

January 24, 2023

<u>CSO COMMUNIQUE ON LAUNCH OF DRILLING FOR THE KINGFISHER</u> <u>OIL PROJECT</u>

1. INTRODUCTION

Today, Uganda's president, H.E. Yoweri Kaguta Museveni, is expected to <u>officiate</u> at a ceremony during which drilling for the Kingfisher oil project will be launched. Commercial oil production is expected to commence in Uganda in 2025. Today's occasion is the initial drilling for the project, and does not mark the beginning of oil production in Uganda.

The Kingfisher oil project is operated by China National Offshore Oil Corporation (CNOOC) (U) Ltd. The company's joint venture partners include TotalEnergies and the Ugandan government.

Prior to today's drilling ceremony which is expected to take place in Kikuube district in Uganda's ecosensitive and biodiverse Albertine Graben, the undersigned Ugandan, Congolese and African civil society organisations (CSOs) as well as their partners, discussed the planned launch.

During their discussions, the CSOs expressed dismay that the Ugandan government alongside CNOOC and TotalEnergies are ignoring citizen voices and climate science to push ahead with the perilous Kingfisher, Tilenga and East African Crude Oil Pipeline (EACOP) projects.

The CSOs noted that investment in the climate and biodiversity-wrecking Kingfisher, Tilenga and EACOP oil projects is a disservice to the Ugandan poor. This is so because researchers have warned that climate change could knock <u>18%</u> off the global GDP and deepen inequalities, with poorer communities being the most affected.

The CSOs especially recalled that in September 2022, Uganda's Ministry of Water and Environment indicated through the country's Updated Nationally Determined Contributions (NDCs) that ecosystems, agriculture, fisheries, forestry, business and other economic sectors are the most at risk of climate change impacts. These sectors employ the majority of Ugandans, including those in the Kingfisher Development Area (KFDA).

The CSOs, are therefore, calling on H.E. Yoweri Kaguta Museveni, the Ugandan government in general, CNOOC and TotalEnergies to put the economic well-being of Ugandans, biodiversity conservation and climate action first by investing in clean energy, which has the potential to create more jobs than the oil and gas sector.

During their discussions on today's planned launch, the CSOs made other observations which are captured below:

2. OBSERVATIONS

(a) **First, the civil society groups appreciated** that faced with the need to develop the country's economy, the Ugandan government is engaged in various efforts that it hopes will boost the country's economy. Such efforts include exploiting the countries' oil and gas resources through projects such as Kingfisher, Tilenga and EACOP.

(b) **The CSOs however noted that** it would be in the interest of Ugandans to avoid investment in the above projects as they stand to worsen the economic well-being of Ugandans. How so?

(c) **In September 2022, Uganda's Ministry of Water and Environment** released the country's Updated Nationally Determined Contributions (NDCs). Among others, the NDCs discussed various economic sectors' climate risks and vulnerabilities. The NDCs showed that ecosystems, water, agriculture and forestry are some of Uganda's most vulnerable and at-risk economic sectors.

(d) **Business, fisheries, energy and health,** were also identified in the Ugandan NDCs as vulnerable and at risk. These sectors employ the majority of Ugandans, with the agricultural, fisheries and forestry sectors employing <u>61.4%</u> of Uganda's labour force, per the 2021 Uganda Labourforce Survey by the Uganda Bureau of Statistics (UBOS). In addition, prior to COVID-19, the tourism and travel sector employed <u>667,600</u> people. These people need to be protected by avoiding climate-wrecking and environmentally-destructive projects such as the Kingfisher, Tilenga and EACOP oil projects, the CSOs observed.

(e) **The CSOs recognised that the oil and gas sector** is employing Ugandans, with the Ministry of Energy reporting that 5,875 Ugandans were employed in the sector in 2022. The

Ugandan government has also indicated that hundreds of thousands of direct, indirect and induced jobs will be created by the Kingfisher, Tilenga and EACOP oil projects among others.

