A LEGAL ANALYSIS OF LAND ACQUISITION FOR OIL AND GAS DEVELOPMENT IN UGANDA: A CASE STUDY OF THE ALBERTINE GRABEN

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**REG NO: RS18M23/019** 

A DISSERTATION SUBMITTED TO THE FACULTY OF LAW IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A MASTER OF LAWS OIL AND GAS OF UGANDA CHRISTIAN UNIVERSITY.

**APRIL, 2022** 

### **DECLARATION**

I, Joanita Gertrude Bushara hereby declare that this dissertation is my work and it has not been
submitted before to any other institution of higher learning for fulfillment of any academic award.
Signed
Date

#### **APPROVAL**

This is to certify that, this for dissertation entitled "A legal analysis of the land acquisition for
oil and gas development in Uganda: a case study of the Albertine
Graben" has been done under my supervision and now it is ready for submission.
Signature
Mr. Isaac Christopher Lubogo
(Academic Supervisor).
Date

### **DEDICATION**

I dedicate my dissertation work to my loving parents John and Ruth Bushara without whom this work would never have seen the light of day.

#### **ACKNOWLEDGMENT**

I want to thank the Almighty for his ever-constant mercies.

My sincere thanks go to my supervisor Isaac Christopher Lubogo for his guidance and support

With utmost gratitude, I thank my parents John and Ruth Bushara who have encouraged me to further my studies at every opportunity.

My dearest husband Charles Gerald has been my enormous support and has guided me in every way to see the completion of this work.

Special thanks go to my siblings Edmund, Dorcas, Jonathan, Tito and Susan, their dear spouses and adorable children, who have been my ever present cheer leaders.

Last but not least to my very special nephew, the late Ethan, whom I know is with the angels and celebrating with me.

#### **ABSTRACT**

This study carried out a legal analysis of land acquisition for the development of the oil and gas industry in Uganda, with particular emphasis on the Albertine Graben.

The study is to identifies the legal and regulatory framework for land acquisition in the industry and identifies the impacts and challenges that emanant from the land acquisition process.

The Government has the power to acquire land and this study provides recommendations on how Government can effectively acquire it for the industry.

Notwithstanding the existence of the regulatory framework and legislation, there remains challenged in the process of land acquisition.

This study aims to discover the challenges by examining five projects that are currently being undertaken, which include legal, social and environmental. It then makes possible recommendations to address these challenges.

Chapter one of the study outlines the introduction and problem statement. Chapter is the literature review on land acquisition in the oil and gas sector. Chapter three relates to the research methodology employed which mainly the doctrinal research methodology. Chapter four lays down the legal and regulatory framework governing land acquisition in the oil and gas industry. Chapter 5 indicates the impacts and challenges met. A comparative analysis of other countries with extractive industries and what legal framework they have adopted is carried out in chapter six. Lastly chapter seven deals with the findings, conclusions and recommendations which include change of land ownership systems to enable government plan better for the welfare of its citizens.

#### **TABLE OF CONTENTS**

DECLARATION	i
APPROVAL	ii
DEDICATION	iii
ACKNOWLEDGMENT	iv
ABSTRACT	V
TABLE OF CONTENTS	vi
LIST OF ACRONYMS	ix
CHAPTER ONE	1
1.0 General Introduction	1
1.1 Background to the study	1
1.2 Statement of the problem	4
1.3 Justification of the study	4
1.4 Significance of the study	5
1.5 General Objective	5
1.6 Scope of the study	6
1.6.2 Time scope	7
1.7 Research framework. (Theoretical & conceptual frameworks)	7
Theoretical framework	7
Conceptual framework	7
1.8 Chapter Synopsis	7
CHAPTER TWO	9
2.0 Literature Review	9
2.1 Introduction	Q

2.2 Impacts of Land acquisition amidst oil and gas industry development	26
2.2.1 Displacements	27
2.2.2 Social Economic Development	28
2.2.3 Human Rights Abuses	28
2.2.4 Resource curse	29
2.2.5 Spiritual and cultural impacts	30
2.3 Challenges faced in the process of Land Acquisition in Uganda's Oil and G	as industry
	31
2.3.1 Land Grabbing	31
2.3.2 Secrecy in handling pertinent matters	32
2.3.3 Traditional and cultural barriers	33
2.4 Conclusion	34
CHAPTER THREE	35
3.0 Research Methodology	35
3.1 Doctrinal Research Methodology	35
3.2 Comparative Legal Research Methodology	36
3.3 Data Collection Methods and Tools	37
3.4 Ethical considerations	37
3.5 Limitations of the study	37
3.6 Conclusion	37
CHAPTER FOUR: THE LEGAL AND REGULATORY FRAMEWORK GOVE	ERNING
LAND ACQUISITION IN UGANDA'S OIL AND GAS INDUSTRY.	39
4.1 Introduction.	39
4.2 The Constitution of The Republic of Uganda, 1995, As Amended	39
4.3 The Land Act (As Amended) Cap 227	41
4.4 The Land Acquisition Act Cap 226	41
4.5 The Petroleum (Exploitation, Development and Production) Act, 2013	42

THE LAND ACQUISITION PROCESS IN UGANDA'S OIL AND GAS INDUSTRY  DEVELOPMENT43	
5.1 Introduction	
5.2 Land, Land Rights, Land Use and Land Ownership in Uganda	44
5.3 The projects engaged in Oil Production in the Albertine Region	46
5.3.1 The Tilenga Project.	
5.3.2 The Kingfisher Project.	48
5.3.3 The East Africa Crude Oil Export Pipeline (EACOP)	50
5.3.4 The Kabaale Industrial Park	52
5.3.5 The Hoima-Kampala Petroleum Products Pipeline (HKPPP)	54
5.3.6 The Cumulative Impacts of Landtake for Oil Development	55
CHAPTER SIX: A COMPARATIVE ANALYSIS OF THE FRAME WORK AN	MONG
OTHER COUNTRIES THAT HAVE ADOPTED PERTINENT FOR LAND AC	CQUISITION
IN THEIR RESPECTIVE EXTRACTIVE INDUSTRIES	59
6.1 Introduction	59
6.2 Access to land	59
6.4 Public Acquisition of Land	62
Expropriation	62
Informal Settlements	62
6.5 Management of the environment	67
CHAPTER SEVEN: FINDINGS AND CONCLUSIONS	70
7.1 Introduction.	70
7.2 Summary Findings	71
7.3 Findings of the Study	72
Tilenga Project: 5,523 Project Affected Persons	74
Kingfisher Development Area: 727 Project Affected Persons	75
East African Crude Oil Pipeline Project: 3,792 Project Affected Persons	76
The Kabaale Oil Refinery	76
The Hoima–Kampala Petroleum Products Pipeline (HKPPP)	77

People-centred implementation	77
7.4 Recommendations	79
7.5 Conclusions	81
RIRLIOGRAPHY	83

#### LIST OF ACRONYMS

**EACOP** East Africa Crude Oil Pipeline

**IOCs** International Oil Companies

**KFDA** Kingfisher Development Area

**MEMD** Ministry of Energy and Mineral Development

PAPs Project Affected Persons

PAU Petroleum Authority Uganda

**IDP** Internally Displaced Persons

**IFC** International Finance Corporation

MNC Multinational Company

UN United Nations

**UBOS** Uganda Bureau of Standards

**FPIC** Free, Prior and Informed Consent

**CNOOC** China National Offshore Oil Company

**ESIA** Environment, Social Impact Assessment

**EITI** Extractives Industries Transparency Initiative

#### CHAPTER ONE

#### 1.0 General Introduction

#### 1.1 Background to the study

Uganda's oil and gas sector has transitioned from the exploration phase to the development phase in preparation for oil production (the operations phase). The extraction, processing, and distribution of oil require a great deal of infrastructure, which demands considerable acquisition of land from communities surrounding project sites. The land Acquisition process has continued to progress significantly following the conclusion of key petroleum agreements in April 2021 that propelled the sector into the development phase. This is a good thing for the people and communities that are within the vicinity of the oil and gas projects, whose livelihood and welfare is the government's priority throughout this process. Reports show that more than 10,000 people are impacted by the process of land acquisition as the oil companies acquire land for the three key oil and gas projects on behalf of the government.

The projects that have led to huge acquisition of land includes the Tilenga Project where 5,523 people were affected. This project in particular required 2,901 acres of land across Buliisa, Hoima and Kikuube districts. It was established that the project still require additional land within the Murchison falls National Park in Nwoya District though this land has no Project Affected Persons (PAPs).<sup>4</sup>

The other project is the Kingfisher Development Area (KFDA) project land that has seen about 727 PAPs across the 1,020 acres in Hoima and Kikuube districts. It is said that this project has advanced much faster than the others when it comes to land acquisition

<sup>&</sup>lt;sup>1</sup> Ali Ssekatawa, 'Petroleum project Land acquisition process prioritizes the people' (2021) < <a href="https://www.pau.go.ug/petroleum-project-land-acquisition-process-prioritiss-the-people/">https://www.pau.go.ug/petroleum-project-land-acquisition-process-prioritiss-the-people/</a> > accessed 2th October 2021

<sup>&</sup>lt;sup>2</sup> Ibid

<sup>&</sup>lt;sup>3</sup> Ibid

settlement where by 95% of the PAPs have been compensated and already benefiting from the livelihood restoration programmes.<sup>4</sup>

The other Project is the East African Crude Oil Pipeline (EACOP). The pipeline is expected to transport crude oil from Kabaale, Hoima district to Tanga Port Tanzania, at 1, 444, kilometres. The EACOP is said to be the longest heated, buried crude oil pipeline in the world. In Uganda, the EACOP is expected to take about 2,740 acres of land in linear formation.<sup>5</sup> It is projected to cover 296 kilometres through Hoima, Kikuube, Kakumiro, Kyankwanzi, Mubende, Gomba, Sembabule, Lwengo, Kyotera and Rakai districts, where by 3792 people were impacted. By September 2021, the EACOP Company was disclosing the valuation report to all affected persons which was expected to be followed by other precompensation activities like bank account opening and financial literacy training. Reports show that for the EACOP project, entitlement disclosures would begin and by December 2021 the PAPs would be paid.<sup>6</sup>

The Petroleum Authority of Uganda (PAU) among its many mandates, monitors the land acquisition process to ensure the value for money during implementation, as well as compliance with the Ugandan Laws and international standards. The PAU through its monitoring projects ensures that one of the priorities during these Land Acquisition projects is to see that the PAPs get a better way of life than the one they had before the projects started. <sup>7</sup>

The PAU also in its mandate ensures to prioritize peoples well-being through ensuring that there is access to information encouraging the government officials and the companies to hold frequent discussions with both the directly affected persons and the

<sup>&</sup>lt;sup>4</sup> Ogwang, T.; Vanclay, F.; van den Assem, A. Impacts of the oil boom on the lives of people living in the Albertine Graben region of Uganda. Extr. Ind. Soc. 2018, 5, 98–103.

<sup>&</sup>lt;sup>5</sup> Ssekatawa (n 1)

<sup>&</sup>lt;sup>6</sup> Ibid

<sup>&</sup>lt;sup>7</sup> Ibid

communities before, during and after the compensation exercise through sharing as much information on the project as possible.<sup>8</sup> These engagements are expected and usually carried out in the presence of local leaders, religious leaders and civil societies and where necessary community-based interpreters and translators so as to ensure that people get all the correct information. More so there are relative dispute resolution programmes put in place to manage the disputes or disagreements that would occur to ensure that there is prior agreement and resolution before any compensation is made on the affected property.<sup>9</sup>

PAU takes into account the welfare of the PAPs as one of these significant factors in monitoring and implementing successful petroleum projects. <sup>10</sup> In the same view, the government remains committed to prioritizing the wellbeing of the people and the communities in areas where there are the oil and gas operations especially during the complex processes of land acquisition. With such projections and developments in relation to Land Acquisition, it is important to understand and conduct a study evaluating the legal aspects related to land acquisition procedures amidst Uganda's oil and gas industry development.

This study therefore seeks to conduct a legal analysis of the land acquisition in Uganda's oil and gas industry development.

The analysis will be based on evaluating whether the conduct of land acquisition in Uganda's oil and gas industry reflects and upholds the legally international accepted principles related to land acquisition and resettlement of PAPs.

3

<sup>&</sup>lt;sup>8</sup> Vanclay (n 5)

<sup>&</sup>lt;sup>9</sup> Ssekatawa (n 1)

<sup>10</sup> Ibid

#### 1.2 Statement of the problem

It is a fact that the development of the Oil and Gas industry requires vast amount of land in thousands of acres. The discussion showed that close to 10,000 people are to be displaced for the effective oil and gas industry development in Uganda. The Petroleum Authority of Uganda has tried to ensure that the issues of land acquisition are handled with efficient and clear guidelines having the needs and rights of the PAPs at the fore front.

Despite the government efforts put in place to ensure a pertinent and smooth development of the oil and gas industry, there have been continued occurrence of land conflicts, in areas of Buseruka Sub County.<sup>11</sup> The media has reported various threats emanating from the land uncertainty as a result of oil exploration leading to hatred between the oil exploration company and the indigenous people, without forgetting the unclear displacement of the PAPs.<sup>12</sup> These among others like land grabbing have continued to make the whole process of Land Acquisition a complex subject between the Government, the International oil companies and PAPs.

This study seeks to conduct a legal analysis of the land acquisition process in Uganda's oil and gas industry development. This aims to evaluate the effectiveness of the legal and regulatory framework for land acquisition analyzing whether they uphold the accepted legal standards and principles related to land acquisition. This study will also in a bid evaluate whether the legal framework is effective enough to deal with the impacts that emanate from the conduct of land acquisition activities like those of the ongoing oil and gas industry in Uganda.

#### 1.3 Justification of the study

The development of the oil and gas industry is one that entails a lot of work for its relative development. It is a capital-intensive industry that requires relative reasoning for the development of the industry at large. One of the issues that are important towards industry development is the issue of land acquisition. Land acquisition comes along with various issues especially its impacts

<sup>&</sup>lt;sup>11</sup> International Alert, Governance and Livelihoods in Uganda's Oil-Rich Albertine Graben (2013)

<sup>&</sup>lt;sup>12</sup> Kisembo, T.B, 'oil exploration and land conflicts in Hoima district' (2009) pg. 2

on the people, the issues to do with resettlement which is important to the development of the oil and gas industry. With good land acquisition procedures in place, we are assured of a conducive working environment from the PAPs. It is important that the rights of PAPs are respected during this process to avoid any negative effects on the industrial development. If not taken heed to, the impacts might be detrimental for the industry development. It is therefore necessary that for this study to analyze how effectively the legal framework for the oil and gas industry can deal with land acquisition in line with agreed international best practices.

#### 1.4 Significance of the study

The goal of the study is to enable the public to have knowledge of the legal framework relating to land acquisition in Uganda's oil and gas sector.

That the findings of this research might be of value to legislators and policy makers to come up with more effective guidelines relating to the processes of Land acquisition in Uganda's oil and gas industry.

This research would also be important to scholars and academicians as a source of information for purposes of future research and reading purposes.

#### 1.5 General Objective

To conduct a legal analysis of land acquisition for oil and gas development in Uganda

#### 1.5.1 Specific Objectives

- To identify the legal and regulatory framework for Land Acquisition in Uganda's oil and gas industry.
- To identify the Impacts and challenges that come along with the Land Acquisition process in Uganda's oil and gas industry development.

- iii. To make a comparative analysis of the legal and regulatory frame work among other countries that have adopted pertinent legislature for land acquisition in their respective extractive industries like the oil and gas industry in Uganda.
- iv. To propose recommendations premised on the study.

#### **1.5.2 Research Questions**

- i. What is the legal framework for land Acquisition in Uganda's oil and gas Industry?
- ii. What is the Impact and the related challenges faced as a result of Land Acquisition in Uganda's Oil and Gas industry?
- iii. What are some of the best country practices related to land acquisition in the extractive industries like oil and gas industry in Uganda?
- iv. What conclusions and recommendations can be made from the study findings?

#### 1.6 Scope of the study

#### 1.6.1 Geographical scope

The research is premised in Uganda as a country. However much the Albertine region in Western Uganda is where the oil and gas processes are currently taking place, the issues to do with Land acquisition is most situate in that area where pertinent and most of the oil and gas mineral resources are located. The issue of land acquisition affects the whole country as Uganda, it is thus important to note that the ideas developed form this study could be used in other areas where similar activities would be taking place.

#### 1.6.2 Time scope

The study will consider data regarding land Acquisition from 2006 when Uganda's oil and gas industry was rendered commercially viable to present considering that most of the industry policy developments have been developed in this time frame. It is however important to note that some of the laws to be referred to date way far back than 2006 in as far as the issue of general land acquisition is concerned respectively.

#### 1.7 Research framework. (Theoretical & conceptual frameworks)

The phrases theoretical framework and conceptual framework are frequently interchanged when referring to the same thing. Although they are both utilized to comprehend a research problem and drive the planning, collection, and analysis of research, it is crucial to know the differences.

#### **Theoretical framework**

A single formal theory constitutes a theoretical framework. When a study is built around a theoretical framework, the theory is the fundamental tool for comprehending and investigating the research problem. Although theoretical frameworks are more commonly employed in quantitative studies, qualitative research can still benefit from this method.

#### **Conceptual framework**

One or more formal theories (in part or whole), as well as other concepts and empirical facts from the literature, make up a conceptual framework. It's utilized to explain how these ideas are related to each other and to the research investigation. Because one theory typically cannot adequately address the phenomena being examined, conceptual frameworks are common in qualitative research in the social and behavioral sciences, for example.

