OIL FOR DEVELOPMENT UGANDA

Holding the oil industry to account in Uganda
INTRODUCTION

Uganda discovered commercial oil deposits in 2006 and reached a final investment decision over the East Africa Crude Oil Pipeline (EACOP) in 2022. Construction is now underway on the 1443 km pipeline, which will transport crude oil from the Rift Valley near Lake Albert to the Indian Ocean in Tanzania for international export. The French oil major TotalEnergies and the China National Offshore Oil Corporation (CNOOC) are leading the development, in partnership with the Uganda National Oil Corporation (UNOC). First oil exports are expected for 2025. In its wake, oil development is raising serious questions about security, participation, compensation for land, resettlement, and biodiversity.

Oxfam has been working in Uganda since 2014, with support from the Norwegian Cooperation Agency (NORAD), to protect the rights of communities at the frontlines of oil, gas, and mining projects and ensure that any financial gains from these projects benefit those communities. Alongside local and national partners CRED\(^1\), AFIEGO\(^2\), NAVODA\(^3\), COTFONE\(^4\), and CSCO\(^5\), Oxfam supports a network of human rights monitors in communities impacted by the EACOP to observe and document the impacts of the oil industry and raise concerns with companies and the government. The network has built collective agency and provides a platform for communities to defend their rights in the face of oil development.
CONTEXT

The oil fields in Uganda, when brought into production, will be one of the most significant onshore oil developments in sub-Saharan Africa since the Niger Delta in the 1960s. The impacts of such a development—and the risks—are enormous. In response, the government has put into place formal legal frameworks and procedures to regulate the oil industry and has resourced institutions to apply these frameworks. However, these systems have proven insufficient to protect the rights of communities. As one of the community monitors explains, “We have very good laws in Uganda but sometimes the implementation is missing. This is where civil society organizations (CSOs) come in, to remind people of what the law says.” People affected by the oil industry often feel powerless or reluctant to raise their voices, either because they do not know how to elevate problems or because they are told to simply accept that the government has identified the EACOP as a national priority. Deep gaps in motivation and technical skills of those staffing regulatory institutions and immense political pressure to protect a project of national priority further complicate the implementation of these regulations.
Community movements supported by national and international NGOs have campaigned against the oil projects that have, to date, displaced thousands of people. In 2021, six staff members of AFIEGO were arrested in what many civil society groups see as a coordinated effort to silence critical voices that advocate for the rights of communities affected by the EACOP. In 2022, the European Parliament condemned Uganda’s oil development in a formal resolution that called for an immediate postponement of work.

However, despite protests and the EU condemnation, the Ugandan government is pushing ahead, intimidating civil society organizations and human rights defenders and obstructing public demonstrations that oppose the oil industry.

Currently, oil majors are securing and developing the EACOP right-of-way, which is 30 meters wide and runs through 10 districts in Tanzania. While most landowners inside the corridor have received financial compensation and/or are being resettled, many dispute the valuations and claim that payments have not been fully disbursed. The pressure on land use has also led to an increase in conflicts. Land ownership disputes may occur between neighbors over a certain plot of land; between family members, especially where there is an inheritance issue; or between villagers and land speculators who have false or duplicate title deeds. Speculators have rushed in and snatched plots, driving up the price of land. Women are often denied compensation payments when the company negotiated exclusively with men, exacerbating gender inequalities and social conflict.
Oxfam in Uganda works with human rights monitors: local activists who document emerging human rights issues along the EACOP route and advocate for affected communities. Each monitor covers several villages and receives a small monthly stipend and reimbursement for transportation, although they all have separate livelihoods, typically as farmers or small business owners.

Oxfam’s Approach

Monitors are trained on civic rights and responsibilities as well as alternative dispute resolution techniques, which they mostly use to solve disagreements over land ownership. Equally importantly, partners have trained monitors to document human rights violations that they can elevate to pipeline operators. One Oxfam partner duly summarised the role of the Monitors and the value they bring: “We realized we needed people who were trained in documentation and reporting of cases. We wanted to do evidence-based advocacy. We document a case in a legal way. We turn it into a human rights violation, while Total would see the issue in a technical manner.”

All of the monitors are based in communities directly impacted by the oil industry and are responsible for monitoring cases of corporate misconduct, investigating allegations of wrongdoing, collecting evidence of abuses, and sharing these findings with local partners NAVODA and COTFONE. The monitors and partner organizations then agree on the correct course of action, with several options available:

- Escalate the grievance to Oxfam’s national partner, CRED, who can raise it with the EACOP company partners’ or TotalEnergies directly. This advocacy has proven successful, producing improved compensation and agreements to conduct a reassessment of assets eligible for compensation.
- Advise the affected person to make use of the grievance mechanism made available by TotalEnergies or EACOP partners.
- Involve local representatives (councilors, village chairs, etc.) and official bodies like the Petroleum Authority of Uganda by delivering a well-documented petition. This will typically bring together details of several similar cases. Write letters to other relevant parties such as the local MP, the District Council, etc.
- Where the case involves disputed land ownership, the monitors offer a mediation process to arrive at a solution acceptable to both parties (a quicker and cheaper option than using the local courts).

