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## Japan Supports three projects totaling 202.3 million USD

On 26 April 2018 in Kampala, H.E. Kazuaki Kameda, Japanese Ambassador to Uganda, and Hon. Matia Kasaija, Minister of Finance, Planning and Economic Development signed the Exchange of Notes of the ODA Loan for the **"Kampala Metropolitan Transmission System Improvement Project"**, the ODA Loan (Additional Loan) for the **"Construction of a New Bridge Across River Nile at Jinja Project"** and the ODA Grant for the **"Project for the Improvement of Regional Referral Hospitals in Northern Uganda"**.

Upon exchanging the Notes, the Loan Agreements of the above two projects were also signed by Mr. Yutaka Fukase, Chief Representative of Japan International Cooperation Agency (JICA) Uganda, and Hon. Kasaija, to provide a Japanese ODA loan of up to 13.659 billion Japanese yen (approximately USD 128.9 million or UGX 474 billion) for the first project and an additional loan of up to 4.918 billion Japanese yen (approximately USD 46.4 million or UGX 170 billion) for the second project.

Also the Grant Agreement was signed by Mr. Fukase and Hon. Kasaija to provide grant aid of up to 2.86 billion Japanese yen (approximately USD 27.0 million or UGX 99 billion) for the third project.

The first ODA Loan Project, "Kampala Metropolitan Transmission System Improvement Project" aims to stabilize and improve the reliability of the power supply in the Greater Kampala Metropolitan Area by constructing two (2) new 220 kilovolt substations, upgrade three (3) existing 132 kilovolt substations, and strengthen the urban electricity transmission grid and provide a mobile substation for emergency response. The loan funds will be allocated to public works for constructing and upgrading substations, strengthening the electricity transmission grid, the procurement of a mobile substation, and consulting services including basic design work, bidding assistance and construction supervision.

Although the Greater Kampala Metropolitan Area has a population of approximately 3.5 million people and a substantial demand for power, the power transmission and distribution capacity is still insufficient resulting in frequent unexpected power outages due to power overloads. The Government of Uganda has addressed the immediate demand for power through initiatives such as the Japan' ODA Grant for the "Project for Improvement of Queensway Substation" (Grant Agreement signed in November 2014), but with a rising power demand due to recent population and economic growth, the power demand is expected to again exceed the supply capacity by 2020. In the Grid Development Plan (2014-2030), the Government of Uganda has given the highest priority to strengthening the transmission and substation capacity in the Greater Kampala Metropolitan Area, which is the center of the country's power demand.

By providing power transmission and distribution facilities, the project should ensure a power supply that meets the demand up to 2030, and it is expected to make a large contribution in improving the power conditions in the Greater Kampala Metropolitan Area, including reducing power outages and stabilizing the supply of commercial power.

The second ODA Loan (Additional Loan) Project, "Construction of a New Bridge Across River Nile at Jinja Project" aims to complete a construction of a new bridge with access roads in Jinja District, approximately 80 kilometers east of Kampala, across the Nile River. This additional ODA Loan of up to 4.918 billion yen brings the total amount of Japanese ODA support for this project to 14.116 billion yen (133 million USD).

The river is located along the Northern Corridor that runs from the Port of Mombasa in Kenya to Kampala. The objectives of the project are to strengthen and secure the transportation capacity of the Northern Corridor in Uganda and to ensure traffic safety. The loan funds will be allocated to the construction of the bridge and access roads, and to consulting services. An inland country located in Eastern Africa, Uganda imports and exports goods primarily through the Port of Mombasa in Kenya, and the Northern Corridor is a vital roadway for goods distribution in Uganda. The existing bridge (Nalubaale Bridge) used for crossing the Nile River in Jinja District was built in 1954, but its deteriorated condition, the narrowness of the lanes, and other factors hinder the smooth and safe flow of traffic. The volume of traffic between the Port of Mombasa and Kampala is predicted to increase in the future, and the construction of a new bridge is a priority for ensuring the smooth and safe flow of that traffic.

By 2020, two years after the project completion, the average number of passengers is expected to increase by 33,000 per day and the average cargo weight by 50,000 tons per day compared to 2008, and this project should greatly contribute to improved transportation capacity.

