



February 2, 2022

## **UGANDAN AND DRC CIVIL SOCIETY COMMUNIQUE ON SIGNING OF THE LAKE ALBERT FINAL INVESTMENT DECISION (FID)**

### **1. Introduction and background**

The Ugandan government alongside TotalEnergies (U) B.V. and China National Offshore Oil Corporation (CNOOC) (U) Ltd announced the Final Investment Decision (FID) for the Lake Albert oil project yesterday on February 1, 2022.

The Lake Albert project consists of the Tilenga and Kingfisher oil fields as well as the East African Crude Oil Pipeline (EACOP). The EACOP will run from Hoima in Western Uganda to the port of Tanga at the Indian Ocean in Tanzania.

The FID signing ceremony took place at the Kololo Independence Grounds in Kampala. It was presided over by the Ugandan president, H.E. Yoweri Kaguta Museveni, the Tanzanian vice president, H.E. Philip Isidor Mpango, TotalEnergies' president, Mr. Patrick Pouyanne, and several other officials.

Following signing of the FID, civil society groups whose main objective is to promote environmental conservation and the observance of human rights in Uganda, the Democratic Republic of Congo (DRC) and the Great Lakes Region at large discussed what the FID means for ordinary citizens and what needs to be done to avoid the dangers of oil activities.

Below are their observations.

### **2. Observations**

- (a) First, the civil society groups appreciated efforts by the Ugandan, Congolese and East African governments for seeking avenues to improve their countries' economies and consequently, communities' wellbeing.
- (b) The civil society groups observed that despite contrary evidence in Uganda and among African oil-producing countries, the Ugandan government had widely marketed the narrative that Uganda's oil exploitation efforts would boost the Ugandan economy while improving communities' livelihoods.

- (c) The civil society groups noted that the way the Ugandan oil sector is being managed leaves no doubt that the sector will not benefit ordinary men and women. Instead, it could leave communities, the country and region at large worse off, despite signing of the FID.
- (d) The civil society groups cited the case of the thousands of people whose land has been compulsorily acquired for the oil refinery, Tilenga and Kingfisher oil projects in Uganda. The groups observed that during the compulsory acquisition of communities' land, communities suffered intimidation, abuse of their cultures, unfair use of courts against communities, illegal displacements as well as delayed, inadequate and unfair compensation. Consequently, oil-affected households that received compensation under **some** of the above oil projects have been condemned to poverty, family breakdowns, lack of education, teenage pregnancies, lack of access to adequate safe water and others. Today, many oil-affected households are in worse socio-economic positions than they were in before they were displaced from their land. This belies arguments that oil is being exploited for communities' benefit, the civil society groups said.
- (e) Further, the groups observed that the over 24,744 people whose land is being acquired for the EACOP project are faced with many challenges. Discrepancies in compensation rates, delayed compensation, family break-downs and intimidation through which communities are forced to accept low compensation rates "because they cannot stop government projects" have caused distress, anxiety and fear that when they are compensated, the EACOP-affected people will not be able to replace the land that they lose to the project. A project that is aimed at benefitting people should not leave behind broken families, pregnant and uneducated teenagers, a harassed and intimidated population and others, the civil society groups observed.
- (f) In addition, they said, the manner in which the EACOP (Special Provisions) Bill, 2021 was passed by parliament pointed to how oil affairs were not for the common man's benefit. For instance, the civil society groups noted, communities that have been directly affected by the project were not consulted on the EACOP Bill before it was passed by parliament.
- (g) Moreover, in their minority report of November 2021, the MPs who authored the report noted that the review process of the bill violated parliament's rules of procedures. They further noted that scrutiny of the bill was too rushed and that the members of the public who made comments on the bill did so without access to key agreements on which the EACOP Bill was based. These agreements include the Host Government Agreement (HGA), Shareholders Agreement (SHA) as well as the Tariff and Transportation Agreement (TTA). The agreements, which were signed by the Ugandan government and oil companies in April 2021, remain hidden from the public to date. The civil society groups questioned: why would agreements for a project that is supposedly good for the people be hidden from the people? Such secret dealings explain why African oil producers have failed socially, environmentally and economically.