#### 1.8 Chapter Synopsis

This proposal comprises three chapters as explained bellow;

**Chapter one** comprises of the general introduction, background of this study, the statement of the problem, and General and Specific objectives of the study, research questions, justification of the study, the scope of the study.

**Chapter two** comprises the Literature Review; it comprises scholarly literature from peer reviewed journal articles, case law and government documents, in relation to the study.

**Chapter three** discusses the methodology to apply to the study.

#### **CHAPTER TWO**

#### 2.0 Literature Review

#### 2.1 Introduction

This chapter will evaluate the various kinds of literature that revolves around the research area according to the concepts brought about by different authors. This evaluation will be in line with the research objectives and the research questions that are highlighted in this thesis respectively. The literature reviewed will enlighten and give more insights that will be dwelled upon to develop the rest of the chapters respectively.

#### **Literature Review**

1. Roberts K. Muriisa, 2018. Land Grabbing and Oil Industry, Implications for Women's Land Rights and Oil Industry in Uganda, Centre for Research on Peace and Development (CRPD) KU Leuven Parkstraat 45, box 3602, 3000 Leuven, Belgium.

The discovery of oil in any country is met with joy and jubilation for its prospective contribution to development. This is no different for Uganda. The need for land to pave way for oil exploitation and exploration as well as speculative investment has generated a challenge of land acquisition which in this paper the author has considered to be land grabbing. The phenomenon of land grabbing has been widely researched in the agricultural sector because of the scale and size of land taken over in the process of land acquisition and much less in the oil and extractive industry. This paper explores the drivers of oil related land grabbing, the impact of land grabbing on women's land rights and the implications of land grabbing related conflicts on the oil industry in Uganda. The paper concludes that land grabbing is real, the drivers are both institutional- state led, has impacted women's land rights and livelihoods negatively, and that the impact on the oil industry are largely destructive for the success of the oil industry.

The discovery of commercially viable oil deposits in Uganda in 2006 brought a lot of optimism about the contribution of this new discovery to the development of the country. The discovery of oil will transform the country from being a low to middle income country by 2017, and a first world country by 2040. Indeed, with the discovery of oil, Uganda and the expected oil gains, "Uganda is on the verge of becoming an OPEC powerhouse" (Bategeka et al 2013). According to Bategyeka, these considerations are promoted by politicians, a populist's approach to politics where leaders want to maintain themselves into power by overselling the expected benefits of oil discovery. The popular argument is that oil proceeds will finance the national budget and liberate Uganda from donor dependence and boost investment in the development of infrastructure such as roads, health, education and recreation, etc. At the local level the argument is that oil revenues will boost the districts and free them from dependence on central government.

The optimism with which this discovery comes with however fell short of reality when people in the oil rich region of the Albertine Graben began facing evictions from their land and some of them began living in internally displaced people's camps (IDP)-like conditions<sup>13</sup>. With more than 200 people evicted from their land to pave way for oil refinery in Kabaale, the hope and glamour of getting employment and a decent life from the oil industry by these people got lost. In addition to land being lost to oil exploration drive, there are reports that speculative land acquisition and application for freehold registration of land has increased. This affects people's livelihoods and transforms into conflicts which may in the long run affect the oil industry.

There is little academic work that has examined land grabbing as a phenomenon, the process and drivers of land acquisitions and the outcomes of this process and in particular the conflicts. Much of the land grabbing literature is on the green grab (see for example (Fairhead, Leach, Scoones 2012), with justifications of the green, food and biofuels as necessitating land grabbing because of the expanse of land involved in agriculture and less focus on 'black grabbing'. I argue that the

<sup>13</sup> http://www.observer.ug/business/38-business/38987-oil-rich-hoima-struggles-to-solve-the-land-question

manner in which government acquired the land for oil exploration and mining, the speculative investments and land acquisitions by individuals in the Albertine Graben after the discovery of oil can be positioned in the wider discourses on land grabbing, due to the manipulative nature of the process of acquisition.

Since 2006, the government embarked on the construction of the oil refinery which is expected to sit on approximately 29 square kilometres. Because of the oil refinery and the preparation for this refinery which involves infrastructural development including roads, there is a lot of oil related activity and land related matters have taken a heated turn and many people have been affected. So far it is reported by a number of scholars that a total of 7000 people from about 1200 households in Hoima district have so far been affected by the intended project (AFIEGO-Africa Institute for Energy Governance, 2013). More than 200 people have been evicted from occupying land. In this paper, the author examines the processes of land grabbing as a result of oil exploration and

In this paper, the author examines the processes of land grabbing as a result of oil exploration and exploitation in Uganda in the districts of Buliisa and Hoima. The paper systematically explores the nature of land grabbing related to oil discovery, the drivers of land grabbing (legal and social frameworks guiding acquisition), and the resultant outcomes of land grabbing. The discussion and analysis in this paper is based on data collected in Buliisa and Hoima, existing literature and government reports. In order to collect primary data, field research was carried out in the villages of Bukona (b), Nyamasyoga, Kyapolani all in Kabaale Parish, Buliisa Districts. In Hoima the author carried out field work because of the close proximity with Kabaale Parish, this is where most people especially those still awaiting compensation/relocation are residing. It is also an area where speculative land grabbing has taken place, and the area where the oil refinery is being planned for construction. In addition, land has been acquired for road construction (Kaiso-Tonya Road), dumping site for oil refuse during testing during oil exploration. In-depth interviews were undertaken with people; a majority of whom were women to understand the contestations over land and how their lives were impacted by oil discovery.

Interviews were also held with civil society organizations as well as community leaders such as local council chiefs. In-depth interviewing was preferred because of the flexibility it allows in getting more data through detailed probing of respondents.

2. Tom Ogwang & Frank Vanclay, 2019. Social Impacts of Land Acquisition for Oil and Gas Development in Uganda, Urban and Regional Studies Institute, Faculty of Spatial Sciences, University of Groningen, 9700AV Groningen, The Netherlands, [online] available at; <a href="https://www.mdpi.com/2073-445X/8/7/109/pdf">https://www.mdpi.com/2073-445X/8/7/109/pdf</a> (accessed 24th June, 2021)

Uganda's oil and gas sector has transitioned from the exploration phase to the development phase in preparation for oil production (the operations phase). The extraction, processing, and distribution of oil require a great deal of infrastructure, which demands considerable acquisition of land from communities surrounding project sites. Here, we examine the social impacts of project land acquisition associated with oil production in the Albertine Graben region of Uganda. We specifically consider five major oil related projects that have or will displace people, and we discuss the consequences of this actual or future displacement on the lives and livelihoods of local people. The projects are: Tilenga; Kingfisher; the East African Crude Oil Pipeline; the Kabaale Industrial Park; and the Hoima-Kampala Petroleum Products Pipeline. Our findings reveal both positive and negative outcomes for local communities. People with qualifications have benefited or will benefit from the job opportunities arising from the projects and from the much-needed infrastructure (i.e., roads, health centres, airport) that has been or will be built. However, many people have been displaced, causing food insecurity, the disintegration of social and cultural cohesion, and reduced access to social services. The influx of immigrants has increased tensions because of increasing competition for jobs. Crime and social issues such as prostitution have also increased and are expected to increase.

In this paper, the authors examine five of the major projects associated with the development of oil and gas in Uganda, each of which requires substantial land take. they discuss the social impacts these projects have had and will continue to have on the livelihoods of local people. They argue that oil and gas development should not lead to a resource curse, Dutch disease, and/or the Nigerian disease. Instead, Uganda and other resource-rich countries in Africa should ensure that the negative consequences from resource exploitation, and especially from land acquisition, are fully addressed by adhering to international best practice. Opportunities for benefit sharing should be properly considered and implemented by the oil companies and the government in a negotiated and coordinated way. Should this occur, local communities and the nation at large will prosper, and the oil companies will gain a social license to operate and grow. In addition, they will be more likely to experience the efficient and effective implementation of their projects.

## 3. Avocats Sans Frontières (ASF), 2015. BUSINESS, HUMAN RIGHTS AND UGANDA'S OIL AND GAS INDUSTRY: A BRIEFING OF EXISITING GAPS IN UGANDA'S OIL AND GAS LAWS, Kampala, Uganda.

Human rights are the basis for securing dignity and equality for all people. <sup>14</sup> Broadly, the human rights "bill of rights" is made of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights. These international instruments set out a range of rights and freedoms such as protection from deprivation of property, right to education, the right to favorable conditions of work, to a clean and healthy environment, and to an effective remedy, among others. There is evidence that transnational oil companies that respect human rights tend to have strong health and safety performance, reduced environmental effects from their operations, and become more acceptable by local communities within their operational jurisdictions, while, those that show no

<sup>&</sup>lt;sup>14</sup> European Commission, 'Oil and Gas Sector Guide on Implementing the UN Guidelines on Business and Human Rights.'

interest in protecting human rights face hostilities in their areas of operation leading to the denial of a social license to operate, face operational delays, reduced employee satisfaction, lawsuits and a reputational harm and limited investment expansion and opportunities.

In recent years, a number of transnational oil companies have joined the government and civil society to establish multi-stakeholder initiatives aimed at maximizing positive human rights impacts and preventing negative ones in the sector. Such initiatives include the Extractive Industries Transparency Initiative (EITI), the Voluntary Principles for Security and Human Rights, and the Global Oil and Gas Industry Organization for Environmental and Social Issues. Domestication of these principles and initiatives into national laws and policies is critical to the full realization of the "Protect, Respect and Remedy" framework of the UN Guiding Principles on Business and Human Rights.

This analysis demonstrates that Uganda's oil and gas laws fall short of protecting and promoting fundamental and other human rights and freedoms enshrined in the country's constitutional framework. The analysis also shows that Uganda's current policy and legal regime fails the compliance test, with regard to the UN Guiding Principles on Business and Human Rights. A number of human rights issues are raised, ranging from lack of transparency and accountability in the sector, non-disclosure of information, land conflict and compensation rights violations, labour discrimination between international expatriates and local human resources employed in the international oil companies, security and militarisation of the Albertine Graben, and local business opportunities through the provision of goods and services by local small business enterprises as key to the realisation of the desired sustainable economic development in the country. However, it should be noted that economic development does not directly correlate to human development. Therefore, deliberate measures need to be taken to ensure that sustainable economic development realises human development.

# 4. Muhindo, J., 2017. Compulsory Land Acquisition in Uganda: An Analysis of The Proposed Amendment of Article 26 Of the Constitution, Kampala. ACODE Policy Briefing Paper Series No.47.

Throughout Uganda's history, the question of land ownership, rights and interests in land has always been a socio-economically sensitive issue<sup>15</sup>. The strong citizenry attachment to their land stems from the fact that for many Ugandans, land is always and, in some cases, the only source of livelihood. Without land, there is no hope for sustainability as it is used to supply the day-to-day basic needs of families. These needs include; shelter, food, healthcare, and in more traditional societies, clothing. One major indicator of the extent to which Ugandans depend on land is through the national dependency on agriculture. According to the Uganda Bureau of Statistics (UBOS), the agricultural sector employs over 70 percent of the workforce and about 81 per cent of households depend on agriculture, accounting for 90 percent of export earnings<sup>16</sup>, and as of 2014/15; agriculture provided for 24 percent of GDP. It is land that is sold for children's fees, or for the access to other needs that cannot be gotten directly from land, not to mention the spiritual and cultural values attached to the land.

In view of the fact that not only the livelihood, but also sustainability and survival of Ugandans depends on land, regulation and governance of land ought to be handled with diligence. In the past, Ugandans from all walks of life – young and old, male and female – have expressed willingness to do anything in defense of their land and property rights.

On three different occasions in 2015, Ugandan media and the general public witnessed the boldness and resilience with which some women stood nudely to be counted in pursuit of their land rights.

<sup>16</sup> Uganda National Bureau of Statistics, 2015, The National Population and Housing Census 2014. At P. 42

<sup>&</sup>lt;sup>15</sup> John T. Mugambwa, 2002, Source Book of Uganda's Land Law – Kampala, Fountain Publishers, p.3

This move was out of the ordinary for two reasons; (i) Traditionally women's bodies are believed to be sacred. (ii) it has been argued that women largely have neither land rights nor ownership due to patriarchal cultures that place land ownership as a preserve for men<sup>17</sup>. The actions of women in Acholi and Teso who chose their last resort option to protect land from being arbitrarily taken, by government, signified the verbosity of the discussion around compulsory land acquisition by government. In this light, government's decision to legitimize acquisition of private land prior to compensation, by amending the supreme law of the land needs to be treated as sensitive issue and a matter of national importance. The Uganda Human Rights Commission in 2016 advised government to call for a referendum to address the controversial proposal to acquire land without giving prior compensation.<sup>18</sup> This advice from the Uganda Human Rights Commission buttresses the threat the proposed amendment of the Constitution poses to the economic, social and cultural rights of Ugandans across the board as well as its political implications.

5. Ingrid Gildseth, 2013. Land tenure practices and land acquisitions in oil region: The case of Hoima, Western Uganda, Master Thesis of Geography, Norwegian University of Science and Technology, Trondheim

The oil was first discovered in 2006 in the Albertine Graben area. This area is now divided into ten Exploration Areas. Five of these ten areas have been licensed to different oil companies. The discovery so far is amounting to about 2, 5 billion barrels. An oil refinery is planned in Buseruka Kabale, and plans for pipelines to link the individual wells are under construction (NEMA 2012). A full development plan for the oil region in Albertine Graben has not yet been prepared by the government, but the area needs a large amount of infrastructural development to make oil exploration possible (Oil in Uganda 2012a).

<sup>&</sup>lt;sup>17</sup> Chidinma Unigwe, 2016, Women Strip Totally Naked to Protest Land Grabbing in Uganda. Available at https://www.thetrentonline.com/women-strip-totally-naked-protest-land-grabbing-uganda-photos-nudity-2/

<sup>&</sup>lt;sup>18</sup> Francis Emorut, 2016, Hold Referendum on Compulsory Land Acquisition, The New Vision. Available at <a href="https://www.newvision.co.ug/new-vision/news/1435535/hold-referendum-compulsory-land-acquisition">https://www.newvision.co.ug/new-vision/news/1435535/hold-referendum-compulsory-land-acquisition</a>

Roads, pipelines, airstrips, a railway and a refinery are the main infrastructural improvements the government needs to exploit the resources. With increase in petroleum developments, an airstrip is being planned in the immediate surroundings of the refinery (NEMA 2012).

The infrastructural developments connected to the oil discovery are mainly taking place in the areas where a lot of people have their homes and their livelihoods through customary tenure. The developments such as roads and the refinery require huge areas of land, which in several areas is in use by local communities. This results in land acquisitions by the government to achieve the planned development (Uganda Roads Authority 2012, Ministry of Energy and Mineral Development 2013, Downstream Today 2012). How the areas included in this research are affected will be presented under the area description.

Customary tenure represents a great part of the tenure systems in many developing countries. Some countries recognize their customary land holders; others do not (Bruce et al 2010). This is complicating the process of land acquisitions and losers are often the rural poor (ILC 2011). This is also the case in most of the Albertine Graben area (NEMA 2010), which makes the local population vulnerable towards land grabbing.

This thesis will look at the system of land tenure in three areas within Hoima district in Western Uganda. It will look at the ongoing process of land acquisitions connected to a road project between Hoima town and the village Kaiso Tonya, and a planned refinery in Buseruka Kabale as specific infrastructural developments in the area, and land acquisitions connected to safety measures taken by the government in Kyangwali.

The land tenure practices in Kaiso Tonya, Buseruka Kabale and Kyangwali are locally managed customary systems. These practices are making the local farmers vulnerable towards land grabbing as the government does not fully recognize these inhabitants' land tenure rights.

This is most noticeable in Kyangwali where local people are being evicted without compensation, but also in Kaiso Tonya and Buseruka Kabale where compensations are described as highly insufficient.

The customary tenure systems of these areas have developed through history. The developmental plans of the area and the following land acquisitions might have an extra negative effect on the local inhabitants. Their way of assigning land rights and managing tenure is completely overlooked, and they are now losing control of something that always has been in managed within the local community. This will affect the locally based tenure security.

By using Zoomers' (2010) list of issues that should be taken into account in case of land acquisitions, it is by the presentation in chapter 5 clear that the land acquisitions in this case has not been handled properly by the government, which has affected the farmers in a very negative way. These land acquisitions can therefore be evaluated as a type of land grabbing by the government in their attempt to develop the oil sector in Uganda.

# 6. Amy K.L. & Gare A.S., 2010. Implementing a Corporate Free, Prior, and Informed Consent Policy: Benefits and Challenges, Foley Hoag LLP, Driving Business Advantage.

This report explores the benefits that Talisman Energy Inc. ("Talisman") might derive and the challenges it might encounter if it were to adopt a policy to secure the free, prior, and informed consent ("FPIC") of indigenous peoples potentially impacted by its global operations. Talisman commissioned this report at the request of two responsible investors, Bâtirente and Regroupement pour la responsabilité sociale des entreprises ("RRSE"). The World Resources Institute ("WRI"), a think tank and thought leader on FPIC, was asked to provide a third-party commentary on it. The scope of the report, as agreed by Talisman, the responsible investors, and WRI, includes the legal history of FPIC, the opportunities and challenges attendant to a FPIC policy, FPIC best practices, and guidance on FPIC policy language and implementation guidelines.

