

The Bujagali Hydropower Project (BHPP):

<http://www.bujagali-energy.com>

The BHPP is a 250-megawatt power-generating facility being built on the Victoria Nile River near the Town of Jinja, in Uganda, by Bujagali Energy Limited. It is sponsored by Industrial Promotion Services (Kenya) Limited and SG Bujagali Holdings Ltd, an affiliate of Sithe Global Power, LLC (USA).

Status as of 31st December 2010



Aerial view of the power station

Project Start: 26 June 2007

Project Commissioning: to fourth quarter 2011

Project final completion: April 2012

Progress:

- **Engineering:** 99.7%
- **Procurement:** 99.5%
- **Construction:** 65%

IMPLEMENTATION OF SOCIAL AND ENVIRONMENTAL ACTION PLANS (SEAPS)

Implementation of various components of the Social and Environmental Action Plans (SEAPS) continued during the fourth quarter (Oct-Dec) 2010. Bujagali Energy Limited (BEL) has also made

significant progress in construction of the 250MW hydro power project. The key activities undertaken during the period included the commencement of a socio-economic survey to monitor the effectiveness of livelihood restoration programmes implemented by BEL within the project affected communities, biodiversity monitoring and completion of business centres, among others.

This newsletter highlights the progress on the Social, Community Liaison, Environment interventions and activities for the period October to December 2010.

The newsletter is also available in Luganda and Lusoga.

Enjoy your reading.

January 2011

BEL Commitments

BEL is committed to improving local social infrastructure including; improving water supply, education and health facilities, and support sustainable economic development as part of the CDAP. BEL carries out environmental measures that mitigate impacts on habitats and ecosystems, ground and surface water, fish stocks and fisheries, unplanned but predictable developments such as influx of workers to the project area, disease vectors and tourism under EMMP.

Education

The 10 class room block constructed by BEL was blessed by the church leadership of Naminya Roman Catholic and the classrooms are fully being used by the pupils.



The ten classroom block constructed at Naminya RC Primary School

Vulnerable Assistance program

The process of identification of a consultant/company to offer fumigation services to the 350 vulnerable households to control vector borne diseases and ectoparasites was completed during the quarter. Fumigation is scheduled to start in January 2011.

Water

The laying of water pipes is ongoing. By the end of the quarter, over 17 km out of the 37 km had been laid. Public stand pipes locations were also identified by the communities and these will enable members unable to have pipes to their homes access cleaner water from these points at a subsidized charge. Work on the booster pump station required to supply water to Naminya commenced in December.



Laying of pipes for the water line project in Budondo

Business development

Micro credit

The micro credit fund for the PAPs has started revolving. BEL went into partnership with Uganda Finance Trust and of the amount given by BEL to loan, the institution was able to loan UGX 12,000,000 to the PAPs during the 2nd Quarter 2010. To date, UGX 238,470,000 has been disbursed in the project affected villages to 384 PAPs, with UGX 6,470,000 as the amount that had revolved by Q4 2010.



PAPs being briefed about micro credit programme

Agriculture

The agriculture support program was completed during the quarter. A total of 1064 farmers from the affected communities participated in the program. The program was able to reach 75% of the PAPs who are economically engaged in agriculture. The farmers were trained in group dynamics and later organised into 83 farmer groups to support extension services and better structure marketing. 34 physically resettled households at Naminya Resettlement village were also supported. The farmers received agricultural extension services and animal husbandry extension services including; agricultural inputs for 3 years (2008-2010).

The scaling down of community programs was communicated to the PAPs during the project update meetings held during the quarter. The local governments of Jinja, Mukono and Buikwe were also urged to continue with the programs initiated by BEL for sustainability. Going forward, BEL engagement in agricultural program

will be mainly in the area of monitoring.

Community based health and HIV/AIDS Program

The Village Health Teams have continued to carry out their role as focal persons in spearheading community based health and HIV/AIDS preventive measures such as distribution of condoms, anti malarial drugs and mobilizing communities to attend and participate in health awareness programmes.

A report detailing cost estimates for the planned Infrastructural upgrade of Budondo Health Centre IV was received from the architect. Meetings to review the report with Budondo technical and political leadership were held to determine the Sub-county priorities. A final report from the Architect was submitted during the month of October. Procurement of a contractor for the upgrade is ongoing; evaluation of submitted bids is due to be completed by January 2011.

Business centers

Wakisi Sub-county hired staff to operate the business centre renovated and equipped by BEL. The facility is now fully operational. Operation of the Budondo Sub-county business centre was delayed by electricity connection which was achieved in December 2010 and will be fully operational in January 2011.

Skills Training for the Youth

72 of the 140 students sponsored by BEL are still training at Nile vocational Institute and are expected to complete training by end of Q2 2011.

20% of the 68 trainees who completed training previously have secured jobs.



Some of the youth who graduated from NVI

Market

The market was handed over to the project affected persons through the Wakisi and Budondo Sub county Local Governments during the month of December 2010. An MOU specifying the responsibilities of BEL and the respective sub-counties was signed and a committee representing all the project affected communities was formed to assist in the management of the market.



The newly constructed market in Malindi

Community Based Training (CBT)

BEL received proposals from potential training institutions and individual entities to offer Community Based Training in the BHP affected villages and these are still being reviewed.

