Editorial

Think long term

In late 2008, I met a girl that changed my life. Her name was Esther Kyosaba and we met in the most unlikely places – a district hospital in Buliisa, mid-western Uganda.

Esther was lying on a papyrus mat, covered by a towel for a blanket. The hospital never had any children’s beds, no mosquito nets and no window bug nets.

She was severely malnourished by marasmus-kwashiorkor, a protein related malnutrition illness that could be overcome by a 14-day regimen of protein nutrient supplements worth 2500 shillings (about $1) per day. Indeed, we provided the help Esther needed but we were too late – she died three days later.

Esther died in a district that holds a third of Uganda’s proven oil resources or more, but couldn’t afford


---continued on page 2---

Don’t ruin it!

Uganda’s Albertine Region is doubly blessed: not only does it host many of Africa’s butterflies, birds, reptiles, amphibians and mammals; it also sits on at least 6.5 billion barrels of crude oil, and counting.

But with huge infrastructural developments imminent as Uganda prepares to start exporting and refining oil in a few years’ time, what will be the fate of this pristine environment and the poverty-stricken communities that depend on it for a living?

In this issue, we examine the potential threat oil poses to the environment, and call on government and the oil companies to exploit oil resources sustainably and responsibly.

Elsewhere, we bring you stories of hope from compensated refinery residents who have successfully started a new life elsewhere; and an opinion on how mining projects can be more environmentally friendly.

Finally, seasoned politician Prof. Morris Ogenga-Latigo explains why he feels Northern Uganda is being excluded from the oil discussion.

Enjoy.

Murchison elephants scare away Nwoya residents

By Flavia Nalubega and Beatrice Ongode

Residents of Purongo sub-county in Nwoya district are appealing to government to devise means of stopping elephants from roaming outside Murchison Falls National Park boundaries, allegedly fleeing noisy oil activities in the park.

Elephants from the park have forced families to abandon their homes and relocate to the town center for safety, abandoning their gardens.

Wildlife Authority maintains the animal movements may not have any relation to noisy oil activities in the Park

---continued on page 2---

Oil in Uganda

visited Langachi village in Pabidi parish, and found several abandoned houses, some of them almost

---continued on page 2---
Editorial

...continued from page 1

one dollar to save her life.

From her death, I picked one lesson: if our natural resources are harnessed well and their benefits are equitably shared, they can bring lasting change to thousands of people especially the most vulnerable across many districts of Uganda.

This calls for collective actions first by government in setting the requisite regulatory framework but perhaps more importantly by the private sector that has a first-line duty and obligation to act as responsible citizens to safeguard Uganda’s rich biodiversity during the entire breadth and width of their activities.

NGOs, cultural institutions and individual resource users in these special natural places and beyond also have important custodianship roles to play. Together, when all stakeholders play their respective roles, we can ensure that the development of oil and gas does not compromise the conservation of the environment and nature upon which the poor, like the late Esther, critically depend.

Developing Uganda’s oil and gas resources must never compromise the long-term conservation of the special environments and natural places where these resources have been found.

Robert Ddamulira is the Energy Coordinator, WWF Regional Office for Africa (ROA)

invariably be disturbed by loud activities like seismic surveys.

Yet the Uganda Wildlife Authority (UWA) remains hesitant to admit that the elephants are being scared away by oil works in the park. "We cannot say that their movement out of the park is being caused by the oil activities because they have been moving out of the park even before the oil activities commenced," said Jose Muhangi, UWA’s public relations manager.

"Unless we carry out research and confirm that the oil activities are affecting the elephants, those are just allegations that still do not have any basis. But we are carrying out a study to confirm whether the deployment of the heavy drilling machines and the activities of the 3D seismic surveys have any effect on the elephants."

Mr. Muhangi also confirmed that "some two or three people" were killed by elephants in Nwoya last year.

In an earlier interview, the Wildlife Conservation Society (WCS) country representative in Uganda, Dr. Alistair McNeilage, also cast doubt on the notion that the elephants were migrating from the explorations areas in the park.

"Lots of people have been saying that elephants are coming out of the park because they’ve been chased out by the oil," McNeilage told Oil in Uganda. "But if you look at the areas they’re coming from, it’s mainly on the north east side [of the park]. Those elephants don’t seem to be the same ones that are in the areas [in the west of the park] where the oil activities have been going on;" he explained.

WCS has tagged some of the Murchison elephants with electronic tracking devices and so is able to monitor herd movements quite accurately.

buffer

Robert Byaruhanga, the Director for Natural Resources and Environment at the African Centre for Energy and Mineral Policy (ACEMP), is convinced that both people and wild animals can live peacefully if buffer zones are created between the human and animal populations.

"Government can limit human activity in the buffer zone, allow for planting of specific species of plants that are not animal friendly. With such in place, the animals will be forced back to the park and the communities will not be attacked," he said.

Mr. Byaruhanga adds that this method has been deployed in Budongo Forest, Masindi district, where the forest conservation area that was created near the forest has helped prevent its depletion.

Yet as Uganda shifts from oil exploration to production, the animals will likely suffer greater disturbance. The process of laying pipelines may prove traumatic for them because it will certainly involve stressful levels of noise and vibration.

Hopefully by then, UWA will have concluded its investigation into the matter and found ways of shielding the vulnerable locals from the potential destruction brought by the huge mammals.
Residents of Kyangwali sub-county in Hoima district are thrilled at what may be the single most important benefit they will ever get from oil: a new road that will link them to the Lake Albert shores in the oil-rich Buhuka parish, saving them from a torturous back-breaking escarpment.

The China National Offshore Oil Corporation (CNOOC) was awarded a production license for the ‘Kingfisher Development Area’ in September last year, and the construction of an access road was part of the deal.

Now construction of the fifteen kilometre road has started, and residents are already excited at the prospect of accessing the fishing villages down the escarpment in the low lands with ease, without the dreaded 1.7 kilometre trek up or down the steep rocky terrain.

According to Ernest Rubondo, the Commissioner for the Petroleum Exploration Production Development (PEPD), the road will begin from Ikamiro village at the top of the escarpment, to Bungoma Village in Buhuka parish where the Kingfisher Development Area surface facilities are being established.

"Previously Buhuka was only accessed by either using a boat from Mbegu landing site in Hoima or from Ntoroko district and both the journeys would take an average of two hours," he said in an e-mail to Oil in Uganda.

“Some locals have had to use a footpath averaging to a kilometre to access areas above the escarpment. Other people would only access Kingfisher field by water since vehicles cannot descend or ascend the sharp corners,” he added.

Mr. Rubondo revealed that the project, which will also include the construction of all infield roads linking the planned oil facilities at Kingfisher, will cost about 20 million dollars (50 billion shillings).

The development is being undertaken by the China Civil Engineering Construction Company (CCECC).

New opportunities
The Kyangwali sub-county chairman, Omuhereza Rwemera Mazirane, believes the new road will ease the movement of goods and services in the area.

"The tarmacked road will give us opportunity to trade, access better services and attract investors” he said.

The development of the Kingfisher field is also expected to provide over 400 jobs to Ugandans.

The Kingfisher Development Area is located on the Southern end of Lake Albert in a sparsely populated community that is largely comprised of fishermen and herdsmen.

