

Uganda Wildlife Society

Report on

Public Talk

**The Impacts of Oil and Gas Development on the Sustainability of Trans-Boundary
Natural Resources**

Held on

31st March 2011

At

Uganda Museum

Introduction

Uganda Wildlife Society (UWS) in conjunction and with support from WWF organised a Public talk with a theme *The Impacts of Oil and Gas Development on the Sustainability of Trans-Boundary Natural Resources* on 31st March 2011. It was held at Uganda Museum. It was attended by MPs, commissioners, CSO representatives, stakeholders, students from different universities and the public at large. There were three presenters namely Mrs. Sarah Prinsloo from Wildlife Conservation Society (WCS), Mr. Philip Boozonet from Tullow Uganda and Dr. Festus K. Bagoora from NEMA. The presenters were each allocated 30 minutes for presentation and, the Dr. Chris Bakuneta was the chairman.

Welcome remarks

The Executive Secretary of UWS Dr. Nyadoi Priscilla welcomed the honourable MPs, representatives from the CSO fraternity, stakeholders, students and the general public to the UWS/WWF public talk with a theme: The Impacts of Oil and Gas Development on the Sustainability of Trans-Boundary Natural Resources. She said that this is the time to share knowledge and learn from each other on matter pertaining oil and gas for sustainability on the trans-boundary natural resources.

Presentations

Mrs. Sarah Prinsloo in her presentation begun by saying the FBI is investigating massacre cases in Uganda, Southern Sudan, DRC and Rwanda committed by SPLA, LRA, WNBF, ADF, NALU in Uganda, Southern Sudan and Rwanda, RCD MLC, Mai Mai, FDLR in DRC, and Interhamwe in Rwanda. She noted that there is a team of FBI agents in Uganda who are investigating the murder of 8 and 3 tourists went with critical injuries by Rwandan-Hutu rebels. She said that the tourists were killed on 26th January 2011 at 17hrs 46 minutes and 32 seconds. She said that the attack was in Congo's Virunga National Park. She said so far there has been 3 Congolese Rangers and 5 Congolese soldiers killed in a violent attack on their patrol vehicle in the National Park. She went on to say that an RPG hit the early tourists when they fell into an ambush approximately one kilometer North of Mabenga.

She said that in the 1960s, the MFPA was the most popular wildlife destination in East Africa among tourists, attracting over 60,000 visitors per year but in the period of 1970s to 1980s, this figure declined due to political/military conflict and instability. She said that the population of elephants shrunk from about 12,000-14,000 elephants in the mid 1960s to around 250 in the beginning of the 1990s due to massive poaching. She added that gracefully, wildlife is recovering and that currently there are around 1,500 elephants in the park and other large mammals such as buffaloes populations (now estimated) at 11,000, the world's largest population of Rothschild's giraffes, Uganda kobs, Jackson's

hartebeests, and Hippopotamuses estimated at 6,000 and more than 450 bird species. She said the park also hosts populations of lions and leopards.

Mrs. Prinsiloo said that there are a number of accidents that happen during oil drilling and mining and they include among others human error and natural disasters. She gave an example of the oil spill in the Gulf of Mexico in 2010 and that of 2005 in Houston Texas and on natural disasters she gave an example of Tewkesbury in the UK in 2007 and Christ Church in 2011. She said that there have been challenges in the oil and gas mining sector, and these include increasing ethnic tensions, land values, competing land uses, extraction of natural resources, unemployment, and disenfranchised local population caused by social unrest and crime. All these she said leads to increased pressure on the natural resources and consequently environmental degradation. Prinsiloo said nevertheless, opportunities such as stimulated regional economies, increased assistance for poverty reduction, diversified economic options for communities and investments in other sectors like agriculture, tourism and fisheries have come along. She concluded by saying that for the ordinary citizens to fully enjoy the fruits of oil resources in the country, there must be in place, good governance in the oil and gas sector, international relations with other countries, regulatory environment that has the will and means to enforce issues and systems like fines, permits, quotas and ceilings, planning regimes that include land use planning and sectoral development plans, local and district authorities, disaster preparedness, contingency plans, reasonable planning horizons and, stamping out corruption.

