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DON'T FINANCE THE EACOP: EAST AFRICAN CSOS TO ITALIAN EXPORT CREDIT AGENCY

Sixty-four (64) civil society groups from East Africa as well as their allies have written to the Italian Export Credit Agency (ECA), SACE, demanding that the ECA does not provide support for the East African Crude Oil Pipeline (EACOP) project.

The EACOP is a 1,443km pipeline that is planned to be built by TotalEnergies, CNOOC and the Ugandan as well as Tanzanian governments. The pipeline will be built from oil fields in Western Uganda to the port of Tanga in Tanzania.

If constructed¹, the pipeline will be the longest electrically heated crude oil pipeline in the world and will transport 216,000 barrels of crude oil per day at peak production.

The East African civil society groups from Uganda, Tanzania and the Democratic Republic of Congo (DRC) cite grave social, environmental, climate change and economic impacts of the EACOP in their letter to the Italian ECA.

Notable among the impacts are the following:

- The EACOP is displacing over [86,000 people](#) from 5,172 hectares of land in Uganda and Tanzania. Since 2018, the people's land, livelihood, cultural and other rights have been abused by the project proponents.
- Further, according to the World Wildlife Fund for Nature, the EACOP is going to affect nearly [2,000 sq.km](#) of protected areas, [a quarter](#) of which are habitats for endangered species such as chimpanzees and elephants. Moreover, oil exploitation activities have already increased human-wildlife conflicts, putting [humans](#) and [biodiversity conservation](#) at risk.

¹ Construction of the EACOP is expected to start in 2023.

- In addition, some of the oil to be transported by the EACOP will be drilled from Lake Albert, a cross-border lake on which hundreds of thousands of fishers in Uganda and the DRC rely to make a living. Lake Albert is also an economic powerhouse for Uganda, providing [43%](#) of the fish catch in the country. Fisherfolks' livelihoods have already been [destabilised](#) because of the oil activities on the lake.
- It is notable that part of the oil to be transported by the EACOP will also be drilled from Murchison Falls National Park (MFNP), one of Uganda's oldest, largest and most visited national parks. This has endangered biodiversity conservation and tourism, one of Uganda's top tourism exchange earners.
- Moreover, nearly a third of the EACOP will be constructed in the Lake Victoria basin, the second biggest freshwater lake in the world on which up to 40 million people in East Africa rely for water. The lake is also important for fisheries and food security as it is responsible for [39.9%](#) of the fish catch in Uganda.
- At peak production, the oil transported by the EACOP will result in the production of over 34.3 million metric tonnes of carbon per year when the oil is burnt.

The civil society groups argue that these and other impacts, alongside commitments made at COP 26 by the Italian government to align its international support to a clean energy transition by ending new direct public support for fossil fuels by the end of 2022, should rule out Italian support for the EACOP project.

“We were surprised when we received information that SACE was evaluating the EACOP with a view of providing support to the project.

Italy is among 34 governments and five international financial institutions that signed a [statement](#) that committed the countries to aligning their international public support towards the clean energy transition. Supporting the EACOP project undermines this transition,” Mr. Samuel Okulony of the Environment Governance Institute in Uganda says.

Dickens Kamugisha from Africa Institute for Energy Governance (AFIEGO) in Uganda says, “The EACOP project proponents have said that part of the reason they are developing the project is to address energy poverty in Uganda.

However, at peak production, Uganda is expected to produce 230,000 barrels of crude oil per day. Over 93% of this oil will be evacuated from Uganda via the EACOP. That oil will not be meeting the energy needs of Ugandans. Moreover, in light of the climate change crisis, serious investors should be investing in renewable energy.”

Uganda and Tanzania have immense and under-developed renewable energy potential. The civil society groups are calling on clean energy companies and financial institutions to sustainably and inclusively develop clean energy in East Africa.

“Uganda's solar energy potential stands at 5,000 megawatts. The country's solar energy installed capacity is a mere 60.9 megawatts. Wind energy is also under-invested in Uganda.

Moreover, information from the World Bank shows that Tanzania has greater solar potential than Spain, and more wind potential than California. These sources of energy are under-invested in,” Irene Twongirwe of the Inclusive Green Economy Network-East Africa (IGEN-EA) says.

Hilda Flavia Nakabuye, a climate change activist from Uganda, says, “Western corporations and governments that want to exploit Africa's resources in ways that are reminiscent of colonialism should stop. We want Italy to walk the talk. Italy should take climate action by investing in clean energy in Uganda and Tanzania”.

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