Japanese ODA Loan is concessional with its terms and conditions of 0.01 % of annual interest rate and 40 years of repayment period including 10 years of grace period.

The third ODA Grant Project, "Project for the Improvement of Regional Referral Hospitals in Northern Uganda" aims to strengthen hospital functionality by constructing facilities and providing medical equipment to three regional referral hospitals (RRHs), namely Gulu RRH, Lira RRH and Arua RRH in Northern Uganda, and improve the quality and access to health services in the area.

Northern Uganda has been impacted, more than any other region in Uganda, by internal conflict that lasted more than two decades beginning in the 1980s, and also has more internally displaced persons than any other region. The targeted RRHs located in the region were constructed in the 1920s and 1930s; thus, the facilities have aged significantly and medical equipment required for diagnosis and treatment is lacking. In addition, the rapid increase of the local population as well as the large influx of refugees from neighboring countries such as South Sudan and the Democratic Republic of the Congo has resulted in an increase in the number of patients, pushing the hospitals' capacities to their limits. As a consequence, patients face problems such as longer wait times and treatment delays. It is expected that the project will, within three years of completion, allow 42,000 more outpatients, 1,700 more births and 2,500 more emergency patients to be handled at the three hospitals combined.

Japan will continue to provide comprehensive support toward sustainable economic growth and for quality improvements in health services in Uganda.

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Name of the Project	The Kampala Metropolitan Transmission System Improvement Project
Responsible Ministry	Ministry of Energy and Mineral Development
Executing Agency	Uganda Electricity Transmission Company Limited (UETCL)
Loan amount	JPY 13,659,000,000 (Approximately USD 128.9 million)
Location of the Project	Kampala Metropolitan Area
Major facilities, equipment and Services provided through the Project	Facility: -construction of two new 220 kilovolt substations -improvement of three existing 132 kilovolt substations and the urban electricity transmission grid Equipment: -a mobile substation for emergency response Consulting services: -basic design work, bidding assistance and construction supervision
Expected Completion of the Project	February 2022 (when the facilities are put in service)
Date of Signing the Exchange of Notes and Loan Agreement	26 April 2018

## Project Outline (1)

## Project Outline (2)

Name of the Project	The Construction of a New Bridge Across River Nile at Jinja Project
Responsible Ministry	Ministry of Works and Transport
Executing Agency	Uganda National Roads Authority (UNRA)
Additional Loan amount	<ul> <li>JPY 4,918,000,000</li> <li>(Approximately USD 46.4 million)</li> <li>A Loan Agreement was signed in November 2010 for up to JPY 9,198,000,000. With this additional loan, the total amount of Japanese Loan will be JPY 14.116 billion (133 million USD).</li> </ul>
Location of the Project	Jinja District
Major facilities, equipment and Services provided through the Project	Facility Construction: -a new bridge -access roads Consulting Services: -construction supervision
Expected Completion of the Project	October 2018
Date of Signing the Exchange of Notes and Loan Agreement	26 April 2018

## Project Outline (3)

Name of the Project	The Project for the Improvement of Regional Referral Hospitals in Northern Uganda
Responsible Ministry & Executing Agency	Ministry of Health
Grant amount	JPY 2,860,000,000 (Approximately USD 27.0 million)
Location of the Project	Gulu RRH in Acholi Sub-Region, Lira RRH in Lango Sub-Region, Arua RRH in West Nile Sub-Region
Major facilities, equipment	Facility Construction:
and services provided through the Project	-Gulu RRH: Theatre/Casualty/Maternity Ward -Lira RRH: Outpatient Department and Casualty Block,

	Delivery Suite
	-Arua RRH: Outpatient Department and Casualty Block
	Equipment:
	Outpatient procedure and diagnosis equipment,
	emergency treatment equipment etc.
	Consulting services:
	-Detailed design work, bidding assistance, construction
	supervision
	-(As guidance in managing the facilities) improvements
	in equipment operation and clinical techniques,
	maintenance and management for medical equipment,
	guidance in the operation of computer X-ray imaging
	systems
Planned Implementation	60 months, including detailed design work and the
Period	bidding period
Date of Signing the	
Exchange of Notes and	26 April 2018
Grant Agreement	

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