Early Warning System

# IFC-38598

## Umeme Capex II

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### Quick Facts

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|---|---|
| **Countries** | Uganda |
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Proposed |
| **Bank Risk Rating** | B |
| **Voting Date** | 2016-12-09 |
| **Borrower** | UMEME LTD |
| **Sectors** | Hydropower |
| **Investment Amount (USD)** | $ 25.00 million |

## Project Description

Umeme Ltd. is a regulated electricity distribution company in Uganda, supplying over 800,000 customers mainly located in the semi-urban corridor linking Kampala, Entebbe and Jinja. In March 2005, Umeme was awarded a 20 year concession to manage and operate the assets of Uganda Electricity Distribution Company (UEDCL). The award of the concession was part of Uganda's broader privatization of its power sector, which also involved the unbundling of transmission, distribution and generation, and the awarding of concessions for the operation of its existing generation assets. Uganda's power sector privatization was fully supported by the World Bank Group. Umeme's shares floated on the Nairobi and Kampala stock exchanges; UK based Actis Infrastructure 2 LP has a significant shareholding in the company (14%).In 2009, IFC committed $25 million in debt financing to support Umeme's operations. In November 2012, IFC participated in an Initial Public Offering to support Umeme's rehabilitation and development of its network through additional connections, implementation of a new customer billing system, rolling out a customer call center and work management centers, and expansion of its environmental, health and safety management capacity. IFC also provided a $70 million debt financing to support Umeme's 2013 - 2018 capital expenditure program. The program mainly involves the upgrade and expansion of medium voltage transmission lines and substations and the introduction of pre-paid meters across its customer base. IFC is now proposing to increase its commitment to finance this capital expenditure program by an additional debt financing of $25million (the "project").

## Investment Description

- International Finance Corporation (IFC)

## Contact Information

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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

## Bank Documents

- Project Information