



REPORT ON THE PUBLIC HEARING IN RESPECT OF UGANDA ELECTRICITY GENERATION COMPANY LIMITED (UEGCL) APPLICATION FOR A GENERATION LICENSE HELD ON THE 18TH AUGUST 2015, AT OPMWOCO PRIMARY SCHOOL IN UWENJE VILLAGE, PAIDHA SUB-COUNTY, OKORO COUNTY, ZOMBO DISTRICT



TABLE OF CONTENTS

1	EXECUTIVE SUMMARY	3
2	OBJECTIVES OF THE HEARING	3
3	COMMENCEMENT OF THE HEARING.....	4
4	REMARKS BY THE PRESIDING OFFICER	4
5	PRESENTATIONS.....	5
5.1	PRESENTATION BY ELECTRICITY REGULATORY AUTHORITY	5
5.2	PRESENTATION BY THE DEVELOPER (UGANDA ELECTRICITY GENERATION COMPANY LIMITED)	5
6	DISCUSSION.....	
7	
6.1	EMERGING ISSUES	7
6.2	QUESTIONS / COMMENTS	7
7	CLOSING REMARKS BY THE RESIDENT DISTRICT COMMISSIONER.....	9
8	SUMMARY OF THE HEARING.....	9
9	CONCLUSION	9
10	APPENDIX 1: PROGRAM.....	101
11	APPENDIX 2: ATTENDANCE LIST	Error! Bookmark not defined. 2

1 EXECUTIVE SUMMARY

The Electricity Regulatory Authority, is a statutory body established in accordance with the Electricity Act 1999 Cap.145. The Electricity Regulatory Authority, under Section 29 of the Electricity Act 1999, is required to issue licenses to intended applicants.

On completion of the detailed project feasibility study, the Uganda Electricity Generation Company Limited, applied for a license to generate and sale electricity from River Nyagak. The Electricity Regulatory Authority by law, is mandated to hold a public hearing in respect of any application, in order to promote transparency, fairness, objectivity and participatory approach in decision making, on matters of importance and interest to stakeholders in the electricity sector, as well as the general public. In that regard, a public hearing was held at Jompwoco Primary School in Uwenje Village, Paidha Sub-county, Okoro County, Zombo District. The hearing was advertised in print and electronic media (Paidha FM), and on the ERA website.

2 OBJECTIVES OF THE HEARING

The hearing was held to;

- (i) To provide for an opportunity for the Electricity Regulatory Authority, receive useful information, to arrive at a fair and just decision in respect of the application by Uganda Electricity Generation Company Limited for a license.
- (ii) To get comments, questions and answers in respect to the application for a license by Uganda Electricity Generation Company Limited, before the Electricity Regulatory Authority considers the license application.
- (iii) To increase community awareness about the mandate of Electricity Regulatory Authority in the electricity sector.

3 COMMENCEMENT OF THE HEARING

The hearing started at 11:00 am, with registration by participants and the program was as per the attached Appendix 1. The LC I Chairperson, welcomed participants to the hearing. He introduced the Electricity Regulatory Authority and Uganda Electricity Generation Company Limited teams. He welcomed the LC III Chairperson to make remarks.

The Chairperson LC III welcomed participants to the hearing, he highlighted the purpose of the hearing and invited the district Secretary for production, who represented the LCV Chairperson to address participants.

He commended Government of Uganda for developing Nyagak 1 hydropower station and for rural electrification. He appealed to participants to support Nyagak III, as it is a symbol of development. He stated that the cultural issues should be addressed and that it was the expectation of the people that the Government of Uganda develops the hill into a cultural site as a tourist attraction, to earn revenue for the chiefdom. He closed his remarks by urging cultural leaders to pursue the matter with Government.

The hearing was notably attended by the following personalities;

1. The Representative of the Resident District Commissioner, Zombo District.
2. The Representative of the District Internal Security Officer, Zombo District.
3. The Representative of the Chairperson, LC V, Zombo District.
4. The District Police Commander, Zombo District.
5. The Police Officer In-charge/ASP, Paidha.
6. The Chairperson, LC III, Paidha Sub-County.
7. The representative of the Chiefdom (Cultural Leader).
8. The Representative of the Sub-County Chief, Paidha.
9. The GISO, Paidha Sub-county.
10. Over 500 Community members.
11. The LC I Chairperson.
12. Nyagak III Developer.
13. ERA staff

The register of attendance is attached and marked **Appendix 2**.