The report does not encompass a review of the effectiveness of Talisman's existing indigenous people's policies and practices, although the responsible investors requesting the report noted that Talisman "is ahead of the curve in terms of corporate social responsibility and transparency." The perspectives expressed in the report are intended to be inclusive, and draw upon the expertise of a range of community engagement and FPIC experts.

FPIC is one of a number of indigenous rights that are specifically enumerated in international documents. Talisman and a number of its peer companies already have policies and practices in place to respect the longer-standing international norm of engagement with indigenous peoples who will be affected by development activities. Indeed, meaningful engagement is a critical process for companies that seek a social license to operate. FPIC can be understood, in fact, as a heightened and more formalized form of community engagement to be utilized when a project has substantial impacts on indigenous groups. Although this report is focused on FPIC, it builds upon the assumption that community engagement is an essential baseline for company behaviour that helps ensure respect for human rights when company projects will affect communities. FPIC derives from a number of legal and normative sources. International Labour Organization ("ILO") Convention No. 169, a binding legal document, requires party States Parties to obtain the FPIC of indigenous peoples before resettling them, although this application of FPIC is conditional -- if States do not receive indigenous peoples' consent, they may relocate them in accordance with national law. The United Nations ("U.N.") Declaration on the Rights of Indigenous Peoples ("the Declaration") calls on parties to obtain the FPIC of indigenous peoples in the context of development projects that affect them. The Declaration is soft law rather than a binding legal document, but it is likely to influence national laws and jurisprudence over time, and soft law can evolve into hard, binding law. The U.N. General Assembly's approval of the Declaration in 2007 signaled a victory for indigenous people and provided momentum to the principle of FPIC.

These international legal documents look primarily to governments, not companies, to obtain FPIC from indigenous peoples. Yet this could change. FPIC is rapidly gaining momentum, and this paper captures only a snapshot of the concept, which will continue to develop. Although international law does not appear to impose a requirement directly on companies to gain FPIC, the evolution of FPIC in international law will affect companies. National and regional legal systems are beginning to incorporate the right of indigenous peoples to be involved in decisions regarding development projects that will impact them, which in some instances has led to the denial or alteration of concessions that had been offered to multinational companies by the State. In addition, non-legal entities, such as the Inter- American Development Bank ("IADB") and the Roundtable on Sustainable Palm Oil ("RSPO"), recently have started to apply the principles of FPIC directly to companies.

The policies and practices of a small but growing number of mining companies also incorporate the principles of FPIC – that consent is free, prior, and informed – to varying degrees. The oil and gas industry, however, has less frequently used FPIC in policy or practice. Evolving legal, social, and reputational risks provide reasons for

extractive companies to examine indigenous people's issues and consider whether seeking FPIC would better enable them to play an appropriate role in the realization of indigenous rights while more effectively protecting their social license to operate. Companies considering a policy that incorporates FPIC principles face a number of potential benefits and challenges to their operations, relationships, and reputation. FPIC might enhance a company's ability to obtain and maintain a social license to operate in some countries. Yet in countries where indigenous communities feel that their rights are well-protected and are not demanding FPIC, it might add little more benefit than a robust engagement process. Furthermore, obtaining FPIC is challenging because it can be difficult to identify the relevant indigenous peoples and define an appropriate negotiation process.

In addition, FPIC could heighten existing tensions between indigenous and non-indigenous communities if companies accord differential treatment to indigenous people.

On the other hand, seeking consent could improve the reputation of companies in the eyes of civil society, responsible investors, and indigenous groups if the companies can demonstrate that they follow a suitable process. Adhering to the principles of FPIC could also affect companies' market access and regulatory and legal risk. Companies that seek FPIC might obtain better market access if the government is concerned about indigenous rights and social unrest. On the other hand, some governments might wish only to develop natural resources as rapidly as possible and give concessions to companies that are certain to exploit them -- with or without FPIC. Efforts by companies to secure consent could adversely affect relations with the host government if the companies are construed to be undermining national sovereignty -- although if companies present FPIC as a means of mitigating social risk, such an outcome is less likely. In some instances, regulators might view companies that seek FPIC more positively and be more helpful during the regulatory process. At the same time, other regulators might feel that companies have layered an unnecessary and time-consuming requirement on top of the existing process. Adopting a policy that incorporates FPIC principles would likely lower legal risks in the long-term, particularly in countries that voted for the Declaration. This report is premised on a number of assumptions. First, understanding the distinct, although complementary, roles and capabilities of States and companies is critical. As the U.N. Special Representative for Business and Human Rights has noted, States and companies have different, although complementary, roles regarding human rights. Because the roles of States and companies are distinct, even if a government fails to meet its human rights duties, this does not release the company from its independent human rights responsibilities.

Given that the roles of States and companies are different, it is not surprising that the precise meaning of FPIC as it applies to governments is not likely to be the same for companies. Convention No. 169 and the Declaration appear to utilize the term, whereby a state gains consent before a concession is granted. Companies can, however, adhere to the principle of gaining consent "prior," and seek consent before commencing specified stages of operations. Therefore, this report refers to "community agreement based on FPIC principles" to highlight the ways in which these principles can be defined and operationalized in a corporate context, which sometimes varies in subtle but important ways from the State context. In some instances, the paper also refers to consent. This should be understood to be synonymous with "community agreement based on FPIC principles." The report also assumes that consent and engagement are closely related concepts that can form part of the same process. Companies always should engage with project affected communities. Consent is added on top of normal engagement processes in certain circumstances, and includes a more formalized process and outcome.

The terms engagement and consent should not be used interchangeably, as consent is a heightened or extra layer added to the engagement processes that companies normally undertake. The report concludes that, in the long-term, the benefits for oil and gas companies of obtaining community agreement based on FPIC principles, and thereby both supporting their social license to operate and reducing legal and reputational risks, may outweigh the substantial challenges of securing consent.

This is particularly likely in States that voted for the Declaration and in places where the rights of indigenous peoples are poorly protected in law or practice.

In light of global trends, it would be both timely and wise for Talisman to consider incorporating FPIC principles into its indigenous peoples or community policy. Because jurisprudence and consensus around FPIC is changing so rapidly, and companies have so little experience implementing the principles of FPIC, Talisman should review its policy within three years.

# 7. Festus Winyi, 2016. Relationship Between Oil Exploration Activities and Land Conflicts in Hoima District, Uganda: A Case Study of Buseruka Subcounty.

In most countries, oil is produced in areas inhabited by ethnic groups. However, the proceeds of the production go to government officials as well national coffers. In this case, the members of the ethnic communities will feel that given the fact that the oil is on their land, and they are not getting anything from the government, then it would be best if they break away from the parent nation to form their own (Ako & Okonmah, 2009, p. 57). This has been the case in Nigeria, Indonesia, and the southern part of Sudan. South Sudan is a recently independent state because of such a conflict (Alao, 2007, p. 124).

According to Onduku, (2001, p.5) that in Nigeria, some experiences abound in the Niger Delta is that parties in the conflict do not involve only the federal government and the Niger Deltans but also the oil multinationals. Put summarily, the grievances of the Niger Deltans have involved three closely interrelated, but analytically distinct issues: firstly, that all laws relating to oil exploration and land ownership be abrogated; secondly, the issue of natural resource control and self-determination and thirdly, that appropriate institutional and financial arrangements should be put in place by the Nigerian nation state and the oil multinationals to compensate the oil producing communities for the developmental and environmental problems associated with oil exploration and exploitation.

Furthermore, the whole conflict has been compounded by the cultural patterns of the people. The people consider their land to be sacred, for it is the source of their subsistence and income, and it also links the living to the dead. This too is reinforced by refusal to accept change, pride, confidence in supernatural deities and the low context behavior. These goal-blocking behaviors leave much to be desired and have jeopardized conflict prevention mechanisms (Onduku, 2001, p.6).

In framing this study to Sudan, it is important to distinguish between the ecological sources of conflict, political and economic sources of conflict. Oil is essentially an economic resource. It has little value to the traditional peoples of the region in terms of their survival, representing economic wealth only to the extent that it can be found, extracted from the ground, processed and shipped to industrial centers for use. Most central therefore, to this study of ecological sources of conflict are: access to and control over the oil fields and land areas they represent, right to participate in decision making over oil rights allocations and share in benefits of oil production and environmental impacts of oil exploration and production and their consequences (Switzer,2001, p.4).

According to Switzer, (2001, p.7) the chain of causation is believed to hold the following sequence: first, discovery of oil leads to an attempt by the government to appropriate oil-bearing lands. Second, efforts to appropriate land from groups without what they perceive to be equitable compensation leads to rising social tension and out breaks of rebellion. This rise in social tension is compounded by the environmental consequences of oil production that diminish the traditional sources of livelihoods.

Lado (2001, p.8) asserts that the last two decades of oil exploration and the battle of political control in Sudan are closely correlated. It demonstrates that the discovery of oil in the south led the central government to claim ownership of the newly precious/valuable lands and the resources they represented. This sparked the formation of the Sudan people's Revolutionary army and violent protest by the local inhabitants, culminating with the cessation of oil exploration and production in Sudan.

According to Emeseh, (2011, p.12) oil resources-induced conflicts in many cases create two or three parties to the conflict – the government of the host state, the oil producing companies (which in most cases are MNCs) and the host local communities, which in this research are also referred

to as oil village communities. The revenues from oil resources are maximized by the state and the MNCs, leaving the host oil communities in a state of alienation and deprivation.

In many cases, such as in Nigeria's Delta oil region, such negative impact easily manifests in form of environmental degradation and poverty and has been a cause for grievance by oil communities. However, beside the physical effects of oil resources on the host communities, there are other intense fundamental factors, such as struggles for power and leadership, and access to oil resource benefits (Ukiwo, 2011, p.8). Incidentally, the situations of struggle for power, leadership and access to the control of oil resources benefits arise out of the nature of the new relationship that exists between the parties that are directly or indirectly involved in oil production and utilisation.

Land conflict has been very pertinent in sub-Sahara Africa. In Nigeria, Congo, Angola, Gabon, Sudan, Ghana, Senegal (Ukiwo, 2011, p.10), can highlight to Uganda that the experience differs radically from the promise of petroleum. A more worrisome situation is created when the gap between the expectation created by oil riches and the actual produced is a condition for disorder and war which distort country's petroleum potential.

The author examines five of the major projects associated with the development of oil and gas in Uganda, each of which requires substantial land take. He discusses the social impacts these projects have had and will continue to have on the livelihoods of local people. He argues that oil and gas development should not lead to a resource curse<sup>19</sup>, Dutch disease, and/or the Nigerian disease<sup>20</sup>.

Instead, Uganda and other resource-rich countries in Africa should ensure that the negative consequences from resource exploitation, and especially from land acquisition, are fully addressed by adhering to international best practice<sup>21</sup>.

<sup>&</sup>lt;sup>19</sup> Collier, P. The institutional and psychological foundations of natural resource policies. J. Dev. Stud. 2017

<sup>&</sup>lt;sup>20</sup> Bategeka, L.; Matovu, J. *Oil Wealth and Potential Dutch Disease Effects in Uganda*; Economic Policy Research Centre: Kampala, Uganda, 2011; Available online: <a href="https://www.africaportal.org/documents/10469/Research\_Series\_81.pdf">https://www.africaportal.org/documents/10469/Research\_Series\_81.pdf</a> (accessed on 23 June 2021).

<sup>&</sup>lt;sup>21</sup> IFC. *Guidance Note 5: Land Acquisition and Involuntary Resettlement*; International Finance Corporation: Washington, DC, USA, 2012. Vanclay, F.; Hanna, P. Conceptualising company response to community protest:

Opportunities for benefit sharing should be properly considered and implemented by the oil companies and the government in a negotiated and coordinated way<sup>22</sup>. Should this occur, local communities and the nation at large will prosper, and the oil companies will gain a social license to operate and grow. In addition, they will be more likely to experience the efficient and effective implementation of their projects<sup>23</sup>.

# 2.2 Impacts of Land acquisition amidst oil and gas industry development

This section will analyse some of the impacts and the subsequent challenges from land acquisition in the oil and gas industry in Uganda. The development of oil and gas industry is expected to accelerate economic growth, job creation ensure that there is poverty eradication and also lead to the improved general prosperity of Uganda. The relative development of oil and gas industry is expected to continue to lead to displacement of people and it is also expected that with the continued development of the industry projects will require adoption tracks of land will be required.

Principles to achieve a social licence to operate. Land 2019, 8, 101

<sup>&</sup>lt;sup>22</sup> Vanclay, F. Project-induced displacement and resettlement: From impoverishment risks to an opportunity for development? *Impact Assess. Proj. Apprais.* **2017** 

<sup>&</sup>lt;sup>23</sup> Jijelava, D.; Vanclay, F. Legitimacy, credibility and trust as the key components of a Social Licence to Operate: An analysis of BP's projects in Georgia. *J. Clean. Prod.* **2017**.

### 2.2.1 Displacements

The development of oil and gas industry in Uganda is onshore. This means that the industry requires a lot of land to deal with the industry projects. This kind of development will also lead to displacements of people especially those who are within the vicinity of the industry operations. Reports show that displacement due to oil-related activities is one of the issues cited as a potential source of conflict in the region where oil and gas industry activities are situated.

An example of serious displacements is the development of the oil refinery that is expected to displace over 30,000 people in the nine villages of Nyahaira, Kyapoloni, Bukona, Kabaketo, Nyamasoga, Rugashare, Katooke, Kijumba and Kitegwa as well as part of Kaayera in the Hoima district.<sup>24</sup> The Ministry of Energy and Mineral Development earmarked UGX 5 billion (about US\$1.8 million) for their compensation as stipulated by a study made by Kasoma.<sup>25</sup> International Alert (2013), reports overall, there are conflicts in the region ranging from intra-and inter-district conflicts to inter-ethnic. Conflict seems to be centered on land ownership (66%) and land use (62%). In some cases, oil exploration seems to have escalated already existing conflicts.<sup>26</sup>

<sup>&</sup>lt;sup>24</sup> A. Kasoma (2012). 'Uganda oil refinery to displace 30,000', The Independent, 4th June 2012. < <a href="http://www.independent.co.ug/business/business-news/5859-oil-refinery-to-displace-30000">http://www.independent.co.ug/business/business-news/5859-oil-refinery-to-displace-30000</a> > accessed 12th October 2021 p.10

<sup>&</sup>lt;sup>25</sup> Ibid

<sup>&</sup>lt;sup>26</sup> International Alert, Governance and Livelihoods in Uganda's Oil-Rich Albertine Graben (2013)

# 2.2.2 Social Economic Development

Commercial oil deposits were first discovered in the Albertine graben region in western Uganda in 2006, and since then the Government of Uganda has had plans for their exploitation, although the target date for first oil has been postponed several times.<sup>27</sup> The extraction of oil means that there will be several large projects in the region, potentially including an oil refinery, the generation of electricity from gas, the export of crude oil to international markets by pipeline via Tanzania, and a new international airport.

The Government expects that the development of the oil and gas industry will accelerate economic growth, job creation, contribute to poverty eradication, and improve the general prosperity of Uganda.<sup>28</sup>

However, each project requires large amounts of capital, technical expertise, and land. The demand for land has led and will continue to lead to the displacement of large numbers of people.<sup>29</sup>

# 2.2.3 Human Rights Abuses

Irrespective of their purpose, large projects require land, and sometimes very large tracts of land.<sup>30</sup> Many projects cause displacement. If not managed well, resettlement can have severe consequences for local communities  $^{31}$  and can create human rights impacts.  $^{32}$ 

<sup>&</sup>lt;sup>27</sup> Vokes, R. The politics of oil in Uganda. (2012)

<sup>&</sup>lt;sup>28</sup> Hong, P.Y.; Singh, S.; Ramic, J. 'Development induced impoverishment among involuntarily displaced populations.' J. Comp. Soc. Welf. (2009)

Ogwang, T.; Vanclay, F.; van den Assem, A. Impacts of the oil boom on the lives of people living in the Albertine Graben region of Uganda. Extr. Ind. Soc. (2018)

<sup>&</sup>lt;sup>30</sup> Collier, P. The Bottom Billion; Why the Poorest Countries are Failing and What Can be Done About It; Oxford University Press: Oxford, UK, 2007.

<sup>&</sup>lt;sup>31</sup> Ogwang, T.; Vanclay, F.; van den Assem, A. Impacts of the oil boom on the lives of people living in the Albertine Graben region of Uganda. Extr. Ind. Soc. 2018

<sup>&</sup>lt;sup>32</sup> Van der Ploeg, L.; Vanclay, F. A human rights-based approach to project-induced displacement and resettlement. Impact Assess. Proj. Apprais (2017)

All projects should adhere to international best practices, which, among other things, require that involuntary resettlement be avoided or at least minimized, and that, where resettlement is unavoidable, all affected people should be fully and fairly compensated, and have an opportunity to be involved in the resettlement process.<sup>33</sup> Each project should be considered as an opportunity to improve the wellbeing of affected people. If international standards are not complied with, land acquisition for projects and the associated displacement and resettlement leads to impoverishment and conflict.<sup>34</sup>

#### 2.2.4 Resource curse

Scholars have argued that the extractive industries tend to be associated with the resource curse and issues like corruption, political and social instability, and economic underperformance, rather than positive and inclusive development.<sup>35</sup> Uganda is at a critical point if it wants to avoid joining the growing list of resource curse countries<sup>36</sup>.

