

BUJAGALI PROJECT NEWSLETTER Q4 2009

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 31 Dec 2009



Project Start: 26 June 2007

Project Commissioning: to third quarter 2011

Progress:

- **Engineering:** 85%
- **Procurement:** 98%
- **Construction:** 52%

IMPLEMENTATION OF SOCIAL AND ENVIRONMENT ACTION PLANS (SEAPS)

Implementation of various components of the Social and Environmental Action Plans (SEAPS) continued during the fourth quarter (October-December) 2009. 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 graduation of 53 youths at Nile Vocational Training Institute in basic skills training, agricultural enhancement programme, and community based health, HIV/AIDS programmes and construction of energy saving stoves for vulnerable persons among others.

This news letter highlights the progress on the Social, Community Liaison, Environment interventions and activities for the period October to December 2009.

This news letter is also available in Luganda and Lusoga.

Enjoy your reading.

January 2010

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

Construction works for the 10-classroom block at Naminya RC Primary School were completed. Classrooms to be furnished and handover slated for March 2010.



10-classroom block at Naminya RC primary school was completed

Vulnerable Assistance program

BEL extended assistance to vulnerable persons within the project affected villages by constructing energy saving stoves in order to reduce on the amount of firewood they use. 310No. stoves (both portable and fixed) have been constructed in the affected villages as detailed below: Kikubamutwe (27), Malindi (15), Buloba (37), Naminya-Kiira (26), Naminya Resettlement (4), Bujagali (28), Ivunamba (48), Namizi West (63 and Kyabirwa (57).

Monitoring of vulnerable people supported by BEL was done and a comprehensive record developed. Records indicate that 7 vulnerable persons had passed away and 6 had migrated.



One of the vulnerable persons using the energy saving stove

Health

TASO Jinja conducted a Basic Child Counselling training course for 63 teachers from the project-affected schools. The objective of this training was to empower teachers with HIV/AIDS knowledge and Basic Child counselling skills to scale up HIV/AIDS prevention among the youth.

Plans for infrastructural upgrade of Wakisi and Budondo HCIII are still under review.

Water

BEL is in the process of extending piped water to the project affected villages. A pre-bid meeting and site visit were held with bidders who expressed interest in participating in carrying out works for water supply. 18 bids were received and evaluation is on-going.

Business development

Under the micro credit component, Uganda Finance Trust has been selected to administer the community microfinance fund aimed at supporting local business initiatives. An MOU between BEL and Uganda Finance Trust is being prepared and Implementation of the micro-credit program is expected to start during the first quarter of 2010.

Agriculture

Phase two of the agricultural enhancement programme started with an effort of enhancing food security through distribution of quick maturing beans (K132) to the 83 farmer groups supported by BEL under the livelihood restoration programme. A total of 3,736 kg of beans were distributed.

Livestock production in the project area has continued to perform well. To date, 127 piglets and more than 40 kids have been produced.



Beans (K132) being distributed in the community

Skills Training for the Youth

53 youths out of the 140 sponsored by BEL completed a one-year basic skills training at Nile Vocational Institute and graduated on 4th December 2009. They were awarded certificates in different skills: Block laying and concrete practice (16), Catering and Hotel management (2), Carpentry and Joinery (6), Hair dressing and beauty therapy (9), Motor vehicle mechanics (9), Plumbing and Sheet Metal work (3), Textile technology (7) and Electrical Installation and Electronics (1).



Youths after graduation at NVI

Market

BEL's plan to construct a market in which the project affected persons can sell the agricultural produce targeting the labour force at the project construction site is underway.

BEL received and completed reviewing bids for market development. The program has delayed but construction works to commence as soon as the contract is executed.

Community Based Training (CBT)

The CBT programme started with the training of 42 community members in the construction of permanent and portable energy saving stoves. These members have been involved in the construction of energy saving stoves for the 310 vulnerable households in the project affected villages. It is expected that that these artisans will offer the service to other community members in an effort to reduce on the environmental degradation and time spent, especially by women in collecting firewood.

BEL is in the process of outsourcing a vocational and business training institution to implement the wider CBT program.

Rural Electrification

Evaluation of the bids for the feasibility study on extending electricity to the project affected villages and wider community was completed, further negotiations and clarifications with the successful bidder planned for January 2010 and contract award February 2010.

Public Consultation and Disclosure included:

Resolution of Complaints

Several complaints were registered during the quarter. Below are the complaints and efforts undertaken to try and address them.