CNOOC estimates that the field holds an estimated 635 million barrels of oil, of which about 196 million barrels can be recovered. The anticipated peak production is 40,000 barrels of oil per day.

“There will be 27 production wells and 13 injection wells,” said the Company’s Corporate Affairs Manager, Chai Wei.

Injection wells are used to pump water into the oil field underground to stimulate the oil to flow to the surface.

CNOOC also plans to set up a Central Processing Facility (CPF) in Buhuka parish to separate impurities from the crude oil.

“From the CPF, crude oil will be pumped by pipeline to Kabaale (to the refinery),” explained CNOOC’s Corporate Social Responsibility (CSR) Manager, Zakalia Lubega.
**NEWS: A round-up of major developments in the last three months**

**Uganda’s reserves double**
Uganda’s oil reserves have doubled to 6.5 billion barrels, according to Junior Energy Minister, Peter Lokeris. Despite the huge leap though, the country’s recoverable oil has only increased by 200 million barrels to 1.4 billion barrels. Meanwhile, Uganda is pressing ahead with plans to have a refinery in place by 2018. Two firms remain in the race for the $2.5 billion contract. At least 70% of 2473 property owners in the area where the refinery will be built in Hoima have been compensated as government moves to secure the entire 29 square kilometres earmarked for the project.

**Rwanda to generate power from ‘deadly’ methane gas**
Symbion Power, a US Power Production company, has won the contract to construct a 50 megawatt power plant to exploit vast reserves of methane gas beneath Lake Kivu. Lake Kivu sits on huge reserves of methane and carbon dioxide, which, according to scientists, is a potentially disastrous combination. The mixture of these two gases can cause a deadly, though rare “limnic eruption.” Although Rwanda is primarily exploiting the methane for power generation, the gas’ extraction diminishes the possibility of such an eruption. DRC is also calling for bids from companies interested in partnering with the government to extract methane gas on the DRC side of the lake.

**DRC now full EITI Member**
The Democratic Republic of Congo (DRC) has been re-admitted to the Extractive Industries Transparency Initiative (EITI) and confirmed as a full member of the voluntary standard. Last year, the EITI Board suspended DRC because it was not fully disclosing financial information, raising concerns over the veracity of the figures disclosed in its annual report. Uganda remains hesitant to join the 45 country strong initiative, although the government has maintained it will sign up at some point.

**Tullow doing well in Kenya**
Tullow may have reported a net loss of $95 million for the first half of 2014, largely due to disappointing results from drilling campaigns in Mauritania, Ethiopia and Norway, but its winning streak in Kenya seems unstoppable, for now at least. The company has discovered at least 600 million barrels of oil in North Eastern Kenya which is likely to increase as more appraisals are concluded. Meanwhile, Kenya, Uganda and South Sudan have issued a call for bids for a consultant to oversee the feasibility study and preliminary engineering designs of the proposed crude pipeline from Hoima in Uganda via Lokichar, to Lamu in Kenya. The project will also include the construction of tank terminals in Hoima, Lokichar and Lamu.

**BG seeks buyer in Tanzania**
BG Group is reportedly considering offloading some of its 60% stake in the large offshore natural gas fields in Tanzania as the ‘Super Major’ seeks to cut operating costs. According to a *Sunday Times* report, BG is quietly looking for a buyer for Block 3, but will retain ownership of two other blocks. Analysts estimate the sale could fetch the company at least $4 billion. BG’s partner in Tanzania, Ophir, sold 20% of its stake in Tanzania’s gas fields for US$1.3bn last year.

**Daresalaam**
**Kampala**
**Kigali**
**Turkana**
**Kishansa**
Compesated refinery residents build new homes, but some still struggling

By Flavia Nalubega and Beatrice Ongode

At least 1300 people have been paid tens of millions, some hundreds, as government moves to secure the 29 square kilometers of land in Kabaale parish, Hoima district, where the country’s first crude oil refinery will be built.

*Oil in Uganda* recently spoke to forty-seven-year-old Stella Kihangwe, who together with her husband, Leo Kato, received 123 million shillings (about 50,000 dollars) in January this year for their 32 acres of land in Nyahaira village within the proposed refinery area.

The couple immediately bought a piece of land in Nsorera village, in neighbouring Kibaale district on which they have built a three-bedroomed house.

“I opted to stay in the village so that I am able to do farming to feed my family,” Ms. Kihangwe told *Oil in Uganda*. “I grow bananas and coffee and I am planning to venture into business to increase my earnings.”

Her children are all in school and her husband has bought himself a vehicle.

“The good thing is that he also bought a house for my co-wife,” says Kihangwe.

Another of Kihangwe’s former neighbours in Nyahaira village, Mwesigwa John, also relocated to Kibaale district after receiving 300 million shillings from government.

He has purchased a commercial house in Kibaale town and built a family house there.

“We are all happy, most of us relocated to Kibaale, we all have our houses and our children are going to school. The refinery money has been a blessing to us,” he says.

**Relocation long overdue**

Meanwhile those residents that opted for relocation remain uncertain as to when they will be moved.

Out of the 2473 property owners in the proposed refinery area, 79 chose relocation.

The government has identified land for them in Kyakaboga, Hoima district, but has not yet paid for it.

But the owner of the land, Edward Kiiza, is confident the transaction will be completed soon.

“The matter is in the final stages. I was in Kampala last week and we signed the papers. They are going to pay me,” Kiiza told *Oil in Uganda* by phone.

Yet the residents’ patience is running out and so are food supplies since most of them stopped cultivating months back.

“Government has delayed yet we were stopped from farming. I was growing cassava, maize and beans for my family but now we stopped farming,” said Opirichan Godfrey. “We cannot dig (sic) any more. We are surrounded by bushes and wild animals.”

Opirichan revealed that he spends at least seven thousand shillings (about 3 dollars) daily on food, which has forced him onto borrowing money to support his family.

“We are not happy,” added Richard Orendi, another resident. “In fact last time we had a meeting and the locals stormed out, they refused to listen to their leaders because they are tired of empty promises. We just want them to give us our new homes, that’s all we want.”

However, Bashir Hangi, the spokesperson for the refinery project maintains that the relocation process will be completed soon. He also adds that the residents had been encouraged to carry on with cultivation until they are moved to their new homes.

“People should continue cultivating. No one has stopped them,” he said. “We are working hard to ensure that the land for relocation is acquired and construction starts before the year comes to an end.”
Oil fuels land grabs in the Albertine Region

By Beatrice Ongode and Flavia Nalubega

Rather than resolve the conflicts, local leaders are facilitating well-connected individuals to grab ancestral land from title-less locals.

PURONGO SUB-COUNTY, NWOYA DISTRICT: “This has been a peaceful place, but three years ago, outsiders raided our village claiming they own this land. They are here because of the possible existence of oil in this area.”

So recounts 53-year old Santa Daniel Achiro, a widow and mother of seven, who has lived in Alokwinyo village, Purongo sub-county in Nwoya district for over 30 years.

The usually sleepy Nwoya and Nebbi districts have hit the headlines lately, with locals up in arms over the increasing cases of land grabbing, pitting the two districts against each other as well as the predominant tribes in them: Acholi and Jonam.

