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COMMUNIQUE CALLING ON PRESIDENT MUSEVENI AND HIS GOVERNMENT TO DESIST FROM SIGNING FINAL INVESTMENT DECISION FOR THE EAST AFRICA ENERGY SECURITY AND TRANSITION INVESTMENT PROJECT

1. Introduction and Background

On December 19, 2022, Strategic Response on Environmental Conservation (STREC) and partner civil society organisations (CSOs) organised online meeting to discuss the government's plan to sign Final Investment Decision (FID) for the US $4.5 Billion East Africa Energy Security and Transition Investment Project in Uganda.

The East Africa Energy Security and Transition Investment Project consist of 29sq. km of land for planned oil refinery, Hoima International Airport (whose construction is ongoing) and the Kabaale Industrial Area, where the East African Crude Oil Pipeline (EACOP) will commence its journey to Tanzania.

The meeting followed a decision by the US-Africa leader's Summit in Washington DC, U.S group Albertine Graben Energy Consortium Partners (AGEC) agreed with government of Uganda to FID for East Africa Energy Security and Transition Investment Project in 2023.

Following the government plans to sign FID in 2023, Civil Society groups whose main objective is to promote environmental conservation, observance of human rights and a just energy transition discussed what FID mean for ordinary citizens in Uganda.

Below are the observations

2. Observations

(a) First, the civil society groups appreciate efforts by the Ugandan government, and African leaders for seeking avenues to improve their countries' economies and consequently, communities' wellbeing.

(b) The civil society groups observed that the Ugandan government had widely discussed how the country's oil exploitation efforts were aimed at boosting the Ugandan economy while improving communities' livelihoods. Efforts to improve communities' livelihoods are commendable, the civil society groups said.

(c) While they recognised the above, the groups noted that the way the oil sector is being managed leaves no doubt that the sector will not benefit ordinary men and women. Instead, it will leave communities worse off, despite the planned signing of the FID.

(d) The civil society groups cited that the Ugandan government compulsorily acquired over 29sq. km of land in 2012. The acquisition affected 13 villages, 1,221 households and 7,118 people. The land acquisition is the biggest in the oil sector todate based on the number of people that were displaced. The groups observed that the above oil projects affected persons (PAPs) have suffered intimidation, abuse of their cultures, unfair use of courts against communities as well as delayed, inadequate and unfair compensation. Consequently, the PAPs who received compensation have been condemned to poverty, family breakdowns, lack of education, teenage pregnancies, lack of access to adequate safe water and others. Today, many PAPs are in worse socio-economic positions than they were in before they were displaced from their land for oil projects. This bellies arguments that oil is being exploited for communities' benefit, the civil society groups said.

(e) The civil society groups also citied that oil refinery people filed a case against the government of Uganda. The case was filed in March 2014 and through it, the affected people sought court's intervention to stop government's payment of delayed, inadequate and unfair compensation to the affected people, contrary to Article 26 of the 1995 Uganda Constitution.

(f) The meeting observed that the government had found ways to wrestle out of commitments made in the Resettlement Action Plan (RAP). They noted that the government of Uganda failed to identify land on a case-by-case basis for each of the over 70 households which opted for physical relocation. There was a commitment to ensure that the oil refinery-affected people would not be put in special resettlements because it would isolate them from the rest of the community. Contrary to this, the government relocated the refinery-affected people that opted for physical relocation to a camp in Kyakaboga, Hoima. In that camp, the affected people observed that they were located from other community members and in seclusion. The isolation has hampered trade, good social relations, access to health services, clean water and others. This has impaired their social and economic well-being.

(g) The civil society group noted that government took six years to resettle the project affected people. This had left many without an income and by extension impacted their ability to educate their children. The use of a cut-off date stopping the affected people from setting up any new developments and growing perennial crops had also negatively affected households' incomes, not to mention food security.

(h) The participants also noted that the planned FID undermines the commitments by 34 governments and five international financial institutions including Germany, Italy, the UK, and others that signed a statement committing their nations to take actions that align their international public support towards the clean energy transition. The countries also

committed to stopping supporting new unabated fossil fuels by the end of 2022. Supporting the $4.5 Billion East Africa Energy Security and Transition Investment Project will undermine this progressive commitment toward mitigating climate change. Already scientific evidence from the Intergovernmental Panel on Climate Change (IPCC) 2020 report stressed that, there is an urgent need for countries to priorities the fight against climate change. The report states that "many of the changes observed in the climate are unprecedented in thousands, if not hundreds of thousands of years and some of the changes already set in motion such as continued sea level rise are irreversible over hundreds to thousands of years." The report further proposes that "strong and sustained reductions in emissions of carbon dioxide (CO2) and other greenhouse gases would limit climate change and EACOP project is simply a climate bomb that must be stopped

(i) The participants also observed that the development of the East Africa Energy Security and Transition Investment Project and related oil projects is a threat to Uganda's efforts to transition to clean energy to reduce its greenhouse gas (GHG) emissions by 24.7% by 2030 as per the Country's Nationally Determined Contributions. The above is because oil and gas production would likely hamper energy transition efforts and risk the country from being locked out of the Just energy transition.

The participants noted that investment in fossil fuels will mean that Ugandans will need to provide a market for the country's oil and gas. Furthermore, Uganda's energy sector is one of the most vulnerable to climate change impacts, with hydropower dams, which are the country's biggest energy sources, being put at risk of silting, dry conditions, and other risks. To guarantee Uganda's energy security and, therefore, economic development, it is important to promote clean energy use in the country.

3. Recommendation

At the Sharm el-Sheikh Climate Change Conference (COP 27) Egypt, Uganda joined other countries to remind ourselves that "Nature is speaking. We must listen".

Your Excellency, you should listen to and protect nature by doing the following:

i. Stop any plans of signing Final Investment Decision for the East Africa Energy Security and Transition Investment Project and any other associated fossil fuel projects in Uganda and publically communicate your decision.

ii. Sign on to the Glasgow statement committing to stop support to fossil fuels and adopt policies that promote investments in clean energy and other green economic sectors.

iii. Invest in projects that promote environmental conservation, climate justice, and human rights protection of the people as opposed to fossil fuels projects.

iv. Finally, the Ministry of Lands should complete the Land Acquisition, Resettlement and Rehabilitation (LARR) Policy as well as the Land Acquisition Bill. The bill should be tabled before parliament for debate and enactment. The bill should protect communities' rights and should not amend Article 26 of the 1995 Uganda Constitution.

Signatories:

- Strategic Response on Environmental Conservation (STREC)
- Oil Refinery Residents Association (ORRA)
- Oil and Gas Residents' Association (ORGHA)
- East African Crude Oil Pipeline Host Communities (EACOPHC)
- Youth for Green Communities (YGC)
- Center for Conservation and Ecoenergy Initiative (CCEI)
- Center for Citizens Conserving Environment and Management (CECIC)
- Tasha Research Institute Africa
- Centre for Environment and Research Agricultural Innovation (CETAI)
- Friends of Environment in Development (FED)
- Women for Green Economy Movement Uganda (WoGEM)
- Kanungu Youth and Women Empowerment Group
- Kakindo Orhpans
- Kasese Citizens Coalition to Safeguard Biodiversity against Oil and other threats;
- Katwe Sanitation and Clean Energy Women's Club (Kasese)