

THE CRUDE OIL EXPORT PIPELINE WILL RUN FROM HOIMA TO TANZANIA'S INDIAN OCEAN PORT OF TANGA

By Charles Etukuri

Fast track construction of oil pipeline – Magufuli

The President of Tanzania, Dr John Pombe Magufuli has called on the investors involved in the execution of the 1,445km crude oil export pipeline. The pipeline will run from Hoima in midwestern Uganda to Tanzania's Indian Ocean port of Tanga. Magufuli said the three-year timeline provided for the construction was too long and should be shortened so that oil starts flowing as soon as possible.

"Why should we wait for the proposed completion date of 2020, yet you the investors, have the money? The experts are here. You can hire as many contractors as possible and give each of them a section of the pipeline to work on or ensure you have both day and night shifts. After all you know that when we start pumping the oil you will get back your investment and returns," said Magufuli speaking in Kiswahili. President Magufuli was speaking during the commissioning of the construction of the East African Crude Oil Pipeline project at Ruzinga in Kyotera district yesterday. Magufuli and his host, President Yoweri Museveni, also commissioned the Mutukula one-stop boarder post. They were flanked by their spouses First Ladies Mrs. Janet Museveni and Mrs. Janet Magufuli, as well as ministers from the two countries.

Addressing hundreds of people who turned up at the historic event, Magufuli thanked Museveni for the decision he made for the pipeline to go through Tanzania and assured him of security. "Other countries in the region wanted the same pipeline and I am sure they called you, but you listened carefully and decided that it should be Tanzania because of its sacrifice to Uganda," Magufuli said. Uganda had also considered constructing the pipeline through Kenya, but later opted for the southern route through Tanzania, a move that upset the Kenyan authorities.

Construction of the oil pipeline is expected to commence early 2018 and the gigantic project will take 36 months. It is estimated at a cost of \$3.55b (about sh13 trillion). Magufuli said the Tanzania route was the cheapest because as a country they



Part of the crowd that turned up for the commissioning of the construction of the East African Crude Oil Pipeline project at Ruzinga in Kyotera district. Photos by Enock Kakande

had decided not to charge Uganda a lot of money. "The flow of oil in the pipeline requires pumping, but from Singida to Tanga the flow will be by the force of gravitation," he explained, adding that Tanga port is also well-protected and there are no wave lines.

He also assured his Ugandan counterpart of total security along the pipeline, emphasising that the Tanzanians were calm people and the pipeline would not be disturbed under his administration or the next one. He commended Museveni for inviting him to Uganda officially to witness the launch of the pipeline project. He urged Ugandans to support President Museveni because he was steering the country through the right path of development.

Magufuli noted that discussions on the 1,445km oil pipeline project was not easy since it involved three parties who included Uganda, Tanzania and the investors. "I had to get into the discussions several times to talk to them whenever



Museveni and Magufuli at the commissioning yesterday

there was a hitch," he said. He noted that by the time all the parties reached a final agreement, a lot of sacrifices had been made. He said some of the differences arose from the fact that both Uganda

and Tanzania had different legal and tax regimes that needed to be harmonised. "As Tanzanians we had to agree that we lost billions of shillings and we did this because of the love we have for

"We had so many rulers before, then we had the colonialists, who in 1954 admitted that there were traces of oil but that they had evaporated, but then you came from the bush and took your own sons to study and when they came back they helped you discover the oil. Your own technical people have shown that Africans can do their own discoveries," Magufuli said. He said many will abuse and insult President Museveni, but history would judge him right.

He urged Museveni to give the team that participated in the oil discovery a special recognition because they had done a wonderful job.

"We have been spending a lot of money on specialists from abroad, but we now have our own (Uganda) local specialists," he added. He also noted that the same team was helping Tanzania discover oil.

The Tanzania minister of energy Dr Medard Kalemami stated that the construction of the pipeline had been estimated to take three years and would be completed by 2020. "We will make sure we work closely with our colleagues from Uganda to ensure that the timelines are met," the minister stated.

He also noted that the pipeline would traverse six districts in Uganda, while in Tanzania it would traverse 24 districts. He assured all the land owners where the transmission pipes were passing that they would be compensated and that the construction process would also offer jobs for the nationals of both two countries and spur development.

He said this was not the first project that both countries were undertaking, stating they had five projects currently running between the two countries which include electricity power generation in River Kagera.

The Mutukula one-stop boarder post will bring together immigration and customs officials from the two neighbouring countries under one roof at the border crossing point, eliminating double clearance of trucks and persons on both sides of the border.

TradeMark East Africa, with funding from UK's Department for International Development and Global Affairs Canada, has funded the construction and operationalisation of the Mutukula one-stop boarder post.

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Uganda. On September 11, the matter was bought before our Parliament and the project was endorsed," Magufuli noted.

He commended President Museveni for leading the path to oil discovery in Uganda and commended him for building local capacity that had facilitated the discovery.