The decision as to which resolution approach to follow varies on a case-by-case basis; the program’s achievements in resolving cases shows that this flexibility is yielding positive results. Typical cases involve issues such as:

- Excluding fruit trees (oranges, mango, guava) from the original valuation of a farm. In this case, following intervention by the monitor in Rakai district, EACOP company agreed to resurvey the fruit trees and increase the compensation offered.
- EACOP company denied compensation to a fisherman and his fish farm not directly in the pipeline corridor;
and inconsistent compensation rates, malfunctioning grievance processes, commissions on disclosure forms, missing copies of signed agreements, and residual or orphan land not included in compensation assessments.

Likewise, the monitors’ reports have strengthened national and international agendas by providing data in support of advocacy asks. This is evident in Oxfam and CRED’s push for standardizing company policies on human rights, where conversations have been informed by the realities of the impacted communities. CRED is further complementing policy influencing efforts through its push to register communal land associations with the Ministry of Land, while partner CSCO is influencing national legislation in the oil and gas sector. CRED also took legal action against TotalEnergies in France in 2019, arguing, with six other plaintiffs⁸, that the company was in breach of its obligations under France’s 2017 Duty of Vigilance law, which requires large companies to maintain vigilance plans to guard against the risk of human rights violations and environmental damage upon appeal, the company conceded that the farm would be affected by construction and the owner should receive compensation.

Small portions of land (“residual land”) left isolated on one side of the pipeline corridor. Such holdings are now usually compensated.

Monitors submit monthly human rights reports across the ten EACOP districts. To avoid personal reprisal, monitors avoid engaging with oil companies and their subcontractors directly; instead, they send their reports to NAVODA and COFTONE, who later share them with CRED. CRED, where appropriate, elevates the monitors’ casework with TotalEnergies directly, placing community demands and grievances in front of the company. The monitoring reports form the basis for engagement with the oil companies, government agencies, and other stakeholders to improve human rights outcomes. Thanks to these reports, CRED has been able to engage the Managing Director of EACOP and the Petroleum Authority in Uganda with detailed logs of complaints over low
arising from their business activities. The company denies the claim, and although the case was recently dismissed by the court, the ongoing media coverage keeps the spotlight on the civil society campaign against oil development in Uganda.

**RESULTS AND ACHIEVEMENTS**

Currently, 21 monitors operate in 10 districts across Uganda and have addressed 288 cases, 179 affecting males and 109 affecting females. In Buliisa, monitors even set up the Buliisa Paralegal Organization to resolve cases without recourse to the courts. A typical example of their success is the story of two families who argued over the acreage of a previous land sale and who agreed to divide the land and resolved their dispute with mediation from a monitor. Community members also report that, thanks to the documentation provided by the monitors, treatment from TotalEnergies has improved. While the first families affected by resettlement only received a 6-month food ration when they were moved, those resettled later received a relocation allowance. New houses provided to resettled families are bigger, with better finishes, and are generally considered satisfactory. In addition, instead of paying compensation only to the formal landowner—usually a man—compensation is now paid into a bank account held jointly by husband and wife. Likewise, companies now offer men and women training on financial literacy before receiving compensation, though communities expressed doubts on the usefulness of the training.

**In her own words: Rosemary Nakasakka**

“I already had my own organization defending women’s rights, Women’s Support Initiative, when [Oxfam partner] COTFONE contacted me. Then I was trained in being a Monitor. This EACOP is seen as a good project, but it may affect some people, so I moved around to ask people how they find the project. I had to know all the project affected people in the coverage area. There are 19 villages in Lwengo, and 1519 project affected people. I hold village meetings to get information, people raise their issues and the most pressing issues I follow up with them at home to get more details.

At first, local leaders were positive and saw us as people coming to help; but then this changed. They said that the company [EACOP] had told them that people like us did not want the development, and that is why we come into the community. But we told them no, we also want the development, but we want to tell you the positive and the negative impacts. …

When people’s issues are raised it may take time to get results, but they keep calling us. So, we give them examples of people whose issues have been worked on and tell them to be patient.