It needs to ensure that the land needed for oil and gas infrastructure is acquired in a fair and transparent way, and with the consent of the original land owners. People in local communities need to be fairly and promptly compensated for their land<sup>37</sup>. Arguably, if land acquisition and future revenues are well managed, this could lead to economic prosperity and the improved welfare of Ugandans, however, if badly managed, there will be many negative outcomes,

<sup>&</sup>lt;sup>33</sup> Vanclay, F. Project-induced displacement and resettlement: From impoverishment risks to an opportunity for development? Impact Assess. Proj. Apprais (2017)

<sup>&</sup>lt;sup>34</sup> Ibid

<sup>&</sup>lt;sup>35</sup> Basedau, M.; Lay, J. Resource curse or rentier peace? The ambiguous effects of oil wealth and oil dependence on violent conflict. *J. Peace Res.* (2009)

<sup>&</sup>lt;sup>36</sup> Mosbacher, J. Fighting the resource curse: Uganda's pivotal moment. Wash. Q. 2013.

<sup>&</sup>lt;sup>37</sup> Olanya, D.R. Will Uganda succumb to the resource curse? *Extr. Ind. Soc.* **2015**, Shepherd, B. *Oil in Uganda: International Lessons for Success*; The Royal Institute of International Affairs: London, UK, 2013; <a href="https://www.chathamhouse.org/sites/files/chathamhouse/public/Research/Africa/0113pr\_ugandaoil.pdf">https://www.chathamhouse.org/sites/files/chathamhouse/public/Research/Africa/0113pr\_ugandaoil.pdf</a> accessed on 23 October 2021

including protests, project delays, escalating costs, reputational damage, food insecurity, and conflict.<sup>38</sup>

# 2.2.5 Spiritual and cultural impacts

Like most of Uganda and sub-Saharan Africa generally, the main land use in the Albertine Graben Region is agriculture (crop farming and livestock grazing)<sup>39</sup>, but now, land is increasingly used for commercial and infrastructure purposes.

Increasing population and economic activity will continue to change land use patterns towards more intensive use of land and natural resources. Kinyera<sup>40</sup> argued that land is important in many ways, including because of the intangible aspects associated with land, including cultural and spiritual beliefs. This means that land not only has use for food production, but is also a source of inspiration and spiritual fulfilment.<sup>41</sup> The Bunyoro-Kitara Kingdom has complained that their ancestral and spiritual grounds have been much affected by the oil developments, and specifically that their sacred shrines were damaged during the exploration phase and during the construction of oil-related infrastructure.<sup>32</sup> For the vast majority of African peoples, land is a primary and fundamental but also highly symbolic resource<sup>342</sup> The continued development and land acquisition process will greatly affect the spiritual and cultural attachment that comes along with land ownership to the

<sup>&</sup>lt;sup>38</sup> Hanna, P.; Vanclay, F.; Langdon, E.J.; Arts, J. Conceptualizing social protest and the significance of protest action to large projects. *Extr. Ind. Soc.* **2016**.

<sup>&</sup>lt;sup>39</sup> Cotula, L.; Vermeulen, S.; Leonard, R.; Keeley, J. *Land Grab or Development Opportunity? Agricultural Investment and International Land Deals in Africa*; IIED/FAO/IFAD: London, UK; Rome, Italy, 2009 < http://www.fao.org/3/a-ak241e.pdf > accessed on 23 October 2021.

<sup>&</sup>lt;sup>40</sup> Kinyera, P.B. Land, oil and expressions of citizenship in Uganda's Albertine Graben. *Extr. Ind. Soc.* **2019**, 6, 110–119.

<sup>&</sup>lt;sup>41</sup> Smyth, E.; Vanclay, F. The social framework for projects: A conceptual but practical model to assist in assessing, planning and managing the social impacts of projects. *Impact Assess. Proj. Apprais.* **2017**, *35*, 65–80. <sup>32</sup> Bainomugisha, A.; Kivengyere, H.; Tusasirwe, B. *Escaping the Oil Curse and Making Poverty History: A Review of the Oil and Gas Policy and Legal Framework for Uganda*.

<sup>&</sup>lt;sup>42</sup> Anseeuw, W.; Alden, C. *The Struggle Over Land in Africa: Conflicts, Politics and Change*; HSRC Press: Pretoria, South Africa, 2010.

vast majority of the societies in the areas surrounding Uganda's oil and gas industry development.

# 2.3 Challenges faced in the process of Land Acquisition in Uganda's Oil and Gas industry

# 2.3.1 Land Grabbing

The Uganda Land Policy stipulates that the discovery of oil and gas deposits in the Albertine Graben generated excitement in Uganda regarding the fact that the development of the resource may lead to the development of the national economy; the energy subsector and the general the national social wellbeing.<sup>43</sup> It equally raised concerns about issues of tenure, compensation, displacement and resettlement especially with the host communities surrounding the oil and gas mineral deposits. With such anticipations, it necessitated rush to secure prime land surrounding the oil exploration areas.

As cases of grabbing from indigenous communities went on the rise as customary land owners became insecure because they do not possess registered legally protected interests in their land. There has been a challenge in ensuring the protection of people's land rights and also ensuring that there are proper land acquisition procedures.

Inevitably conflicts had to occur between the locals who are the real owners of the land, but who had no registered interests and those who had acquired the legal interests albeit fraudulently through dubious land grabbing and other means.

<sup>&</sup>lt;sup>43</sup> The Uganda National Land policy 2013 pg.3

# 2.3.2 Secrecy in handling pertinent matters

According to the International Alert study on the livelihood in the Albertine Graben region, there seems to be a lot of secrecy surrounding oil it was revealed that the affected persons are only told to report to the Resident District Commissioners Office for guidance.<sup>44</sup> The issue of land acquisition is a process that needs relative engagement and understanding amongst the different stakeholders especially the government which has to give assurance to the International oil companies (IOCs) of the relative operation of the industry and, the land owners beingthe communities near the oil exploration fields whose interests also have to be taken into account. However, in all the study areas, the issue has been that there is limited pertinent information about what is actually happening in these related oil fields. An example is given where the representatives of the people namely the sub-county leaders did not know whether the affected persons had been compensated and if they had how their compensation was determined.<sup>45</sup> Thus in accordance with this study, the issue of lack of information is one aspect that can easily disrupt the smooth operation of land acquisition as expected and dealt with in the oil and gas industry in Uganda. When these transactions remain a secret, it becomes hard to evaluate and establish whether the affected people's land rights are protected within the dictates of the law especially during the land acquisition processes.

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<sup>&</sup>lt;sup>44</sup> International Alert, Governance and Livelihoods in Uganda's Oil-Rich Albertine Graben (2013) pg 41

<sup>&</sup>lt;sup>45</sup> Ibid

#### 2.3.3 Traditional and cultural barriers

When natural resources are discovered in areas that are not settled in, there are no complex issues that the industry has to deal with. The situation is different for areas which have been settled on. This is because it involves resettlement, compensation and mass sensitization about the need to relinquish their properties for which they have cultural attachments. There is a lot of resistance met when trying to relocate such people. Resettlement is problematic in many ways for rural people especially land is particularly important in some cultures and can have deep spiritual and emotional meanings. According to Dreibelbis, it is usually hard to come by a sensitive, dignified process, where communities feel that they have been thoroughly consulted, compensated and are happy with their new settlements is rare to come across.<sup>46</sup>

Dreibelbis, continues to stipulate further that Issues of resettlement and compensation are key in Uganda, a country where land titles and rights are complex. Dreibelbis gives an example of land for the refinery which was demarcated, but concerns have been raised over the resettlement process and compensation. That in these processes, rights of indigenous populations are also frequently cited as unrecognised and undervalued when extractive industries enter tribal territory, as ownership may have been passed down through generations but never officially registered.<sup>47</sup>

The situation as explained in the Albertine Graben region where Uganda's oil and gas deposits are situated is surrounded by the traditional elements of Bunyororo Kitara kingdom. In the Albertine Graben because most of the land was for the kingdom which was communally occupied and owned. With such a setting, it was seen as of no use for most people in these areas to register their interests in land due to their cultural heritage

<sup>&</sup>lt;sup>46</sup> Dreibelbis C, 'Land Grabs Damage Indigenous Communities in Uganda', in: First Peoples worldwide, (2012)

<sup>&</sup>lt; http://firstpeoples.org/wp/land-grabs-damage-indigenous-communities-in-uganda/ > accessed 22 October 2021

<sup>&</sup>lt;sup>47</sup> Dreibelbis (n 37)

attachment with their land. Such instances make it hard for the process of land acquisition to be handled in the oil and gas industry lie that of Uganda.

The views given by Dreibelbis are important to understand and put in mind when it comes to the handling of land rights in Uganda in the oil and gas industry.

## 2.4 Conclusion

The discussions given in this study show that there is a need to have a streamlined process when it comes to the handling and dealing with land acquisition in oil and gas industry in Uganda. The impacts that come along with this process are less expected and it goes deep into the relative social, economic and cultural aspects of the societies at large. It is important to understand that the issue of rights that accrue to these societies at large have to be respected and put into consideration. There will be a difficulty to deal with such procedures if no streamlined procedures are put in place that connect the different stakeholders, their roles and responsibilities in relation to land acquisition process in the oil and gas industry in Uganda. Therefore, this study seeks to conduct a legal analysis of the land acquisition process in Uganda's oil and gas industry development.

This will be in line to evaluate the effectiveness of the legal and regulatory framework for land acquisition with an analysis of whether they uphold the accepted international legal standards and principles related to land acquisition. The legal framework that will be evaluated will reflect on the conduct of land acquisition activities like those of the ongoing oil and gas industry in Uganda.

#### CHAPTER THREE

# 3.0 Research Methodology

This section presents the methodology that will be used in the study. It covers the research design, data collection methods, tools, ethical considerations, and limitations of the study. The study will adopt two research methods that is Doctrinal research methodology and comparative legal research methodology.

# 3.1 Doctrinal Research Methodology

This type of research is called pure theoretical research.<sup>48</sup> More so it is defined to mean research into legal concept and principle of all types of case, statutes and rules.<sup>41</sup> It is concerned with the analysis of the legal doctrine and how it has been developed and applied.<sup>42</sup> The stability and certainty of law are desirable goals and social value to be followed and which make the doctrinal research a primary concern to a legal researcher.<sup>49</sup> Thus, this kind of research methodology is carried out on a legal proposition or propositions by way of analyzing the existing statutory provisions and cases by applying the reasoning power.

The researcher intends to adopt this design and analyse the existing laws, statutes, rules, regulations and policies making specific legal inquiries into the legal dictates of land acquisition in Uganda's oil and gas industry.

The research methodology in question mainly focuses on the nature of law and legal authority; thereby evolving systematic analysis of statutory provisions and of legal

<sup>&</sup>lt;sup>48</sup> Rattan Singh, Legal Research Methodology, published by LexisNexis, 1st Edition2013, India, at 148

<sup>&</sup>lt;sup>41</sup>http://www.studymode.com/essays/Significance-And-Relevancy-Of-Doctrinal-Research-

<sup>55442354.</sup>html accessed on 26<sup>th</sup> October 2021 <sup>42</sup>Myneni (n 39)

<sup>&</sup>lt;sup>49</sup> S.N.Jain, doctrinal research and Non-doctrinal Legal research, Reprinted from 17 journal of the Indian Law Institute, (1975).

principles involved therein or derived therefrom, and also logical and rational ordering of the legal propositions and principles.<sup>50</sup>

It is the commonly used method of research employed for those undertaking researches in law. It helps to find the one right answer to a particular legal question or set of questions. <sup>51</sup> It also provides the organized explanation of the rules which are principal in a particular legal category. Perhaps the doctrinal research also predicts furfure improvement and clarifies the areas of the difficulty in the study undertaken. <sup>52</sup>

# 3.2 Comparative Legal Research Methodology

Comparative research methodology involves the contrast "of the law of one country with that of another." The statistics consists of particular provisions in the law. The comparison comprises the valuation of the similarities and differences in the statistics from the two legal schemes with the definitive aim of understanding the range of similarities or differences in the said data. The aim of the appraisal is to help the researcher to answer the query, "what do the discrepancy or comparisons disclose?" 55

For the purpose of the study at hand, a comparison of the legal framework of Land Acquisition as provided in Uganda's oil and gas industry will be carried out.

In essence, the legal Framework governing operation of Land Acquisition in Uganda's oil and gas industry will be compared with the provisions for other selected countries with similar extractive industries in order to establish whether the said comparison reveals any

<sup>&</sup>lt;sup>50</sup> Mvneni (n 39)

<sup>&</sup>lt;sup>51</sup> Ibid

<sup>52</sup> Ibid

<sup>&</sup>lt;sup>53</sup> Edward J Eberle, 'The Methodology of Comparative Law', Roger Williams University Law Review, Volume 16 (2011) < <a href="https://www.semanticscholar.org">https://www.semanticscholar.org</a> > accessed on 11<sup>th</sup> October 2021

<sup>&</sup>lt;sup>54</sup> Ibid

<sup>&</sup>lt;sup>55</sup> Edward (n 47)

gap in Uganda's legislative framework.<sup>56</sup> Through this method, it will be established whether there are any best practices for Uganda to learn from the regulatory frameworks of the said reviewed countries.

#### 3.3 Data Collection Methods and Tools

The researcher will use secondary sources of data collection which contain revising legislation regulating land Acquisition procedures in Uganda's oil and gas industry, books, law journals and case law in other jurisdictions that relate to the topic at hand. The researcher will depend on the various legislations in the libraries in form of Acts of parliament, and regulations relevant to the study at hand.

#### 3.4 Ethical considerations

The objective of ethics in this research is to ensure that all the literature reviewed is presented with proper reference to its respective authors.

# 3.5 Limitations of the study

There is limited accessibility of pertinent published work relating to the thesis at hand. Access to reputable journals online is also limited since most of them require subscription and buying most of the relevant journal articles and books. The researcher will mitigate this challenge by accessing relevant journals through open access links provided by the University Library like the Uganda Christian university Off Campus online Library link. This link had access to most of the academic sites that require subscription.

A student who has this access is able to get most of the relevant articles that require access through the recognized institution.

#### 3.6 Conclusion

Research methodology entails the study design that the researcher will take, data collection techniques that will be employed when carrying out the research, data analysis methods

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<sup>&</sup>lt;sup>56</sup> Ibid

which will be used to analyse the data found out. All this will be organized in a chronological way for the better presentation of the research.

#### **CHAPTER FOUR:**

# THE LEGAL AND REGULATORY FRAMEWORK GOVERNING LAND ACQUISITION IN UGANDA'S OIL AND GAS INDUSTRY.

#### 4.1 Introduction.

This chapter will list all of the Ugandan laws relating to land acquisition in Ugandan which govern the procedure that the government must follow before acquiring ownership of the land.

This will include legislation as well as case law in which courts have reiterated the procedure.

# 4.2 The Constitution of The Republic of Uganda, 1995, As Amended.

The Constitution is the supreme law of the land . All other laws derive their validity from the Constitution and any law which contradicts with the provisions of the Constitution is rendered null and void to the extent of its inconsistence with the Constitution.<sup>57</sup>

**Article 26** of the Constitution provides for the right of every person to own property either individually or in association with others.

It further provides that no person shall be compulsorily deprived of property or any interest in or right over property of any description except where the following conditions are satisfied-

- a. the taking of possession or acquisition is necessary for public use or in the interest of defence, public safety, public order, public morality or public health
- b. the compulsory taking of possession or acquisition of property is made under a law which makes provision for prompt payment of fair and adequate compensation, prior to the taking of possession or acquisition of the property; and a right of access to a court of law by any person who has an interest or right over the property.

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<sup>&</sup>lt;sup>57</sup> Article 2 of the Constitution of the Republic of Uganda, 1995, as amended.

To begin with, every citizen has the right to own land as the law provides and this ownership can only be taken away after the requirements mentioned above have been fulfilled. However, it is important to note that in as much as land is privately owned, natural resources are not.

This is derived from the provision of the Constitution under **Article 237** which provides that land in Uganda belongs to the citizens of Uganda and shall vest in them in accordance with the land tenure systems provided for in the Constitution. it further enunciates that notwithstanding clause (1) of the article the Government or a local government may, subject to article 26 of the Constitution, acquire land in the public interest; and the conditions governing such acquisition shall be as prescribed by Parliament. The Government or a local government as determined by Parliament by law, shall hold in trust for the people and protect, natural lakes, rivers, wetlands, forest reserves, game reserves, national parks and any land to be reserved for ecological and touristic purposes for the common good of all citizens

**Article 244** of the constitution provides that subject to article 26 of this Constitution, the entire property in, and the control of, all minerals and petroleum in, on or under, any land or waters in Uganda are vested in the Government on behalf of the Republic of Uganda.

This provision seeks to vest ownership of land discovered to be rich with natural resources in the government. However, for this ownership to be complete, the government must fulfil the requirements provided for under Article 26. Failure to fulfil these requirements grants a citizen to approach the courts of law for redress.

These two provisions are fundamental to this discussion as they help to draw the line between citizen and government ownership of land. In this way, it should be quite smooth to change ownership for purposes of exploiting the Mineral resources. It has however proven to be the opposite for many reasons as I shall discus later on in this paper.

# 4.3 The Land Act (As Amended) Cap 227

This is an Act of Parliament passed to provide for the tenure, ownership and management of land; to amend and consolidate the law relating to tenure, ownership and management of land.<sup>58</sup> It gives detail to the provisions of the Constitution that are concerned with land ownership.