(f) **However, the above jobs forecasts** have been <u>questioned</u> by experts. Moreover, varying numbers have been reported in the media and oil projects' Environmental and Social Impact Assessment (ESIA) reports. For instance, while media reports have indicated that <u>80,000</u> direct and indirect jobs will be created by the EACOP project, the Ugandan EACOP ESIA report indicates that the project will create 1,800 jobs during the construction phase and 8,500 indirect ones. The CSOs noted that such promises, even in the best scenario, cannot be compared to the <u>80 million</u> jobs that could be lost globally, with poor countries such as Uganda being the worst hit, due to climate change. They also cannot be compared to the jobs that can be created by the renewable energy sector, which is more labour-intensive than the oil and gas one.

(g) **Concerning the much-touted boost to Uganda's GDP** arising from oil investments, the undersigned CSOs questioned whether ordinary Ugandans will feel this GDP growth. Though the Ministry of Energy reports that the value of tier-1 contracts stood at close to \$6.9 billion at the end of 2022, ordinary Ugandans continued to struggle with inflation that increased the cost of goods in 2022.

(h) **Further, because of prolonged dry conditions** in some parts of the country, food prices for some items also more than doubled in 2022. <u>Hundreds</u> of people were reported to have died in Karamoja in 2022 due to lack of food. This underscores the need to protect priority sectors such as agriculture from the Kingfisher and related climate-wrecking projects, the undersigned CSOs observed.

(i) The CSOs are also concerned with the potential impacts of the Kingfisher project, through which oil will be drilled from Lake Albert. Lake Albert is vital for the fisheries sector, with the lake contributing the majority, 43%, of the country's fish catch.

(j) **The fisheries sector is also one of Uganda's main foreign exchange** earners. The sector earned the country <u>\$171 million</u> (Shs. 635 billion) in 2018. These earnings declined to <u>\$118.6m</u> (Shs419b) between June 2020 and July 2021. Fishermen on Lake Albert have reported <u>declining</u> fish catches with poor fishing practices, <u>population influx</u> due to oil activities and <u>oil</u> <u>exploration</u> efforts among others being blamed. The undersigned CSOs are calling on the Ugandan government to protect fisherfolk instead of the Kingfisher and other oil projects.

(k) **The Kingfisher oil project** also puts the water access of millions of people who rely on Lake Albert in Uganda and the Democratic Republic of Congo (DRC) at risk. The CSOs are also concerned that the insecurity that increased on Lake Albert following commercial oil discoveries in 2006 in Uganda and scramble for fisheries resources could be heightened by the Kingfisher project.

3. CONCLUSION

In conclusion, the undersigned CSOs note that the International Energy Agency (IEA) said the following in its <u>2022 World Energy Outlook</u> (WEO), "For the first time, a WEO scenario based on prevailing policy settings has global demand for each of the fossil fuels exhibiting a peak or plateau. In the STEPS [Stated Policies Scenario], coal use falls back within the next few years, natural gas demand reaches a plateau by the end of the decade, and rising sales of electric vehicles (EVs) mean that oil demand levels off in the mid-2030s before ebbing slightly to mid-century."

The CSOs are therefore calling on the Ugandan government and its partners to invest in modern energy solutions, like decentralised renewable energy, and not the Kingfisher, Tilenga, EACOP and other oil projects.

SIGNATORIES

- 1. Africa Institute for Energy Governance (AFIEGO) -Uganda
- 2. African Initiative on Food Security and Environment (AIFE) -Uganda
- 3. Centre for Citizens Conserving Environment and Management (CECIC) -Uganda
- 4. East African Crude Oil Pipeline Host Communities (EACOPH) -Uganda
- 5. Environment and Human Rights Justice Centre -Uganda
- 6. Environment Governance Institute (EGI) -Uganda
- 7. Fridays for Future Uganda (FFFU)
- 8. Green Climate Campaign Africa (GCCA)
- 9. Tasha Africa Research -Uganda
- 10. Oil watch Uganda (National Association for Professional Environmentalists -NAPE) -Uganda
- 11. Strategic Response on Environmental Conservation (STREC) -Uganda
- 12. Women for a Green Economy Movement (WoGEM)-Uganda
- 13. Youth for Green Communities (YGC)-Uganda
- 14. Forum Des Engages Pour Le Developpement Durable (FORED)-DRC
- 15. Forum Global Des Chercheurs D'alternatives (FGCA) -DRC
- 16. Justice Plus (JP) -DRC
- 17. Club Des Amis De L'environnement (CAE) DRC
- 18. Association Des Mamans Pour La Lutte Contre Les Traumatrismes (AMALUT) -DRC
- 19. Association Des Filles Meres (AFM) -DRC
- 20. Association Cooperative Vie Future (ACOVEF) -DRC
- 21. Action Humanitaire Pour Le Developpement Durable (AHDD) -DRC

