

Govt calls for more oil explorers

By John Odyek

The Government has called for more investors in the oil and gas sector to participate in the second competitive licensing set for next year.

Robert Kasande, the energy ministry permanent secretary, while opening an oil and gas convention yesterday, said government's intention was to increase the oil resources to make optimal use of oil and gas infrastructure being built in the country. The infrastructure includes pipelines, refineries, processing facilities, roads and other related facilities.

The fourth annual oil and gas convention was held at the Kampala Serena Hotel.

It was organised by the Uganda Chamber of Mines and Petroleum and the Ministry of Energy and Mineral Development, under the theme: *Regional collaboration for first oil*.

"The second licensing round will take place in the next financial year. We encourage you to get data about the potential areas at Petroleum and Exploration Directorate at Entebbe. We are making efforts to increase our resources," Kasande said.

He added that they were looking to begin the next oil exploration frontier in Karamoja as studies in the region get completed, which will also increase revenues from

Kasande (left), Mugerwa and chairman board of trustees of Uganda Chamber of Mines and Petroleum Richard Kaijuka at the fourth annual Oil and Gas Convention in Kampala yesterday.

Photo by Abou Kisige



oil. Uganda has discovered 6.5 billion barrels of oil, and of which between 1.5 billion to 1.7 billion barrels are recoverable.

Kasande called on companies able to do seismic surveys or speculative explorations to apply to do so for sedimentary basins in Hoima and Karamoja. He explained that companies that do the studies and obtain data on potential oil resources can sell it to another exploration company, but the Government retains ownership.

He added that companies that buy the data can undertake further

DATA SALE

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exploration after getting licenses to confirm the deposits of oil.

He noted that before Uganda gets her first oil by 2020, it is important that citizens are the ones driving the process.

"This is the time for Ugandans to be prepared to supply goods and services and get jobs. We are encouraging international companies to support local content to train Ugandans to provide services," Kasande said.

Elly Karuhanga, the president of the Uganda Chamber of Mines and Petroleum, said several years back, no one thought Uganda

could produce oil.

"The story of oil was like a rumour. We did not have laws and policies which we now do and we did not know things such as front end engineering designs and final investment decisions, which we are now undertaking," Karuhanga said.

Jessica Kyeyune, the national content manager of the China National Offshore Oil Corporation Uganda, said the company was ready for the first oil and was waiting for the refinery and the crude oil pipelines.

Jimmy Mugerwa, the general manager of Tullow Uganda, said the company would look at the opportunities to explore for more oil in Uganda.

"We have put Uganda on the world map of oil exploration. We will look at the data," Mugerwa said.

Peter Bitarakwate, a representative of Zakhem International Construction Company, said training and using local manpower is cheap and builds the economy. Bitarakwate said when they were contracted to build the 450km Mombasa to Nairobi oil pipeline in 1974, there was not a single Kenyan who could do the welding required.

Bitarakwate said as the project went on, many Kenyans were trained and many of them are now employed in different parts of the world.

Oil and Gas