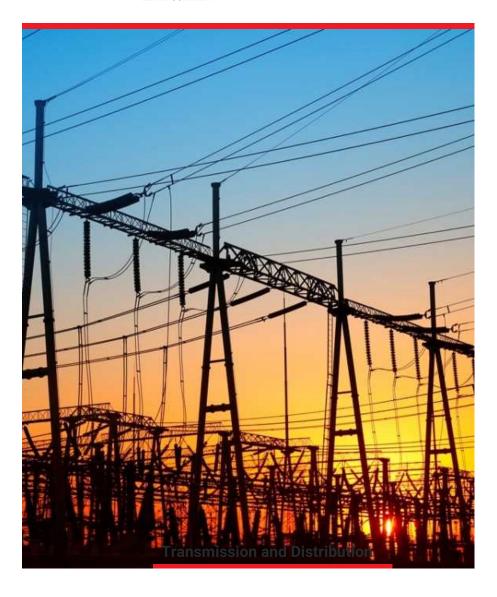
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NEWS STORY LEAVE COMMENT



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Rwanda joins forces with Japan to renovate electricity distribution networks

In East Africa, the Rwandan government has announced that it has engaged in a finance deal with Japan worth \$18.4 million, which is aimed at improving electricity distribution networks in Kigali.

The minister of finance and economic planning, Claver Gatete, told the New Times that the funds will be distributed towards accelerating the construction of Ndera substation and the Murindi and Kabuga power-switching stations, both in Gasabo District, Kigali province.

Gatete explained that the grant will assist in the different stages of these distribution network projects, which included upgrading of old substations as well as construction of new ones.

"The support is part of the second phase aimed at rehabilitating and re-constructing the old substations as well as restore and expand the distribution networks in Jabana, Gikondo, Rwinkwavu, Huye and Musha," he said.

Distribution networks supports gov plans

Gatete also highlighted that the development of the distribution networks is in line with Rwanda's second Economic Development and Poverty Reduction Strategy (EDPRS II), stating that the upgrades are crucial for faster economic growth.

The New Times quoted the EDPRS II blueprint, which stated that government targets to increase power generation capacity to at least 563MW by 2018, from the current 185MW.

Tomio Sakamoto from the Embassy of Japan in Kigali, said the renovation of the electricity distribution networks will enhance and encourage sustainable economic activities and in turn lower costs of doing business, while improving living standards.

Sakamoto stated that the upgrades will be executed by both the Rwanda's Energy Utility Corporation Limited and the Japan International Cooperation Agency.

Commenting on the deal, Rwanda Energy Group (REG) chief executive Jean-Bosco Mugiraneza said the funding was a great breakthrough aimed at reducing power shortages and network losses.

Mugiraneza told the media that REG is targeting to reduce power losses from its current 23% to at least below 15%.

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