Mr. Philip Boozonet began his talk by mentioning that he is 6 months old in Uganda. He went on to highlight that over 1 billion barrels of producible resources was discovered in about 16 different fields in the Albertine region. He said small hi-tech refinery are being installed in Uganda, Eastern DRC, Southern Sudan and Rwanda and that excess crude oil will be exported by road, rail and through pipelines. He said that trans-boundary natural resources like Lake Albert fall under NBI action plan that seeks to develop these resources in a cooperative manner, share substantial socioeconomic benefits, and promote regional peace and security to achieve sustainable socioeconomic development through the resources equitable utilisation. He noted that oil drilling will bring in migration and that water will be used in oil obstruction (injected to maintain pressure in the reservoir for oil processing), construction and consumed domestically. He stressed that access to water is a critical issue in the development of the Nile Basin resources. For the oil and gas developments uses, he mentioned that three water sources have been identified and appraised these are; the Albert Nile, ground water, and Lake Albert. He said that the objective of water abstraction is to assess the potential impact of the requirements on the Lake Albert hydrological system, including climatic conditions, lake flow and level data and water balance. Historically, Lake Albert levels follow Lake Victoria trend, with

maximum variation being 4.6m in records over 60 years and largely influenced by the exceptional flood events of 1963. Mr. Boozonet mentioned that Kasameni development project is a multi-well pad strategy Tullow is using to reach all subsurface targets from minimum number of well pads via deviated wells in order to reduce footprint and impact.

Dr. Festus Bagoora, the National resource management specialist in NEMA said that the Albertine Rift has many eco-regions and species of vertebrates in Africa. He mentioned that if oil and gas are carefully planned, managed and utilized well, it will improve Uganda's economic performance and people's standards of living but if not, it will lead to a wide range of negative impacts to the eco-system within and beyond the region. Dr. Bagoora said the Albertine region is a water catchment for River Nile Basin and is of great importance to the great lakes region of Africa. He said Lakes Albert and Edward are trans-boundary resources found in the area and these are shared between DRC and Uganda. He noted that some of the oil reserves maybe struck and developed off shore in Lake Albert and, avoiding oil spills will be a big management challenge given that aquatic environment is highly sensitive to pollutants. We will need quick action with greater precaution and vigilance to avoid Gulf of Mexico scenario. Dr. Bagoora said the oil and gas developments maybe divided into two i.e. upstream industries dealing with exploration and production and the downstream sector having the refinery and processing of crude oil. Clearing vegetation to enable movement of large numbers of exploration crew and heavy machinery, physical destruction, generation of huge amounts of sewage, spillage of oil wastes, killing non-targeted wildlife, and compaction of soil to reduce on the surface infiltration capacity will be the other environmental problems to follow oil and gas developments. Other impacts the Dr noted will be immigration that will cause changes in people's cultures and congestion that may lead to distortion of living standards and cause the spread of diseases such as HIV/AIDS. Drilling fluids, metal cuttings and chemical wastes, spills and leakages will also end up in the waters, and escalate pollution. There is likely to be soil contamination from oil spills, siltation of the waters from construction sites, vegetation cover change and increased wildlife predators as a result of the oil and gas developments. The atmospheric environment will face a blow through emissions caused by oil flaring from diesel and gas turbines that will be producing energy and air borne particulates from soil disturbances due to exploration activities. Dr. Bagoora further noted that there is currently inadequate funding for capacity building to prepare the institutions and human resource for oil and gas development impacts mitigation measures identification and implementation in Uganda. He said the country is still in low technological age, with emerging conflicts especially related to land and local politics. He said there is need for institutional arrangements to be made like putting in place the legal frameworks and mandates to ensure minimum conflicts and impacts from oil and gas developments. He said line ministries and departments like that of Energy and Mineral Development, Uganda Wildlife Authority and NEMA need to be prepared for these developments. Dr. Bagoora acknowledged that

some measures have already been taken to minimise oil and gas development impacts for example, following Cap 153 of the National Environment Act which is subject to EIA and so far 85 EIA reports and 79 environmental projects have been approved. He said that technical capacity for timely prediction and identification of impacts however still need to be strengthened so to ensure mitigation and corrective measures will be timely. He also said that a multi-sectoral and multi-disciplinary monitoring committee has to be put in place and an efficient education and awareness raising strategy developed and enabled to disseminate information about oil and gas developments in the region. He also mentioned that networking among key stakeholders, development of a sensitivity atlas and environmental monitoring indicators for the Albertine region are still needed.