The wife of an old man went to the lady councilor, worried that she would be dumped after he got the compensation money [from EACOP]. She called me and I went to the family. I talked to the man, and he said he has not yet been paid, but he has made plans [for the money] and had not told his wife, because he is the head of the family. He said: “what is the point of telling her, if I am the one to make decisions?” But after we talked, he agreed to call his wife and we told her, and then the children (on how he intended to spend the funds). At first the man had a personal plan but then it became a family plan. They are now discussing everything.

I want to see when project affected people have been compensated, I want to see them changing their lives to improve their lives from a lower level to a higher level. I do not want to see anyone suffering. It might not be possible for all, but for the biggest percentage, it is possible. I want to see the construction going on in a peaceful way. I want the development to go from the individual level up to the top.”
Following a recommendation made in Oxfam’s EACOP’s Human Rights Impact Assessment\(^9\), the oil companies further agreed that where compensation was delayed, payments would be increased by 15% a year. They also agreed to other recommendations, such as compensating for orphan land on either side of the pipeline.

TotalEnergies has set up a dedicated division to engage with civil society organizations. Relationships have marginally improved, as the company now holds regularly quarterly meetings with civil society and introduced the ‘Let’s Talk’ program to strengthen its engagement on particular issues. Sessions are run by TotalEnergies, and the topics are mostly predetermined, leaving little room for CSOs to bring up their own issues, but civil society is cautiously hopeful. One Oxfam partner commented, “Total is trying to do a good job”\(^;\) however, it is not possible to say if the main driver for TotalEnergies’ effort is the push from civil society in Uganda or the company’s need to respond to opposing voices such as the StopEACOP Campaign and the European Parliament resolution.”

**CONCLUSIONS AND LESSONS LEARNED**

Overcoming initial resistance through conscious investments in local priorities: At first, local government officials perceived the work of partners and monitors as an obstacle to oil development. This perception has shifted as local partners and monitors have proven their value in promoting fair outcomes for communities and working alongside local government. Aside from mediation, monitors have also played a visible outreach role, socializing human rights frameworks and imparting on communities the importance of corporate

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Still Waiting: Experience of a Project Affected Person in Kikuube (Rev. Fred Musimenta).

“In 2017, surveyors came and told us that they were doing research on a pipeline. In 2018, they carried out the surveys. They said they would acquire the land, and they showed us which land they needed. They told us not to use the land for any permanent development like trees or houses, only short-term crops, and wait to be compensated.

But nothing happened until 2021, when they came with the Disclosure [Form] to say how much they would compensate us. They went from person to person, some of whom had considerable expenses like school fees or health problems, but they signed anyway. But me, no: I waited. Our land is becoming expensive in our place. We saw that our land had been taken at a very low price. … NGOs like CRED, AFIEGO, NAVODA stood with us so that our voices were heard. The Ministry of Energy came in to address us, and we petitioned the Resident District Commissioner and female MP. We were promised that EACOP would come with better information. But we waited. Recently we attended another meeting with MPs, and EACOP came to us individually and told us that they will revise the rates they pay. But we do not know the rates they will pay.

As we wait, we are grateful for people who have stood with us. If it was not for these NGOs, they would not come to us and agree to revise their rates. I have already sat with my family, and we will buy a piece of land to replace what they have taken. We are also planning to build small rentals [houses for rent].”
accountability. Local officials reported feeling generally positive about the role of monitors and local partners and considering their work central to the wellbeing of communities. As one local government official stated, “the oil and gas industry is very demanding, and the district did not have the capacity to respond. We need to move at a pace, in terms of compensation and land acquisition, to keep up with their schedule. CSOs came in to fill the gap. Most people did not know the process of land registration and complaints mechanisms. Paralegals solved many problems locally, directly with complainants themselves and not in courts. It was done in a peaceful way”.

Linking local priorities to a national and global agenda helps overcome silos and reinforces agendas: Oxfam and partners have taken a conscious holistic approach to counter the human rights abuses of oil development in Uganda. Local organizations COFTONE and NAVODA have supported community demands and have fed vital information to national and international debates. CSO, through its participation in multistakeholder groups comprised of government, private sector, and civil society representatives, has expanded the role of Ugandan civil society as a stakeholder in the oil industry. Oxfam’s Human Rights Impact Assessment and accompanying documentary Down the Line have complemented and strengthened the work of the monitors and elevated the experiences of people living on Uganda’s oil frontier. This holistic approach has also improved the confidence of communities and of monitors. Monitors were at first faced with a sense of hopelessness from many community members who felt powerless in front of government interests, presumably on account of their lack of resources, unequal access to information, fear of reprisals from local officials, and low literacy levels. By raising their grievances to national and international fora, partners gave communities a shared sense of purpose. As one community member shared, “there is a lot of intimidation by the authorities that EACOP is a government project, and you cannot fail a government project. But I would invite people to stand firm because I believe I will now get a fair compensation.”