Like Achiro, many elders recognise that other factors older than oil are partly fuelling the land conflicts (see Prof. Ogenga-Latigo’s interview on page 20), but agree that the area’s petroleum potential is the latest cause.

According to the Nwoya District Chairman, Patrick Oryem, land conflicts in the area started escalating after 2006, around the time oil was found.

He explained that since then, more people have flocked to the district in pursuit of oil opportunities, intensifying the demand for land.

“Land for farming has become limited yet people must find means of survival. They therefore fight for their only asset,” said Oryem.

The Nebbi District Chairman, Benson Okumu, told Oil in Uganda that a meeting of the two districts’ heads that was convened in July did not yield much.

He said an earlier meeting at the beginning of the year that was attended by Nwoya MP and Minister Without Portfolio, Richard Todwong, also degenerated into a shouting match between Jonam and Acholi representatives.

“Oil discoveries should not divide us, there is no need to fight one another,” Hon. Todwong reportedly told the warring parties.

Further South of the Albertine

In Buliisa, at least forty households in Waisoke Village, Bugoigo parish, Butiaba sub-county are accusing the area Chairman and the local security officer of aiding a businessman to evict them from a ten-acre piece of land they have lived on for some years.

The residents, who confess to not owning the land under dispute, say that the two officials coerced them into signing forms that surrender the ownership of the land to Francis Kaahwa, a native of the area.

“They came here and forced us to sign forms which stated that the land did not belong to us,” said Janet Nyirumbe who has lived in the area for three years. “They beat us and threatened that if we did not sign the forms, they would call police to chase us.”

Oil in Uganda has seen a copy of the said forms that indicate an agreement signed by one Ngabu Salvatori, a resident, and two area Local Council Chairmen, allowing him to stay on the land up to 31st December 2014.

Referring to a meeting held on 12th April 2014, the agreement gives the locals temporary stay in the area, and cautions them against allowing more people to settle on the land. However, it makes no mention of Francis Kaahwa.

People in high places

The desperate residents believe that Francis Kaahwa is not working alone.

“We believe there is a powerful force behind him,” said Nyirumbe. “Actually we think government is behind him because he cannot be terrorising people without anyone questioning his acts.”

The locals freely talk about Kaahwa’s ‘great’ wealth and power, as well as his seemingly unstoppable quest to own every single decimal of land in this oil-rich district.

According to them, Mr Kaahwa is either
Kigumba Petroleum Institute introduces new courses

Report by Beatrice Ongode and Flavia Nalubega

With many of its alumni failing to find jobs, the school is improving its curriculum to match industry demands.

The Uganda Petroleum Institute Kigumba (UPIK) has admitted its third intake, amidst a flurry of construction activity as the Masindi-based institute pushes to create new space to support its functions.

This new intake of 30 students will also benefit from five new courses that have been introduced to improve the curriculum.

There has been concern about the graduates from the country’s only government-operated petroleum institute, with most of the alumni—currently numbering 87, unable to find employment in the oil sector.

Despite the two-year diploma program at the institute followed by a further six months training in Trinidad and Tobago, the previous graduates were still perceived as unqualified for oil jobs because most of their training was ‘basic’.

The institute has therefore embarked on a strategy to strengthen its curriculum and make it more relevant to the oil industry because a review of some of the courses like welding and fitting found that most of the content was not petroleum specific.

“In the first intake, the curriculum used was too broad and not developed in close cooperation with the industry,” says Dr. Dick Kamugasha, UPIK’s Head of the Secretariat. “However, in the Institutional Development Plan 2014-2019, we intend to provide petroleum engaged programs that are useful for the industry in depth,” he adds. “This will equip the trainees with the required level of competence that is needed to handle production activities and operations.”

The new courses are in petroleum and chemical engineering technology for upstream and downstream operations, while a review of existing practical course.

Big plans ahead

According to Dr. Kamugasha, the institute’s development plan is being financed by the World Bank and the UK Department for International Development (DFID).

“UPIK is a beneficiary of the $10 million grant given to government under the Albertine Region Sustainable Development Program,” he said. “DFID on the other hand has supported the institute with purchase of workshop equipment and machinery.”

Under the plan, some of the instructors at the institute will undertake an Instructor Development Program in Trinidad and Tobago.

Several structures are also being set up at the campus to create state-of-the-art training and living quarters for the students and instructors.

The institute targets to pass out 224 graduates annually by 2019.
As Uganda's production date draws nearer, the prospect of receiving hundreds, possibly billions of shillings every year in oil royalties has district officials in Bunyoro region excited, and thinking big.

Hoima, Buliisa Kibale, Masindi, and Kiryandongo districts, all in Bunyoro, are among the 25 districts in the Albertine Region that stand to share 7% of the royalties government will collect from oil production, according to the draft Public Finance Management Bill.

The exact amount they will receive remains unknown, but this has not stopped district officials from identifying priorities that will be funded by oil money.

Buliisa district Chairman, Fred Lukumu, says establishing a vocational institute to skill people is top on the district's list, since the area lacks such a facility. Equally important, he adds, is constructing housing units for local government officials.

"We fail to attract senior technocrats in the district due to lack of housing and top-up allowances to motivate them because the district is hard to reach," Lukumu says.

He further reveals that the district intends to use royalties to set up a radio station to ease communication between the leaders and the people; and to establish a scholarship fund for less privileged children.

Kiryandongo district, initially part of Masindi district up to 2010, expects to modernise its infrastructure using oil royalties.

During the 2010/2011 financial year, the district started constructing an office complex estimated to cost about 3 billion shillings. But the project has stalled due to financial constraints.

"If we got more money, we would finalize this structure," said the Deputy Chief Administrative Officer, Jacob Batemyeto.

The district has several urgent infrastructural needs, explained Batemyeto.

"Our hospital has an emergency. Toilets have blocked. We are now constructing emergency sanitary facilities," he said. "Royalties will help us fix such infrastructure in the schools and health facilities."

Kiryandongo also hosts the country's only petroleum institute in Kigumba.

Hoima district too hopes to use the royalties in improving its infrastructure particularly roads, health, education and industrialization, says George Bagonza, the district Chairman.

Mr. Bagonza adds that the district will use the royalties to extend electricity to rural areas, create industrial parks and improve critical areas in service delivery.

"Most importantly, we shall need to use the royalties to redirect efforts aimed at enhancing commercial agriculture and empowering farmers to produce for export," he says.

He argues that agriculture and tourism need special treatment because they will continue generating income even after oil is long gone.

In Kibaale district, authorities hope to address the historical land issues there using oil money, according to George William Bizibu, the district Speaker.

Chunks of land in the former 'lost counties' of Buyaga and Bugangazi in Kibaale district were annexed to Buganda Kingdom by the British after they defeated Omukama Kabalega of Bunyoro in 1899. Consequently, 3,636 land titles were offered to Baganda landlords who to date still own the land—the so-called ‘absentee landlords’.

Bizibu says the district will use part of the royalties to support its people to secure full ownership of their land by subsidising the costs of processing land titles.

...continued on page 13
Copper ‘waste’ poisoning river
By our special correspondent

KASESE: Stockpiles of copper that were left behind after the closure of Kilembe mines may not have produced an ounce of copper for sale in the last thirty years, but have been producing something else: a steady flow of contaminants that have been draining into nearby water bodies.

