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investors and unlock capital is still a challenge because it requires heavy investment. Another challenge, he said, is that commercial and institutional investors perceive green climate investment projects in emerging economies as high-risk and low return. "Therefore, the CPF

that has been launched is an opportunity that will translate into funding for our agreed green approach to development.

We have to find suitable sources of finance to develop projects that are bankable based on our nationally determined contributions, assessments and design innovative financial contributions to reduce risk and enable capital flows into the sectors," Ocailap added.

At the same event, Dexipos Gourides, director of Africa Middle East Portfolio of GGGI, said for Uganda to implement the strategy, Government will have to mobilise resources

both financial and technical. About \$11b is needed for the projects over 15 years.

He said GGGI will support the Government to increase financial flows for projects by mobilising funds through various financial instruments and mechanisms.

He said it will work with the Government to establish a national financing vehicle, support Government access to green financing and leveraging private sector financing.

It will also help in strengthening Government capacity to select priorities and develop bankable projects, added Gourides.