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MINISTRY OF ENERGY AND MINERAL DEVELOPMENT

STATEMENT TO PARLIAMENT ON THE ENGINEERING DESIGN AND CONSTRUCTION OF THE ISIMBA PUBLIC ACCESS BRIDGE CONNECTING KAYUNGA AND KAMULI DISTRICTS

(By the Minister of Energy and Mineral Development)

A. PURPOSE OF THE STATEMENT

1. Rt. Hon. Speaker and Honorable colleagues, the purpose of this statement is to:-
 - i) Apprise Parliament of the progress of construction of the Isimba Public Access Bridge connecting Kayunga and Kamuli Districts;
 - ii) Request Parliament to note that the cost of the Isimba Public Access Bridge is an integral part of the Isimba Hydropower project lumpsum Contract Price as agreed before commencement of the project works in a contract signed on 6th September 2013 and that payment to the contractor is effected directly from China Exim Bank to the Contractor's Bank Account in China;
 - iii) Apprise Parliament of the status of payments to the Isimba Hydropower Project Contractor.

B. BACKGROUND TO THE ISIMBA PUBLIC ACCESS BRIDGE CONNECTING KAYUNGA AND KAMULI DISTRICTS

2. Rt. Hon. Speaker, Government through the Ministry of Energy and Mineral Development (MEMD) under a Bilateral Agreement with the Government

of China received financing from the EXIM Bank of China to develop the 183 MW Isimba hydropower project as a National flagship project, which is aimed at increasing power generation in the country in order to support social-economic development.

3. The components of the project were;
 - a) The 183 MW Hydropower plant;
 - b) The 132 kV Transmission Line from Isimba to Bujagali Substation and the associated substation at Isimba and required extension at Bujagali Substation;
4. On 22 July 2013, My Ministry entered into a Memorandum of Understanding (MoU) with China International Water and Electric Corporation (CWE) for the EPC plus financing. The Engineering, Procurement and Construction (EPC) contract to develop the project at a lumpsum price of **USD 567,738,990.96**, was later signed on 6 September 2013.
5. Rt. Hon. Speaker, you will note that Fichtner GmbH of Germany that undertook the feasibility study of the Isimba hydropower project also supported Government to review CWE's technical and financial implementation proposals and contract negotiations.
6. The Contract for Isimba hydropower project provided for the construction of a Public Access Bridge on top of the dam as part of the **Hydropower Plant**, to connect Kayunga and Kamuli Districts as well as construction of a 3.5 km access road to the project site and 1.5 km roads within the project site.
7. The Contractor through the Ministry of Energy and Mineral Development submitted designs of the Isimba Public Access Bridge to Uganda National Roads Authority (UNRA) for approval as was required by the contract. On

8 September 2017, UNRA pronounced itself that the Public Access Bridge designs submitted by the Contractor in August 2017 were inadequate.

8. The Public Access Bridge designed by the Contractor on top of the Isimba dam was found unsuitable for Public use because the contractor had provided only one lane in some sections instead of two lanes as specified in the Contract.
9. In September 2017, Government formed a Technical Committee composed of representatives from Uganda Electricity Generation Company Limited, Solicitor General, UNRA and Ministry of Energy and Mineral Development. The Technical Committee was mandated to engage the Contractor to construct the Isimba Public Access Bridge as specified in the contract.
10. Based on the Technical Committee engagements, Government directed the Contractor to construct a separate Public Access Bridge with two lanes as specified in the Contract since construction of the Isimba dam had advanced. Further consideration was given to security and terrorism concerns, avoidance of interference with dam operation and maintenance activities as well as traffic blockage during removal of the trash and water hyacinth.
11. In a letter dated 16 July 2018, the Office of the President and the Rt. Hon. Speaker of Parliament were apprised on the new developments of the Isimba Public Access Bridge upon Government concluding engagements with the Contractor whereby the Contractor agreed to construct a separate bridge downstream Isimba hydropower plant.
12. The Contractor is constructing the re-designed Isimba Public Access Bridge as approved by UNRA at no additional cost to the Employer