

Private funders to finance oil roads

By David Lumu and Charles Etukuri

For the Government to deliver on its pledge of constructing oil roads in the Albertine Graben before the 2020 oil production deadline, commercial agreements with private funders have to be signed to secure 70% of the sh3.2 trillion needed for the project.

According to UNRA's Charles Kizito, the head of corporate strategy, of the sh3.2 trillion needed for the 10 oil roads in the Albertine Graben, sh900b (about 30%) will be secured by the Government, while the 70% will come from private funders.

Speaking to journalists yesterday during a press conference at Uganda National Roads Authority (UNRA) offices in Nakawa, Kampala, Kizito said the Government has embarked on land acquisition for the 693km oil roads, with a large chunk of compensation projected to go to the Uganda Wildlife Authority (UWA).

Kizito added that signing of commercial agreements with private funders, including the UK Export Finance, have also commenced.

"Out of the sh3.2 trillion proposed budget for oil roads, the Government will foot sh900b for land acquisition, preparation of studies, designs and supervision. The other portion will come from donors," he said.

According to UNRA's executive director, Allen Kagina, the procurement of contractors to design and build the 693km roads in the oil region has commenced.

"UNRA is undertaking the urgent procurement with the expectation of signing commercial contracts in early 2018. The feasibility study and preparation of the projects was undertaken in-house. In order to achieve this target (2020 oil production deadline), key enabling infrastructure, such as road network, must be in place," she said.

Kagina added: "In January last year, the Government made a decision to commence the procurement of contractors to design and build 693km of roads in the oil region."

The Government has set 2020 as the target for oil production in the country.

The 10 oil roads include, Masindi-Kisanja road junction (84km), Masindi through Murchison Falls Game Park, Kabale-Kizirafumbi-Kaseeta-Lwera via Bugoma Forest (54km), Pakwach-Paraa-Buliisa (66km), Bahimba-Nalweyo-Kakindu-Kakumiro-Mubende (51km), Luslira-Nkongge-Lumegere (55km) and Lumegere-Sembabule and Kyotera-Rakai road (60km), among others.

Roads to be completed this year

- Mbarara Bypass
- Kampala-Entebbe Expressway Highway
- Rushere-Nswerenkye
- Mukono-Kyetume-Katosi-Nyenga
- Gulu-Acholi-Bur
- Acholi-Bur-Musingo
- Kanoni-Sembabule-Villa Maria

Roads to be rehabilitated

- Iganga-Kaliro
- Nansana-Busunju
- Mukono-Kayunga-Njeru

Sh215b saved

Apart from the oil roads, Kagina said the improvement of in-house capacity has helped UNRA to save sh215b, by weeding out the outsourcing of contracts.

Kagina also said UNRA has started enforcing new regulations on the use of road reserves and ferry landing sites.

"Effective this January, these regulations will help the organisation in ensuring that the road assets are managed efficiently, are safe for the users, well protected and are used responsibly," she said.

The new regulations were mooted following reports that some people had illegally acquired land in road reserves and landing sites without the authority of the UNRA.

"We appeal to the public, through the media to continue familiarising themselves with these regulations to avoid the harsh penalties of serving seven years in jail or paying a fine of up to sh100m for those who will be found encroaching on road reserves," she said.

DOTT Services reinstated

Kagina yesterday said although in the last financial year, UNRA took a tough decision to terminate two contracts with companies that were upgrading Musita-Lumino-Busia-Majanja and Nakalama-Tirinyi-Mbale, the Government has made considerations following appeals from these two companies.

"After an appeal by the affected contractors, with a pledge to mobilise and execute their contracts more effectively than before, the Government made consideration and took a decision to reinstate them on the two respective projects," she said, adding that UNRA will ensure that these projects, which have caused public uproar, are implemented strictly by the two companies-DOTT Services and China Rail Contracts No. 18.

Following the suspension of the two contracts by UNRA, President Yoweri Museveni directed that the contracts be reinstated.

Kagina interacting with the head of enterprise architecture and standards, Issah Kiganda and the head of corporate strategy Charles Kizito, during a press conference at the UNRA offices in Kampala yesterday.

Photo by Nancy Nanyonga

