

# World Bank Group Support for Uganda's Bujagali Hydropower Project



Bujagali Energy Limited

## ⚡ Development Impact

- The Bujagali hydropower plant is one of the largest power generation plants in Uganda, providing **low-cost, clean, reliable baseload energy**. It contributes close to 45 percent of the country's annual electricity generation.
- Since the inauguration of Bujagali in 2012, **more than 90 percent of Uganda's electricity has been generated by renewable sources**.
- Bujagali's inauguration allowed the retirement of more than 100 MW of backup diesel power plants. This has allowed the government to **nearly eliminate annual subsidies to the electricity sector**.
- **Bujagali provides electricity at prices that are roughly 2/3 lower than the thermal generation sources it replaced**, which cost more than 30 U.S. cents per kilowatt hour.

## World Bank Group Support

- IFC loans
- IDA Partial Risk Guarantee
- MIGA guarantee

## 🌿 Environmental and Social Protections

IFC is involved in ongoing monitoring of the Bujagali project to ensure conformance with **IFC Performance Standards**. IFC is also engaged with the Office of the Compliance Advisor/Ombudsman (CAO) to address concerns surrounding its construction.

The **Indemnity Agreement** between the World Bank and the Government of Uganda was amended in January 2018 to reflect the changes in the Kalagala offset boundaries and strengthen the legal protection of the extended Kalagala offset area. The Government will also prepare a sustainable management plan that will specify institutional arrangements and funding needs.

## 👥 Community Engagement

Bujagali Energy Limited has contributed \$14 million to community development programs in the project area, including building schools, homes, and health centers, providing job training and microfinance support, and extending local water services and electrical services.

## Uganda's Energy Sector