It follows that **Section 2 of the Land Act** provides that subject to article 237 of the Constitution, all land in Uganda shall vest in the citizens of Uganda and shall be owned in accordance with the following land tenure systems; (a) customary; (b) freehold; (c) mailo; and (d) leasehold.

**Section 42 of the Act** further provides that the Government or a local government may acquire land in accordance with articles 26 and 237(2) of the Constitution.

As the parliament laid out the law to govern the ownership of land, it recognised the power of the government to take over ownership of land from private individuals for the common good of the country.

# 4.4 The Land Acquisition Act Cap 226

Like the Land Act, the Land Acquisition Act was enacted by parliament. It was promulgated to make provision for the compulsory acquisition of land for public purposes<sup>59</sup>. It lays out the procedure for acquiring land in detail following the provisions of Article 26 and Article 237 of the Constitution.

It is important to note the provision made under section 6 of the Act which states thus;

Where a notice is published under section 5 in respect of any land, the assessment officer shall, on the day specified in the notice, proceed to hold an inquiry into claims and objections made in respect of the land and shall make an award under his or her hand specifying; (a) the true area of

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<sup>&</sup>lt;sup>58</sup> Long title of the Land Act (as amended) Cap 227

<sup>&</sup>lt;sup>59</sup> Long title of the Land Acquisition Act, Cap 226

the land; (b) the compensation which in his or her opinion should be allowed for the land; and (c) the apportionment of that compensation among all the persons known or believed by him or her to have an interest in the land, whether or not they have appeared before him or her. [emphasis mine]

The Act recognises the aspect of compensation prior to the take over the land. However, on who should determine the amount of compensation is also an issue that has had a longstanding debate. The provision provides that the appointed person by the minister states the compensation which in his or her opinion should be allowed which seems to strip the owner of the chance to suggest how much compensation he wants according to the attachment he or she might have with the land.

Section 13 of the Act seems to remedy this fear by providing for compensation. The aggrieved party has the opportunity to take their disagreement to court in order to have a more reliable compensation or the desired remedy, if it is in the best interests with justice.

## 4.5 The Petroleum (Exploitation, Development and Production) Act, 2013

This was an Act promulgated to govern activities of oil production in the upstream section of the process. It nonetheless sheds light on the land rights and how they are to be exercised.

**Section 136** further provides for a land owner in an exploration or development area to retain the right to graze stock upon or to cultivate the surface of the land insofar as the grazing or cultivation does not interfere with petroleum activities or safety zones in the area.

This Act severs the land rights to include the surface rights as envisaged under section 136 and subsurface rights as envisaged under section 137. The Act also portrays that the licensee acquires the right to access the sub surface but must pay rent for utilising the surface in the process of accessing the subsurface.

#### **CHAPTER FIVE:**

# THE IMPACTS AND CHALLENGES THAT COME ALONG WITH THE LAND ACQUISITION PROCESS IN UGANDA'S OIL AND GAS INDUSTRY DEVELOPMENT.

#### 5.1 Introduction

Sustainable development necessitates governments providing public facilities and infrastructure that ensure safety and security, health and welfare, social and economic development, and environmental protection and restoration. The acquisition of suitable land is an important first step in the process of providing such facilities and infrastructure. In some cases, multiple locations may be suitable for a facility, such as a new government office, and the government may be able to purchase land at one of the locations through the land market. In other cases, specific land parcels are required, for example, to accommodate the route of a new road, to protect certain areas from flooding, or to meet redistributive land reform legislation requirements. That land may not be available for purchase at the time it is needed. Governments have the power of compulsory acquisition of land in order to obtain land when and where it is needed: they can compel owners to sell their land in order for it to be used for specific purposes.

Compulsory land acquisition has always been a delicate issue, and it is becoming more so in the context of rapid growth and changes in land use. In the face of an already high and growing demand for land, governments are under increasing pressure to deliver public services. Many recent policy dialogues on land have highlighted compulsory acquisition as a contentious issue. The often conflictual and inefficient aspects of the process are viewed as a constraint to economic growth and rational development by the government and other economic actors. People who are threatened with eviction are also agitated by the process.

Compulsory acquisition of land for development purposes may benefit society in the long run, but it is disruptive to the people whose land is acquired. It drives families out of their homes, farmers

out of their fields, and businesses out of their communities. It has the potential to separate families, disrupt livelihoods, deprive communities of important religious or cultural sites, and destroy social networks. If compulsory acquisition is carried out incorrectly, it can leave people homeless and landless, with no way of earning a living, no access to necessary resources or community support, and the sense that they have suffered a grave injustice. Governments that carry out forcible acquisition satisfactorily, on the other hand, leave communities and people in similar positions while giving the intended benefits to society.

### 5.2 Land, Land Rights, Land Use and Land Ownership in Uganda.

Uncertainty and controversy over land ownership impede the process of project land acquisition in Uganda. 60 Land ownership is addressed under Article 237 of the Uganda Constitution, which states that national and local governments have the authority to "acquire land in the public interest; and the circumstances governing such acquisition shall be as stipulated by Parliament." Customary, freehold, mailo, a unique form of tenure dating back to the Uganda Agreement of 1900 between the British Government and the Kingdom of Buganda; and leasehold are the four types of land tenure recognized in Ugandan law. Over 70% of Uganda's land is held through customary tenure, and much of it lacks a proof of title. 61 Members of a community can claim customary land ownership on an individual basis or as a collective communal tenure. Land grabbing, combined with changes in property use patterns and rising economic activity and investment in the Albertine Graben, has boosted attempts to convert customary land into freehold tenure.

However, contention among communities over who is entitled to property ownership, the cost of conversion to legal tenure, and the lengthy nature of the procedure make this challenging.

<sup>&</sup>lt;sup>60</sup> Deininger, K.; Castagnini, R. Incidence and impact of land conflict in Uganda. J. Econ. Behav. Organ. 2006, 60, 321–345. See also; Doss, C.; Meinzen-Dick, R.; Bomuhangi, A. Who owns the land? Perspectives from rural Ugandans and implications for large-scale land acquisitions. Fem. Econ. 2014, 20, 76–100

<sup>&</sup>lt;sup>61</sup> AECOM. Tilenga Project: Environmental and Social Impact Assessment; National Environment Management Authority: Nairobi, Kenia, 2018; Volume IV–V, Available online: <a href="https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf">https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf</a> (accessed on 23 January 2022).

Land collective ownership is not always inclusive, in the sense that not all members of a community are considered to have a share, and women are often excluded from land ownership.<sup>62</sup> This causes friction during compensation discussions since, in accordance with international standards, firms and governments insist that women and men receive equal remuneration for land. Individual interactions with land, on the other hand, are shaped by customary laws and practices, which are impacted by patriarchal conditions and conventional societal norms. Males are more likely to inherit formal land ownership, whereas women are more likely to get secondary access to land through males (e.g., fathers, husbands, and brothers). Because land is so important to local people's livelihoods, and because land can be used to discriminate against women, dealing with land ownership and compensation concerns should be handled with caution.

The Albertine Graben Region, like most of Uganda and Sub-Saharan Africa, relies heavily on agriculture (crop cultivation and cattle grazing), but it is increasingly being used for commercial and infrastructure purposes.<sup>63</sup> Land use patterns will continue to alter as population and economic activity rise, resulting in more intense use of land and natural resources. Kinyera<sup>64</sup> stated that land is significant in a variety of ways, including the intangible components of land, such as cultural and spiritual ideas.

This means that land serves as a source of inspiration and spiritual fulfilment in addition to food production.<sup>65</sup> The Bunyoro Kitara Kingdom has protested that the oil developments have harmed

<sup>&</sup>lt;sup>62</sup> Doss, C.; Truong, M.; Nabanoga, G.; Namaalwa, J. Women, marriage and asset inheritance in Uganda. Dev. Policy Rev. 2012, 30, 597–616

<sup>&</sup>lt;sup>63</sup> Cotula, L.; Vermeulen, S.; Leonard, R.; Keeley, J. Land Grab or Development Opportunity? Agricultural Investment and International Land Deals in Africa; IIED/FAO/IFAD: London, UK; Rome, Italy, 2009; Available online: <a href="http://www.fao.org/3/a-ak241e.pdf">http://www.fao.org/3/a-ak241e.pdf</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>64</sup> Kinyera, P.B. Land, oil and expressions of citizenship in Uganda's Albertine Graben. Extr. Ind. Soc. 2019, 6, 110–119

<sup>&</sup>lt;sup>65</sup> Smyth, E.; Vanclay, F. The social framework for projects: A conceptual but practical model to assist in assessing, planning and managing the social impacts of projects. Impact Assess. Proj. Apprais. 2017, 35, 65–80.

their ancestral and spiritual grounds, particularly their sacred shrines, which were damaged during the exploration phase and the construction of oil-related infrastructure.<sup>66</sup>

Land "is a main and fundamental but also profoundly symbolic resource" for the great majority of African peoples. <sup>67</sup> Alao also mentioned the following:

"Land is without a doubt Africa's most valuable natural resource. Its significance extends beyond economics to include social, spiritual, and political dimensions. It is used as a birthplace, a site where ancestors are buried, a spot that the creator has selected to be passed down to subsequent generations, and the final resting place for every child born on its surface, among other things. As a result, every African community views land as a natural resource held in trust for future generations, and the sacredness of this trust is at the root of most of the continent's land conflicts." 68

# 5.3 The projects engaged in Oil Production in the Albertine Region.

Following the finding of oil, joint venture partners CNOOC (2014), Total E&P Uganda (2017), and Tullow Uganda Operations were granted production licenses (2017). The licenses will be valid for 25 years and can be renewed. The overall cost (outlay) of Uganda's oil development (including subprojects) is in the billions of dollars.<sup>69</sup> Apart from the oil extraction sites, the additional infrastructure required for oil production and delivery needs extensive land acquisition, which will result in greater community relocation. I look at the five most important projects that make up Uganda's oil development, along with a slew of others. I pay special attention to the

<sup>67</sup> Anseeuw, W.; Alden, C. The Struggle Over Land in Africa: Conflicts, Politics and Change; HSRC Press: Pretoria, South Africa, 2010.

<sup>&</sup>lt;sup>66</sup> Bainomugisha, A.; Kivengyere, H.; Tusasirwe, B. Escaping the Oil Curse and Making Poverty History: A Review of the Oil and Gas Policy and Legal Framework for Uganda; ACODE: Kampala, Uganda, 2006; Available online: <a href="https://www.africaportal.org/documents/9141/PRS\_20.pdf">https://www.africaportal.org/documents/9141/PRS\_20.pdf</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>68</sup> Alao, A. Natural Resources and Conflict in Africa: The Tragedy of Endowment; University of Rochester Press: New York, NY, USA, 2007.

<sup>&</sup>lt;sup>69</sup> Uganda—Oil and Gas. Available online: <a href="https://www.export.gov/article?id=Uganda-Oil-and-Gas">https://www.export.gov/article?id=Uganda-Oil-and-Gas</a> (accessed on 23 January 2022).

social consequences of these undertakings, particularly those related to relocation. Because these projects are deemed critical to Uganda's development, expropriation may be used, and any land acquisition would be classified as involuntary relocation by the World Bank.<sup>70</sup> The Tilenga project, the Kingfisher project, the East African Crude Oil Pipeline (EACOP), the Kabaale Industrial Park, and the Hoima–Kampala Petroleum Products Pipeline are the five projects we're looking at (HKPPP). These projects were chosen because they are significant in their own right and each involves a significant land take. Following is a brief summary of these projects, followed by a discussion of their societal implications as a whole in the next section.

# 5.3.1 The Tilenga Project.

Total, a French multinational oil and gas firm, is implementing the Tilenga oil exploitation project.<sup>71</sup> The project is located in the Murchison Falls National Park in Uganda's northwest. The name 'Tilenga' is a mix of the Acholi and Bunyoro antelope names—'til' in Acholi and 'engabi' in Bunyoro. Total claims that Tilenga, like the other oil and gas projects in Uganda, is extremely important to Uganda because of the predicted advantages (particularly revenue). Total also stated that many local firms will be able to offer goods and services to the project, and that it would employ sound environmental and social management systems.<sup>72</sup> Murchison Falls National Park, on the other hand, is a significant biodiversity and tourism region, as well as a recognized Important Bird Area that is home to a variety of uncommon, fragile, and endangered species.<sup>73</sup> The project's position in the national park makes it a potentially perilous undertaking.

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<sup>&</sup>lt;sup>70</sup> Vanclay, F. Project-induced displacement and resettlement: From impoverishment risks to an opportunity for development? Impact Assess. Proj. Apprais. 2017, 35, 3–21., see also; IFC. Guidance Note 5: Land Acquisition and Involuntary Resettlement; International Finance Corporation: Washington, DC, USA, 2012.; World Bank. Involuntary Resettlement Sourcebook; World Bank: Washington, DC, USA, 2004.

<sup>&</sup>lt;sup>71</sup> Available online: https://www.total.com (accessed on 23 January 2022).

<sup>&</sup>lt;sup>72</sup> AECOM. Tilenga Project: Environmental and Social Impact Assessment; National Environment Management Authority: Nairobi, Kenia, 2018; Volume IV–V, Available online: https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf (accessed on 23 January 2022).

<sup>&</sup>lt;sup>73</sup> WWF; CSCO. Safeguarding People and Nature in the East African Crude Oil (EACOP) Pipeline Project: A Preliminary Environmental and Socio-Economic Threat Analysis; WWF and CSCO: Kampala, Uganda, 2017;

The Tilenga project's actual project footprint is around 1170 hectares, with a total project area of around 110,000 hectares.<sup>74</sup> The central processing plant required 317 hectares in the Buliisa district, which was part of the planned land acquisition. The Tilenga project will physically relocate 265 people, who will lose their homes, land, and structures, and economically displace 345 people, whose livelihoods, including crop cultivation, cattle grazing, and natural resource collecting, would be adversely impacted.<sup>75</sup>

The government's land valuer has set compensation rates at 3.5 million Ugandan shillings per acre (equivalent to 946 USD). Some residents, meanwhile, are seeking 21 million shillings per acre (equivalent to 5675 USD). A few local politicians have seized on the community's fears, magnifying them and potentially generating even more anxiety. <sup>76</sup> People who have been harmed by the project appear to need to go to court in order to secure just recompense.

A Member of Parliament<sup>77</sup> argued that things needed to improve, noting that people should be given comprehensive compensation, that minimal cash payments for land only or land-for-land exchanges alone were insufficient, and that compensation should include, among other things, an allowance for communal land benefits, job opportunities, and, where possible, local content.

# 5.3.2 The Kingfisher Project.

CNOOC Uganda, a Chinese corporation, is developing the Kingfisher oil production project on the Buhuka Flats in the Hoima District on the southeastern shore of Lake Albert. 78 The oil field is

Available online: https://wwf-sight.org/wp-content/uploads/2017/07/Safeguarding-Nature-and-People-Oil-and-Gas-Pipeline Factsheet.pdf (accessed on 23 January 2022).

<sup>&</sup>lt;sup>74</sup> Supra note 63

<sup>&</sup>lt;sup>75</sup> Atacama Consulting. Tilenga Project: Resettlement Action Plan 1 (RAP1) for the Proposed Industrial Area and N1 Access Road; Atacama Consulting: Kampala, Uganda, 2018.

<sup>&</sup>lt;sup>76</sup> NTV Uganda. Lands Minister Betty Amongi, Buliisa Residents Clash Over Oil Compensation Rates. Available online: <a href="https://www.youtube.com/watch?v=xOQNrz2i6b4">https://www.youtube.com/watch?v=xOQNrz2i6b4</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>77</sup> Interview with a Member of Parliament from Bunyoro Sub-Region. (Kampala, December, 2018).

<sup>&</sup>lt;sup>78</sup> Oil & Gas Exploration and Development. Available online: https://www.cnooc.com.cn/en/ (accessed on 23 December 2021).

around 15 kilometres long and 3 kilometres wide, with a total area of 32 km<sup>2</sup>.<sup>79</sup> Four onshore wellpads with 20 producer wells and 11 water injection wells, a central processing facility on the Buhuka plain, a water abstraction station, production and injection flowlines, supporting facilities (including camps, a helipad, supply base, and safety check station), local service roads, an access road (generally known as the Escarpment Road) from Ikamiro to the project site, and a 46 km feeder pipeline running from Ikamiro to the project site area. To allow the waxy crude oil to flow, this pipeline must be heated to 80 degrees Celsius. The pipeline will cross the local river multiple times and will most likely have an influence on the water supplies of several nearby settlements. There is a possibility of the pipeline rupturing, as well as construction-related consequences. This poses a significant threat to local residents' entitlement to water.

"People fear the worst, including an influx of foreign and disruptive people, increasing pressure on land, corrupt practices, increased prostitution and disruption of family life, lack of fair compensation for lost land, and increased opportunistic land acquisition by outsiders, including government," 80 according to a statement published in the ESIA for this project.

The Kingfisher Project took up about 340 hectares of land in total.<sup>81</sup> There were 680 dwellings affected, with a total population of 2949 people. The local community will suffer a number of negative consequences as a result of this endeavour.<sup>82</sup> Land for cultivation or grazing will be difficult to come by for those affected by the project. People are being shifted to different regions away from the lake, which is likely to have an impact on social cohesiveness.

