



ENVIRONMENT GOVERNANCE INSTITUTE (EGI) UGANDA

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Hon Ruth Nankabirwa
Minister of Energy and Mineral Development
Plot 29, Amber House, Kampala Road,
Kampala, Uganda

OPEN LETTER CALLING ON THE MINISTER OF ENERGY AND MINERAL DEVELOPMENT TO HALT THE ONGOING PLANS TO ISSUE OIL EXPLORATION LICENSES AND PRIORITISE INVESTMENT IN CLEAN ENERGY

Dear Hon Minister,

We, the undersigned environmental and human rights civil society organizations (CSOs) working to promote environmental conservation and Just Energy Transition in Uganda want to take this opportunity to; First, congratulate you upon your successful appointment and swearing-in as the new Minister of Energy and Mineral Development (MEMD). Indeed, your experience and qualification is befitting of the new role and tasks ahead.

Hon Minister, as you assume office, we want to bring to your attention that on June 7, 2021, the Commissioner Petroleum Exploration, Development and Production Department under the Ministry of Energy and Mineral Development (MEMD) issued a call to national and international oil and gas exploration companies intending to invest in the exploration of Uganda's oil and gas industry to embark on the tour of the oil fields in the Albertine and submit their oil exploration bids by the 30th June 2021.

The five blocks that have been earmarked for licensing are located within the Albertin Graben, western Uganda and includes the famous Ngaji oil block, which is found in the Eco-Sensitive Lake Edward and Queen Elizabeth National Park (QENP). The block was not bided for by oil companies in the first round of exploration licensing due to public pressure.

Hon. Minister, as you may be aware, the planned oil exploration licensing round is scheduled to take place in and around the Albertine Graben which harbors some of the most sensitive ecosystems of national and international importance.

For instance, the Albertine graben Albertine rift section of Uganda is an important biodiversity hotspot known for being a habitat for 39% of Africa's mammal species, 35% of Africa's insect species, 51% of Africa's bird species, 19% of Africa's amphibian species, 14% of Africa's plant and reptile species plus 79 threatened terrestrial vertebrates according to the IUCN Red Data book and lists.

The Rift also harbors approximately 70% of Uganda's major protected areas including seven out of ten National parks, eight out of 15 forests, 12 wildlife reserves, 13 wildlife sanctuaries, and five wildlife community areas according to the 2010 Uganda Environmental Sensitivity Atlas, 2nd Edition.

It is noteworthy that, the Albertine Graben is home to Virunga National Park in the Eastern DRC which is classified as a UNESCO World Heritage site and accommodates 43% of Africa's bird species, 27% of Africa's mammals, and more than 10% of its reptiles, amphibians, and plants in addition to several rare and endangered species that exist nowhere else in the world.

The above ecosystems have and continue to play a significant role in balancing our climate, absorb atmospheric carbon, and supports millions of people through the provision of food, freshwater, and income from agriculture, fisheries, and tourism.

If oil exploration activities are allowed in this ecosystem, it will not only negatively affect the biodiversity in them but also the communities who depend on them for survival especially now when the country is struggling to contain the spread of the COVID 19.

Madam Minister, as a former Government Chief Whip you are well aware that on **30th of October 2003**, Uganda became a signatory to the Ramsar and UNESCO Conventions on conservation. The signing of these conventions mandates us as a country to commit to avoid any activities that might directly or indirectly degrade the cultural and natural heritage of these sites.

If oil exploration is undertaken in these areas and other sensitive ecosystems, it would be an abuse of our countries' commitments to these Conventions and this will damage our national image internationally.

Furthermore, on **15th of September 2016**, Uganda became a signatory to the Paris agreement on climate change and we committed as a country to cut our greenhouse gas emissions by half by 2030 and to contribute towards limiting the global temperature rises to less than 2 degrees Celsius or to pre-industrial levels of less than 1.5 degrees Celsius and through our Nationally Determined Contributions submitted to the United National Framework Convention on Climate Change, we outlined the key strategies to achieve our target and one of which is to cut our greenhouse gas emissions and instead promote clean energy.

The commitments made by our country under the Paris Climate Change Agreement mandate us to ensure that any activities that result in the generation and release of greenhouse gas emissions into the atmosphere are limited. Moreover, oil exploitation itself contributes to the carbon footprint that our countries must limit per commitments under the Paris Climate Change Agreement.

