

The Bujagali Hydropower Project (BHPP):

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

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

The newsletter is also available in Luganda and Lusoga.

Enjoy your reading.

October 2010

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 (BEL). 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 30 September 2010



Project Start: 26 June 2007

Project Commissioning: to start third quarter 2011

Progress:

- **Engineering:** 99.7%
- **Procurement:** 99.5%
- **Construction:** 58%

IMPLEMENTATION OF SOCIAL AND ENVIRONMENT ACTION PLANS (SEAPS)

Implementation of various components of the Social and Environmental Action Plans (SEAPS) continued during the third quarter (July-Sept) 2010. 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 pipe laying for the water pipeline to the project affected villages, agricultural enhancement programme, community based health, HIV/AIDS programmes and implementation of soil erosion control along the riverbanks, among others.

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

Naminya RC Primary School

The 10 classroom block constructed by BEL is not occupied yet awaiting blessings from the Bishop. This is expected to take place during the month of October. The landscaping was completed and the compound is maintained by the school.



The ten classroom block constructed at Naminya RC Primary School

Landscaping of the nursery school compound and installation of play equipment was completed. The school now has 188 pupils.

Vulnerable Assistance program

Implementation of the mobile clinic services for the vulnerable persons was concluded in the first week of July. A total of 330 vulnerable were reached. The most common ailments identified included; Malaria, B-

conjunctivitis, chronic bronchitis, Non gynogenic arthritis, Hypertension among others.

The process of identification of a consultant/company to offer fumigation services to the 350 vulnerable households to control vector born diseases and ectoparasites is still ongoing. It is expected to be finalized in the month of October 2010. Fumigation is scheduled to start in November 2010.

Health

Infrastructure upgrade of Wakisi Health Centre (HC111) and Budondo HC1V still in planning stages; BOQs are currently being developed.

Water

Following the award of the contract, in the second quarter of 2010, the laying of pipes is ongoing. By the end of September 2010, over 3,000M had been laid.



Laying of pipes for the water line project in Budondo

Business development Micro credit

A total of UGX 176,670,000 (one hundred seventy six millions six hundred and seventy thousand shillings only) has been disbursed to 297 PAPs to date. Namizi west

and Kyabirwa villages have the highest number of beneficiaries of the micro credit scheme so far.



PAPs being briefed about micro credit programme

Agriculture

Over 18,400 coffee tree seedlings were distributed to farmers in the BHP affected villages. Beneficiaries received between 50-200 coffee seedlings according to their capacity as recommended by the agricultural extension officer. It is expected that they will start harvesting after two years.

No new crop and livestock interventions have been introduced in the resettlement village, but the PAPs continued to receive weekly agricultural extension support.

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 preventing measures.

In the month of July, Buloba village won the Central Region Hygiene and Sanitation Competition organized by Ministry of Health. The winners were given prizes that included bicycles, mattresses, basins and soap. Buloba has now joined the

national competitions expected to end in December 2010.

A report detailing cost estimates for the planned Infrastructural upgrade of Budondo Health Centre 1V was received from the architect. Meetings to review the report with Budondo technical and political leadership were held to determine priority of infrastructural development. A final report from the Architect in is expected in October.

The Village Health Teams continued to carry out their role as focal persons in spearheading community based health and HIV/AIDS prevention measures.

Business centers

Wakisi Sub-county hired staff to operate the business centre renovated and equipped by BEL. The facility is now operating. Operation of the Budondo Sub-county business centre will commence after connection electricity mains in October.

Skills Training for the Youth

Fifteen out of school youths who completed their one year vocational training in Tractor Operation and Driving at Nile Vocational Institute graduated during the month of September 2010. This brings the total number of youth who have completed their studies to 68. The rest (72) of the students are expected to complete training by end of Q1 2011.



Some of the youth who graduated from NVI

Market

Market construction is in final stages. Handover of the market to local authorities is expected to take place in November.



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 being reviewed. Training is expected to start during the fourth quarter of 2010.

Livelihood Restoration Monitoring Programme

Collection of data for the outcome monitoring of the BEL livelihood restoration programs started. It is expected to end in

early October followed by data analysis and report writing.

Rural Electrification

Discussions were held with Umeme; a local company responsible for distribution of electricity. It was agreed that UMEME will undertake an assessment of infrastructural requirements for the Rural Electrification program in the project affected villages and advise BEL accordingly. The UMEME report is expected in October.

Public Consultation and Disclosure included:

Resolution of Complaints

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

Further consultations with Busoga Kingdom about final relocation of the Bujagali spirits were conducted. An agreement on the tasks to be undertaken and the roles of each party was reached. A draft agreement detailing the tasks and roles was developed and is being reviewed by Government.