- (h) Further, the civil society groups observed that the environmental risks of all the oil and especially EACOP projects remained unaddressed. The groups noted that the human-wildlife conflicts that had increased following oil exploration and construction of oil roads in Murchison Falls National Park (MFNP) had not been addressed. Elephants continue to destroy farmers' gardens in Nwoya district with more than 1,787 acres of crops being destroyed in [2019](#) and [2021](#). They also continue to [kill passengers](#) travelling through MFNP, the civil society groups said. Chimpanzees from Bugoma forest also continue to [attack children](#) and get [killed](#) by communities. Bugoma forest is being destroyed due to oil and sugarcane pressures.
- (i) In addition, the civil society groups observed that family break-downs, school drop-outs and other social challenges were unaddressed. How the impact of the over 34.3 million metric tonnes of carbon that will be produced when the oil transported by the EACOP is burnt will be addressed also remains unknown. The civil society groups noted that the existence of approved Environmental and Social Impact Assessment (ESIA) reports for all the projects had not led to the avoidance or mitigation of the above dangers. The civil society groups asked: How well will the ESIA reports perform if oil production starts?
- (j) The groups reminded themselves that experts procured by the National Environment Management Authority (NEMA) to review the Tilenga, Kingfisher and EACOP ESIA reports had noted that gaps in the reports exist. Particularly, even after the EACOP ESIA was revised and re-submitted to NEMA in 2020, the Netherlands Commission for Environmental Assessment (NCEA) observed that gaps as regards avoiding or reducing the EACOP project's impacts on water crossings and wetlands, protecting chimpanzees and others remained. [NCEA](#) also noted that the benefits of the project had been over-discussed while the potential impacts had been minimised. Moreover, in a 2019 Tilenga ESIA [review report](#), experts from E-Tech International also observed that placement of oil infrastructure in MFNP is not the Best Available Technique ("BAT") standard to minimise adverse impacts.
- (k) Further, the civil society groups questioned why the Ugandan government and oil companies are rushing to commence oil extraction at a time when court cases challenging the Tilenga and EACOP projects in the East African Court of Justice (EACJ) and Ugandan high court remain undetermined by the weak judiciary. Other court cases in the Ugandan High Court or Court of Appeal that remain undetermined include a case challenging the Tilenga ESIA certificate of approval, an appeal against a court ruling compelling nine Tilenga-affected families to accept low compensation, the oil refinery-affected people's case against low compensation and others. A 2019 court case challenging the adequacy of the Tilenga and EACOP oil project's mitigation measures in France also remains undetermined. The civil society groups noted with concern that failure by courts to ensure justice to the aggrieved is being taken advantage of by the companies to push on with risky oil projects.

(I) More so, the groups noted with concern that the FID will further worsen Uganda's national debt, which will worsen the living conditions of Ugandans. Uganda's debt stands at over [UGX 73.8](#) trillion (over USD 20 billion) and [Bank of Uganda](#) estimates that the nominal debt to GDP ratio will reach 52.8% in the 2021/22 financial year. In the [2020 Debt Sustainability Report](#), the Ugandan government indicated that Uganda's debt had burgeoned and would continue to grow due to borrowing to invest in the oil sector and infrastructural projects.

(m) Moreover, the transboundary impacts of Uganda's oil projects that will affect communities in the DRC remain unaddressed. Oil activities on Lake Albert will affect Congolese communities' access to water, fishing livelihoods and possibly security. Congolese communities remain worried that despite engagements with NEMA, they have not been supported to understand how they will survive amidst oil risks to them.

(n) The constrained civic space in which Ugandan civil society groups work was also discussed. The delegitimization, belittling, suspension of civil society organisations (CSOs), arrests, illegal detentions and other violations against civil society actors are likely to increase as the Ugandan government and oil companies seek to produce oil at all costs, the civil society groups said.

