



## **Assessment Report**

### **Complaint filed to the CAO regarding the Uganda Bujagali Hydropower Project**

September 2001

Office of the Compliance Advisor/Ombudsman  
of the International Finance Corporation and the  
**Multilateral Investment Guarantee Agency**

The Complaint dated July 17, 2001 was filed by Alfred Isaac Bageya regarding the Bujagali Hydropower Project, and received by the CAO office on July 25, 2001.

The CAO appraised and accepted the Complaint and thereby informed the complainant by way of air courier service on July 25, 2001.

## 1. The Complaint

A Complaint was received from Alfred Bageya dated July 17, 2001. The Complaint raises several issues about alternatives to the placement of a dam at Bujagali Falls, which are being addressed under another Complaint, under the Ombudsman role.

Mr. Bageya, the Complainant, is a Ugandan-born Canadian. The Complaint centers around Mr. Bageya's contention that the grave of his grandfather, Kigenyi Ndimulala, and other graves, are located on Dumbell Island, in the Nile River near Jinja. This island will be submerged by the planned Bujagali Falls hydropower project. The Complainant raises the issue that Bujagali Falls in general, and his grandfather's gravesite in particular, are sacred sites, and should be preserved. Mr. Bageya contends that WBG policies regarding burial sites and protection of indigenous culture and traditions are not being complied with.

The Complainant contends that according to cultural and traditional practices of the Basoga people, to which group Mr. Bageya belongs, he is the traditional owner of land on Dumbell Island, hence at issue is also his right to compensation for that land.

The Complainant's claim that his grandfather is buried on the island is based on his recollections from attending a ceremony in the area when he was a young boy; he does not know the exact location of the gravesite. The Complainant claims to have no known relatives living in Uganda.

## 2. Background

The Complaint arises from Mr. Bageya's concerns about the proposed Bujagali Hydropower project, a 200 MW hydropower facility being proposed on the Victoria Nile River, near Jinja, Uganda. Key features of the project include a power station housing five 50 MW turbines, with a 30 meter high dam and associated spillway works. At its full supply level, the project's reservoir will inundate 80 hectares of land and 308 hectares of area presently occupied by the Victoria Nile River, including Dumbell Island. (EIA Executive Summary)

The sponsor of the project is AES Nile Power (AESNP), a company formed by the AES Corporation of Arlington, Virginia, USA, and Madhvani International of Uganda, a company incorporated for the purpose of planning and implementing the Bujagali project. AESNP, the sponsor, will own and operate the hydropower facility for 30 years, after which the facility will be transferred to the Uganda Electricity Board (UEB), or its successor organization.

The World Bank Group's involvement in this project will be through IFC providing finance and IDA providing credit guarantees. The environmental and social "safeguard" policies of the IFC are therefore applicable. Supervision of the safeguard policy implementation is the responsibility of the officers of IFC's Department of Environment. Review of the environmental and social issues of Bujagali hydropower project began in 1998.

The EIA was released in April 2001. There have been public consultations held before and after the release of the EIA, the more recent of which were held on June 12, 2001 in Jinja, Uganda, and in Washington, DC, on July 18-19, 2001.

### 3. Situation Assessment

*IFC in Uganda:* There are currently 31 active IFC investments in Uganda. IFC's first investment in Uganda was made in 1971.

*IFC project preparation:* The Bujagali Project was created in 1997. Bujagali is the first hydropower project in Uganda in which IFC has been involved.

*How does IFC intend to address the issue of burial sites on Dumbell Island that will be submerged with the damming of the Nile at Bujagali Falls?*

According to IFC Environmental and Social Review Procedures, IFC staff have reviewed AES' Resettlement and Community Development Plan (RCDP), including the Cultural Properties Management Plan. IFC has concluded that the RCDP complies with IFC safeguard policies.

AESNP has undertaken a house-by-house consultative process to best determine how to deal with spiritual and cultural matters during all phases of the project, including consultation with professors at Makerere University to identify spiritual custodians. When locations of graves in project-affected areas are known, relatives are consulted; if these people wish family members' remains to be moved, AESNP will assist in that process by providing lands for reburial and assist with attendant spiritual ceremonies. AESNP's consultations reveal that the movement of family members' remains is not unusual in Uganda; people often do this if they move homesteads.

AESNP has undertaken surveys to identify graves and cultural property in the project area, including Dumbell Island. No graves have been found on the island, nor have IFC staff or AESNP project staff been approached by other people wanting to visit gravesites on the island. AES met with relatives of the complainant, resident in the Jinja area, as well as local clan/tribal leaders. It was found that the Complainant's grandfather was buried near Iganda, Uganda, about 50 km away from Dumbell island.

In case there are unknown graves on land that may be affected by the Bujagali project, AESNP will facilitate non-denominational services to commemorate those buried dead; this idea was developed with recognized spiritual leaders in the area, including the Living Nabamba Budhagali, as well as His Highness, the Kyabazinga of Busoga and Nfuudu. A similar ceremony would be facilitated by AESNP for loss of community spiritual properties by the project; spiritual leaders conferred with the Bujagali spirits and found AESNP's proposal acceptable.

CAO limits its assessment to issues raised in the Complaint.

### 4. CAO Conclusions

Given the assessment above, the CAO concludes that the evidence provided to the CAO by the IFC contradicts the issue raised by the complainant.

### 5. Suggested path forward or recommendations

The CAO suggests that the Complainant give to the CAO names of relatives that can verify that Dumbell Island contains the remains of his grandfather. This will enable the CAO to independently ascertain the basis of the Complaint.