According to the Department of Geological Survey and Mines, over 15 million tonnes of stockpiles were produced by the once vibrant mines between 1956 and 1980. Some of this stash has now ended up in the district’s water bodies.

The problem has intensified over the last two years, as River Nyamwamba regularly bursts its banks, dissolving bits of the heaps of stockpiles and washing it away. Also, water from the deep underground tunnels has been oozing out of the mines, carrying with it dissolved minerals into the river.

Thousands of Kasese residents who do not have piped water depend on River Nyamwamba and hundreds others eke out a living as fishermen on Lake George, Nyamwamba’s final destination. Lake George is a Ramsar site recognized as a breeding ground for several bird and fish species.

Health risks
Oryem Origa, a Professor of Botany at Makerere University, says the discharges into the river contain heavy metals like Copper, Cobalt, Iron and Lead.

While he notes that these heavy metals may occur in small quantities, the threat, he adds, is that they are getting into the food chain where they accumulate over time. “Nyamwamba is a source of drinking water,” said Oryem, observing that Lake George too is a source of fish for the district.

Oryem has undertaken extensive research on water pollution caused by the Kilembe copper mines over the last two decades.

“The change in colour of the (river) water to greenish-blue shows the deposition of chemicals,” he explains, adding that he has also observed the greenish-blue coating on some of the rocks in the bed of the river.

Oryem has also tested tissues of the plants growing on and around the dumped stockpiles and found that they have three times more Copper and Cobalt than plants growing in other areas.

The consumption of food contaminated with heavy metals is linked to cancer, warns Oryem.

New investors
Last year, Tibet Hima Company, a consortium of Chinese companies took over management and operation of the Kilembe mines in a multi-million dollar deal but it appears cleaning up the waste was not part of the agreement.

According to Dr Tom Okurut, the Executive Director at the National Environment Management Authority (NEMA), the Chinese investors will only be held accountable for the waste they will generate when their operations begin.

We have not got their plans but we expect them to clean up their own waste,” said Okurut. He further noted that the “Polluter Pays Principle” puts the burden of cleaning the environment on the producer of the waste.

However, Augustine Kooli, the Kasese District Environment Officer, argues that Tibet Hima Company, bought the assets and liabilities of Kilembe Mines Ltd, including the stockpiles.

“We need a comprehensive audit and plan on the cleanup,” Kooli advises.

But Alex Kwatampora, Project Manager at Tibet Hima Company, told Oil in Uganda, the company has already done an audit plan, adding that cleanup plans have been hampered by the regular flooding caused by the river.

...continued on page 13
How may oil pollute the environment?

Many arguments about the potential environmental impact oil will have on the Albertine region, one of Uganda’s most ecologically diverse areas, have been advanced. Below, we summarise the possible environmental dangers that may come with oil exploration and production.

Storm water runoff during construction or runoff from established well pads can introduce sediment and toxic chemicals into nearby water bodies.

If the contaminants enter surface or groundwater, then humans, livestock, wildlife, aquatic life and any other micro-organisms drinking or living in the water may be harmed, depending on the level of contamination. Vegetation may uptake the contaminants and cause health problems for animals that eat the contaminated plants.

Although not common, oil pipelines have been known to rupture, causing oil spills. This accidental release of crude oil to the environment can be dangerous to living things in the vicinity of the spill. Pipeline construction too can affect air quality by emitting dust into the atmosphere. Noise, as well as the potential to create barriers for wildlife disrupts ecosystems. There is also a threat to water quality from erosion that will carry away excavated earth and herbicides applied to maintain a clearing around the pipeline into nearby water bodies.

A drilling site will have waste containment pits to temporarily store potentially toxic (as well as non-hazardous) liquid and solid wastes. These include drilling fluids and wastes, production chemicals and ‘produced water’. If the lining on the pit is not of the requisite quality or is worn out, the liquid waste may leach out and contaminate soils, vegetation and groundwater. Liquid waste could also overflow, for example during heavy rain and seep into the ground.
A variety of air contaminants are emitted throughout the oil and gas development process, not just dust. For example, flaring and venting produce BTEX compounds i.e. Benzene, Toluene, Ethylbenzene, and Xylene, a group of volatile organic compounds.

Benzene and Toluene have been known to cause blood disorders and to affect the central nervous system and the reproductive system, while Ethylbenzene and Xylene can have respiratory and neurological effects on human beings. Other gases emitted at various stages of oil and gas operations include Carbonmonoxide, Methane and Nitrogen Oxides.

‘Produced water’ in particular, or water produced by oil drilling, contains arsenic, cadmium, mercury, lead, zinc and copper—all heavy metals and toxic to humans and animals. If consumed over time, mercury, cadmium, arsenic, and lead bio accumulate in living organisms i.e. their concentration increases in comparison to the concentration in the surrounding environment. If illegally discharged into a lake for example, produced water could contaminate the waters which in turn affects the organisms therein because they will bio accumulate these heavy metals over time. This will ultimately harm organisms higher up the food chain including human beings.
incredibly lucky or he has ‘connections’ to top government officials who inform his acquisitions.

Even the communal land being he is claiming in Waisoke hosts the Karuka oil well.

Efforts to contact Kaahwa were futile, but in a recent interview with Oil in Uganda over similar allegations involving other pieces of land, he denied any wrong-doing, maintaining that he is only a businessman with a passion for real estate.

He acknowledged that most of the oil wells in Buliisa were on his land, but vehemently denied grabbing any of it. “People call me and request me to buy their land,” he explained. “My dealings are all transparent. I have documents from the District Land Board stating what I own and what others own.”

Security threat

Rugongeza Hannington, the sub-county security officer who witnessed the agreement, said that the majority of the complainants are immigrants from the Democratic Republic of Congo who pose a security risk. “The Chairman confirmed that they do not know these people,” he told Oil in Uganda by phone. “We even recovered a scrap of a gun in that area and considering that insecurity in Bugoigo parish is on the increase, as a security officer I cannot just sit and let anyone from anywhere come and settle here,” he argued.

When Oil in Uganda phoned the area Chairman, Bagonza Nobert, he too claimed that the aggrieved people were from Congo.

He denied any links to Francis Kaahwa, but agreed that oil is at the midst of the conflict. “Those people who are being evicted came from (Democratic Republic of) Congo, Nebbi and Pader. They are here because they announced that there was oil here,” he said.

He said the disputed land belongs to Bugongo Environmental Protection Association (BEPA) and those being evicted were merely squatters.

Oil in Uganda spoke to Kalisa Kenneth, a member of BEPA and formerly Buliisa District Chairman, who confirmed that the Community Based Organisation acquired the controversial piece of land in 1997.

He revealed that the organisation was shocked to learn that the squatters had been forced to sign the forms and even unsuccessfully attempted to have Rugongeza recall them. “We have heard that Kaahwa is claiming to own the same land,” he said.

Local leaders soiled

Buliisa MP, Stephen Mukitale questioned the manner in which his constituents are being evicted. “The people who are there are also squatters but they should not be chased like that,” he said.

He added “There are about 120 land cases in Buliisa district and we all know that the grabber is working with some of the district leaders because he would not know where these oils would be set up. This information is leaked to him.”

