

# BUJAGALI ENERGY LIMITED

[www.bujagali-energy.com](http://www.bujagali-energy.com)

CORPORATE BROCHURE



# Powering opportunity

The Bujagali Hydropower Project in Uganda will not just provide a reliable source of clean energy for the Uganda grid, but will also spur employment opportunities in the future

The Bujagali Hydropower Project is a hydroelectric project located on the Victoria Nile River near the town of Jinja, Uganda, being developed by Bujagali Energy Limited (BEL). The power plant is intended to provide clean, efficient energy to the local community, which is in desperate need of an increased electricity supply. The project achieved financial close in December 2007 and is expected to start generating power later this year, before reaching full completion in early 2012.

**Logistics connecting continents...**

www.mrspedag.com

Project Logistics – Supply Chain Management – Consolidation Services – Distribution  
Logistics – Warehousing – Airfreight – Seafreight – Overland Transports

**M+R SPEDAG GROUP**  
Logistics connecting continents®

SPEDAG EAST AFRICA LTD., MUTTENZ, SWITZERLAND  
Phone: + 41 58 677 77 77, Fax: + 41 58 677 77 76, info@mrspedag.com

**M+R Spedag Group**

Key to success in big infrastructure projects is logistics. Over decades, M+R Spedag Group has grown knowledge and experience in project logistics. During that time, M+R Spedag Group has played a crucial role in almost all major projects in East Africa, often as the exclusive logistics provider. The Bujagali Hydro Power Plant is another project led to success by logistics powered exclusively by M+R Spedag Group.

The developer for the project, BEL, is a project-specific company co-owned by an affiliate of Sithe Global Power, LLC (Sithe Global), Industrial Promotion Services (K) (IPS) which is an affiliate of the Aga Khan Fund for Economic Development (AKFED), and the government of Uganda. Sithe Global is an affiliate of the Blackstone Group.

The project is being constructed on an engineering, procurement and construction (EPC) basis with Italy's Salini as the main contractor.

"After the completion of the Bujagali project, BEL will operate the facility for a 30-year term, at which point it will then be transferred to the government of Uganda. Should there be other power development opportunities within Uganda or the east African community, the BEL sponsors, IPS and Sithe Global would consider investing in the new undertakings," states project director Glenn Gaydar.

The Bujagali Hydropower Project is a major undertaking for the country. Uganda is in urgent need of new sources of electricity, as many domestic customers and the business community suffer from rolling blackouts lasting between 12 and 24 hours. The power problems not only impact negatively on the direct quality of life of Ugandan citizens, but also on the nation's economy. Some businesses and homes have access to oil or diesel powered standby generators, however this alternative is far from ideal, as it is both expensive and heavily polluting. The Bujagali Hydropower Project will produce 250 megawatts of energy, remedying the acute need for electricity in the community as well as providing generation capacity to support economic growth. Crucially, it will do so in an affordable and clean way, eliminating the need for personal or community diesel fired generators.

"Ultimately, Bujagali will supply the country with relatively inexpensive, clean and reliable energy which will significantly reduce the disruptive power outages currently being experienced," says Gaydar. "This will support growing energy needs for rapid economic growth which in turn creates employment and improves the general welfare of the population. The project will also enhance rural electrification.

"It is also important to note that the Bujagali project will generate its power only from the water already released from Lake Victoria through the upstream power facilities at Owen Falls," Gaydar adds.

The environmental aspect of the Bujagali Hydropower Project has been exhaustively addressed. While hydroelectric power is in itself a clean, renewable source of energy, the initial construction of the dam and related structures can cause environmental impacts in the immediate area, which need to be properly mitigated. BEL has taken the view that it should leave the area in a better condition than it found it, so the new riverbanks that will be formed in the creation of the reservoir for the dam will be replanted with native vegetation as well as trees along the downstream river banks. Fish stocks will also be monitored, not just during the construction phase of the project but on an ongoing basis once the power plant is in operation, with native fish restocking taking place as necessary.