Continued bi-weekly consultations with Local Leaders on feedback from communities and addressing concerns raised by community members. Leaders expressed gratitude to the programs so far implemented and requested fast tracking of the pending ones such as electricity and water extension. Other issues raised centered on the sharing of the market stalls and its management,

improvement of access roads and blasting impacts.

- Meeting was held with Inter Aid Uganda (Witness NGO) to specifically address issues raised regarding Bujagali Interconnection Project RAP compensation. Issues included concerns of some PAPs on compensation options given which were later discussed with UETCL BIP RAP team. These are being addressed by UETCL.
- Meetings were held with Buikwe District and the sub-counties of Wakisi and Budondo, with a team of Clean Development Mechanism (CDM) validators to have feedback on community development initiatives implemented by BEL and the disclosure process.

Meetings

- Continued weekly consultations held with Local Leaders on feedback from communities and addressing concerns raised by community members.
- Meeting with Buikwe District Leadership on project community interventions and feedback.
- Meeting with Wakisi sub-county leadership to share with them matters related to community development activities supported by BEL.
- Village meeting for the 5km quarry villages of Wakikoola and Kirugu held to discuss safety issues and address the security concerns of fuel thefts and other materials.
- Meeting with Busoga Kingdom together with Ministry of Energy and Mineral Development aimed at resolving the spiritual

issues; especially completion of shrines at the spirit relocation site.

Riverbank Afforestation and Erosion Control

BEL's financial facilitation for the Ecosystem management committees for the maintenance of the trees planted along the River Nile banks ended in the month of June. However, field monitoring by BEL staff continues. During the monitoring, it was observed that some land owners have continued to maintain the trees. Cases of over pruning and burning the trees were noted among some land owners. To address this problem, BEL officially communicated the above challenges to NEMA as the agency responsible for managing the river bank ecosystem. It was agreed that joint village meetings be conducted to educate the communities and involve local leaders in enforcing NEMA's river bank management practices.



Some of the trees planted in the afforestation programme

The grafted fruit trees that were supplied to the villages are growing well. The monitoring covered 5 villages namely: Kyabirwa, Ivunamba, Bujagali, Namizi West and Buyala A.

Soil erosion control structures put in place on the 40ha land

upstream of the dam in Kyabirwa village are being maintained by land owners. Follow-up with neighbouring community members to encourage them to adopt similar measures on their land is being done. 62,570kg of maize and 1,260kg of beans were harvested from 750kgs and 100kgs of maize and beans respectively planted to demonstrate productivity gains resulting from good soil control measures and agricultural practices. This translates into a ratio of 1:83kgs for maize and 1:12.6 for beans compared to 1:15 and 1:6 for maize and beans respectively when farmers use traditional farming methods.



Tomato bed ready for transplanting under soil erosion control programme

Fisheries Programme

During the quarter, the planned training program for Fishermen was implemented. The training focused on recommended fishing practices, management and operation of Beach Management Units, legislation governing fisheries and fish data collection among others. Over 200 fishermen benefited from the training.

Excavation of the first fish ponds in Naminya Resettlement village was completed and stocked with 2384 cat fish. The fish will be mature enough for the market

and domestic consumption by March 2011.

Construction of fish landing sites has not progressed as reported last quarter because suitable sites to construct them have not been identified.

Biodiversity Monitoring

Preparations to conduct biodiversity monitoring on island that will be inundated when the reservoir is created continued. The Bids received from consultants that responded to BEL's request for proposals were evaluated. The contract will be signed in October.

Tourism

BEL in partnership with Adrift (U) Limited is carrying out island afforestation. 30ha have been planted on Itanda Island so far. 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

The pontoon boat procured for NRE rafting company was commissioned on Lake Victoria and boat registration concluded in early September 2010. Discussions were initiated with another tour agency called Raft Supreme with a view of supporting the agency to

develop alternative tourism activities upstream of the dam.



The NRE Pontoon Boat moored on Lake Victoria

from the Office of the President visited the site to film a documentary of the project construction progress and environmental mitigation progress and the Inspector General of Police visited the site to sensitize staff on the current security situation.

Thanks for the reading, next edition Q1 2011

Environment, Health and Safety Issues

Waste management

Non hazardous and hazardous waste continue to be generated at both the dam site and campsite. All hazardous wastes such as used oil and batteries, are strictly collected by authorized dealers with NEMA license to access, transport and store waste.

Visitors

Members of parliament visited the site to appraise themselves on the developments.

Other groups that visited the project site include; Bujagali Environmental Monitoring team to monitor several aspects of the project; a team from Rwanda, Burundi and the Democratic Republic of Congo for a hands on experience of building hydro power stations; a team from Sangora Hydro-Kenya; a team from Norway paid a call to the project site to appraise themselves on the progress; JICA visited the site to appraise themselves on the progress and feedback on the BIP progress; Colenco was on the site for approximately one week; a team