4 REMARKS BY THE PRESIDING OFFICER

The presiding officer welcomed participants to the hearing. He informed them that, the Electricity Regulatory Authority had licensed UEGCL to develop Nyagak I and was considering

UEGCL's application for a license to develop Nyagak III. He stated that Nyagak II would also be developed at an appropriate time.

He posed a question to participants, whether they wanted the project and they all responded in agreement. He advised that in order for the project to be developed, the community is required to make sacrifices in terms of land and property and they would be compensated. He said that, since the land and its owners had been identified, compensation would follow suit. He closed his remarks by stating that, Uganda Electricity Generation Company Limited was to sensitize the community on the benefits of the project and also advise on when generation of electricity was expected to commence.

5 PRESENTATIONS

5.1 PRESENTATION BY ELECTRICITY REGULATORY AUTHORITY

The Electricity Regulatory Authority presented the rules of procedure for the hearing.

5.2 PRESENTATION BY THE DEVELOPER (UGANDA ELECTRICITY GENERATION COMPANY LIMITED)

UEGCL representative begun the presentation by stating that, the hearing was an important event in the licensing process of Nyagak III. She stated that, the feasibility studies for the project were completed in 2010 and were funded by Kfw – a German Bank. She added that in 2013, UEGCL partnered with a private company to develop the project as a public private project and that after construction, the private partner would operate the project for twenty (20) years, then hand it over to Government of Uganda.

The total project cost was US \$17.1 million and the developer had procured a German firm to develop the project. The Environmental and Social Impact Assessment study had been completed and the approval by the National Environmental Management Authority, had been granted. (The study findings and approval displayed to participants).

The project developer's report highlighted the positive and negative effects of the project and the mitigation measures. The developer stated that, they had carried out evaluation and assessments with land owners and 310 people were to be affected. The project needed 83 acres of land. Out of the 83 acres, 55 would be full acquisition, while the rest were to be partially acquired (way leaves). UEGCL also informed participants that the valuation report had been approved by the Government Chief Valuer in March 2015 and displayed the report and approved compensation rates to participants.

Participants also got to know that, they were to be sensitised on the resettlement action plan process and that within one month, the affected persons would be compensated.

UEGCL also informed participants that the identification documents for one to be compensated were any one of; voter's cards, passports, driving permits, land titles, agreement of sale of land, certificate of Administration and four passport photos. Further, that any payment above Ugx 200,000 would be made to a bank account. The local leaders were requested to meet the developer after the hearing, to plan for community sensitisation on the resettlement action plan and compensation issues.

Participants were informed that construction was to commence early 2016 and completion was expected by end of 2018/early 2019 and the impacts of the project were identified as;

1. Land degradation.
2. Water pollution from oil spills and faecal matter.
3. Loss of crops and structures.
4. Increased traffic exposing people to accidents.
5. Emissions and dust from traffic.
6. Emission of dust from crushers.
7. Risk of accidents to workers on site.
8. Noise pollution.
9. Flying rocks as a result of blasting.
10. Cultural issues.

The mitigation measures that were identified in regard to the negative impacts were;

1. Compensation for loss of land and property.
2. Having water treatment and sanitary facilities on site.
3. Proper management of fuels.
4. Road signage, humps and sensitisation of transporters, drivers and the community to mitigate the risk of road accidents.
5. Training of workers on site on safety, provision of protective gear, compensation in case of accidents and compliance with the occupational health and safety law, employment Act and other labour laws.
6. Provision of advance information to the community before blasts.
7. Addressing Cultural issues.
8. External monitoring by National Environmental Management Authority and the Directorate of Water Resource and Management.
9. ERA enforcing compliance on the proposed mitigation measures.

The expected benefits of the project were identified as;

1. Employment opportunities.
2. Reliable electricity supply.

3. Industrialisation.
4. Improvement on health facilities.

6 DISCUSSION

6.1 EMERGING ISSUES

- (i) Participants wanted to know whether the local community would be employed and the recruitment criteria.
- (ii) They wanted to know when the project affected persons were to be compensated.
- (iii) Participants wanted to know whether the project posed any risks in terms of safety.
- (iv) Participants wanted to know the impact of the project on culture, and whether there were rituals to be performed before the commencement of the project.
- (v) They wanted to know whether the developer would construct a bridge.
- (vi) Participants wanted to know whether there was a corporate social responsibility program as part of the project

6.2 QUESTIONS / COMMENTS

Table 1. Below shows the questions raised by the participants and the responses by the UEGCL, ERA, and the local leadership.

Table 1.