Richard Okwai-Mungu, a community worker, also blames local leaders for taking advantage of the naivety of the locals and facilitating land grabs.

"It is a pity that the local leaders and other stake holders like Area Land Committees at parish and sub-county levels are involved in land grabbing through dealing with unscrupulous buyers," he told Oil in Uganda.

“People here do not know the value of land,” he noted. “They do not know anything to do with land titles.”

He however believes that training the police, local level land committees and local leaders in land dispute management could help to curb the problem.

But for now, what is needed is an immediate solution to calm the situation and curb any possibility of violence. With just under three months to the December 31st deadline, some of the residents are vowing not to leave without a fight.

“One thing for sure is that we shall not leave this land unless pangas and guns come out,” warns Janet Nyirumbe.
Copper ‘waste’ poisoning river

"When we took over this area, there was no policy in Kilembe of treating water that flows from the mines into the water bodies. We have carried out an environment audit and are planning to commission an environmental impact assessment study, as part of the bigger plan for protecting the environment."

He said that currently the company has only neutralised the potency of the copper sulphate going into the river.

In the meantime, the pollution continues, slowly building up contaminants in the lake.

Lake George has been described by scientists as a “highly resilient system that efficiently immobilises contaminants” limiting the potential health risks from the pollution, but there are fears that the contamination may dramatically increase if the lake starts to dry up.

Oil road unlocks opportunities for Kingfisher residents

Environmental concerns

Communities in the area are concerned about the likely impact of the oil activities on their livelihoods, especially their income from fishing.

“Our worry is if we shall continue fishing when oil production begins. We worry because we hear oil is beneath this lake,” says Bamuturaki Musinguzi, a member of the Bungoma Beach Management Unit.

Many other fishermen fear that when commercial production starts, they could be stopped from accessing some parts of the lake especially those near oil installations.

But CNOOC maintains that it will protect the “health, safety and security” of the communities and that a grievance resolution mechanism has been developed in the event of “unforeseen negative impacts” from the project.

The Environmental Impact Assessment Report for the development has already been approved by the National Environment Management Authority (NEMA).

Smooth compensation

Unlike some of their counterparts in Kabaale parish where the refinery will be constructed, residents here say they are happy with the compensation they received for their land and property to make way for the project.

Most of them concur that the road and the oil facilities will greatly benefit them too.

“They did not give me a lot of money but am not complaining because these developments are for the good of the country,” says 64-year-old Luteganda Erinya, whose 300 acres of land will be traversed by the new road. "The only problem we are having is the noise from the graders, otherwise we are okay.”

According to CNOOC’s Lubega, all the respective land owners have been paid and only four families will be resettled in a place of their choice.

The road is expected to be completed by the end of this year.

Bunyoro awaits oil royalties

Bunyoro Kingdom’s plans

Bunyoro Kingdom showed its determination to retain a substantial share of the royalties when in May 2012, the King, His Majesty Solomon Gafabusa Iguru, made an unprecedented visit to the Parliament to present a petition to the Natural Resources Committee in which the Kingdom was demanding for 12.5% of the royalties.

The Kingdom argues that the 1955 Agreement signed between British Governor Sir Andrew Cohen and Omukama Tito Gafabusa Winyi IV, which gave Bunyoro Kingdom rights to share in the region’s wealth, remains valid today.

Article 36 states that Agreement states “In the event of any mineral development, a substantial part of the mineral royalties and the revenue from mining leases shall be paid to the native government of Bunyoro-Kitara.”

Yet, according to the draft Public Finance Bill, only local governments are entitled to royalties although they can, in consultation with the Ministry responsible for culture, “agree to grant a subvention [donation] to a cultural or traditional institution out of their share.”

But the Kingdom insists it deserves recognition as an entity under the Bill, as well as an allocation of 12.5% of the royalties.

“As far as we are concerned, this [1955] Agreement remains legally binding on the Government of Uganda,” argues the Kingdom’s Natural Resources Minister, Blasio Mugasa.

If the Kingdom succeeds in this endeavor, its Prime Minister, Rev. Jackson Nsamba Kasozi revealed that the royalties will be invested in boosting household income.

“We need the royalties to invest in petro-related industries, offering skills to our people and enhancing household productivity,” he said.

The Kingdom also hopes to use the oil money to preserve its culture, language and values which are being threatened by new settlers streaking into the Kingdom in pursuit of oil opportunities.
RESEARCH AGENDA

Is oil likely to destroy the environment?

We asked a range of people what their views are and below are their responses.

Beatrice Anywar
We are not catching up with the environmental degradation that is already underway due to oil exploration activities because we allowed investors to come and explore before the law was in place. We thought of developing the law too late. That puts us in an awkward situation.

NEMA was not involved in the law-making process. You cannot give an investor a deal, then the law after; the law is supposed to come ahead of the deal. The piles of waste in the Albertine have already caused a problem before even production starts.

Tourism has been affected, our mammals do not have breeding space and some hate noise. So with human activities in the Park, many animals have been forced to relocate. Water sources are going to be tampered with and we are going to endanger the fish in the lake in case of an oil spill because I am sure there are no measures that have been lined up to handle such a scenario.

This oil crosses our regional boundary which means an oil leak may go across the boundary and cause contamination and hence conflicts. The environment and the people ought to be protected, not to be neglected at the cost of oil monies.

Beatrice Anywar is Kitgum Woman MP and Minister for Environment in the Shadow Cabinet

Rajab Bwengye
Most of the wells appear to be in protected areas. We have Bugungu National Reserve, Murchison Falls National Park, Kabwoya Wildlife Reserve, Rhino Camp and Queen Elizabeth National Park.

We are interfering with the normal movement routes of animals and their breeding places. Oil activities are also interfering with the water system and as a result, crocodiles have become more aggressive.

For example Gunya and Jobi wells are in the Park and this has increased the number of people in the area, including poachers. Buffalos in Murchison Falls National Park have been found with traps. Poachers take advantage of the presence of people in the Park by disguising themselves as workers of oil companies to kill animals.

Rajab Bwengye is the Oil Governance Officer at the National Association of Professional Environmentalists (NAPE)

Ken Lukyamuzi
The Albertine Graben is a habitat to endemic endangered wild life species. Species that are under threat include the Greater Kudu, Duiker and Mountain Gorillas. These are some of the endangered species that contribute to the tourism potential of Uganda but are under threat due to oil activities.

The oil in Lake Albert, if the oil pipelines exploded, would spill up to the waters of Lake Kyoga and Lake Victoria. These are environmental issues that one cannot ignore. I raised the matter in the budgetary reading for natural resources when I asked for an allocation of funds for environment monitoring in the Albertine but there was no answer from government.

The government has not yet selected an investor for the refinery. My worry is that the gamble may lead to what happened to the Bujagali (hydro-electricity dam construction). The refinery deal too could be auctioned and the environment may suffer.

Ken Lukyamuzi is the MP for Rubaga South, Central Region

Denis Obbo
In the constitution, Article 244 states that the control of all minerals and petroleum in or under any land or waters in Uganda is vested in the government on behalf of the Republic of Uganda.

