



April 13, 2021

UGANDAN AND DRC CSOS’ COMMUNIQUE REJECTING SECRET AGREEMENTS SIGNED FOR THE LAKE ALBERT OIL PROJECT IN UGANDA

1. Introduction and background

On Sunday April 11, 2021, the government of Uganda signed the Host Government Agreement (HGA) for the East African Crude Oil Pipeline (EACOP) in a ceremony that was attended by the presidents of Uganda and Tanzania as well as officials from Total and the China National Offshore Oil Corporation (CNOOC). The signing ceremony also saw the Tariff and Transportation Agreement (TTA) for Uganda as well as the Shareholding Agreement (SHA) for the EACOP Company being concluded.

The shareholders in the EACOP Company are as follows: Total with 72% shares, Uganda National Oil Company (UNOC) with 15% shares, CNOOC with 8% shares and Tanzania Petroleum Development Corporation (TPDC) with tentatively 5% shares.

Following the signing ceremony that was held at State House, Entebbe, the presidents of Uganda and Tanzania, H.E. Yoweri Kaguta Museveni and H.E. Samia Suluhu Hassan respectively, issued an April 11, 2021 communique in which they directed that Tanzania urgently concludes the signing of the HGA and related agreements with the EACOP Company.

The presidents further noted that following the signing ceremony, the oil companies could launch the EACOP project and award the Engineering, Procurement and Construction Contracts (EPC). Thereafter, in a [press statement](#) issued by Total yesterday on April 12, 2021, the oil company noted that signing of the agreements “opened the way for commencement” of the Lake Albert project, comprising of the Tilenga, Kingfisher and EACOP oil projects.

The company further noted that “The main engineering, procurement and construction contracts will be awarded shortly, and construction will start. First oil export is planned in early 2025.”

2. Observations

Following the aforementioned signing ceremony, the undersigned **38 civil society organisations** (CSOs) from Uganda and the Democratic Republic of Congo (DRC) working for environmental conservation and protection of community livelihoods as well as human rights discussed the processes leading to and the potential impact of the agreements. Below are their observations.

(a) Breach of EITI contract transparency: Both Uganda and Tanzania are signatories to the Extractive Industries Transparency Initiative (EITI), a global standard for good governance that promotes transparency and accountability in the extractives industry (oil, gas and mining). Tanzania joined EITI in 2009 while Uganda's EITI application was approved in August 2020. Among others, the EITI encourages member states to promote contract transparency through which states are expected to "**disclose the full text of any contract, license, concession or other agreement governing the exploitation of oil, gas and mineral resources.**"

EITI recognises that "Contracts, licenses and associated agreements are important parts of the legal framework and their disclosure allows citizens to understand the agreed terms for extractive projects in their countries [and] to check that every party is following them and to determine who is accountable for non-compliance."

"Contract disclosure also allows for comparison of different contracts which can create a more level playing field and enable governments to negotiate better deals for equitable development."

The importance of disclosing agreements therefore cannot be overstated. Despite this, the Ugandan and Tanzania governments as well as Total and CNOOC signed or concluded agreements whose contents Ugandans and Tanzanians are unaware of. Yet the oil projects for which the agreements were signed or concluded pose fundamental national, regional and global economic, social and environmental risks.

To portray a modicum of transparency, the signing ceremony was televised on some Ugandan television stations. **However, no amount of televised signing ceremonies can replace meaningful transparency in which citizens are aware of the contents of the agreements signed on their behalf.**

It is notable that before the signing ceremony, Ugandan parliamentarians, who are the people's representatives, had noted in March 2021 that even they didn't have access to the EACOP agreements. It is unfortunate that the governments of Uganda, Tanzania and the oil companies have continued to operate in secrecy yet secrecy leads to the oil curse characterised by corruption, poverty, environmental destruction, conflicts and other ills in African oil-producing countries.

