

 Early Warning System

FMO-51836
BUGOYE HYDRO LIMITED



Quick Facts

Countries	Uganda
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Active
Bank Risk Rating	B
Voting Date	2017-07-13
Borrower	Bugoye Hydro Limited (BHL)
Sectors	Energy
Investment Amount (USD)	\$ 14.65 million



Project Description

The Borrower is Bugoye Hydro Limited (BHL), a special purpose vehicle established to develop, construct and operate a 13MW run-of-river hydro power plant in the Kasese district in Western Uganda. The plant became operational in October 2009. BHL is indirectly wholly owned by Africa Energy Renewable Fund LP (AREF), a USD 200 mln fund which is managed by Berkley Energy Africa Limited.

FMO and Emerging Africa Infrastructure Fund (EAIF) managed by Investec will each provide USD 14.6 million to (i) refinance the existing senior debt, (ii) fund Capex for repair works, and (iii) free up capital that AREF will invest in other greenfield energy projects in Uganda. EAIF was the single existing lender before FMO joined.

FMO is financing Bugoye, a small run of the river hydro power plant in Uganda, to support AREF in developing and constructing other greenfield renewable energy projects in Uganda. Part of the loan has been earmarked for repair works that should improve the long-term robustness of the plant. Furthermore, this financing, which is one of the first refinancings of a small hydro power plant on the continent, is an important milestone for Uganda's renewable energy sector. BHL has generated 78 GWh of clean energy per year on average and has supported the strengthening of Uganda's grid in the west of the country. FMO is additional in this transaction by providing long-term debt, which is not available on the commercial market in East Africa. The project coincides with FMO's strategy to contribute to clean energy projects in emerging markets.



Investment Description

- Netherlands Development Finance Company (FMO)



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ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW) . A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: <https://www.fmo.nl/independent-complaints-mechanism>.



Bank Documents

- [Project Information](#)