Extraction of such resources is carried out in consultation with the people, with a mindset of protecting the people and their property. Government has ensured and it will continue to ensure that all the rules are followed and no one loses their property in the process. In areas where compensation is carried out, government will ensure that it is done in a fair and timely manner.

The issue of co-existence of animals, environment and communities is also key. Government has done well that we are all assured of benefiting from this sector. If anyone is not satisfied, they have the right to appeal, a right to use a private firm to review the rates and value of the land and we can re-do the process. There are all these options to ensure that the system is fair. We are a democratic country and we follow democratic principles as the constitution of Uganda demands.

Denis Obbo works with the Ministry of Lands, Housing and Construction

www.oilinuganda.org
In this year’s State of the Nation address by H.E the President of Uganda, Yoweri Kaguta Museveni, there was a new and clear emphasis on the development of Uganda’s mineral resources to achieve the country’s 2040 economic development goals.

More recently, the Minister for Energy and Mineral Development, Eng. Irene Muloni, made a similar presentation to prospective investors in London, UK.

In this new and rather passionate promotion of investment in the country’s mineral resources, the government is now clearly pointing out the mineral resources, quantity of deposits and existing mines where the certainty of exploration and business success for investors is more or less guaranteed.

Uganda is attempting to attract firms that will invest responsibly in the mining sector and add value to the minerals. Yet there is no doubt that some of the future contentious issues of this eventually huge change in the country’s strategic plans, regional mining status and economic fortunes, will be the socio-economic impacts and effects on the environment, of mining and mine-based industrial development.

Given that most of the mining and mineral extraction plants and operations will be in the rural areas, and considering Uganda’s age and gender demographics as well as cultural practices, mining will mainly affect the women and children in those mineral-rich areas.

As such, wide-reaching and impactful community-specific development initiatives that target the livelihood of women and children need to be made a mandatory part of resource developers’ and mining companies’ proposals for each resource and mine development, processing, extraction, refining and value-addition project. This will minimise resource-related conflicts in mining areas more so for Uganda where more economic and developmental uses of land are being adopted and the cultural value-systems do not match the new economic realities.

Uganda appears set to intensify mineral exploitation to spur economic development, but this should not be at the expense of the environment in mineral-rich areas.

Ores of iron, gold, copper, salt, silver, zinc, tin and nickel have been mined, processed and even value-added on by humanity for millions of years. It is therefore a real loss to Uganda and akin to mastering the art of crawling, if we export raw minerals without doing any real value-addition to them.

Uganda has reached a point in its economic development when the economic and sustainable-developmental values of relatively new mineral resources and deposits have to be harnessed.

Uranium mining, processing and nuclear energy generation will inevitably raise lots of regional and possibly even global opposition, most especially with regard to its safety and environmental aspects and, even more importantly perhaps, with regard to the cost of nuclear plants closure, decommissioning and site remediation.

Therefore the country’s uranium plans have to be well thought out, efficient and transparently implemented. The same goes for rare earths deposits and rare metal resources. The environmental, occupational and operational safety aspects need to be planned for well in advance.

Uganda must partner with companies from countries where mining is a major mainstay of their economies and contemporary cultural set-up.

These same countries have also placed great emphasis on the development of mineral extraction or mineral processing technologies that are environmentally friendly.

Otherwise, like many communities in many mineral-rich countries have got to learn, the medium to long term effects of unclean mining and inefficient mineral processing technologies to the environment and people living in mining areas or near mining industrial complexes can be very expensive to correct.

Mr. Kyagulanyi is a geologist and director at Kweri Limited, a local mining company.
**“We have to secure Uganda’s oil”**

Abas Byakagaba is the Commander of the Oil and Gas Protection Unit that was set up to protect Uganda’s petroleum assets. Formerly the Head of the Police Counter Terrorism Unit, Byakagaba has worked with Uganda Police for over 25 years. Oil in Uganda spoke to him about his work in the Albertine Graben.

**Tell us about the Oil and Gas Protection Unit?**

**Mr. Byakagaba:** This unit is at the level of a directorate. It is at a high level, like many other directorates.

As far as this country is concerned, oil and gas discovery is an important milestone and it is highly valued. It will help us move to another level and therefore there is definitely the need to secure the (oil-rich) area.

The Unit has been in place for some time but awaiting manpower and logistics. We started effective deployment in March 2014.

The unit is having specialized training in terms of capabilities but also ensuring that their skills fit the industry.

The training is therefore focused on oil. It is developing capabilities in aspects of marine, counter terrorism, investigations and intelligence; as well as protective security capabilities to protect sensitive areas like the refinery and oil wells.

The training is basically focused on giving capabilities to the personnel to be able to counter different threats like terrorism and sabotage, and of course on top of all that, the observance of human rights.

Human rights is very key to us and I am not saying it because you are here. Our focus too is there equally.

I am sure you are aware that in the police, we have the CPC Directorate – Community Police Commissary Directorate which is in charge of involving the locals in policing work.

We have put a good number of community liaison officers and our strength is going to be in mobilization of the people in those areas to work with us in order to maintain and sustain the security in those areas.

Eventually you are going to see us moving to the people using the community liaison officers attached to our Unit, moving close to them, getting to know their problems and showing them how they can help us to maintain and sustain security in those areas.

**So they will be your spies?**

No, don’t talk about that, not really spies because we will be going their more often, speaking to the civic leadership, generally we will be dealing with the good people in those areas.

We will call for meetings, establish several relationships and we will be able to establish certain relationships and work together.

**But there have been reports of human rights abuses by Police; arrests, beatings and unnecessary imprisonment of locals...**

I would like to confess that I am not aware of that and if at all it has ever happened it is wrong, I condemn it.

I am going to pick a lot of interest in that and should we find there is anything of the sort happening in this area, we shall handle it because our main aim is to ensure that the people and the area are safe, and they benefit from the resource because these resources belong to us.

When they (oil resources) are well handled and well protected by us-security and the people, that is when we are going to benefit better.

**How many security officers are deployed in this area?**

I have many numbers and more numbers are coming, but if someone is scared, it means then they are criminals.

This is a special resource, Uganda has a lot of hope in it and that is why we are going to secure it in every way possible; in the water using marine forces, on the land and if need arises, we shall deploy the air force.

People think we have special interest in Hoima but our focus is on the entire Albertine Region, our major role here is safety and securing our oil and gas wells.

**But is there a real threat against Uganda’s oil resources and planned facilities?**

Aren’t you aware of threats on oil? It is a critical resource. For instance why do we put emphasis on Parliament? Why are there very many forces at Bujagali...
We put emphasis on security of state house, water supply sources, big factories and hotels, all these are critical infrastructure for a country. This is because if anyone wants to destroy the country, they will target the critical infrastructure because they know they are the heart of the country, so security must be key as well in this critical sector of oil.

But Gen. Katumba Wamala, the Chief of Uganda’s Defence Forces recently assured Ugandans that the major threat to Uganda’s oil, the Allied Democratic Forces (ADF) rebels had been flushed out of their camps in neighbouring Eastern DRC. So what is the remaining threat?

Yes, we have worked with Congo to get rid of the ADF, actually the army has done a great job as far as security in the Albertine is concerned.

If there is need or necessity, we all work together, the army, the police and the people. In this country, we have inter-Agency operations, even in this sector, although the real task is to Uganda Police.