Recognize the importance of cementing local wins in national frameworks and global company policies: Oxfam and partners have worked tirelessly to capitalize on the monitors’ local wins and standardize the inclusion of successful approaches into global company policies and national legislation. Oxfam influenced TotalEnergies to adopt a country human rights defenders’ position, which could provide an opening for a company-wide policy and global standardized approach. However, most improvements and agreements have not been enshrined in company practice, nor have they been incorporated into national frameworks. Oil companies and relevant government partners seem more interested in controlling the narrative around oil development than in making meaningful change. Companies and the government have started resorting to dubious engagements with CSOs, providing them with monetary support, and directly influencing public opinion through TV and radio, undermining the hope for any real change in both narrative and practice around oil development.

Focus on resolving individual cases, but do not lose sight of wider impacts: The work of the monitors has concentrated on individual cases, especially around land ownership and valuation—yet as construction of the pipeline ramps up, community-wide impacts such as restricted access to resources, possible labor rights violations, and construction traffic are expected. In Lwengo, for example, while a landowner was compensated for his land, no retribution was made to the community, who lost the water sources on this land, nor have they been offered an alternative. And while monitors are working on individual grievances, securing land rights in a context of varied and sometimes overlapping land tenure systems will require further training and coaching from Oxfam and partners. Meanwhile, women’s right to education and freedom from harm will be threatened as the oil industry expands. TotalEnergies’ own Environment and Social Impact Assessment (ESIA) predicted a higher school drop-out rate of teenage girls without identifying effective mitigation strategies to address the problem.
Oxfam’s work on Extractive Industries

Oxfam supports the rights of communities to know about oil, gas, and mining projects, and to decide if they want these projects. Oxfam also helps track the revenues paid by companies to governments so that more of that money will be spent fighting poverty. Today Oxfam works to find just solutions to oil, gas, and mining issues in approximately 30 countries. This case study is part of a knowledge and learning series focused on Oxfam and partners’ work influencing the oil, gas, and mining activities in selected countries.

Photos

Page 1: Welding work carried out on a gas pipeline. Photo: Berkut_34 /istock

Page 2: Participants at a refresher training for community monitors, August 2022
Photo: Siragi Magara Luyima

Page 3: A fishing community located on the shore of Lake Albert in Uganda facing potential environmental and socio-economic consequences due to the approved construction of the East Africa Crude Oil Pipeline (EACOP). Photo: Andrew Bogrand/Oxfam

Page 4: Community-monitor Mr. Besigwa conducting a mediation in Kamujongo, Igwanjura parish, Hoima District.
Photo: Siragi Magara Luyima

Page 6: Rosemary Nakasakka, a monitor.
Photo: Rob Denny/Community Wisdom Partners

Notes

1 Civic Response on Environment and Development – CRED is a national partner whose key interventions include community sensitizations, legal aid, and pro bono support.

2 Africa Institute for Energy Governance (AFIEGO’s) key objective is to empower citizens, particularly the poor and vulnerable, to participate in the making of energy policies.

3 Navigators of Development Association – NAVODA is a local NGO with a vision to see socio-economic transformation of communities through conservation of the environment and other natural resources.

4 Community Transformation Foundation Network (COTFONE)’s mission is to empower community actors to address the needs of vulnerable and marginalized groups in the Greater Masaka sub-region.

5 CSCO is a national platform of 64 NGOs working on oil and gas issues.

6 StopEACOP | East African Crude Oil Pipeline

7 This EACOP will be designed, constructed, financed and operated through a dedicated Pipeline Company with the same name. The shareholders in EACOP are affiliates of the three Upstream joint venture partners TotalEnergies 62%, UNOC and TPDC 15% each and CNOOC 8%.

8 Friends of the Earth France, Survie, AFIEGO, CRED, NAPE/Friends of the Earth Uganda and NAVODA

9 This community-based human rights impact assessment highlights the social, environmental, cultural, and human rights risks of the East African Crude Oil pipeline for communities located along the proposed pipeline corridor in Uganda and Tanzania. Co-researched and produced by Global Rights Alert (“GRA”), Civic Response on Environment and Development (“CRED”), Northern Coalition for Extractives and Environment (“NCEE”), and Oxfam, it identifies and documents the actual and potential human rights implications of this major infrastructure project and makes recommendations to the governments and the companies to mitigate the adverse impacts and to increase the positive impacts of this project and advocate for inclusiveness, transparency, and accountability.

10 An oil pipeline is coming to East Africa with promises of jobs, money, and a better future. But, like oil, the truth requires digging deeper. Down the Line explores the real experiences of people living in Uganda’s oil frontier.


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