"Environmental conservation actions—such as tree planting of over 400 hect-acres and soil erosion management—have taken place," says Gaydar. "To address potential social impacts by the project, livelihood restoration programmes that cover agricultural and animal extension services, construction of markets and a new piped water supply system are in progress. BEL has also supported the establishment of business development centres that train and facilitate local entrepreneurship, including providing the initial capital for a micro-finance programme. The extension of the local electricity grid to provide supply to project affected communities is also under active consideration," he confirms.

Alternative water supplies such as groundwater wells and standpipes are being developed for villages in the surrounding area that will have restricted access to the river. Additionally, 308 hectares of the 388 hectares needed to form the reservoir for the dam already exist naturally on the Victoria River,

**STOP FUEL THEFT**

With Autotrak-Supreme - South Africa's first electronic fuel theft detection system

With Autotrak-Supreme, an entire fleet's fuel tank levels can be monitored from anywhere at anytime. Have the power to always know where your vehicles are and what they are doing, maintaining complete control over your fleet's fuel usage

ACS Solutions for You! +27 (0) 31 767 8661 info@acsystems.co.za www.acsystems.co.za

SPECIALIST SINCE 1994

**Barugahare & Co. Advocates**

We are proud to be associated with Salini Costruttori S.p.a (Salini), the main contractor of the Bujagali Dam Project on the banks of River Nile, Jinja Uganda. As lawyers for Salini in Uganda, we congratulate Salini and Bujagali Energy Limited on the progress of the Bujagali Dam Project. During the execution of the Project, we were retained by, and provided to, Salini legal services on all aspects of the Project including advice on, review and / or preparation of commercial and supplier contracts, litigation and alternative dispute resolution, labour and employment law, workers' compensation, insurance and environment related matters.

We provide a broad range of services to corporate, institutional and other clients. Our main areas of practice are:

- Commercial Law (Advisory, Contracts and Transactions);
- Commercial Litigation including Arbitration and other forms of Alternative Dispute Resolution;
- Land Transactions;
- Banking and Insurance;
- Project Finance;
- Pensions and Trust Law;
- Intellectual Property; and
- Legal Consultancy.

We can be contacted on the following address:

Barugahare & Co. Advocates, Advocates and Legal Consultants  
Level 3, Kisozi House, Kisozi Close (Off Kyaggwe Road), Nakasero, P.O. Box 27673 KAMPALA, UGANDA.

Tel: +256-41-4233366  
Fax: +256-41-4233377  
baruga@ufonline.co.ug  
bacadvocates@yahoo.com

which means that flooding of the surrounding area will be minimal compared to similar projects.

“BEL has a very robust programme covering social and environmental mitigations which it is implementing alongside the construction of the project,” says Gaydar. “The aim is not only to uplift the welfare of the communities that live around the project but also to make them sustainable beyond the life of the project.”

Other social mitigation actions include education—where BEL has helped construct and equip classroom blocks both at primary and nursery school levels—and youth skills training, which has seen over 400 young people acquire formal training in various skills. Health and sanitation interventions include the training and equipping of Village Health Teams, community-based disease prevention/control and sanitation programmes, and the construction and supplying of medical clinics.

Many jobs have been created during the construction of the project itself. During the peak of construction activities, about 3,000 workers were employed by the project, most of whom came from the vicinity of the project site. The local community has therefore been upskilled, creating a more attractive workforce for potential investors and start-up businesses.

The Bujagali project can therefore be summed up as this: a holistic development that benefits all aspects of the local community in a thoroughly modern way. BEL has seized the opportunity to develop a reliable and renewable source of energy that is not only relatively environmentally benign but that also promotes the wellbeing of



“Ultimately, Bujagali will supply the country with relatively inexpensive, clean and reliable energy which will significantly reduce the disruptive power outages currently being experienced”

the local community, while providing Uganda with a principal source of power that will catalyse the country’s economic and social development in the short to medium term.

There are few power projects that can make such broad claims, which is what uniquely distinguishes the Bujagali Hydropower Project from similar developments. That Bujagali is destined to be the bedrock of Uganda’s future energy production seems a certainty. [www.bujagali-energy.com](http://www.bujagali-energy.com)





[www.mrspedag.com](http://www.mrspedag.com)

**BUJAGALI**  
**ENERGY LIMITED**

[www.bujagali-energy.com](http://www.bujagali-energy.com)