Our biggest problem is perception and once you begin with the wrong perception, you won’t get results, but if you are positive, you will, and they will be very good results.

We have to wash negative perceptions away as a country. We need to work together so that the locals also help us observe security.

We are going to have pipelines for instance, who will protect them? It will be those locals who stay along the pipelines, not the policemen. So we need to start now to work together as one people with similar interest.

But according to some reports, the local communities in the Albertine remain unaware of police operations and intentions in their area.

That’s not true, we are working with the communities and the aspect of including communities in policing work is also not new.

I am in the process of getting on ground with community liaison officers but my urge to the commanders on ground is to begin working with the community persons on ground.

Let me tell you, you are aware that the Uganda Police has been considering community policing as the best form to be used in our work, this is a model we have been using.

I would invite you to go and check like for instance in Muyega (in Kampala), they have established networks, they have put up a police station and it has produced results.

May be it’s because the Inspector General of Police (IGP) stays in the same area...

No, but he does not implement this alone, he works with his assistants but good enough, he has given us a good example and this type of policing has been transferred to other places up to Western Uganda and now we are carrying it to the Albertine.

So when you say we are just starting to involve communities in our work then you are not right.

So if you are saying we are just going there, it is a lie. Before I was transferred to this Unit, of course police was there. There was the Regional Police Commander and the District Police Commanders, they are all supposed to popularize the theme of community policing.

If it is not yet producing maximum results then we need time. We are not in that position of saying let it be and it is there, but that is the direction we are taking.

We are also concerned about human rights, like many organisations are, and we have been working towards upholding them. Our clients are the citizens and we would like them to appreciate us for doing an awesome job in the oil areas.

Our efforts are definitely people centered and you will see this, you are going to see it more when we are fully on the ground.

Yet the locals still fear the police presence in their villages...

I have identified those areas with such attitudes towards police, and in such areas, we need to form a formidable joint team both as the government and NGOs.

We need to have the same front especially when we realize that our objectives are similar, not divergent. Those who will come in with divergent objectives, we shall be clear; they have no space there.

Divergent objectives?

Misleading the people for their own selfish interest because that can also happen and that is what government has been talking about as well as the Minister (of Internal Affairs).

May be he has not been understood well but the message he has been passing on is that some NGOs register for different work, and then divert to oil. Some register for child support and then they cross to oil and gas. They need to stick to their areas.

And what if what you registered for is cross-cutting, for instance defending the rights of vulnerable people. Why would you bar NGOs advocating for the rights of women in oil-producing areas from operating?

For instance Byakagaba is in police, but it does not stop him from pointing out what has gone wrong in Mulago hospital if there is any, but this does not make him a doctor.

You must know that there are experts who understand the undertakings there and we must work with them. Some people are stampeding the oil region and confusing the population. They do not do things in the interest of the people.

The objective is to extract the oil and gas positively for the good and welfare of Ugandans and whatever is done is in that interest.

For example as government, we are working in a multi-sectoral form. We must support all sectors while in our specific areas of duty. For instance oil is in this area (Albertine), but also animals are there, national parks are there, so we work with all these sectors to ensure harmony.

Security is the baseline, we want to provide a conducive environment for the oil producers.

We are aware that here and there you can get wrong or corrupt police officers but it is not a norm, we have our rules and guidelines against such behavior.

We have police courts of law that are legally recognized and give punishments. I am not coming in with a group of angels but we are trained and focused to work.

I will keep refocusing them and they will be constantly reminded that Ugandans are looking up to them so they must satisfy their expectations.

Questions put by Flavia Nalubega and Beatrice Ongode
“We have the expertise to pull it off”

Total E&P Uganda is working in the Murchison Falls National Park which is a recovering ecosystem; kindly give us a brief background on your personal experience in working with such sensitive areas.

I have worked in oil and gas development in European Natura 2000 and Ramsar sites, various United Kingdom National Parks, legally protected areas in Georgia, Azerbaijan and Turkey, Iraq Marshes, over 800 salmon spawning rivers in Sakhalin Russia Far East, Eastern Mediterranean, North Sea and the Caspian Sea.

Murchison Falls National Park is home to some of the most unique species of animals in the world, such as the Rothschild giraffe, what are you doing to protect their ecosystem from oil activities?

Baseline studies and detailed habitat mapping are defining the ecosystems for the first time and these are being carried out in collaboration with Uganda Wildlife Authority. This is complimented by species specific surveys of the endangered, vulnerable and endemic species. This informs the required avoidance and mitigation measures that will be put in place to protect species and their ecosystems to ensure there is no net loss to critical habitat or endangered species.

We are working closely with the National Environment Management Authority (NEMA) and other regulatory authorities in a long-term partnership to ensure compliance with Environment Impact Assessments (EIAs) prior to any activities.

We have made a clear commitment to apply international good practices to the development of the oil resources as exemplified by the International Finance Corporation (IFC) Performance Standards, also known for being the most stringent standards on environment and biodiversity.

We have also invested in research, planning and highly innovative equipment such as the cable-less 3D seismic technology used for the first time onshore in Africa, as well as the drilling of the first horizontal well in East Africa to minimize environmental impact.

To what extent are you working with government agencies in the conservation and protection of the environment?

We believe we have established a trustful working relationship with our regulatory stakeholders such as UWA by sharing regular information regarding Total E&P Uganda and its contractors’ operations and activities in a timely manner and by holding regular meetings with them.

As part of our commitment to minimize the impact of drilling and seismic activities in the park and the communities where we operate, and in anticipation of the future construction phase of the project, the company together with UWA and Wildlife Conservation Society (WCS) has put satellite collars onto individual wild elephants.

Total E&P Uganda is managing the exploration and will eventually handle production of oil in Exploration Area 1 (EA-1) and Exploration Area 1A (EA-1A) within the Albertine Region. Below, the company’s Biodiversity Coordinator, Imogen Crowford, talks about working in an ecologically-sensitive area, and says Total is doing all it can to keep the Albertine environment intact.
Radio-collaring of animals is a tried and tested method of studying free-ranging wild animals that has been in practice for several decades. It is primarily used for tracking the movement and activity patterns of the tagged animal, with the signals being sent to a handheld device or to a computer via a satellite. It is often the only method that is available for studying the movement and activity patterns of wide-ranging species like the elephant.

We also contribute to the reduction of poaching activities by removing snares (snares) that we find while undertaking our operations. Over 120 snares have already been removed by Total E&P Uganda and given to UWA.

Can you give examples of some areas where Total has successfully developed oil in a sensitive environment?

Total E&P Uganda has developed oil and gas resources in a number of sensitive locations around the world including the Laggan Tormore development located West of Shetland in the UK North Sea and the Yemen LNG facility.

The Laggan Tormore development is scheduled to commence production in 2014 and has been under construction since 2010. This development not only includes offshore production from the sensitive Atlantic Frontier environment but also pipeline routings through Yell Sound and installation of a gas plant at Sullom Voe, on the Shetland mainland.

The waters around Sullom Voe are home to large populations of seals, dolphins and sea trout and there is a wide variety of birds and animals living in and around the development site, many of which are protected species. In addition there are several offshore Special Areas of Conservation (SAC) through which the pipelines pass.

So how do you plan to manage pollution prevention and waste management plans for this area.

