

## **Initial Project Summary**

Project Location: Bunyamera Parish, Sindila Sub-County, Bundibugyo District, Uganda

Name of Applicant: KMR East Africa Company

Name of Project: Sindila Mini-Hydropower Station

Project Description: The proposed project comprises construction and operation of the Sindila Mini-Hydropower Station on the Sindila River in the Bundibugyo District of western Uganda. The 5.25 MW plant will generate 26.6 GWh annually. Sindila MHP will operate as a diversion scheme, diverting water at a weir 2.5 meters high and 9.4 meters across for a distance of 3.7 kilometers to the powerhouse. The initial 675-meter headrace canal will be partly buried and partly open channel, and the 3000-meter penstock will be a one-meter steel pipe supported on concrete piers. A total of 2.6 kilometers of community roads/footpaths will be upgraded to allow machinery, equipment, and construction materials to be transported to the site. There will also be a construction laydown area and offices, a workers' camp, and permanent quarters and workshops. Power will be carried 5.7 kilometers to the national grid on a new 33kV overhead transmission line to be constructed by the Rural Electrification Agency; this associated facility is not under the control or significant influence of KMRI.

The socioeconomic census shows approximately 107 households potentially affected by land acquisition needed for the Project and a Resettlement Action Plan has been developed. Most land to be affected is currently used for agriculture, with only the highly disturbed riparian area near the weir and headrace canal supporting suitable habitat for native species. The project is located 430 meters downstream from Rwenzori Mountain National Park but no direct effects are foreseen on the Park.

Environmental and Social Categorization and Rationale: The Project has been reviewed against OPIC's categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because it is a greenfield hydropower project with associated infrastructure located near a protected area with diverse and abundant flora, and could have significant adverse environmental and social impacts that are diverse and irreversible. The primary environmental concerns are related to potential impacts on locally migratory fish, potential impacts on residents due to reduced water for domestic use and land acquisition related to the Project, and potential indirect effects on the National Park.

Sindila MHP is one of at least two small hydropower projects being considered in this area, along with Ndugutu MHP. The latter plant would be on the nearby Ndugutu River and may share some project infrastructure, including the headrace corridor, with Sindila. To date, the Ndugutu MHP has not been subject to detailed study or plans, but if it does proceed, cumulative impacts are a potential concern.

Environmental and Social Standards: The Project is being designed to meet IFC Performance Standards, including:

- PS 1: Assessment and Management of Environmental and Social Risks and Impacts

- PS 2: Labor and Working Conditions
- PS 3: Resource Efficiency and Pollution Prevention
- PS 4: Community Health, Safety, and Security
- PS 5: Land Acquisition and Involuntary Resettlement
- PS 6: Biodiversity Conservation and Sustainable Natural Resource Management
- PS 8: Cultural Heritage

Based on the socioeconomic survey conducted for the ESIA, individuals potentially impacted by the Project did not identify themselves with the ethnic groups considered indigenous in the area. Therefore PS 7 is not triggered by the Project at this time.

In addition, the IFC's Environmental, Health and Safety General Guidelines are applicable to the Project.

Location of Local Access to Project Information: The Environmental and Social Impact Statement and associated documentation are available in English at the office of the sub-county chairperson:

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