Remarks by Bulisa MP

The MP Bulisa, Hon. Birahwa Stephen Mukitale thanked UWS, WWF, commissioners, members present that day and thanked nature for providing oil and gas to Uganda. He said that everyone needs to agree that this is the time to make choices. He said that he liked the way Tullow oil and Heritage had first said that oil sites be named after the fish species in the lakes and or villages they were discovered in although at some point they got it wrong. He said that the suggested fish species and villages names were not named right and thus would need to be revisited. He said he was grateful he survived the elections although most people used to call him a whistle blower for oil and gas developments in Bulisa district. He went on to say that the Albertine region holds its glory as a tourism destination and he does not want the region to loose that glory during and after the oil and gas extraction. He said Albert lakeside should be maintained as a tourist destination. He said that during the 2006 campaigns, there was a lot excitement when it was discovered that over 60 oil wells were in Bulisa, however, the more the oil wells, the more challenges and opportunities, the great lakes region is now becoming the great-lakes village.

Discussion

There were a number of issues raised during this session, majority of which were directed to Sarah and Philip and few to Dr. Bagoora. Among others, participants asked the following questions;

Questions

- i. What the dangers of politicising oil and gas developments would be? Will it scare away investors?
- ii. Was there an economic visibility study done before the extraction of oil and gas?
- iii. Why were EIA approved yet there are some issues that went wrong?
- iv. How will the oil and gas resources be utilised to benefit the poor?
- v. How will employment and insurance be handled?

- vi. What will be the cost benefit ratio across the boundaries?
- vii. How will the students the general public get the oil and gas draft bill?
- viii. Tullow oil had to hire companies to handle its wastes, was there any EIA done and was the law followed?
- ix. Did Tullow Oil conduct a CCA to bring on women and youth and their roles in the society?
- x. Students of Kyambogo University were turned away from doing internship with Tullow Oil and told it was only for Makerere University, why?
- xi. Was the Gulf of Mexico disaster a management or system error?

Responses

In response, Hon. Birahwa shot up first and said that oil and gas resources in Uganda will not be a curse. He emphasized that it will be a blessing as God's creation packaged for Uganda. He said that God's creation is never a curse but it is greed that makes it a curse. He noted that there is a paradigm shift for jobs in the oil and gas industry and that the entry point is to understand the economics of the industry. Hon Birahwa said a feasibility study should be made public. He said the day before the Public Talk, there was a parliamentary committee on Natural Resources that said that the feasibility study will be made public by end of April. He also said that Uganda is blessed because 40 years ago when oil and gas was discovered in Nigeria, there was no internet. He also noted that the 2016 general elections will focus mainly on oil and gas and he warned for a tough competition. He further noted that Nigeria has 4 refineries that are not working because of corruption and greed and that there are few individuals in Nigeria who are very rich because of corruption.

For his part of the response session, Dr. Festus informed participants that there is a legal framework that regulates NEMA and a policy committee on environment that comprises of the board and NGOs. He encouraged the participants to read and understand the laws and said NEMA will never does things alone but involves other stakeholders. He cautioned the youth to be alert on the job hunt.

In his response session, Mr. Boozonet informed participants that there are three companies that are committed to the Albertine region environment conservation and these are; Tullow Uganda, Total and CCNOC. These companies have flaring policies they comply with during oil drilling. He further said Tullow oil has a commercial interest however its compensation rate is fixed by the districts and not itself. He mentioned that the company uses Hi-tech refinery and that the Gulf of Mexico issue was a management system problem. On the issue of Kyambogo University Students being turned away from doing internship with Tullow Uganda, he said that he did not know about it but will follow it up.

In her response session, Mrs. Prisiloo informed listeners that the Gulf of Mexico disaster was a management error. She also said that there will be disappointments in employments because the oil and gas is a specialised sector that employs secondary development fellows. Mr. Boozonet and Mrs. Prisiloo both thanked UWS and WWF for inviting them to take part in the Public talk about Oil and Gas and mentioned that it was an opportunity they will always look forward too in case they are invited.

Conclusion

The Executive Secretary of UWS thanked everyone who took their time off to come and attended the Public Talk on oil and gas. She said she was happy to have welcomed and received the members in large numbers and encouraged those who are not members of UWS to take the initiative to register with the secretariat to become members.