(b) Projects allowed to be launched without Environmental and Social Management Plans (ESMPs): Further, as earlier noted, the Ugandan and Tanzanian presidents' communique directed that the EACOP project could be launched and the EPC awarded. Total also noted that the conclusion of the agreements meant that the Lake Albert project could be launched. This is alarming not least because the **final draft ESMPs for the Tilenga, Kingfisher and EACOP oil projects have not been shared with the public for review and input to minimise oil threats to the environment and livelihoods.** Despite advice from technical experts that the National Environment Management Authority (NEMA) procured and despite protestations by CSOs and local communities, NEMA approved the Tilenga, Kingfisher and EACOP Environmental and Social Impact Assessment (ESIA) reports in 2019 and 2020 respectively yet the reports lacked ESMPs. **Todate, the final ESMPs are**

yet to be shared with the general public for review and comments. The lack of ESMPs is a major gap as district leaders, local communities, cultural institutions, religious leaders, CSOs and other stakeholders lack information on how and when the major potential environmental, social and climate change impacts of the Lake Albert project will be avoided, minimised and/or mitigated. **The timeframes and resources including technical, human and financial needed to avoid, mitigate and/or minimise the Lake Albert projects' impacts are also unknown.** With such key unknowns, how can any project be launched with promises that environmental and social impacts will be avoided and Ugandan as well as Tanzanian citizens will benefit from oil projects? The truth is that without effective citizen oversight, oil impacts will not be avoided.

(c) Tilenga feeder pipeline ESIA unavailable: In relation to the above, it will be recalled that no ESIA study for the Tilenga feeder pipeline has been available to the public. In the May 2018 Tilenga ESIA report on which the Ugandan public was invited to make comments by NEMA in 2018, the Tilenga project developers noted that the feeder pipeline would be “subject to a separate ESIA”. The feeder pipeline will transport crude oil from the Central Processing Facility (CPF) in Buliisa district to a delivery point at Kabaale-Hoima district from where it will be distributed to the refinery and EACOP.

It should also be noted that condition 9 (iv) of the Tilenga [Environmental Impact Assessment certificate](#) provides that separate environmental assessments are required for the Lake Albert water abstraction, power generation and flare systems. No information has been shared with the public to reassure them that the Tilenga feeder ESIA and the aforementioned environmental assessments were conducted before the imminent projects' launch.

(d) Lack of key stakeholder readiness to monitor oil projects: Further, the signing of the three agreements in Uganda happened at a time when CSOs signatory to this communique had just concluded key engagements with district leaders in the EACOP-affected districts. Among others, the district leaders expressed fears over their ability to stop the EACOP project impacts by participating in resettlement processes for the over 25,000 EACOP-affected people in Uganda. **The leaders also expressed fears over their ability to independently monitor for and stop the environmental impacts of the EACOP project** as they are under-resourced. Amidst such an environment of unreadiness, government gave oil companies the go-ahead to launch their projects. This is dangerous.

(e) Climate change concerns unaddressed: Moreover, the climate change fears regarding the Tilenga, Kingfisher and EACOP oil projects remain unaddressed. Granted, government and the oil companies have said in media interviews that they intend to plant forests for carbon capture purposes. **However, where will the land for these forests come from? Will the forests be planted in Uganda? If they will be as they should, what guarantees are there that the companies will acquire the land for the forests in compliance with Uganda's laws.** Already, communities whose land is being acquired for the EACOP project are complaining over failure by the EACOP project developers to pay them fair, adequate and prompt compensation in compliance with the law. Guarantees that land rights abuses won't occur amidst questionable climate change mitigation measures are therefore unclear.

Moreover, the over 41,000 hectares Bugoma forest is being destroyed by companies facilitated by land titles and environmental certificates issued by corrupt government officials in Uganda. How can Ugandans trust such a system to ensure that trees are planted?

