

Uganda's first solar energy plant will be up and running in seven months

Uganda will have its first government-endorsed renewable energy in just over half a year, with the construction of the 10MW (14GWh/y) Tororo solar PV project.

Following the facility agreement signed in September with Dutch development bank FMO, [Building Energy](#) announced that the financial close for the project has been completed.



The total amount of the financial transaction is \$19,6m. FMO acted as mandated lead arranger of the \$14,7m facility, 50% of which was syndicated to the Emerging Africa Infrastructure Fund, while \$4,9m is the equity from the project's shareholders. The plant is majority owned by Building Energy, which will be responsible for its construction and operation.

Uganda has one of the lowest electricity consumption per capita in the world, with an average electrification rate of 18,2%. The country's power sector suffered from a shortage of generating capacity and a lack of reliable and affordable electricity is hindering more sustainable economic growth.

In this scenario, the project will also contribute to the socio-economic development of the Tororo area in Eastern Uganda. Additionally, it will play a role in terms of employment, thanks to 250 new jobs during the construction phase, and eight local jobs during the operational one. The solar plant will serve the equivalent of 36,200 people via generation and has an annual avoided GHG rate of 7,400 tCO₂eq.

Matteo Brambilla, Building Energy managing director Africa, said: “We are pleased with the financial closing of the Tororo project, which will be a strategic step to further consolidate our presence in East Africa, and at the same time, it will also contribute to the socio-economic development of Tororo region.”

For more, visit: <https://www.bizcommunity.com>