People in the surrounding areas relied heavily on Lake Albert for their livelihoods, particularly in terms of fishing, drying fish, water transportation, and watering cattle. They believe their access to

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<sup>&</sup>lt;sup>79</sup> AECOM. Tilenga Project: Environmental and Social Impact Assessment; National Environment Management Authority: Nairobi, Kenia, 2018; Volume IV–V, Available online: <a href="https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf">https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>80</sup> Golder Associates. Environmental and Social Impact Assessment for the CNOOC Uganda Ltd Kingfisher Oil Development, Uganda: Social and Cultural Heritage, Vol. 4C; Golder Associates Africa: Durban, South Africa, 2018 <sup>81</sup> Ibid

<sup>82</sup> Ibid

the lake will be restricted in the future because it was restricted during oil prospecting. As a result,

they are tremendously concerned about the future. A distinct exclusion zone will be constructed

around the Kingfisher field and its associated infrastructure.<sup>83</sup>

The towns near Lake Albert have been subjected to a lot of uncertainty as a result of these

changes. Because of the region's easy accessibility and the resulting inflow of people, demand for

fish, fuelwood, and other resources will rise. There is serious concern about overfishing, as well

as the risk to fish stocks from oil extraction activities, given the existing overexploitation of fish

resources.<sup>84</sup> If these important supplies disappear, local residents would face dire repercussions,

including food insecurity. The Kingfisher project will forever alter the lives of local residents.

Households will have less available grazing pasture for cattle due to the magnitude of landtake in

the Buhuka Flats. The CNOOC building footprint will take up 8.4 percent of the available grazing

pasture on the Flats. While this will be compensated, it may be incredibly difficult for individuals

to find enough reasonable alternatives for feeding livestock.

This could lead to a disruption or even a stoppage of livelihood-related activities, with higher

poverty levels as a result. This degree of influence has the potential to be significant, with long-

term ramifications for those who are affected.

**5.3.3** The East Africa Crude Oil Export Pipeline (EACOP)

The East Africa Crude Oil Export Pipeline (EACOP) is a pipeline that connects the Albertine

Graben to a port where crude oil can be shipped to global markets. It is largely a joint venture oil

company project between CNOOC, Total, and Tullow, with Uganda National Oil Company and

83 International Alert. Oil and Water?: The Impact of Oil on Livelihoods in Uganda; International Alert: London, UK, 2015;

Available online: <a href="http://www.international-">http://www.international-</a>

alert.org/sites/default/files/Uganda OilAndWaterPhotoEssay EN 2015.pdf (accessed on 23 January 2022).

<sup>84</sup> Supra note 71

50

Tanzania Petroleum Development Corporation as shareholders. Although the Ugandan government could have required the three joint venture partners to provide this infrastructure, the Ugandan government chose to be a partner in the project and be responsible for many key activities for a variety of reasons that are not entirely clear (and are not relevant to this paper). There were two routes considered: one through Kenya and the other through Tanzania. Finally, the Tanzania route was picked, which runs from Kabaale to Tanga, and the Uganda-Tanzania Intergovernmental Agreement was signed on May 26, 2017.

The EACOP will be a subterranean pipeline with a diameter of 24 inches and a length of 1446 kilometers (296 km in Uganda and 1150 km in Tanzania). At Chongoleani, Tanga District, Tanzania, the project also includes numerous above-ground installations and a storage facility. To keep the oil at the proper temperature, the pipeline will be heated and thermally insulated.

To establish the proper pressure for crude oil flow, six pumping stations and two pressure reduction stations will be required. The oil will be held at the terminal until it is loaded into oil tankers and shipped from Chongoleani's offshore loading station.<sup>87</sup>

According to a Ministry of Energy and Mineral Development official, the project's landtake in Uganda will be around 1255 hectares. The project would affect roughly 4300 people along the 296-kilometer pipeline corridor in Uganda, which passes through nine districts (Hoima, Kyankwanzi, Kikuube, Kakumiro, Sembabule, Lwengo, Gomba, Kyotera, and Rakai). According to an EACOP official, around 200 residents were physically relocated during the landtake between 2012 and 2014, while the rest were economically harmed, for which they will be adequately compensated.

<sup>&</sup>lt;sup>85</sup> For Details of the Joint Venture Partners and Shareholders. Available online: http://eacop.com/ (accessed on 15 January 2022).

<sup>&</sup>lt;sup>86</sup> Uganda and Tanzania Sign Inter-Governmental Agreement for Crude oil Pipeline. Available online: <a href="http://eacop.com/publication/uganda-and-tanzania-sign-inter-governmental-agreement-for-crude-oil-pipeline/">http://eacop.com/publication/uganda-and-tanzania-sign-inter-governmental-agreement-for-crude-oil-pipeline/</a> (accessed on 15 January 2022).

<sup>&</sup>lt;sup>87</sup> East African Crude Oil Pipeline Project. Available online: <a href="http://www.pau.go.ug/midsteam/east-african-crude-oil-pipeline-project/">http://www.pau.go.ug/midsteam/east-african-crude-oil-pipeline-project/</a> (accessed on 15 January 2022).

#### **5.3.4** The Kabaale Industrial Park

In 2014, the Ugandan government expropriated 2957 hectares from 13 surrounding villages in the Buseruka subcounty of the Hoima District to build the Kabaale Industrial Park. The park was supposed to have an airport to serve the oil and gas operations, as well as an oil refinery and a crude oil export center, as well as many services like roads, electricity, and water supply.

Uganda's new international airport will be the country's second. The government of Uganda chose Solel Boneh International Holdings, a subsidiary of Shikun and Binui, an Israeli infrastructure and real estate development corporation, to build the airport in February 2018 at a cost of roughly \$300 million USD.<sup>88</sup> The Ugandan government directly commissioned the airport with loan funding from the United Kingdom because it feels it is important infrastructure for speeding up oil production. The airport's construction began in 2018 and is anticipated to be completed in 2020.

Given Uganda's oil reserves, President Museveni decided that an oil refinery would be a smart idea. The refinery was supposed to be built on a 500-hectare plot of land in the Kabaale Industrial Park. He attempted to make the refinery a condition of the three oil firms' agreements (CNOOC, Total, and Tullow), but they were adamantly opposed. Museveni then looked for outside partners to help build the refinery. RT Global Resources (a Russian firm) and SK (a South Korean corporation) both submitted offers, with the contract going to RT Global Resources in 2015.

The refinery, which would cost around 4 billion dollars, would initially be owned and financed by private investors (60 percent) and five East African countries (Uganda, Kenya, Tanzania, Rwanda, and Burundi), each with an 8% interest.<sup>89</sup> The East African states had to confirm their participation by 2014, but when that deadline was missed, it was extended to 2016. The initial

<sup>89</sup> The Independent. Uganda. 'First Oil' date moves to 2022—Minister Muloni. 20 December 2018. Available online: <a href="https://www.independent.co.ug/uganda-now-to-get-first-oil-by-2022-minister-muloni/">https://www.independent.co.ug/uganda-now-to-get-first-oil-by-2022-minister-muloni/</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>88</sup> Solel Boneh International Holdings. Available online: <a href="https://www.shikunbinui.com">https://www.shikunbinui.com</a> (accessed on 23 January 2022).

idea was failed when RT Global Resources withdrew in 2016 (together with SK), and Burundi and Rwanda showed no interest in the scheme. Tanzania had consented to an 8% interest, whilst Kenya had only committed to a 2.5 percent stake, but Total had agreed to a 10% stake.<sup>90</sup>

Nonetheless, this fell far short of the required donations. As a result, Uganda looked to China to fund the project, or at least the Ugandan portion of it, but China declined. Many Ugandans and others opposed the refinery, claiming it would be a liability, but the President and government ignored all objections, claiming it was a strategic decision to build the refinery, which would save Uganda a \$1 billion yearly petroleum import expense. Although the exact financing arrangements have not been revealed, the Albertine Graben Refinery Consortium, which includes YAATRA Ventures, Lionworks Group Limited, Nuovo Pignone International S.r.l, Saipem SpA, and the government-owned Uganda National Oil Company, announced in April 2018 that a deal to build the refinery had been signed. Apart from the area being set aside for the refinery within the Kabaale Industrial Park, no work on the refinery has been made as of mid-2019.<sup>91</sup>

In 2012, land acquisition for the Kabaale Industrial Park began. In 2012, a Resettlement Action Plan was created, estimating that 7118 people would be affected. The relocation of 93 families was chosen by 93 families, while financial compensation was chosen by 2670 households. Cash compensation began in December 2013, and by December 2017, the vast majority of cases had been resolved, with only a few complex instances remaining. Some unhappy people filed a lawsuit in 2013 with the support of an NGO (the African Institute for Energy Governance) over what they considered to be unjust compensation. "Some NGOs had turned the resettlement issue into a money-making goal," a Ministry of Energy and Mineral Development official said. 92 This matter, however, has not yet been concluded as of mid-2019. Those who had not yet been

<sup>&</sup>lt;sup>90</sup> Anyanzwa, J. Uganda Likely to Pay More for Refinery. 29 September 2018. Available online: <a href="https://www.theeastafrican.co.ke/business/Uganda-likely-to-pay-more-for-refinery/2560-4783284-qvokodz/index.html">https://www.theeastafrican.co.ke/business/Uganda-likely-to-pay-more-for-refinery/2560-4783284-qvokodz/index.html</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>91</sup> YAATRA. Available online: <a href="https://www.yaatraventures.com/">https://www.yaatraventures.com/</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>92</sup> Interview with a Ministry of Energy and Mineral Development official (Kampala, December, 2018).

rewarded, according to the Ugandan Petroleum Authority, had either never properly presented themselves for verification or had issues that were still being resolved. The handling of the complaints drew a lot of media and public attention, and it could have ramifications for the future expansion of oil and gas infrastructure. If the project's victims prevail, it will serve as a catalyst for others to pursue legal action. If they lose, oil corporations will find it difficult to obtain a local social license to operate, and there is a risk of equipment sabotage and other protest acts.<sup>93</sup>

# **5.3.5** The Hoima–Kampala Petroleum Products Pipeline (HKPPP)

The Ugandan government, represented by the Ministry of Energy and Mineral Development, will develop the HKPPP. The pipeline will deliver refined oil products from the projected Kabaale refinery in the Kabaale Industrial Park in Hoima to a distribution terminal in the Wakiso district near Kampala.

The pipeline cluster will be roughly 210 kilometres long, with an additional 121 hectares of land required for the pipeline route. <sup>94</sup> Within a 110-metre-wide utility corridor, the pipeline cluster will be accompanied by communications cables, a dual carriage highway, and power transmission lines. The pipeline cluster is expected to transport a variety of products, including jet fuel, gasoline, kerosene, and diesel fuel.

Aside from land acquisition, another social issue would be that the Wakiso distribution port will be near some residential neighbourhoods, posing a risk of death from accidents or sabotage. The landtake for the pipeline will have two impacts. First, some individuals will be pushed out of their current urban settings and into rural areas, resulting in a reduction in access to social services, while others will be pushed into more metropolitan locations, resulting in increased living costs. Second, there is projected to be a surge of job applicants along the pipeline path. Because they

<sup>&</sup>lt;sup>93</sup> Hanna, P.; Vanclay, F.; Langdon, E.J.; Arts, J. Conceptualizing social protest and the significance of protest action to large projects. Extr. Ind. Soc. 2016, 3, 217–239

<sup>&</sup>lt;sup>94</sup> Interview with a Ministry of Energy and Mineral Development official (Kampala, December, 2018).

will compete for the limited available employment, raise demand for resources, and contribute to local inflation, these immigrants may be a source of friction and a threat to local residents.

# 5.3.6 The Cumulative Impacts of Landtake for Oil Development

The land acquisition for the projects covered in this study is projected to have significant social consequences for the impacted communities' lives and livelihoods. They will be forced to leave their land, which is essential to their livelihoods. Some families will wind up in towns if they don't have access to land, which could lead to poverty and diminished well-being. The most concerning feature of these evictions is that the majority of those impacted are peasants who work in agriculture, grazing, and fishing, and they may struggle to adjust to a new environment with different economic activity. Over 7000 people were displaced as a result of the Kabaale Industrial Park, while over 600 people would be affected by the Tilenga Project. Permanent displacement of people from their land for oil and gas production is one of the long-term effects of land acquisition for oil and gas production, which often occurs without the provision of viable alternative livelihood options.

Many project participants have expressed dissatisfaction with the compensation processes<sup>97</sup>, and some have expressed sorrow for decisions that have left them homeless and impoverished. There are concerns that the oil activities will lead to an inflow of immigrants, particularly in Hoima, Masindi, Biiso, and Pakwach, which are the key urban centers. It's unclear whether the immigrants will be able to find the jobs they expect.<sup>98</sup> More likely, they will compete with locals for the few unskilled employment available in the area. There are disputes between local

<sup>&</sup>lt;sup>95</sup> Cernea, M. The Risks and Reconstruction Model for resettling displaced populations. World Dev. 1997, 25, 1569–1587.

Golder Associates. Environmental and Social Impact Assessment for the CNOOC Uganda Ltd Kingfisher Oil Development, Uganda: Social and Cultural Heritage, Vol. 4C; Golder Associates Africa: Durban, South Africa, 2018.
 Kinyera, P.B. Land, oil and expressions of citizenship in Uganda's Albertine Graben. Extr. Ind. Soc. 2019, 6, 110–119.

<sup>&</sup>lt;sup>98</sup> Mawejje, J. The oil discovery in Uganda's Albertine region: Local expectations, involvement, and impacts. Extr. Ind. Soc. 2019, 6, 129–135.

youngsters (those born in the region) and 'foreign people' over job possibilities (Ugandans and others from outside the project areas).

The population of the region is steadily rising as a result of project-induced in-migration. This has numerous ramifications. The cost of living will rise, the meager social services provided will be overburdened, and the really poor will be unable to use them. Because the various projects have varying timetables, the Tilenga Project ESIA cacepted that rapid population increase will continue for many years. According to the ESIA, population increase would exacerbate project impacts, particularly in terms of access to land and shelter. Inflation would arise as a result of the rising demand, notably in the prices of land and housing. As a result, project affected persons who have received cash compensation may have a difficult time finding replacement land elsewhere, as prices are likely to rise above the levels of compensation they have received, as was the case with those displaced by the Kabaale Industrial Park. 101

Land speculation has emerged in the region as a result of rising land demand. While some landowners may believe they will gain from the high sums they have been (or may be) paid for their property, the majority of landowners are illiterate and may not fully comprehend the repercussions of selling their property. They are likely to be swindled since they do not have access to legal or paralegal assistance during the land sale process. Another issue is that much of the land is communally owned and has no land title. Land speculation drives up land prices and promotes land commercialization. The move to formal land tenure will ultimately force cash-strapped households to sell, effectively excluding them from owning any assets and continuing

<sup>&</sup>lt;sup>99</sup> Vanclay, F. Project-induced displacement and resettlement: From impoverishment risks to an opportunity for development? Impact Assess. Proj. Apprais. 2017, 35, 3–21.

AECOM. Tilenga Project: Environmental and Social Impact Assessment; National Environment Management Authority: Nairobi, Kenia, 2018; Volume IV–V, Available online: <a href="https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf">https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf</a> (accessed on 23 January 2022).

<sup>&</sup>lt;sup>101</sup> Ogwang, T.; Vanclay, F.; van den Assem, A. Impacts of the oil boom on the lives of people living in the Albertine Graben region of Uganda. Extr. Ind. Soc. 2018, 5, 98–103. See also; Kinyera, P.B. Land, oil and expressions of citizenship in Uganda's Albertine Graben. Extr. Ind. Soc. 2019, 6, 110–119.

access to land. <sup>102</sup> Because of the cumulative landtake for the area's developments, there will be less land accessible for local populations, perhaps resulting in food shortages and unfavorable living circumstances, at least for the poorest. As a result, the government must ensure that any landtake does not result in poverty, but rather improves the lives of those affected by the project.

Oil and other infrastructural developments, according to AECOM<sup>103</sup>, would boost the local economy, create jobs and business opportunities, and raise disposable incomes. The taxes and revenues would help local and national governments raise funds, some of which would be used to improve public infrastructure and services, so boosting economic growth. The difficulty is to ensuring that the money is spent wisely by the government. Unfortunately, the Ugandan government is no stranger to wasted spending and corruption.<sup>104</sup> The huge sums of money generated by oil developments are likely to lead to corruption, which stems from and is exacerbated by weak institutions. The resource curse, according to Collier, is essentially a political problem that results in a variety of dysfunctional rent-seeking behaviours.

Rural peasants may be duped into selling their land for less than replacement value by intermediaries or local agents. They are sometimes threatened or coerced into selling. The land snatching acts of well-connected people in government were described by a Bunyoro official, who added that the Bunyoro people were unable to stop it since the land grabbers were protected by the government. Land speculation and displacement have knock-on consequences in that persons

<sup>&</sup>lt;sup>102</sup> Busscher, N.; Parra, C.; Vanclay, F. Environmental justice implications of land grabbing for industrial agriculture and forestry in Argentina. J. Environ. Plan. Manag. 2019, 1–23.

AECOM. Tilenga Project: Environmental and Social Impact Assessment; National Environment Management Authority: Nairobi, Kenia, 2018; Volume IV–V, Available online: <a href="https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf">https://www.eia.nl/docs/mer/diversen/tilenga\_esia\_volume\_iv\_13-09-18.pdf</a> (accessed on 23 January 2022).