Training is expected to start during the first quarter of 2011.

Livelihood Restoration Monitoring Programme

A socio economic survey was undertaken to assess the livelihoods

status of the project affected people. A report is being compiled and will be ready in January 2011.

Rural Electrification

During the quarter, BEL had discussions with UMEME, the local electricity distribution company, regarding extension of power to the project affected villages. Partial implementation of the Rural Electrification Program is being considered in the 3rd quarter of 2011. BEL also submitted a request to the Rural Electrification Authority for contributing funds to supplement the electrification program in the project area. The program, if funded, is intended to reach over 600 households. Response on the requested commitment is awaited from the REA Board.

Public Consultation and Disclosure included:

BEL continued to have an active community liaison engagement with all the stakeholders as well as managing grievances or complaints arising during this phase of the project.

Stakeholder meetings were held from village level up to national level to update them on the project construction progress; river diversion and impoundment, the CDAP progress and feedback on the CDAP implementation. The stakeholders especially the project affected communities were largely appreciative of the BEL interventions but also concerned about the commitments not yet delivered such as electricity extension, CBT program, request for more agriculture inputs and resolution on blasting effects.

Community meeting for the East Bank complainants about blasting impacts was held. Surveys to assess the linkage between the complaints and the blasting operations were undertaken. Meeting was held with the Jinja District central government

representatives; the District Internal Security Officer, the Regional Intelligence Officer and the Resident District Commissioner to brief them on project developments and concerns from the communities especially concerning blasting impacts.

Further discussions with the Busoga Kingdom were held in view of finalizing the spirits relocation agreement and harmonizing each party's concern. In principle there was consensus on the MoU and the agreement was signed.

Bi-weekly consultations with Local Leaders on feedback from communities and addressing concerns raised by community members continued. Leaders expressed gratitude to the programs so far implemented and requested fast tracking of the remaining programs such as provision of electricity and water.

Consultations were held with the Jinja District Local Government representatives; the District Internal Security Officer, the Regional Intelligence Officer and the Resident District Commissioner to brief them on project developments and continued thefts of tower members for the BIP. Further meetings with the EPC Jyoti were proposed.

Riverbank Afforestation and Erosion Control

River bank afforestation and soil erosion control programs were completed. Over 400 hectares of different species of trees were planted between the BHPP and Kalagala Falls downstream.



Some of the trees planted in the afforestation programme

Community Fisheries Programme

During the quarter, excavation of the second fish pond at Naminya Resettlement was completed and stocked with catfish and tilapia type fish. The fish will be mature enough for the market and domestic consumption between March and May 2011.

This program was a sponsored joint effort between BEL and SOUL, a local NGO. The third pond is underway. BEL and SOUL are considering sponsoring fish ponds for other communities.



Above, the three community fish ponds excavated at Naminya

Status of the fish landing sites construction is as reported last quarter.

Biodiversity Monitoring

Biodiversity monitoring of upstream islands started during the quarter and will go on for about a year.

Below, the wildlife monitoring team tours areas to survey prior to monitoring



Tourism

Discussions are ongoing with another tour agency called Rafts Supreme (trading as Nalubale Rafting) with a view of supporting the agency to develop alternative tourism activities upstream of the dam.

Following the signing of an MOU between BEL and Adrift Adventure Company in April 2010, the purchase of an old steam boat named 'The African Queen' was concluded and the boat restoration was in its final stages in December 2010. It is planned to be in operation by the end of January 2011. The boat will offer sunset cruises on River Nile.

As part of the island afforestation exercise that BEL has undertaken in partnership with Adrift (U) Limited, maintenance of 30 hectares of trees planted on Itanda Island from August –December 2010 continued and will carry on till February 2011. Plans are underway to plant an additional 26 hectares on more than five additional islands downstream of the Bujagali project.



Ecosystem committee member maintaining trees planted on islands

Environment, Health and Safety Issues

Waste management at project sites

Non hazardous and hazardous waste continued to be generated at both the dam site and campsite during the quarter. All hazardous wastes such as used oil and batteries are strictly collected by agencies authorized by NEMA. All

the non- hazardous wastes are disposed off at the Jinja Municipal Council Land Fill. Metal scrap is taken for recycling. Timber cut offs are given out to affected communities for use as firewood.



Collection point for hazardous waste before it is taken from site

Visitors

The following organizations and groups visited the site in Q4;

- A team of BEL Partners, IPS /Aga Khan Group.
- KfW with a team from IPS/Aga Khan Group.
- The French Ambassador to Uganda together with her staff visited the site to get appraised on the progress of the construction and other social and environmental programs particularly afforestation program along the river banks and waterline extension.
- Officials from the Electricity Regulatory Authority (ERA) visited the site to follow up on the blast impact complaints raised.
- The minister from the Government of Egypt together with a delegation, including the Ugandan Minister of Energy.
- The Lenders visited the project site, monitored the implementation of the SEAP and had meetings with affected communities and selected community members participating in livelihood and income generating activities.
- UMEME Ltd, the electricity distributor together with senior members of the Common Wealth Development Corporation (CDC).
- Board members of Inter Aid Uganda, a Witness NGO on the project.

- A team from Nile Basin Countries.

We hope you enjoyed the reading, wait for the next edition.

BEL team