

Rwanda: Nyabarongo Hydro Power Station Will Give Rwanda a Competitive Edge

By Sekela Mwambuli

The completion of the construction of Nyabarongo hydropower project in the western part of Rwanda is one such landmark that promises to provide the residents with reliable power.

The project is the largest hydropower installation in Rwanda, to date contributing more than 28MW of electricity to the national grid.

The development of a modernised energy system for developing countries especially has been a significant challenge to energy utilities.

Therefore the completion of such a mega project in Rwanda should give African economies hope and reassurance on why it is important to invest in the energy industry.

It is clear that the progressive use of diesel generators in rural areas as a main source of electrification is continuously becoming unsuitable and very expensive; therefore taking on Rwanda's example of investing in clean energy is yet another lesson for many African economies.

The Nyabarongo project is a manifestation of how Rwanda takes the energy sector as an important pillar towards economic development.

There is therefore hope that continuous investment in the energy sector and the introduction of new technologies that focus mainly on renewable energy systems will make Rwanda a conducive place to do business.

Such an investment means more private investments, increased access to electricity and a reduction in the cost of production.

There is evidence that Nyabarongo power plant is already bringing a new ray of hope, confidence and security in terms of rural electrification, making it very imperative for Rwanda to continue investing in its energy sector.

It is also a manifestation of how important public private sector partnerships have become in terms of economic development of emerging economies.

The partnership between Angelique International, Bharat Heavy Electrical Limited (BHEL) and government which made the construction of this mega plant possible is now helping shape the country's social economic structures through increased power connectivity.

Therefore what this tells us is that investing in energy projects can be more productive when all stake holders make a contribution.

For-example, Ravu Venugopala Rao the vice President, Angelique International Limited recently said that "The completion of Rwanda's mega power plant at Nyabarongo water falls is a boon for the people of Rwanda by all standards, there is therefore no price tag one can put on the project that has cost the country more than \$110 million

There is no doubt that embracing such partnerships is the most strategic way to developing a well-defined policy on the implementation of the rural electrification strategy, with specific guidelines blocking risks or unfavorable effects.

Reducing government expenditure

Meanwhile such a project could only see a reduction in government expenditure on importation of diesel from a tune of \$12.9 million every month to at least \$7.4 million.