No	Name of participant	Question	Answer
1	Julius Okedi	When will the land owners be compensated?	Compensation is a process and it is already ongoing. The developer will continue to engage land owners and compensation will be done soon.
2	Jimmy Orombi	What CSR opportunities will the community benefit from?	The developer has a community development action plan on which the community will be sensitized. There is also a restoration and tree planting program and the community will be involved.

3	Silverno O. representative of the Chiefdom	How will the cultural issues be handled?	The developer is going to engage the local and cultural leadership to resolve any issues regarding the cultural aspects.
4		Are there any benefits to the local Government in terms of royalties?	The local government will benefit in terms of royalties. The Electricity Act provides that the holder of a license for hydropower generation shall pay to the district local government in which his generating station is situated a royalty agreed upon by the licensee and the district local government in consultation with the Electricity Regulatory Authority. Further, the Electricity Regulatory Authority had developed guidelines on royalties.
5		Would anyone be compensated for trespass to his garden by another person?	The issue of compensation relates to persons whose land will be acquired by the project. Personal disputes should be handled in accordance with the laws.
6		Would people whose photographs were not taken after the assessment be taken?	Those who missed out on the first opportunity will be given another opportunity for their photographs to be taken.
7		What criteria will be used to recruit workers?	Those interested in jobs will write applications, interviews will be conducted and recruitment will be done.
8		Whether the developer can construct a bridge to ease movement of persons and goods.	The developer will construct a bridge to ease movement of materials for the project.

10		When is the project going to be fully operational?	The project will be operational, end of 2018 and beginning of 2019.
11		Will the Akes community that occupies the area be compensated?	They were advised to remain behind and address issues of compensation with the developer.

6.3 CLOSING REMARKS BY THE RESIDENT DISTRICT COMMISSIONER

The representative of the Resident District Commissioner thanked the Electricity Regulatory Authority for promoting transparency in its activities. He thanked the Government of Uganda for the commitment towards development. He said that Nyagak I was operational and Nyagak III would also be operational in the near future, leading to economic transformation. He appealed to the community to create a conducive environment for the project to succeed.

He thanked the partners of the project and the Government of Germany for supporting projects in Uganda. He thanked the local leadership for mobilizing the community to attend the hearing. He thanked the president of Uganda for providing a conducive environment for investment and attracting donors.

He appealed to participants to have reasonable expectations and not to make too many demands on the project e.g. bridges, health centers etc. He also advised participants to use the revenues earned from the project responsibly for their personal development.

He emphasized that the recruitment of workers would be based on skills, competence and qualifications of an applicant. He thanked participants for their contributions and officially closed the hearing.

6.4 SUMMARY OF THE HEARING/ CONCLUSION

People affected by the project, were supportive and receptive towards the developer, despite the emerging issues on compensation and employment. Over all, the hearing was a success and registered an attendance of over 502 community members.

In reference to the objectives of the hearing, it was successfully held. The Electricity Regulatory Authority was able to receive the views, comments and queries of the participants, to help in arriving at a fair and just decision in respect to the application by Uganda Electricity Generation Company Limited for a license. The community was also sensitized about its mandate in the electricity sector.

7. APPENDIX 1: PROGRAM

ACTIVITY	: PUBLIC HEARING	
DATE	: TUESDAY 18TH AUGUST 2015	
IN RESPECT OF	: NYAGAK III HYDROPOWER PROJECT IN ZOMBO DISTRICT	
VENUE	: JOMWOCO PRIMARY SCHOOL IN UWENJE PAIDHA	
TIME	: 10:00AM	
TIME	ACTIVITY	LEAD PERSON
10:00am	Arrival / Registration	ERA Secretariat
10:10am – 10:20am	Welcoming Remarks from the LC I chairperson	LC I
10:20am – 10:30am	Welcoming Remarks from the LC III chairperson and Invite LC V Vice Chairperson	LC III
10:30am – 10:40am	Executive Remarks and Official Opening	Director Economic Regulation, ERA
10:40am – 10:50am	Presentation of the rules for the Public Hearing	Legal Officer, ERA
10:50am – 11:40am	Presentation by the Uganda Electricity Generation Company Limited (UEGCL)	UEGCL
11:40am – 1:00pm	Presentations and reactions by stakeholders and the general public	Director Economic Regulation, ERA
1:00pm – 1:05pm	Summary of proceedings	Legal Officer, ERA

1:05pm – 1:20pm	Closing Remarks from the District Leadership	RDC
-----------------	--	-----