After segregation on site (from camps, drilling rig sites, etc.), waste is transported to a licensed contractor and delivered to other licensed contractors, some for recycling (glass, plastic, batteries, drums), others for treatment (sewage sludge) or incineration (medical waste). Drilling waste is stored in a secure manner at two Waste Consolidation Areas (outside of the National Park) to prevent leakage or contamination pending final treatment. Plans are also underway for the final disposal and treatment of this drilling waste.

Read the full interview on www.oilinuganda.org

Book Review

“"The thin line between conservation and extraction””

Government, investors and host communities have to make a choice between sustaining sacred natural sites and territories, water and communities’ food sovereignty; or sacrificing them in favour of short-term benefits from mining and extractive activities, says a new report by the National Association of Professional Environmentalists (NAPE) and the Gaia Foundation.

The report calls on the extractives industry to ensure that any proposed mining, extractive or development activity complies with “required, independent and rigorous Environmental Impact Assessments” so that long-term and widespread impacts on agriculture, water and sacred natural sites and territories are ascertained and prevented.

Entitled Mining and its impacts on water, food sovereignty and sacred natural sites and territories, it recognises the existence of several sacred natural sites in the oil-rich Bunyoro region, in the form of water bodies (lakes and rivers), caves, rocks, forests and other “wild lands” that have ecological, spiritual and cultural significance to the communities.

But, adds the report, Uganda’s ‘remaining ecosystems’ face the threat of irreversible damage from the potential extraction of minerals as well as commercial and chemical agriculture, specifically through the promotion of Genetically Modified Organisms (GMO’s).

The report warns that mining could destroy the health and survival of sacred natural sites and territories, food sovereignty and water systems on “an unprecedented scale.”

It specifically highlights the potential of extractive activities to contaminate water and soil through oil spills and dumping of waste, noting that the huge consumption of fresh water by the industry could deplete the lakes in Bunyoro and affect the region’s food production.

While the report calls on communities to sustain and protect sacred natural sites and territories, food sovereignty and water systems, it also urges extractive investors to respect national, regional and international laws; recognise the rights and ecological limits of ecosystems; respect the principles of Free Prior and Informed Consent and recognise that sacred natural sites and territories and other protected areas are ‘no-go’ areas for mining, extractive activities and destructive activities.

This report and many others are available on www.oilinuganda.org in the RESOURCES CENTRE
“We want our share”

Prof. Morris Ogenga-Latigo is a Ugandan politician and farmer. Formerly Leader of Opposition in Parliament, he is now the Chairman of the Acholi Technical Working Committee on Oil and Gas, whose objective is to ensure that the Acholi sub-region gets a fair share of oil benefits. Oil in Uganda talked to him about the work of this ten-member committee.

Why was the Acholi Technical Working Committee on Oil and Gas formed?

In October 2013, the leaders of Acholi under the Joint Acholi Subregion Leaders’ Forum (JASLF) met in Kitgum to handle land matters but realized that oil issues needed to be urgently addressed too.

A two-day conference on oil and gas was organized in Gulu in November 2013, during which we discussed 10 aspects that included environment and human wildlife constraints, infrastructure, oil legislation, the Public Finance Bill and oil royalties. That conference also created the Acholi Technical Working Committee on Oil and Gas (ATWCOG) to carry further the urgent work on oil and gas.

The committee then undertook extensive research and field visits to various institutions, including Ministry of Energy, NEMA, and oil establishments in Hoima, Buliisa, Nebbi and Nwoya districts.

We also made recommendations to NEMA (National Environment Management Authority) to post an official like they have in Masindi. It is important to have one North of the Nile to ensure that environment guidelines are followed closely.

In May 2014, the ATWCOG gave its report to the Second Acholi Conference on Oil and Gas in Gulu. From our findings, a number of resolutions were drawn, including that the Committee should continue its work and that a memorandum be prepared and presented to the President of Uganda on the views of the Acholi people on oil and gas and issues of our participation in the sector. We did this and now await his feedback.

What do you mean by “our participation in the sector?” Do you feel left out?

Some of the things we found were strange and may also be a surprise to you who have worked in oil for a while. It turns out, for example, that the refinery in Hoima will get its crude oil largely from the Jobi oil field in Acholi. The basic story you hear is that oil is in Bunyoro. Now it turns out that the refinery in Hoima will get literally more than ninety percent of its oil from one oil field in Acholi.

There are big wells like Jobi, Jobi East, Lyec and Rii which are exclusively in Acholi. Then we have those that cut across Acholi and Buliisa in Bunyoro like Mpyo and Gunya.

Yet the other entire (planned) oil infrastructure like the Refinery, Central Processing Facilities and the pipelines and pump stations are not in Acholi. Other than just piping of the oil for refining in Hoima and export, there is nothing planned for Acholi. These raise ownership and exclusion conflicts.

So what are you doing about it?

To us, Government is doing it the other way round. They have tactfully created districts so that they isolate the areas with oil. In Nwoya, there are more animals than people but they created Nwoya district and said royalties will go to the district. But oil was discovered when there was no Nwoya district. The oil of the 80s, during Obote’s regime, belonged to Acholi sub region, as much as it was a national asset. The tactic of dividing us into very many districts is very deliberate by the way.

So we have endeavored to ask for our share. We want that when oil begins flowing, the royalties are not given to individual districts but to the entire Acholi sub region.

That money is needed for the entire Acholi. It will transform them, it will ensure that the use of oil revenue by the rest of the country will not generate envy, hatred or bitterness amongst our people.

The process of diverting everyone’s attention to Bunyoro is done tactfully yet much oil is going to come from Acholi.

Comment about the role of NEMA in protecting the environment in oil-producing areas

The problem of NEMA is funding. Oil is going to create so much revenue for the government but it is also going to create so much environmental risks for the country yet NEMA can’t fund itself.

This oil revenue should be used to fund NEMA, to handle the institutional challenge of managing the waste and potential spillage. When a sector is not funded, it cannot have the kind of technical support or manpower it needs.

Secondly, the technical people in NEMA were not recruited for oil, they were recruited for general environmental challenges. But this industry will be here for the next 40 years so we must really think long term.

I recognize that NEMA is drafting new sets of environmental laws to deal specifically with the oil sector and I hope that when the laws come out, there will be public discussion of these laws. I am not involved in law-making but if asked, I will willingly help.

If you were the President of Uganda, what would you change about the oil and gas industry as we see it?

What I would remove is the secrecy on oil matters to ensure there is transparency. I would give people the freedom to discuss and talk about these issues openly. One of the reasons we formed this special committee on oil was to open up discussion space. For me, what I want is to open it up.

I would also promote watch dog institutions and make them strong. The things you people (civil society) are doing, for example, annoy the government but they are the right things. The more you are out there, the more they will do the right things.

If you went to Norway, you will open any document at any time and you will read any clause you want at any time. This has not stopped Norway from growing.

But we cannot compare ourselves with Norway...

Why? You want to compare yourself with who, Somalia? Life is relative, if you are beautiful there is an ugly one with who, Somalia? Life is relative, if you are beautiful there is an ugly one

Questions put by Flavia Nalubega and Beatrice Ongode

The full interview is available on www.oilinuganda.org