Early Warning System

AFDB-P-UG-DB0-036

UGANDA - Busega-Mpigi and Kagitumba-Kayonza-Rusumo Roads Project - Additional Financing

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Quick Facts

Countries	Uganda
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	A
Voting Date	2025-11-05
Borrower	Government of Uganda
Sectors	Construction, Transport
Investment Type(s)	Loan
Investment Amount (USD)	$ 246.89 million

Project Description

According to bank provided information, the project development objective is to improve connectivity between Kampala and Kigali by eliminating the traffic bottleneck between Busega and Mpigi towns, thereby advancing regional integration through enhanced freight and passenger flows along the Northern Corridor. The project corridor is characterized by chronic congestion, resulting in day-long bottlenecks for transit and commuter traffic along the Northern Corridor. Travel conditions have deteriorated significantly; a journey that previously took less than 45 minutes now requires more than 2 hours over a 27.3 km road section. In addition, Uganda's road maintenance backlog continues to grow due to insufficient budget allocations, placing the project road at risk of premature deterioration. The lack of local accessibility also slows urbanization in the peri-urban townships of Busega and Mpigi, hindering productivity within the Greater Kampala Metropolitan Area (GKMA). Within a theory of change framework, these constraints are expected to be addressed through additional financing focused on the following specific interventions: (i) construction of a 27.3 km dual carriageway, including 5 traffic interchanges, 4 link roads, 4.6 km of service roads, and a 3.6 km extension of the main roadway to enhance connectivity and safety; (ii) provision of 4 toll plaza platforms to facilitate the collection of road-user charges and strengthen financing for road maintenance; and (iii) construction of additional drainage structures to climate-proof the roadway against flooding during the operational phase.

The original Rwanda/Uganda: Busega-Mpigi and Kagitumba-Kayonza-Rusumo Roads Project was a multinational operation covering Uganda and Rwanda. The Bank approved, on 22 June 2016, a combined financing for the two countries of UA 267.25 million. The Uganda road section cost was UA 136.13 million financed by ADB Loan of USD 91 million, ADF Loan of UA 42.5 million and government counterpart of EUR 37.79 million, while the Rwanda project section cost was UA 131.1 million, financed by African Development Fund Loan (ADF), Japan International Cooperation Agency (JICA) loans, and European Union (EU) grant.

Investment Description

- African Development Bank (AFDB)

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents. Under the AfDBÕs Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process.

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The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: https://www.afdb.org/en/independent-review-mechanism/