Human Rights Watch. Letting the Big Fish Swim: Failures to Prosecute High-Level Corruption in Uganda; Allard, K., Ed.; Lowenstein International Human Rights Clinic, Yale Law School; Human Rights Watch: New York, NY, USA, 2013; Available online: <a href="https://www.hrw.org/sites/default/files/reports/uganda1013">https://www.hrw.org/sites/default/files/reports/uganda1013</a> For Upload 1.pdf (accessed on 23 January 2022).

displaced from higher-value land encroach on more marginal land, causing inflation at lower levels and pricing poorer people out of the land market entirely.<sup>105</sup>

The cumulative landtake will eventually result in the conversion of former agricultural land to industrial and commercial uses on a vast scale. <sup>106</sup> Food insecurity, prostitution, landlessness, and increasing poverty may result as a result of this. Many economically displaced households would not return to their previous livelihood activities, according to AECOM, but would instead seek work in urban and semi-urban areas or in oil projects, resulting in changes in livelihood and employment patterns in the region, with both positive and negative consequences. Over 7000 individuals were relocated from the Kabaale Industrial Park. Some of these people no longer work in agriculture, which was previously their primary source of income. Some tried their hand at boda boda (motorcycle) businesses, which have since failed. On the plus side, the oil discoveries were noted as providing chances for individuals who were able to obtain formal jobs, who would likely earn more and be able to upskill. Those who are unable to find work, on the other hand, would face increased insecurity and poverty. In many respects, the projects will contribute to community disintegration and disturbance of people's livelihoods.

<sup>&</sup>lt;sup>105</sup> Cotula, L.; Vermeulen, S.; Leonard, R.; Keeley, J. Land Grab or Development Opportunity? Agricultural Investment and International Land Deals in Africa; IIED/FAO/IFAD: London, UK; Rome, Italy, 2009; Available online: <a href="http://www.fao.org/3/a-ak241e.pdf">http://www.fao.org/3/a-ak241e.pdf</a> (accessed on 23 January 2022)

#### **CHAPTER SIX:**

A COMPARATIVE ANALYSIS OF THE FRAME WORK AMONG OTHER COUNTRIES THAT HAVE ADOPTED LEGAL AND REGULATORY FRAMEWORK FOR LAND ACQUISITION IN THEIR RESPECTIVE EXTRACTIVE INDUSTRIES.

#### **6.1 Introduction**

Land administration systems are not a goal in and of themselves. The design and development of those systems find their rationale and justification in the broader framework of land policy and land management. The structural and operational requirements of land administration systems are determined by how governments aim to deal with the land issue in their society. This chapter strives to figure out how contemporary land policy papers in nine nations are put together, what concerns they address, and how much attention they give to the impact of land policy on land administration systems.

#### 6.2 Access to land

In the policies examined, access to land may be achieved through:

- Allocation of land in urban or rural areas.
- Land adjudication.
- Land market operations, and/or
- Inheritance.
- Prescription (Cambodia 5 years, and Rwanda 10 years)
- Written law (Cambodia and Rwanda)

All policies state that governments must adopt reasonable legislation and other measures to promote conditions that allow residents to gain equal access to land, i.e., without discrimination or denial of land access based on gender, ethnicity, or social and economic status. **Uganda** goes even farther, demanding that the legislation mandating spouse permission for all family or communal land transactions be enforced.

While **Kenya** promotes public auctions as a means of gaining access to land, **Uganda** pushes for a method that allows the poor to gain access to land with minimal bureaucracy.

While **Kenya** calls for rapid, efficient, transparent, and accountable adjudication and consolidation processes, **Swaziland** refers to transparent allocation procedures and assigning authorities who are accountable for their judgments.

**Cambodia** takes the following steps to prevent the growth of informal settlements and land grabbing: In **Cambodia**, illegal land acquisition and concentration of land ownership within a few persons or legal companies is a concern.

All land grants must be given once the subject land has been completely surveyed and approved by the Director of Surveys and Mapping in **Rwanda** and **Tanzania**. They also include a cost recovery component for land distribution for residential and institutional usage. **Rwanda** also requires strategic alternatives to distinguish between urban and rural land, as well as different modes of acquisition depending on whether the land is urban or rural.

Malawi addresses the problem of customary land access, noting that traditional authorities are responsible for allocating rights to customary land in practice. Chiefs rely on clan and family leaders to identify and distribute land from the group's holdings to people and households. The family land is held and managed as private property once it has been allocated. However, the Land Act grants the Minister in Charge of Land the authority to oversee customary land and grant 99-year leases. As a result of this process, some customary community land has been converted to freehold without appropriate consultation with the customary owners. Land pressure and dispute among customary landholders rose as a result of the process, which weakened tenure security. As a result, the NLP advises that the current system of customary land administration be rationalized, and traditional leaders' land management obligations be made more visible and commensurate with the policy's land management criteria.

**Zambia** calls for systematic planning in the land delivery process, streamlining and simplifying the system for allocating leasehold rights to reduce the number of authorities involved in land alienation and make the system more accessible and affordable to a wide range of eligible applicants, and decentralization of the Commissioner of Lands' functions up to the district level.

#### **6.3** Access for investors

"Because of the strong link between landlessness and poverty, land distribution will directly lead to poverty reduction by providing households with productive assets as well as contributing to good governance by reducing land conflicts, thereby improving social relations at local levels," **Cambodia**, like **Malawi**, addresses the issue of poverty alleviation through institutional strengthening.

**Zambia** suggests a number of initiatives, including (a) ensuring that handicapped people have equal access to land as everyone else; and (b) involving disabled people in land management decision-making where practicable and required. **Zambia** proposes that the government recognize the impact of the HIV/AIDS pandemic in land administration and management services, and work in partnership with other stakeholders to mitigate the epidemic's impact.

Tanzania's policy aims to limit speculation and land grabbing or accumulation by imposing a cap on allotted land (see land grabbing/speculation for further information). Tanzania's policy further states that unique locations for diverse projects will be selected and set aside for investor allocation, with land granted based on their ability to develop it. Malawi and Uganda both indicate that land will be set aside for investment, with Malawi going so far as to set the leasehold length at 50 years renewable.

A considerable portion of **Zambia's** territory is covered by customary land (94 percent). As a result, the majority of the background text on land access for investment will be found under

registration of customary land; as a result, the policy advises the government to: Continue to educate the public about the benefits of individual land ownership through leasehold or customary tenure to improve the security of investments by improving land transferability and access to credit.

### **6.4 Public Acquisition of Land**

### **Expropriation**

The terms "compulsory acquisition of land for public interest" and "acquisition of land for public interest" have been used interchangeably to refer to the State's "expropriation of land" for public use.

Except for **Uganda**, which is silent on forceful acquisition of land for public interest/expropriation, all countries agree that land can be expropriated for public interest if legal procedures are followed. According to **Tanzania's** and **Swaziland's** policy papers, the reasons for acquisition must be stated properly. **Tanzania's** policy also stipulates those acquisitions for the public good may be challenged in court.

A landholder is entitled to prompt, fair, and substantial compensation if his or her property is purchased by the government for public use, as the government has a duty to maintain the free enjoyment of properly obtained property rights in land.

### **Informal Settlements**

**Zambia's** policy does not address the question of informal settlements.

**Kenya's** policy emphasizes that many Kenyans live as squatters in slums and other filthy places without providing quantitative data. In the same breath, the policy recognizes that in both planned and unplanned areas, informal sector activities constitute a fundamental aspect of the economy as a source of livelihood.

**Tanzania**, on the other hand, claims that more than half of its urban people live in deplorable conditions in unplanned settlements with no security of tenure or access to sanitary or other essential amenities. Despite this, the policy claims that these settlements have a large number of houses that must be safeguarded.

Tenancies by occupancy, at will, or at sufferance are frequent in urban and rural areas, according to **Uganda**. Despite its precarious nature, land utilization in these circumstances is critical for poverty alleviation. In both urban and rural Africa, state resistance or hesitation to recognize such bases of occupation and use is the source of much injustice and pain. As a result, it is critical to consolidate and regularize informal tenancies.

According to **Rwanda**, urbanization currently accounts for 16.89 percent of the country's total population of 8,128,553. The annual growth rate is roughly 9%. The majority of ordinary housing (90 percent in Kigali, more in other towns) has sprung up on its own (spontaneous is a euphemism for squatter/informal).

According to **Malawi**, the majority of residents in traditional towns live in deplorable conditions in improvised settlements. They don't have access to essential services and aren't guaranteed a place to live. The growth of unplanned settlements is influenced by a number of variables. Some are caused by natural population growth, rural-to-urban migration, costly and bureaucratic land acquisition procedures, high building requirements that are beyond of reach for the impoverished urban majority, and weak development control.

**Cambodia** recognizes that urbanization must result in the provision of safe and healthy housing for all. In Phnom Penh and certain provincial cities, informal settlements and homelessness are severe issues.

In **Swaziland**, land settlement often takes place without regard for infrastructure, and informal settlements develop uncontrollably. As the population demands on peri-urban and rural areas grow, more development is taking place, precluding future rational land use (including cost-

effective infrastructure delivery) and creating dangerous environmental health conditions.

Another unintended and uncontrolled effect of unplanned and uncontrolled expansion is the destruction of indigenous forests for fuel wood.

To remedy all these situations, the following have been proposed by the individual policies.

## **Kenya** proposes the following:

- Put in place mechanism for the removal of squatter from unsuitable land and their settlement, and facilitate planning of land found to be suitable for human settlement.
- Facilitate negotiation between private owners and squatters in cases of squatter settlements found on private land.
- For slums on public or communal land: develop a slum upgrading and resettlement programme under specified flexible tenure systems.
- Put in place measures to prevent further slum development on private land and open spaces and
- Facilitate the carrying out of informal commercial activities in a planned manner. Facilitate the carrying out of informal commercial activities in a planned manner.

**Tanzania** has the following proposals to arrest growth of informal settlements:

- Timely planning of all the potential areas in the periphery of all towns.
- Designating special areas for low-income housing with simplified building regulations and affordable level of services.
- Upgrading of informal settlements through participation of the residents.

# **Uganda** proposes the following measures:

- According statutory security for informal sector activities without compromising physical planning standards and requirements.
- Providing social infrastructure for informal sector developments.
- Encouraging land users in the informal sector to acquire more secure tenure rights through the market, individually or as communities.

**Rwanda** concludes that spatial growth shall be controlled through the following strategic options:

- The spatial growth of towns will be controlled. Land development programmes will define appropriate sites for urbanization.
- Formulation and updating of master plans for land use management and town planning for a better organization of the urban fabric.
- Promotion of the construction of high-rise buildings.
- Training and capacity building of personnel responsible for the formulation and execution of plans.
- Town planning instruments which provide guidance and control of land.
- A study of simplified methods of plot distribution and authorization to build.

Organization of housing financing.

• Demarcate all districts and forbid unauthorized constructions.

# To this end:

- o The role of the local communities in urban management and urban planning will be strengthened.
- o The law on expropriation (in the public interest) and relevant compensations will be modified.

  The living conditions of squatters have to be improved:
- Accepting that the living conditions of squatters has to be improved the policy stresses that:
- o Squatter areas should be recognized. This will entail the reorganization of land and the development of networks of infrastructure and facilities. This implies expropriation of land rights, the clearing of houses and other buildings located in public areas, and the possibility for the resettlements of the communities.
- o The occupation status in squatters should be regularized.

Malawi dedicates itself to directing its efforts towards arresting the growth of unplanned settlements thus:

- Ensure timely planning of all potential areas for urban development in the periphery of towns so as to pre-empty haphazard development. Except for non-conforming uses and housing in hazardous areas, the land rights of residents will be protected through upgrading.
- Designing special areas that will be planned for low-income housing with simplified building regulations. These areas will be provided with services that the residents need and can afford.
- Upgrading plans will be prepared and implemented by local authorities with the participation of residents and their local community organizations. Local resources will be mobilized to finance planning, development and appropriate cost recovery systems.
- On housing: for households in the lowest income group, the main housing intervention will comprise the regularization of land tenure in existing traditional areas, the provision of demarcated plots with secure tenure, the provision of basic infrastructure services, and the provision of income generating activities.

In **Cambodia** the policy consensus is to:

- Recognize limited, temporary rights to occupancy in informal settlements while searching for permanent shelter solutions.
- Avoid forced eviction as much as possible, and if compulsory relocation is required, then adequate preparation time, compensation and adequate relocation sites must be provided.

**Swaziland** policy states that the solution to informal settlements is to:

- Ensure that all development of land shall be according to an approved plan and subject to the approval of the appropriate authorities.
- Institute structure plans for rural and peri-urban areas based on the agroecological zoning concept and economic criteria.

• Improve the functioning of the formal land market, and provide means to regularize informal or semi-formal land tenure so as to reduce demands on the informal market which aggravates the problems of uncontrolled developments (squatter settlements).

## **6.5** Management of the environment

**Kenya** deals with a variety of environmental issues, including the protection of natural resources and ecosystems, urban environmental management, and land restoration and conservation. To address the degradation of natural resources such as forests, wildlife, water, marine and coastal resources, as well as soil erosion and pollution of air, water, and land, the NLP proposed that the government (a) encourage communities and individuals living near environmentally sensitive areas to prepare participatory environmental action plans in order to preserve cultural and socioeconomic aspects, and (b) identify, map, and gazette critical wetlands. On ecosystem protection (including forests, wetlands, marine and coastal ecosystems, national parks, arid and semi-arid lands, watersheds, lakes, and drainage basins), the government will establish measures to ensure that healthy ecosystems are protected through land use controls, as well as the development of a comprehensive and integrated land use policy that takes into account the needs of neighbouring communities and individuals. In terms of urban environmental management, the government must: (a) prevent untreated solid and liquid waste from being discharged into rivers, lakes, and the ocean. (b) regulate all quarrying and excavation activities, and (c) ensuring that any land developments that have the potential to impair the environment undergo an environmental impact assessment and audit. In terms of land restoration and conservation, the government will create incentives to encourage the use of technology and scientific approaches for soil conservation, as well as institutional procedures for land quality preservation for environmental reasons.

According to **Tanzania's** strategy, huge farms and ranches located in wildlife-rich districts have obstructed animal migration routes, wetlands have been deemed wastelands, and hazard lands

have been encroached upon. The strategy advised the government to: (a) cancel titles to large-scale farms and ranches that obstruct wildlife migration routes. (a) Assign wetlands to users who will safeguard them. (c) Avoid constructing on hazardous lands and vulnerable environments such as river valleys, steep slopes, mangrove swamps, and marshlands, among others.

Uganda's policy proposes that to ensure that a framework for the protection and preservation of natural resources (water, minerals, forests, wetlands, wildlife, nature reserves and sensitive ecosystems) for the benefit of the people of Uganda is in place measures will be taken to: (a) review and revise the regulatory framework of natural resources to clarify who may have access to what natural resources products. (b) develop and institutionalize mechanisms for the joint and participatory management of natural resources with communities owning or contiguous to land in or over which these resources are situated. (c) ensure that large-scale investment decisions and activities do not compromise the sustainable management and conservation of natural resources. (d) develop programmes for the rehabilitation of waste disposal sites, polluted water courses, and control of greenhouse gas emissions, and (e) provide for special protection for fragile ecosystems and biodiversity colonies, wetlands, water-sheds, lake-shores, and drainage basins. On poor land use practices and loss of soil and vegetation cover the policy document recommends the rehabilitation of degraded lands through design and implementation of prevention and management measures, prepare programmes for the delivery of community-based land management extension services and training on appropriate soil management techniques.

**Rwanda's** rural terrain, which includes hills, marshlands, and protected areas, is addressed in terms of use and management. Implementation strategies have been assigned to each category. Noting that grouped settlement is the only form of settlement that will allow for good planning and land use management on Hill Lands, consolidation of parcelled and scattered plots as a method of plot distribution will be encouraged, and agriculture in Rwanda will be oriented toward specialization that will take into account the land use, plans, and soil types, agriculture in Rwanda

will be oriented towards specialization that will take into account the land use, plans, and soil types will be encouraged. The policy document advises that (a) the Ministry of Lands and Environment define and allot marshlands in accordance with legislation that will be enforced, and (b) agricultural marshland should only be cultivated after sufficient planning and environmental effect assessment. The policy defines protected areas as "natural reserves" and "protected zones" (i.e. the national parks, game and forest reserves). It is recommended that, while all Rwandans are responsible for the protection and maintenance of these sites, a particular law should oversee the management of protected areas.

According to **Malawi's** policy, communities would be educated about the importance of providing and establishing fuel-wood plantations to meet the demand for wood energy during the land use planning process. Fragile areas, such as steep slopes, marshes, and flood-prone areas, will be zoned to avoid or reduce the negative environmental impact of cultivation and other developments. In terms of solid waste management in metropolitan settings, while involving the private sector and local communities, city, town, and district assemblies will be obliged to ensure that all solid wastes are collected promptly from all regions of towns. Before discharge into sewers or natural water courses, all effluent-generating companies will be required to pre-treat their effluent to an environmentally acceptable standard.

#### **CHAPTER SEVEN:**

### FINDINGS AND CONCLUSIONS.

## 7.1 Introduction.

This chapter will conclude my research on the thesis above. It will summarize the observations, findings and discoveries made during my time of the study. It will also provide recommendations to ensure that the fear of the external factors is expunged and confidence instilled in the laws we have.