- 22. Programme D'action Pour La Communauté De Développement (PADEC) -DRC
- 23. World Peace Protection (WPP) -DRC
- 24. Federation Des Comites Des Peceheurs Du Lac Albert (FECOPELA) -DRC
- 25. Seconde Chance (SECHA) –DRC
- 26. Fondation Des Jeunes Entreprenneurs De L'est Du Congo (FEJEC) -DRC
- 27. Forum Pour La Promotion De La Protection De L'environnement Et Developpement Durable (FOPED) -DRC
- 28. Centre National D'expertise Et D'actions Pour Le Developpement Et la Sante (CENADES) DRC
- 29. Fondation Des Aigles Pour L'encadrement des Vulnerable (FAEVU) -DRC
- 30. Collectif Des Paysans De L'ituri Pour Le Developpement Integral (CPIDI) -DRC
- 31. Agriculture et Construction Pour Le Developpement (ACOD) -DRC
- 32. Jeunes Unis Pour Le Developpement Et L'evangile (JUDE) -DRC
- 33. Charity Distressed Cheldren (CDC) -DRC
- 34. Regroupement Des Personnes Hendicappees Pour Le Developpement Integral (RPDI) -DRC
- 35. Association Pour La Conservation Et La Protection des Ecosystemes des Lacs et Agriculture Durable (ACOPELAD) -DRC
- 36. Réseau des associations pour la protection de l'environnement et la nature (RAPEN)- Senegal
- 37. Protection De L'environnement (REOCOPE) -DRC
- 38. Mouvement de Jeunes pour la Protection de l'environnement (MJPE) -DRC
- 39. Innovation pour le Développement et la Protection de de l'Environnement (IDPE) –DRC
- 40. Bureau d'Ecologistes Impacts Environnementaux (BEIE) -DRC
- 41. Coopérative des Apiculteurs et Vendeurs du Miel au Kivu (CAVMK) -DRC
- 42. Ensemble pour la Justice climatique et la Protection des Défenseurs de l'Environnement (EJPDE)-DRC
- 43. Réseau pour la conservation des écosystèmes et de développement du paysage Salonga. (CEDPS)-DRC
- 44. Solidarité pour la Réflexion et Appui au Développement Communautaire (SORADEC) -DRC
- 45. Synergie de Jeunes pour le Développement et les Droits Humains (SJDDH) -DRC
- 46. The Resilient40
- 47. le Mouvement et actions intellectuelles pour le développement écologique des naturalistes intégré (MAIDENI) -DRC
- 48. Alerte Congolaise pour l'Environnement et les Droits de l'Homme (ACEDH) -DRC
- 49. Synergie des Ecologistes pour la Paix et le Développement (SEPD) -DRC

- 50. Synergie des Vanniers Ami de la Nature, (SVAN) -DRC
- 51. Africa Climate Movement Building Space and Don't Gas Africa
- 52. Care For Environment/ACN -Cameroon
- 53. Action Solidaire International -Senegal
- 54. Connected Advocacy -Nigeria
- 55. Both ENDS -Netherlands
- 56. FEUYEM -Cameroon
- 57. AbibiNsroma Foundation -Ghana
- 58. Les Amis de la Terre-Togo
- 59. Alliance for Empowering Rural Communities -Ghana
- 60. Just Share South Africa
- 61. ONG Jeunes Verts
- 62. GCAP Togo
- 63. Voice of The Vulnerables, Nigeria
- 64. AJBLD Mali
- 65. Geed Beer Initiative, Republic of Somaliland
- 66. Africa Network for Environment and Economic Justice (ANEEJ)-Nigeria
- 67. Oil Change International
- 68. Action for research and support for local development initiatives (ARAILD)
- 69. Laudato Si Movement
- 70. CareForEnvironement -Cameroon
- 71. 350Africa.org
- 72. Natural Justice