



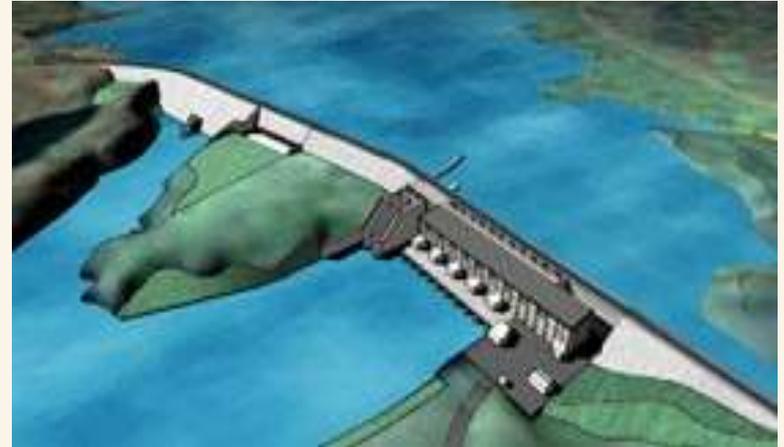
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Delays in Hydropower and Dam Projects – lessons for Africa

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Bujagali, Uganda

- Cost Uganda 1% of GDP per year that the project was delayed
- When first attempt to develop the project failed – developers wrote off \$75m investment.



President Museveni visits Bujagali

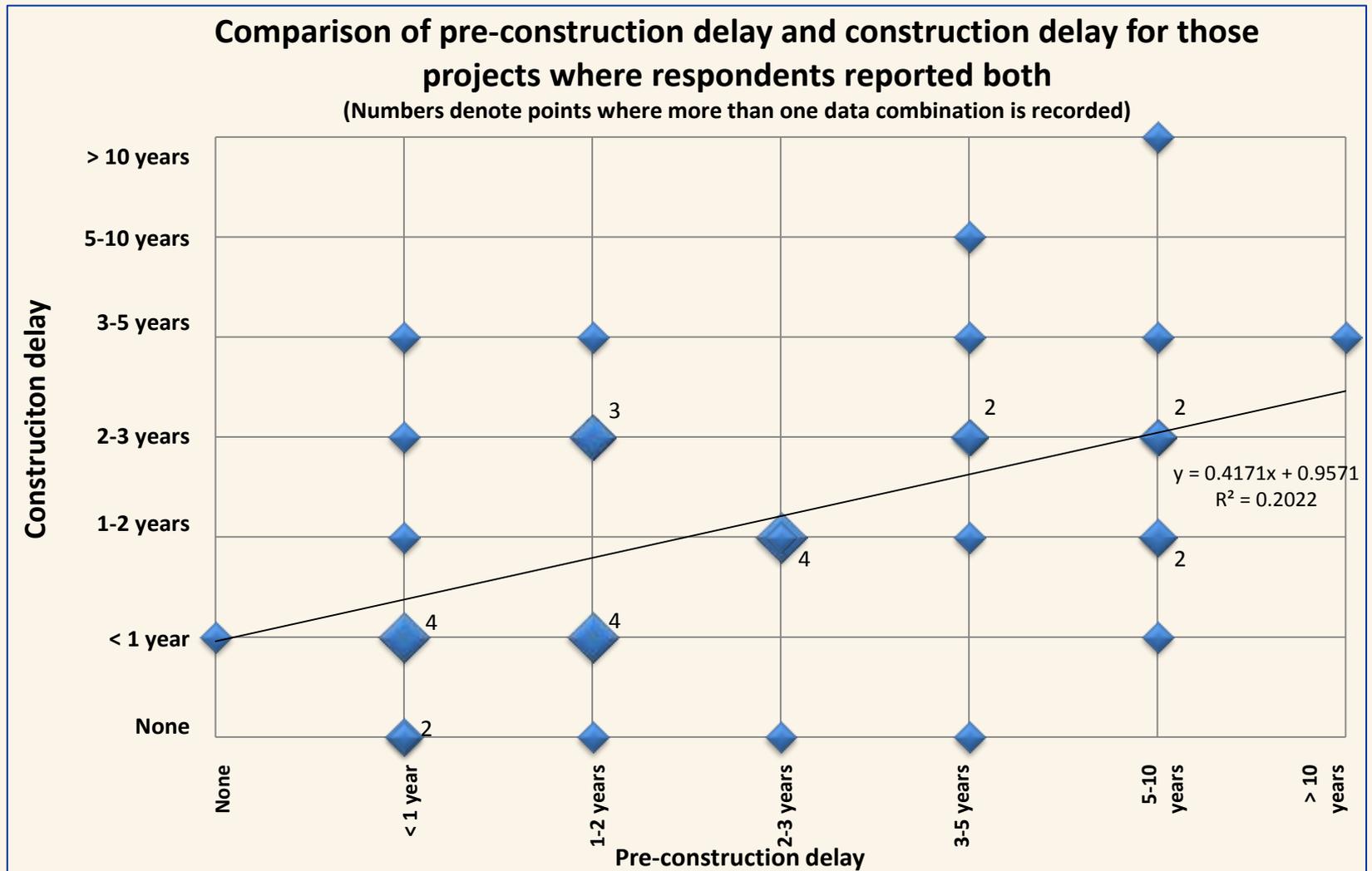
In 2002, President Museveni came to the project site to inaugurate the project – he said :

"I am ashamed to even come here.... I am not happy because a project which should have taken two years has taken seven years to start. All this hullabaloo has been a waste of time and a lack of seriousness.... this was a circus".

The project took a further five years to begin construction.

Reuters 2002, "Peeved Museveni Launches US\$ 550 Million Uganda Dam" Reuters 24th January 2002.

Data suggests that projects which spend longer in preparation are more prone to construction delay





“The impact of delays in construction on economic returns depends upon when that delay occurs. If it occurs before construction begins (in effect delaying all costs and all benefits) there is no impact.”

World Bank Project appraisal report

So What?

- Avoid delay if possible, but if inevitable –
 - act to manage, mitigate, and make best use of time, don't just let it happen
 - be honest with stakeholders
- What can international community do?
 - Fund upfront actions
 - Improve capacity to monitor contracts and compliance
- **But, this is not a call for rushed preparation, simply that preparation time should be properly planned and used to reduce risk during construction**