### **3. Recommendations**

In light of the above, the civil society groups made the following recommendations:

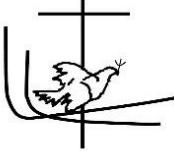
- (i) With or without the FID, both the Ugandan government and oil companies must avoid commencement of oil production to give courts time to determine the cases before them to stop the social and environmental dangers of oil activities.
- (ii) Further, the rights of oil-affected communities whose livelihoods have been disrupted should be respected and the damages they have suffered be compensated for.
- (iii) In addition, instead of investing in a sector that remains responsible for the worsening climate change impact across the world, the Ugandan government and private sector should invest in the green economic sectors of tourism, agriculture, fisheries and clean energy. Per the Uganda Green Growth Development Strategy, these sectors have the potential to create nearly 4 million jobs, "enhance national GDP by 10 % [and] reduce greenhouse gas emissions by 28% relative to the conventional growth pathway".
- (iv) In addition, financial institutions and development partners should support the Ugandan government and private sector to invest in green economic activities to address poverty while promoting environmental conservation.
- (v) The transboundary challenges of Uganda's oil activities must also be addressed. At the moment, there is no inclusive cross-border framework to protect critical ecosystems such as Lake Victoria, River Nile, Lake Albert, MFNP, Budongo and Bugoma forest reserves and others from oil threats. Commencing oil exploitation amidst these lacunas will worsen human and environmental abuses in Uganda and the region at large.
- (vi) Finally, the Ugandan government should stop harassing civil society groups.

### **SIGNATORIES**

No.	Organisation	Logo
1.	Youth for Green Communities	
2.	Guild Presidents' Forum on Governance	
3.	South Western Institute for Policy and Advocacy	
4.	Center for Food and Adequate Living Rights	
5.	Oil Refinery Residents Association	
6.	World Voices Uganda	
7.	Africa Institute for Energy Governance	
8.	African Initiative on Food security and Environment	
9.	Center for Energy Governance	
10.	Friends for Environment and Development	FED
11.	Women for a Green Economy Movement	WoGEM
12.	Innovation Pour le Development et La Protection de L'Environment	

13.	Forum des Engagés pour le Développement Durable	
14.	Forum Global de Chercheurs d'Alternatives	
15.	Cadre de Concertation de la société civile de l'Ituri sur les Ressources Naturelles	CdC/RN
16.	Justice Plus	
17.	Club Amis De L'environnement	
18.	Association des Mamans pour la Lutte contre le Traumatisme	
19.	Grande Action pour le Développement/Great Actions for Development	
20.	Association Des Filles Meres	AFM
21.	Association Cooperative Vie Future	
22.	Action Humanitaire pour le Développement	
23.	Organisations Santé Et Développement	
24.	Programme D'action Pour La Communauté De Développement	
25.	World Peace Protection	
26.	Collectif Des Paysans De L'Ituri Pour Le Developpement Integral	
27.	Federation Des Comites Des Pecheurs Du Lac Albert	

28.	Seconde Chance	SC
29.	Fondation Des Jeunes Entrepreneurs De L'est Du Congo	
30.	Forum Pour La Promotion De La Protection De L'environnement Et Developpement Durable	
31.	Programme D'actions Pour Le Developpement Integre	
32.	Fleuves D'eau Vive Qui Coulent Aux Autres	
33.	Programme Nourriture D'abord	
34.	Ligue Pour La Paix, Les Droits De L'homme Et La Justice	
35.	Institut Superieur De Developpement Rural De Bunia	
36.	Reinsertion Social Et Appui Au Developpement Communautaire	
37.	Association Pour La Conservation Et La Protection Des Ecosystemes Des Lacs Et L'agriculture Durable	
38.	Collectif Des Paysans De L'ituri Pour Le Developpement Integral	
39.	Femme En Action Pour Le Developpement Multisectoriel	
40.	Union Des Groupements Agricoles Oragnises	

41.	Agriculture Et Construction Pour Le Developpement	
42.	Fondation Des Aigles Pour L'encadrement Des Vulnerables	
43.	Association Des Mamans Anti-Bwaki	
44.	Coordination Provinciale De L'environnement De L'ituri (Bureau Des Ressources En Eau)	CPE
45.	National Action for the Community Development in Africa	ADECO-AFRICA
46.	Alerte Congolaise pour l'environnement	ACEDH
47.	Coordination Diocésaine Justice et Paix Bunia	
48.	Environment Governance Institute, Uganda	 ENVIRONMENT GOVERNANCE INSTITUTE (EGI)
49.	Commission Diocésaine Justice et Paix Matadi	
50.	Tasha Research Institute, Uganda	TASHA
51.	Oil and Gas Residents' Association, Uganda	ORGHA
52.	RHA	RHA