- (f) **Disrespect of court processes:** It should also be noted that a number of stakeholders from Uganda, Tanzania, Kenya and France filed court cases in Uganda, East Africa and France challenging the EACOP and Tilenga projects. While the court cases on issues of social and human rights abuses, environmental abuses, disrespect of procedural requirements such as consultations and public participation as well as access to information are ongoing, the governments of Uganda and Tanzania as well as Total and others are signing or concluding agreements to commit citizens and commence questionable oil projects.
- (g) **Abuse of parliamentary powers:** Furthermore, after the signing ceremony on April 11, 2021 at State House, Uganda's Minister for Energy and Mineral Development announced that she was ready to present the EACOP Bill to parliament for enactment into law. This is like putting the cart before the horse. How does government sign secret agreements committing the country on fundamental issues and later ask parliament to endorse such agreements through legislation? Uganda's legal system empowers parliament to make laws and the executive must ensure that all its activities comply with those laws. But with the EACOP, the president and his ministers want parliament to make laws to comply with already-signed agreements. This cannot allow Uganda to survive the oil curse that continues to destroy African oil-producing countries.
- (h) **Environmental and transboundary concerns unaddressed:** Furthermore, the environmental and transboundary concerns over the Tilenga, Kingfisher and EACOP oil projects remain. Oil activities being conducted in or oil infrastructure being constructed through Murchison Falls National Park, Lake Albert, the Lake Victoria basin, River Nile, Budongo forest, wetlands and other resources amidst lack of complete and adequate mitigation measures is alarming. Moreover, transboundary concerns such as increased insecurity, water scarcity, destruction of fishing as an economic activity and others remain.

3. Demands and recommendations

Before the Tilenga, Kingfisher and EACOP oil projects are launched therefore, the CSO signatories to this communique recommend or demand the following:

- (i) Make the signed agreements (HGA, SHA and TTA) and others public to promote public transparency, accountability and monitoring and as a sign of commitment to EITI.
- (ii) Avoid the launch of the Lake Albert project in absence of complete and adequate ESMPs for oil projects. The ESMPs must be subjected to effective public consultations.
- (iii) Further, avoid the launch of the Tilenga, EACOP and other oil projects until the Tilenga feeder pipeline ESIA report has been completed and public consultations on the same have been undertaken.

- (iv) Share the climate change, environmental and biodiversity mitigation management plans for the Tilenga, Kingfisher and EACOP oil projects with the public for review to determine their adequacy.
- (v) Furthermore, avoid the launch of the Tilenga, Kingfisher and EACOP oil projects amidst weak district and other leaders who lack capacity to monitor for and stop oil dangers.
- (vi) Allow parliament to enact the proposed EACOP law before government signs any EACOP and other related agreements. All agreements signed in absence of the said law should be discarded as irregular.
- (vii) Avoid signing of EACOP and other oil projects' agreements until all court cases challenging the said projects are determined.
- (viii) Finally, engage transboundary communities in the DRC to gather their input on how oil impacts on cross-border communities will be avoided.

Thank you.

UGANDAN AND DRC SIGNATORIES

1. Youth for Green Communities
2. Guild Presidents' Forum on Governance
3. Action Coalition on Climate Change
4. South Western Institute for Policy and Advocacy
5. Center for Food and Adequate Living Rights
6. World Voices Uganda
7. Oil Refinery Residents Association
8. Africa Institute for Energy Governance
9. Twimukye Womens Organisation
10. Graffen Organisation –Butimba
11. Association of oil-affected youth
12. Center for Energy Governance
13. Community Transformation Foundation Network
14. African Initiative on Food security and Environment
15. Friends of Nature
16. Friends for Environment and Development
17. Innovation Pour le Development et La Protection de L'Environnement
18. Forum des Engagés pour le Développement Durable
19. Pax Dei
20. Grande Action pour le Développement
21. Justice-Plus
22. Club Amis De L'environnement
23. Forum Global de Chercheurs d'Alternatives
24. Association des Mamans pour la Lutte contre le Traumatisme
25. Association des Femmes pour le Développement Intégral
26. Organisation de la Santé et Développement (OSD)
27. Action Humanitaire pour le Développement
28. Bureau de développement communautaire
29. Protection de la paix mondiale
30. Enfants en détresse de charité
31. Association des Filles Mères
32. Forum pour la protection de l'environnement et le développement rural

33. Bureau de développement communautaire
34. Organisation Santé Et Développement
35. Protection Mondiale De La Paix
36. FECOPHILE
37. FEJEC
38. Réseau Environnement
39. Volontaire Environnement Sans Frontière
40. Solidarité pour la Réflexion et Appui au Développement Communautaires
41. Synergie des Vanniers et Amis de la Nature
42. Synergie des Ecologistes pour la Paix et le Développement
43. Bureau d'Ecologistes Impacts Environnementaux
44. Synergie de Jeunes pour le Développement et la Défense de Droits Humains

