



8/January/2018

The Minister of Energy and Mineral Development,
P.O. Box, 7270,
Kampala-Uganda

Dear Madame,

R.E: Demand to use 2017/2018 compensation rates and provide full disturbance allowance to pay all the refinery-affected people still awaiting compensation

The above refers

While Africa Institute for Energy Governance (AFIEGO) and the Oil Refinery Residents Association (ORRA) appreciate government efforts to develop the oil industry, we wish to express dissatisfaction with your ministry's failure to, over five years' later, re-assess, compensate and pay a disturbance allowance to the refinery-affected persons who rejected the 2012 compensation rates and those who opted for physical relocation respectively.

Through this letter, we are requesting you to address the above injustices through conducting a new assessment for all the refinery-affected people awaiting compensation and pay them using the 2017/2018 compensation rates in line with Article 26 of the Constitution.

We are also demanding that, in line with the 1998 Land Act, government pays a full disturbance allowance of 30% to the refinery-affected people who opted for physical relocation. Failure to do this will result in legal action against government.

Since 2012, AFIEGO, a Ugandan registered public policy research and advocacy NGO, has worked with oil-affected communities in Bunyoro. The ORRA on the other hand was formed to defend the rights of the refinery-affected people.

As organisations working to ensure equity and social justice in the development of oil and other energy sub-sectors in Uganda and beyond, we are concerned that to date, over five years since

government placed a cut-off date on the property of the refinery-affected people, government has ignored and/or failed to re-negotiate and compensate the project-affected persons (PAPs) who rejected the compensation rates that were offered in 2012.

In addition, for over five years, government has also failed or ignored to pay a full disturbance allowance of 30% to the people who opted for physical relocation.

Failure to pay fair compensation based on the current 2017/2018 rates and provide full disturbance allowance to the refinery PAPs is an outright violation of the provisions of the 1995 Constitution and the 1998 Land Act, as amended. This should not be allowed by any democratic government.

It should be noted that the above laws require government to ensure payment of prompt, fair and adequate compensation to anyone affected by compulsory land acquisition in the country. The laws also require government to pay a disturbance allowance of 15% or 30% to all victims of compulsory land acquisitions, irrespective of whether one opts for cash or physical relocation.

While we appreciate that your ministry was able to pay a disturbance allowance of 30% to the PAPs who opted for cash compensation, it is unfortunate that the people who rejected the compensation rates used in 2012 and those who opted for physical relocation have never been paid their compensation and full disturbance allowance respectively. This action of discrimination in the payment of disturbance allowance and making the PAPs wait for over five years for compensation clearly contravenes Article 26 of the Constitution, section 77 of the Land Act and other laws.

Through this letter, we ask you to do the following:

- i. The Ministry of Energy and Mineral Development should urgently conduct a new assessment for all the refinery-affected people who rejected the compensation rates of 2012; the ministry should use the 2017/2018 compensation rates to pay them in line with Article 26 of the Constitution.

- ii. Government should immediately assess the value of the property of the people who opted for physical relocation and pay them full disturbance allowance of 30% like they paid those who opted for cash compensation; this is in line with the provisions of the 1998 Land Act.
- iii. Government should implement the above demands in a period of one month from the receipt of this demand letter.

We hope that government will comply with the above legal requirements. If no action is taken to rectify the injustice against the concerned refinery-affected people within one month, we shall have no any other option but to take government to court for redress.

We look forward to your timely response.

Yours faithfully,



Dickens Kamugisha

Chief Executive Officer, AFIEGO

Cc:

- Speaker, Parliament of Uganda
- Minister for Lands, Housing and Urban Development
- Chairperson, Natural Resources Committee of Parliament
- Chairperson, Human Rights Committee of Parliament
- All Bunyoro MPs through Chairperson, Bunyoro Parliamentary Caucus
- Chairperson, Uganda Human Rights Commission
- Inspector General of Government
- Executive Director, Petroleum Authority of Uganda
- Uganda National Oil Company
- Chief Government Valuer, MLHUD
- The President, Uganda Law Society
- Chairperson, Hoima District Land Board
- Speaker, Hoima district council
- Director, Strategic Friends International (SFI)