The social implications of land acquisition for five oil and gas projects in Uganda were investigated in this paper. If all five projects go forward as planned, they will utilize approximately 115,000 hectares of land and displace nearly 15,000 people. Increased poverty, conversion of agricultural land to industrial purposes, increased food insecurity, inflation in the cost of goods and services, community disarticulation, and disruption of people's lives and livelihoods are just some of the potential and actual social impacts of these projects on local communities.

Locals see the inflow of immigrants as a threat to their survival because of increased competition for limited job options. Because most property is communally held, there are social tensions within communities concerning how land can be kept sufficiently intact for successful agricultural output, and how the community might profit from such opportunities. Another issue is deciding how to use the revenues from the land sale. Women continue to be socially excluded from owning land, which is a serious worry in terms of equitable compensation and future livelihoods. Land acquisition for oil development in Uganda has harmed them in the majority of cases.

On a positive side, these projects have created job opportunities for some of those people with the necessary qualifications, although not all those who are qualified can be absorbed. The new roads, dubbed locally as 'oil roads', have greatly improved accessibility to and within the region. The

enhanced movement of goods and people have made many things easier and cheaper, although has generated much in-migration. We recommend that the government and oil companies ensure that any land acquisition does not lead to impoverishment of communities. Instead, land acquisition should lead to the betterment of the lives of displaced persons, project affected people and surrounding communities, irrespective of whatever resettlement option they have chosen. Land grabbing and speculation should be seriously addressed in order to protect communities from being manipulated and short-changed.

# 7.2 Summary Findings

First and foremost, I saw that Uganda's oil and gas rules are well-defined. Upstream, midstream, and downstream are the three stages of the oil and gas production process. Ugandan laws attempt to offer and accommodate for all of these stages through statute law, and it is well-developed to consider most of the essential aspects of oil and gas, such as pollution and decommissioning, to name a few.

Second, the Ugandan laws controlling oil and gas have an amazing structure. The constitution, which is the supreme law of the land, is at the very top. The parliament and relevant ministers then passed a slew of laws to oversee the sector's functioning. Uganda has prepared sample agreements that prospective contractual parties can consult for guidance on what terms are favourable and acceptable to the government as well as the population. The IFIs have also established a structure before they can fund oil corporations to collect minerals. Finally, there is the issue of international law as it pertains to oil and gas.

Uganda's oil and gas sector has seen significant activity after the majority of COVID-19 limitations were lifted in the country and globally. Following the conclusion of the key petroleum agreements in April 2021, which drove the sector into the development phase, the land acquisition process has accelerated dramatically. This is wonderful news for the people and communities

closest to the oil and gas projects, whose livelihood and well-being has been a top concern for the government throughout the process.

### 7.3 Findings of the Study

From my study I was able to conclude that the land system of ownership in Uganda is poor. The fact that the citizens are allowed to own land and can only give it up upon compensation means that the government will spend a lot of funds on compensating people. This has been experienced before in the construction of road around the country. Many times, 2/3 of the budgets passed for road construction in Uganda is for awarding compensation and many government officials have benefitted from this. They, having the knowledge of the intentions of government, have bought land intended for construction and later reaped tonnes of money in compensation for the land. This has made the development process very slow if not stagnant.

This type of ownership has allowed land grabbing for compensation purposes, the denial of women the right to own land and incidences of the sort. These stifle development and affect the efforts to make the country a habitable place for all regardless of their gender.

The threat of a resource curse is ever growing. A resource curse is the failure of a country to benefit from the rich natural resource because of many issues as I will re-echo shortly. This mismanagement will see the resource curse become the ultimate damnation of Uganda's economy. If the country continues to give corruption and embezzlement of funds an avenue to thrive, poor land systems to go on, the country may not benefit from its natural resource. Continued mismanagement of a non-renewable resource will leave the country in a worse state than it found it when it finally depletes.

There is the threat of the Dutch disease effect. This is where a country over invests and relies on one sector at the expense of other sectors. In the long run, the country depletes the resource and the other would have been sustainable sectors are affected.

The term Dutch disease was coined by The Economist magazine in 1977 when the publication analyzed a crisis that occurred in The Netherlands after the discovery of vast natural gas deposits in the North Sea in 1959. The newfound wealth and massive exports of oil caused the value of the Dutch guilder to rise sharply, making Dutch exports of all non-oil products less competitive on the world market. Unemployment rose from 1.1% to 5.1%, and capital investment in the country dropped.

Dutch disease became widely used in economic circles as a shorthand way of describing the paradoxical situation in which seemingly good news, such as the discovery of large oil reserves, negatively impacts a country's broader economy.

The name was coined out of the oil discovery which means that this effect is usually concerned with the discovery of Oil and Gas. Uganda has the opportunity to make right decisions so that the country does not take the same path.

Corruption is another threat that is imminent on the prosperity of the Oil and gas sector. Uganda is well known for having laws to combat corruption and there is no question about this. However, the query is raised on the implementation of this law. Uganda has suffered in the past with instances of corruption and embezzling of funds meant for different communities. It follows that with the amount of money that the Oil and Gas sector is capable of bringing to the economy, if the bad spirit of corruption continues to haunt the leaders of the country, there is no guarantee that this money will ever benefit the citizens of Uganda.

It is important to note that the existence of weak political institutions in Uganda and the lack of political will highly contribute to illicit financial outflows. Most of the behaviours that support IFFs such as tax evasion, transfer pricing, drugs, among others flourish in the absence of a strong political will.

There is a present threat of poor implementation of the law. Uganda, has impressive laws that are elaborate and well structured. However, the implementation of this law has in the past proven to

be futile. The rule of law is not a virtue that the Ugandan politics cherish and as such, there is fear that the implementation of laws concerning oil and gas might follow the same trend. The difference is that this mistake will have adverse effects on the population and the environment now, and many more generations to come.

There is also a fear that most of the work that is already done was done without obtaining consent from the locals. This consent should never be empty promises. It must be free, prior and informed consent that is to say that the licensee must first inform the local communities of everything going to be done so that the community can give their free consent. The aspect of compensation must also be strictly adhered to. It must eb done prior to the taking over of the land.

There is another fear that the country has spent highly on its initial costs of securing land for the expansion of the oil and gas mining process. This means that the government will require a lot of cost oil and leave little or no profit for the Ugandans since most of the money was wasted in initial costs.

There is a threat of environmental degradation if enough is not done to insure against it. As earlier mentioned, the decommissioning fund should not be used for anything else apart from cessation of the oil and gas projects.

The issue of court case backlog will continue to encumber the citizen's ability to obtain timely redress from the courts of law in order to avoid unfair compensation.

Over 10,000 Ugandans are affected by the process, which involves oil firms acquiring land on behalf of the government for three major oil and gas projects:

# Tilenga Project: 5,523 Project Affected Persons

The Tilenga project has an impact on 5,523 persons. The total project land area with Project Affected Persons (PAPs) is 2,901 acres spread over the districts of Buliisa, Hoima, and Kikuube. The project also requires more land in the Nwoya District of Murchison Falls National Park,

however this site lacks PAPs. RAP 1, 2, 3A, 3B, 4, and 5 are the six Resettlement Action Plans (RAPs) that will be used to acquire the requisite property. By April 2021, all of the land under RAP 1, totalling 786 acres, had been successfully secured. The Central Processing Facility (CPF) will be built on this area, and the construction site has already been cleared.

Water abstraction areas; thirty-one (31) well pads; flow lines to transport crude oil from the well pads to the CPF; a feeder pipeline to transport crude oil from the CPF to the delivery point in Kabaale, Hoima District; and access roads to the various facilities will be found on the land covered by RAPs 2-5.

So far, 95 percent of PAPs have completed Money Literacy Training to improve their financial management knowledge and skills. This training is crucial in ensuring that the PAPs get the most out of their remuneration. PAPs without bank accounts who were eligible for cash compensation created bank accounts and signed compensation agreements after completing the financial training. The agreements have been signed by an average of 85 percent of the PAPs for the five (05) RAPs, and the first set got money into their bank accounts early last month (August 2021). Agriculture enhancement services, apiary initiatives, and enhanced cassava stems were among the additional livelihood restoration programs for Tilenga PAPs.

# **Kingfisher Development Area: 727 Project Affected Persons**

In the Hoima and Kikuube districts, the Kingfisher Development Area (KFDA) project site comprises 727 PAPs spread across 1,020 acres. Three (03) RAPs for the required land for the CPF, flow lines, feeder line, temporary camp, and other facilities are being finalized.

In comparison to the other petroleum projects, the KFDA land acquisition procedure has progressed the most. Over 98% of PAPs have been reimbursed and are already benefiting from different livelihood restoration programs, the most recent of which was the distribution of 5,000

chicks to 291 PAPs on September 2, 2021. In addition, since 2020, the agriculture and livestock program has provided the PAPs with training, animal feed, veterinary services, and help for tree nursery beds and vegetable gardens.

# East African Crude Oil Pipeline Project: 3,792 Project Affected Persons

The East African Crude Oil Pipeline (EACOP) will deliver crude oil from Kabaale in Tanzania's Hoima area to Tanga Port. The EACOP will be the world's longest heated, underground crude oil pipeline at 1,443 kilometres. The EACOP project in Uganda will occupy 2,740 acres of land in a linear configuration. It will stretch 296 kilometres and affect 3,792 people in the districts of Hoima, Kikuube, Kakumiro, Kyankwanzi, Mubende, Gomba, Sembabule, Lwengo, Kyotera, and Rakai.

The EACOP company is currently distributing the valuation report to all affected individuals, followed by other pre-compensation operations such as bank account opening and financial literacy training. Entitlement disclosures will commence later this month (September 2021), and PAPs will be paid by December 2021.

# The Kabaale Oil Refinery

The refinery will be developed on 5 km<sup>2</sup> of land within the Kabaale Industrial Park (KIP), which covers 29 square kilometers. Over 7118 people were displaced from 13 villages as a result of the landtake for these infrastructural projects.

The Kabaale Industrial Park was established after the Ugandan government purchased 2957 hectares in Kabaale Township, Hoima District (KIP). Uganda's new international airport will be the country's second. The airport's construction has begun, and it is projected to be operational by September 2019. In 2012, KIP began the process of acquiring land. In 2012, a Resettlement Action Plan (RAP) was created, providing alternatives for relocation or cash compensation. A

total of 93 families chose relocation, while 2670 persons chose monetary compensation. Cash compensation began in December 2013, and by December 2017, the vast majority of those affected had been reimbursed. In 2013, several people who had been wronged went to court with the support of the African Institute for Energy Governance, claiming that they had been unfairly compensated.

### The Hoima-Kampala Petroleum Products Pipeline (HKPPP)

The proposed pipeline will deliver refined crude oil products from the Kabaale refinery in Hoima to Namwabula, also known as Buloba, in the Wakiso district's Namwabula distribution terminal. The pipeline will be roughly 210 kilometers long and will occupy 121 hectares of land (Interview, Kampala, December 2018). Jet fuel, gasoline, kerosene, and diesel fuel will all be transported through the pipeline. Apart from the landtake, the distribution terminal would be built within the villages, posing a risk of mortality due to blow-offs caused by accidents and sabotage by unhappy groups or simply criminals. The effects of this land grab on project participants will be twofold: first, some will be pushed out of their current urban setting and into rural areas, where they can afford cheaper land and thus miss out on available social services, and second, some will be pushed further into urban areas, where high living costs will become a problem for many of them in the long run.

# **People-centred implementation**

The Petroleum Authority of Uganda (PAU) oversees the land acquisition process to ensure value for money and adherence to Ugandan and international laws and standards. Finally, the objective is to ensure that the people impacted by oil and gas developments have a higher quality of life than they did before the projects began.

The projects are being carried out in accordance with Ugandan regulations, as well as International Finance Corporation (IFC) land purchase standards. The right of persons whose primary residences and land have been affected to choose between monetary and in-kind compensation is a fundamental component of this implementation. When in-kind compensation is desired, the PAP is provided a land title in addition to the new house or land to assure tenure stability. Solar electricity, a modern kitchen with chimney, a 1,000-litre harvest water tank, and a vented upgraded pit toilet are among the typical features in the resettlement dwellings. The resettlement dwellings have so far been highly accepted as an improvement over the PAPs' homes prior to the start of the oil and gas developments.

A resettlement home is available to around 200 Tilenga PAPs. In February 2021, a total of 29 PAPs under RAP1 received their resettlement houses and land titles, while construction on homes for RAPs 2-5 is expected to begin by the end of the year. Five (05) resettlement houses were handed over to PAPs under RAP 1 in June 2019, while 57 dwellings are now under construction under RAPs 2 and 3. Because the EACOP RAP compensation process has yet to begin, construction of 198 dwellings for the affected principal residents has yet to begin.

Access to information is the second aspect of prioritizing people's well-being. Before, during, and after the compensation process, firms and government officials meet with both directly affected people and communities to offer as much information as possible about the project. In the presence of local leaders, community elders, and civil society, these dialogues are carried out in a systematic, targeted, and thorough manner. Community-based interpreters and translators are used when necessary to guarantee that everyone receives the correct information. Aside from talks, project firms and the government keep PAPs and communities informed through sports and cultural event platforms, conferences, radio and television commercials, newspaper articles, and social media initiatives.

The entitlement to a grievance management mechanism to resolve any misconceptions that may develop during RAP implementation is the final step in assuring people's priority. Disputes or disagreements with the project businesses or among the PAPs themselves could be the source of these issues. The RAPs define a systematic, unambiguous, and thorough grievance management process. When a grievance is filed, specific processes are taken to ensure that it is handled before any compensation on the impacted property can be paid. To achieve full representation, representatives from local governments and PAPs are involved in the process. Leaders are drawn from all levels of government, from the Local Council (LC) I to the District LCV. Courts of law are the last resort and last step in the grievance handling procedure.

Finally, the PAU considers the well-being of project-affected people to be a critical aspect in ensuring the successful implementation of petroleum projects. In the sectors of oil and gas operations, the government remains dedicated to putting people and communities first, particularly during the land acquisition process.

#### 7.4 Recommendations

Resource-dependent countries with poor socio-economic development often fail to optimally benefit from their natural resource wealth. These countries face slow economic growth and, in some cases, become entangled in violent conflicts. For instance, Chad, the Democratic Republic of Congo, Guinea and Mauritania, whose natural exports contribute close to 90% of total exports-are also the countries with the lowest per capita income in the world; unaccountable and mismanaged institutions, coupled with the discovery of natural wealth, are believed to be the root cause of economic failure and conflicts. Some empirical evidence suggests a robust correlation-often described as the 'resource curse'- between natural resource dependency and economic growth.

The government of Uganda should therefore strive to improve the land ownership systems in Uganda. This can be by changing the law on ownership of land to vest it in the government which can then ably plan for the welfare of everyone in the country

It should consider adding more vigilance in respecting the laws set up against corruption and embezzlement and avoid indulging in the same. The initial costs should be mitigated to avoid future high cost oil; human rights should be promoted and the government must refrain from using their power to infringe on the rights of the citizens; consent must be clearly made a prerequisite to acquiring land and compensation must be worked out in a way that the land owner continues to benefit even though they are no longer actively settling on the land; the Oil and gas sector should not be held in higher regard, neglecting the other sectors of the economy; and enough care should be taken to respect the environment and preserving it should be ultimate in all operations.

Several multi-stakeholder initiatives should be established to encourage public disclosure of information, apart from mandating this disclosure, these initiatives should aim to create platforms for debate and to empower civil society organisations to use the information and engage with the government for better transparency and accountability and ultimately improved development outcomes.

In theory, legislators can support the governance of extractive industries in a number of ways inter alia by; securing the public disclosure of extraction contracts, monitoring compliance with contracts and laws, amending and ratifying legislation on extractive sector management, monitoring the performance of government agencies responsible for managing the extractive sector, and informing and managing expectations of the constituents and representing constituents' interests.

#### 7.5 Conclusions.

The societal implications of land acquisition for oil and gas production in Uganda were investigated in this paper. For each of the six projects, this was accomplished by looking at the required land take and the matching numbers of Project Affected Persons. These projects will occupy 114,673 hectares of land and displacing approximately 14,977 people when completed. The social impacts of these projects on communities are numerous, including increased poverty, conversion of land previously used for agriculture to industrial purposes, which may eventually lead to famine, high costs of goods and services, and disruption of community disarticulation and people's livelihoods. Other major social repercussions include "knock out effects," in which local users, generally the poor, are pushed out of higher-value lands and end up intruding on lower-value resources, particularly wet fields.

Locals have considered the surge of immigrants to the area in pursuit of opportunity as a threat to their survival owing to competition for few work prospects. Because the majority of the land in the area is communally held, there are tensions between how the land can be preserved and how the community can profit from such opportunities on the one hand. Another issue is deciding how to use the money from the sale of such land. This is a typical occurrence in the Buhuka Flats settlements. Women continue to struggle to own land, which is a huge worry in terms of compensation and livelihoods, which have been exacerbated by the land grab for oil and gas infrastructure. On the plus side, these projects have offered job opportunities for some people who have the required qualifications, however not all qualified persons can be absorbed. The region's infrastructure, particularly its road networks, termed "oil roads" by locals, has substantially improved. The movement of products and people have been simplified and made more affordable.

I do believe that the government and oil firms should ensure that any landtake does not result in community impoverishment. Instead, regardless of the resettlement options chosen, the landtake should result in a betterment of the lives of project-affected people and the neighbouring communities. Land grabbing and speculation should be handled in order to safeguard communities from being exploited by the wealthy, who are hell-bent on profiting from such bad deals at whatever cost.

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