

LETTER OF THE DAY

Decentralise oil and gas sector operations to host communities

Uganda's oil and gas sector has transitioned from the exploration and appraisal phase to the development phase in preparation for producing petroleum products.

Other operators are expected to join the sector when the selection of a lead investor for the development of a refinery and its attendant infrastructure in the country is completed. Sub-contractors and service providers willing to support the development phase for oil fields, refinery, the Oil Central Processing Facility (CPF) that requires 308 hectares of land where Total Plc is working on this project in Buliisa District, the refined pipeline from the refinery and the crude oil export pipeline from Hoima to Tanga, which is estimated to cost nearly \$4 billion covering 24 inches in diameter and covering a distance of more than 1,400km, making it the world's longest continuously heated and insulated pipeline as Total as a lead investor and other facilities.

Despite Parliament passing a number of regulations to operationalise the oil and gas sector, the



current challenges that are still facing the oil and gas sector include limited engagement of different stakeholders on issues affecting the petroleum sector, the need for more land to set up infrastructure thus displacing vulnerable communities in the process. Speculations about where different oil infrastructure is to be located have led to a rush for land in the Albertine region.

Uganda's oil sector activities are on land, a resource from which communities derive their livelihoods. Therefore, protecting land rights and offering host communities affected by oil activities a fair

compensation should be the right thing to do.

Efforts by stakeholders are also needed to engage and ensure that the proposal to amend Article 26 of the Constitution is defeated. Worse still, all district land boards in Bunyoro were served a court injunction stopping them from handling land-related issues in the region. However, this has caused more harm than good to oil host communities where people are more interested in acquiring land documents and registration so as to benefit from compensation.

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