- Non-transparency in employment: BEL continued liaising with Salini personnel office to streamline further on the hiring process and follow up on complaints registered with BEL.
- Unpaid wages of Boschcon employees: The matter is being handled by the Labour Officer of Mukono.
- Delayed T-line compensation: Liaison and fast tracking with UETCL is being undertaken
- Complaints about blasting effects: Follow-up on blast complaints was made. Salini engaged services of independent monitors to assess the validity of the complaints. Effort is made by BEL by liaising with responsible parties to ensure timely and fair resolution of complaints.

Meetings

- Continued weekly consultations with Local Leaders on feedback from communities and addressing concerns raised by community members.
- Sensitization meetings with community members of the 5 kilometre quarry were held to prepare them for the upcoming activities, safety precautions to be undertaken during the blasting period and get feedback from community members. Residents welcomed the

project and requested consideration in employment and assistance to develop communal services such as access roads, schools and improved water supply.

- As result of the meetings, Salini conducted a pre-blast survey of houses that can potentially be affected or within the radius of 600 metres from the quarry site.
- Village security meetings were held in the villages of Buloba, Malindi, Kikubamutwe, Nankwanga on the West Bank and Namizi, Kyabirwa and Buyala on the East Bank to sensitize communities on the importance of self-policing and dangers of thefts.
- Meetings with district leadership of Jinja, Mukono and Kayunga Districts were held to update them on the project progress including SEAP implementation.
- National stakeholders' meeting was held to update the participants on the project progress, development initiatives in the communities and challenges faced. Participants were drawn from NGOs, Civil Society and Government Institutions.
- Consultative meetings were held with the consultant undertaking the development of the Cultural Property Management Plan.

Fisheries programme

Registration of fishermen supported by BEL was completed with 78No. Fishers registered by the relevant authority to enable them operate legally. Identification of two potential fish landing sites was done and BEL is waiting for technical

drawings from the fisheries department in order to proceed with the procurement process.

The fishing equipment provided to the Fishers by BEL is being used as seen in the picture below



Fishermen using one of the boats and life jacket provided to them by BEL

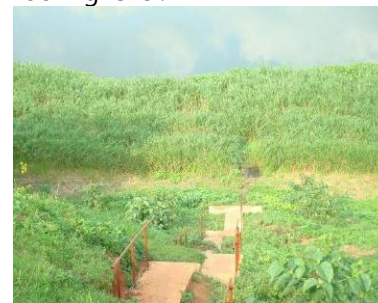
Tourism

Cultural centres:

Consultations with the Buganda Kingdom took place as a follow up on the location of the cultural centre and partnership modalities were discussed. BEL is expecting feedback and a draft proposal on how to proceed with the cultural centre.

Launch/exit sites

Construction of a concrete stairway at the Nile River Explorers (NRE) rafting launch site in Namiyagi is complete. Construction work on the Nile River Explorers' exit site in Nazigo, Kilindi in Kayunga district is at roofing level.



NRE concrete stairway at Namiyagi – Mukono District

Environment, Health and Safety Issues

Effluent, river water and drinking water monitoring

Routine monitoring of effluent, river and drinking water is undertaken by the EPC contractor to ensure that National standards are observed. Drinking water and river water has continued to meet the National standards. However, effluent both at the camp site and dam site did not meet the bacteriological standards (BOD, COD, and TS/S). The EPC contractor is working on improving the efficiency of the waste treatment plants

Waste management

Both hazardous and non hazardous waste is generated at the dam construction site. All non hazardous waste like paper, domestic waste and timber is either used or disposed of at Jinja Municipal dumping site. Hazardous waste is strictly collected by authorized dealers

Oil contaminated soil and sludge from the crushing plant is treated through a bio-remediation process using Ammonium Nitrate (NH_4NO_3) while all soil contaminated with concrete and bentonite from the grouting activities is stockpiled away from the river bed and covered with top soil to allow re-vegetation.

Visitors

- A team from the Japanese Industrial Cooperation Agency (JICA) visited the site to appraise themselves on the developments and progress of the social and environmental aspects of the project
- A team from the Uganda Institute of Professional

Engineers too visited the site to appraise themselves on the construction progress and technical aspects of the project

- The World Bank Task Leader for Bujagali Project and his team visited the site to appraise himself on the progress.
- Officers from the Royal College of Defence Studies London visited the project site.

Planned activities for next quarter

- Continue with HIV/AIDS activities
- Distribution of more agricultural inputs (livestock and crops)
- More assistance to vulnerable persons including energy saving stoves
- Continue with tree maintenance
- Establish a demonstration on soil erosion control
- Continued project disclosure meetings
- Training of fishermen in good fishing practices
- Upgrading of medical centres (Budondo and Wakisi HCIII)
- Construction of fish landing sites
- Village consultations on CDAP progress and needs assessment