

# UEGCL takes over Isimba supervision

By Vision Reporter

Uganda Electricity Generation Company Ltd (UEGCL) today takes over supervision of the construction of the \$570m (sh2 trillion) Isimba dam from Energy Infratech Pvt Ltd (EIPL).

"EIPL was contracted on a 40-calendar month contract as owner's engineer to represent the interests of the Government of Uganda," UEGCL said in a statement. "EIPL's contract expires on September 7, having commenced on May 7, 2014."

Engineer Badru Kiggundu, the chairman management committee for Isimba dam, will oversee the handover of the site to UEGCL today.

Pending the procurement of a new owner engineer, UEGCL shall take over direct supervision of the site with the help of the project management consultant, SMEC International Pty of Australia.

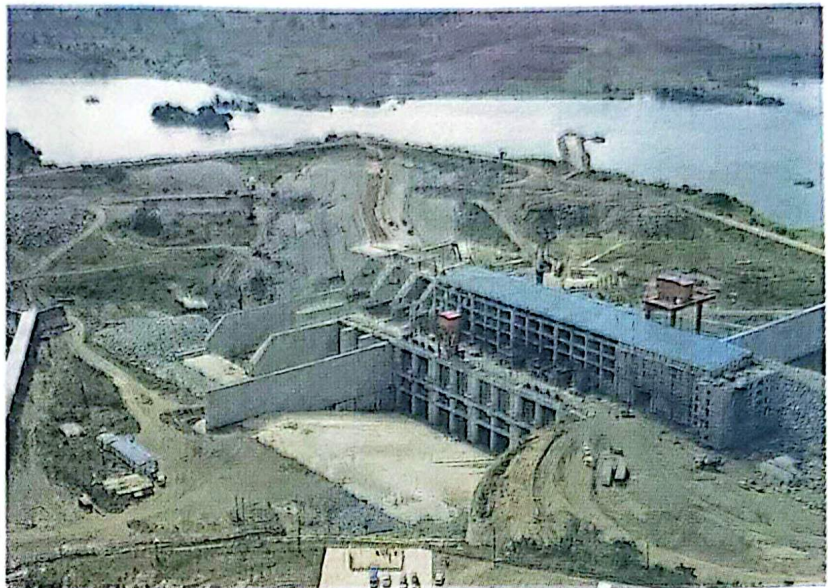
EIPL was hired under unclear circumstances to supervise the construction of both 183MW Isimba in Kayunga and the 600MW Karuma power project further downstream of the River Nile in northern Uganda.

A damning audit of their operations on the \$1.6b (sh5.7 trillion) Karuma project led to President Yoweri Museveni directing that their contract be cancelled on the Karuma dam. In addition, two senior officials of EIPL were last month charged in the Anti-Corruption Court with causing a sh3b financial loss to the project.

EIPL was criticised last year for not properly supervising the two dams, which led to work not being done according to the specifications. As a result, cracks, which threatened to jeopardise the integrity of the two dams formed, causing a public uproar.

UEGCL's refusal to renew EIPL's contract is the latest in a series of woes that have dogged the two projects since their inception.

Rivalry between the two Chinese contracting firms — Sino Hydro



An aerial view of Isimba Dam. Despite stalling following cracks reported to have been on the dam, Isimba dam is 50% complete

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corporation and China International Water & Electric (CWE), saw the procurement dragged through to the Inspectorate of Government (IGG), Public Procurement & Disposal of Assets Authority (PPDA), the High Court and the Cabinet, which delayed

the start of construction of the two dams by two years beyond the initial timelines.

The impasse was finally resolved at the end of 2013, when Museveni stepped in to resolve the procurement, personally awarding the Karuma contract to Sino Hydro and the one for Isimba to CWE.

Well, into the contract, there was more controversy as UEGCL fought to take over supervision of the projects from the energy ministry, which was their right under the agreement.

UEGCL only took over control of the dams early this year following a reshuffle in the ministry that saw the long-time permanent secretary, Kaliisa Kabagambe, replaced by Dr Stephen Isabalija, who was previously the chairman of UEGCL. Isabalija was sacked as the ministry's chief executive last month.

UEGCL reports that the two projects are now more than 50% complete and should be ready by the end of 2018.

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