Madam Minister, with the above being, said, we have seen that the European oil and gas majors and other oil companies are repositioning themselves to be players in the clean renewable energy market, oil and gas is likely to be less profitable in the future. Multinational companies across the world have laid out their plans of achieving zero net carbon emissions by 2050 and we must follow suit.

In addition, the exploration and production of oil around the world has negatively impacted the local and host communities including women, children, the elderly, and others resulting from the mass displacement of communities from their land, clearance of vegetation which affects agriculture and livelihoods of communities and others. Some of these are already happening in the ongoing project which we must act now to stop the suffering of our people. All these activities have and continue leave communities worse off than they were before oil was discovered in their areas.

So many industrialized nations making plans to move out of fossil and turn to a Renewable Energy economy, the fact that foreign industries continue extracting fossil in countries like Uganda also, next to climate/ environmental & Human Rights risk - brings economic risks: stranded assets and increased foreign debt.

Financial institutions are already warning about this risk, and we increasingly see them move out of fossil support, especially now major institutions like the IEA are stating there is no more room for fossil extraction.

Hence the major fossil investment in Uganda would be making would undermine its future economic resilience, especially since the rest of the world is moving towards RE and will pull out of fossil. Sustainable economic development for Uganda means it being able to invest in an energy leap and be on the forefront of the African RE economy - not locked-in by fossil interests that make it vulnerable in the future,

Madam Minister, as you assume officer, we would also like to reiterate that Uganda is blessed with huge potential for renewable energy in form of solar, wind power, geothermal, and others which are detailed in *The Renewable Energy Policy 2018* and also found in a research report that EGI together with partners titled *Just Energy Transition for Africa, impacts of ECAs (copy attached to this letter)*. These clean energy technologies offer better alternatives to oil while conserving the environment. If we invested in our renewable energy as opposed to oil, our countries would thrive and manage both domestic and foreign debt amicably

Recommendations

In view of the above discussion, we hereby call upon your office to prioritise the following as you assume office:

1. Stop plans to license out Ngaji block and all other blocks in the Albertine for oil exploration which covers eco-sensitive areas such as Lake Edward and Queen Elizabeth National Park. Failure to do so will see Uganda blacklisted under UNESCO during your reign as a minister. This will also contribute in destroying the livelihoods of local fishing villages, cultivators, cattle keepers, and others in the region.
2. Respect the national and international commitments which Uganda is a party including commitments made under the Paris Climate Change Agreement to address climate change, The Ramsar Convention on Wetlands of International Importance, the Convention on Protection of the World Cultural and Natural Heritage sites, Convention on Biological Diversity and others.
3. Explore alternative energy resources which Uganda is richly endowed with such as solar and wind. However, these resources remain largely unexploited mainly because Uganda is concentrating on oil and gas developments. In line with aspirations under the Sustainable Development Goals (SDGs) and the Sustainable Energy for All (SEA4ALL) initiative, Uganda should invest more in other energy sources especially off-grid solar and avoid oil exploitation in rich biodiversity.
4. Finally, work with other government institutions and stakeholders to implement commitments made under the Paris Climate Change Agreement and Uganda's NDCs on climate change. Exploiting Uganda's oil resources is against the Paris Climate Change Agreement and Uganda's NDCs whose overall goal is to curb global warming. Citizens and development partners should hold the government accountable to implement the Paris Climate Change Agreement and Uganda's NDCs.

Sincerely



Samuel Aede Okulony
Chief Executive Officer, EGI

SIGNATORIES:

1. Environment Governance Institute (EGI)
2. Africa Institute for Energy Governance (AFIEGO)
3. Environmental Conservation Trust (ECOTRUST)
4. Guild Presidents' Forum on Governance (GPF OG)
5. Citizens Concern Africa (CICOA)
6. Action Coalition on Climate Change (ACCC)
7. South Western Institute for Policy and Advocacy (SOWIPA)
8. World Voices Uganda (WVU)
9. Oil Refinery Residents Association (ORRA)
10. Twimukye Womens Organisation
11. Graffen Organisation –Butimba
12. Association of oil-affected youth
13. Center for Energy Governance
14. African Initiative on Food security and Environment
15. Centre for Citizens Conserving

CC:

- The President of the Republic of Uganda
- The Speaker of Parliament
- All MPs from Kasese, Rukungiri, Rubirizi, Kanungu, Mitooma, Ibanda and Kamwenge
- The Minister of Water and Environment