



STATEMENT ON EUROPEAN UNION PARLIAMENT RESOLUTION ON EACOP PROJECT

Reference is made to a copy of the European Parliament resolution, as seen on the European Union (EU) website, which raises several issues relating to ongoing oil and gas activities in the Republic of Uganda and the United Republic of Tanzania.

The resolution, **P9_TA (2022)0321 of 15 September 2022 on violations of human rights in Uganda and Tanzania linked to investments in fossil fuels projects**, has not yet been formally served on Uganda. Upon receipt, the Government of Uganda will provide a comprehensive response to the issues raised through the appropriate channels.

Notwithstanding the above observations, the Ministry of Energy and Mineral Development (Uganda) notes that the European Parliament resolution contains several distortions, hearsay, and generalizations. At the very least, it is a blatant display of limited knowledge about the realities of Uganda's oil and gas projects.

The Ministry, on behalf of the Government of Uganda, wishes to make the following clarifications:

1. The Government values its relationships with the EU and its Institutions. It is committed to furthering partnerships in all areas, including social and community development, human rights, climate change, and mutual benefit. It strongly believes that the sustenance of the partnership depends on upholding the universally accepted principles of mutual respect. The Government will, therefore, always welcome engagement with our Partners, including the EU, on any matter, provided there is adherence to the cardinal principles, which in Uganda's view, are sacrosanct.

2. The selection of the EACOP route followed an evaluation of three routes: (i) Hoima – Lokichar - Lamu and (ii) Hoima-Mombasa, both in Kenya, and (iii) Hoima-Tanga in Tanzania. The evaluation was based on best pipeline routing principles, including social, environmental, safety and economic considerations. The Hoima - Tanga route was selected as the best route for Uganda after careful evaluation based on the best pipeline routing principles. In addition, Uganda has up-to-date stringent laws on the environment and protected areas, which are strictly followed in developing oil and gas projects.
3. The EACOP project, which is the subject of the resolution, has been designed to minimize irretrievably harming the livelihoods of farmers, fisher folk and tourism business owners who depend upon the region's rich natural resources. A specific Human Rights Impact Assessment (HRIA) was therefore undertaken, and targeted measures were put in place to address any potential adverse effects on land-based livelihoods as part of the project. Thus, the Ministry would like to strongly disagree with the misleading narrations of human rights abuses detailed in the resolution about oil and gas projects.
4. Compensation and relocation are being undertaken in accordance with national law, cultural and traditional livelihood practices of the Project Affected Persons (PAPs) and in compliance with international standards, including the International Finance Corporation and Equator Principles. Farming communities have been provided equitable arable land to continue their traditional income-generating practices, while others have been skilled to prepare them for jobs in upcoming infrastructure projects and other related activities. There is, therefore, verifiable evidence that the livelihoods of project-affected persons have improved because of the projects.
5. Commercializing the country's oil and gas will also provide funds for the country's development and investment in more renewable energy sources and the achievement of energy access for all Ugandans. In addition, Liquefied Petroleum Gas from the project will be key in providing a cleaner cooking energy source that will save forest cover, which is being lost rapidly to charcoal and firewood.
6. Regarding impact, the EACOP in Uganda affected 3,648 PAPs (not 100,000 or so as claimed by the EU Parliament), of which 2,662 have already signed compensation agreements and 1,977 fully paid. The project is also constructing 183 replacement houses for the PAPs who opted for physical resettlement. Contrary to the claims in the EU Parliament's resolution, the compensation

process is progressing well, and no land has been acquired before fair and adequate compensation payment.

7. Ugandans are already reaping benefits from the progress of the oil activities, with 160,000 people expected to be employed at the peak of activities. Currently, 5,000 people are employed, of which 94% are Ugandans. In addition, international development partners such as the World Bank are supporting targeted skilling and infrastructure developments where oil and gas activities are taking place to enable the citizens and communities maximally benefit from the sector's activities.
8. In terms of contracts, since February 2022, when the Final Investment Decisions (FIDs) were announced, the TotalEnergies and CNOOC (U) Ltd., through the established tendering processes, have awarded contracts totaling about US\$6.8 billion, of which an estimated US\$ 1.73 Billion (25%) have been awarded to Ugandan companies. Uganda's oil and gas journey is progressing well, and the sector is expected to significantly contribute to the country's socio-economic transformation and overall development.
9. The Ministry wishes to emphasize that the oil projects have been designed to technologically generate the lowest possible carbon footprint. Overall, the projects fall within the category of "low emission". The carbon dioxide equivalent (CO₂e) emission per barrel for Uganda's upstream and midstream projects is estimated to be 20-45 kgCO₂e. This is well below the global average of 70-100 kgCO₂e.
10. Uganda's recoverable oil resources are currently estimated at 1.4 billion barrels. Assuming an average of 30 kgCO₂e per barrel, the total emissions are estimated at 42 mT CO₂e over the production period of 25 years which is an average of 1.68mT per year (not 34mT as stated in the resolution). More so, 80% of Uganda's energy is from renewable sources such as hydro-power, solar and biomass. The country has been promoting other clean energy initiatives with many development partners, including the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ). Promoting and manufacturing zero-emission vehicles (EVs) by Kiira Motors Corporation, a State-owned car manufacturer, is among the key priorities Government is curbing emissions of greenhouse gases.

11. The Ministry would like to thank His Excellency, the President of the Republic of Uganda, for his unwavering support and commitment to the oil and gas projects and the oil companies for implementing the various project components per the existing laws and best international practices. The Ministry also commends the Parliament of Uganda for the constructive debates over time which has enabled the oil and gas projects to reach this far in the country. Lastly, for the varying support and encouragement from the concerned Ugandan citizens from the day the resolutions were published.

Aluta Continua!



Issued by:

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Minister of Energy and Mineral Development

30 September 2022