

BALANCING POVERTY REDUCTION AND NATURE CONSERVATION. ANALYSING THE IMPACT OF OIL EXPLOITATION ON PROTECTED AREAS IN WESTERN UGANDA

By

Robert Tumwesigye Baganda, Pro-biodiversity conservationists in Uganda.

1.0 Introduction

This paper presents findings of the study conducted by Pro-biodiversity conservationists in Uganda as part of its conservation activities as stipulated in its work plan. The first phase of the study has entirely been funded by PROBICOU though other phases require further resource mobilization and support.

Uganda is among the few African countries blessed with rich extractive resources, the recently discovered being oil. Oil has been discovered in the albertine region, south western part of the country known as Bunyoro region. This region is currently demanding for a share of oil revenues/profits from this rich resource. On the other hand, the albertine region is a location of sensitive areas such as Protected Areas as advised by UWA (Uganda Wild Life Authority) to UNEP-WCMC and Coverage of Exploration Blocks as determined by PEPD. Unfortunately there is now a geographical coincidence that oil has been found in Protected Areas of national & international importance. These include, Murchison Falls , Queen Elizabeth, and Rwenzori MT national parks which are world heritage sites with Albert Nile delta (Murchion falls) being a Ramsar site. Queen Elizabeth (Rwenzori) NP is further listed under UNESCO/Man & Biosphere Reserves. This shows that these areas are great biodiversity conservation areas and areas of biodiversity importance. Thus a question, can oil and conservation co-exist? The study therefore aimed at ascertaining whether the exploitation of oil will lead to poverty reduction and co-exist with biodiversity conservation in Albertine rift.

The study was mainly Qualitative but used various theoretical frameworks that are relevant to conflict analysis. These included analysis of structures and actors and how these interact with one another, focusing on political, economic, environmental and social perspectives. The study also benefited from an actor oriented analysis which involved identification of those involved in oil exploitation (directly or indirectly), those positively or negatively affected, local leaders, conservation officials, district officials, and members of the community.

1.1 Situation analysis

As Uganda continues with the process of oil exploitation, the government and all Ugandans must prepare to deal with the realities that continue to characterize most of the economies of oil producing developing countries, especially in Africa. Today Ugandans have a lot of expectations in respect to the pending oil boom but experience has shown overtime that, any thinking that oil wealth could be a curse still seems counterintuitive. When an oil bonanza is discovered in a struggling Africa country, such as Uganda or any other poor country, the instinctive assumption is that it can only be a good thing, which it will result in a rapid improvement in people's livelihoods. It is believed that suddenly there will be money for hospitals, vaccines, schools and roads, even everyone will suddenly be rich.

To the contrary, however, studies in and outside Africa suggest that the real GDP and the population standards of living nearly always decline where oil is discovered. In a study conducted in 1995 by Jeffrey Sachs, it is shown that the resources-rich countries grow more slowly than

resource poor countries-even after such variables as initial per capita income and trade policies are taken into account.

Particularly in Uganda, the exploitation of oil is attracting many people to (Albertine rift) Bunyoro region with much expectation for riches. Currently the area has experienced conflict. The pastoralists and herds men have taken root in these conservation areas and the government has been involved in a number of classes as it tries to evict them. For example although grazing of livestock inside protected areas is prohibited, in Bulisa and Kasese, the study team encountered various cases of encroachment on protected resources by cattle keepers. Masege Forest reserve covering about 925 hectares around Kabolwa had been heavily encroached by nomadic pastoralists. Other areas affected include Bugungu wild life reserve, and areas stretching from Kabolwa to Waiga in Bulisa Sub-county. Evidence from Bwanika 1 and Bwanika 11, Nyamugasani and Muruti villages in Kinyamasenke parish, Munkunyu sub-county Kasese District indicate that elephants often wreck havoc to people's crops. There has been no solution offered to this problem by government. Following oil discovery, the local people look at oil as a resource from their own land, and therefore are guarding against new entrants/foreigners a factor that has also led to intertribal conflicts. The government is now trying to evict the pastoralists from the protected areas; as a result the threat on wild animals has increased, with more cases of wild life poisoning, loss of human life, and bush fires being reported.

1.2. Challenges

There are significant challenges associated with oil exploitation e.g:

- ♦ Land-take: operations/camps footprint, habitat & species disturbance & removal, ineffective restoration.
- ♦ Access: road infrastructure (routes for additional traffic), Socio-economic: workforce influx, additional pressure on resources, transportation (pipelines, tankers, etc),
- ♦ Noise & Light: 24hr operations, disturbances unknown.
- ♦ Discharges & wastes such as: Air - produced gas : vent, flare, re-inject or sell; climate change, local air quality, Liquid - reuse, evaporate, soak-away, treat & dispose, Solid - sludge residues, camp wastes,
- ♦ Spills: heavy oil smothering/toxicity, seasonality, ingestion & bioaccumulation.

It should be noted that though there are Mandatory requirements such as an EIA Uganda's EIA regulations have a number of challenges. For example, Enforcement depends on:-Willingness of company to abide by EIA findings & recommendations, plus Conditions of Approval, Resources and stringency of regulatory authorities, Capacity of society to understand impacts and direct mitigation, Reliance on sufficient capacity and experience of EIA practitioners, as well as external accreditation & transparency.

Unfortunately, in Uganda analysis shows that sub-standard EIAs have been approved, because of:-

- ♦ Lack of quality baseline info on which to make decision
- ♦ Insufficient detail on quantity & locations of intended operations (drill sites & camps)
- ♦ Inadequate impact assessment methodology e.g. lack of comparative quantification, significance was unclear.

Impacts such as conflicts experienced, are a direct result of quality of early EIAs.

1.3 Lessons learnt

It was found out that the exploitation of oil can lead to poverty reduction and nature conservation only if standards are improved both on national & local Government, as well as Company responsibilities.

1.3.1 For example at national & local Government there is need for

- ♦ Increased Field exposure to oil & gas operations
- ♦ Increased Sharing of knowledge and expertise
- ♦ Working collaboratively on EIA approval
- ♦ Working collaboratively on operational site monitoring
- ♦ Providing training on each others expertise
- ♦ Resources need to be urgently applied to those charged with monitoring
- ♦ Political will to actively enforce restrictions on development should be in place
- ♦ Encouraging companies consultation to be more inclusive
- ♦ Incorporating local decision-makers and involving the communities.

1.3.2 On the other hand improving standards of exploiting companies (Company responsibilities)

- ♦ Companies needs to deliver practice against promise
- ♦ EIA and Conditions of Approval mitigations should be emphasised
- ♦ Increased Openness and transparency
- ♦ Information and resource sharing
- ♦ Baselines, habitat & species survey info, sensitivity atlas, etc
- ♦ Use of Environmental Management Systems
- ♦ Provide confidence in systematic impact management in action, not just in published Annual reports.
- ♦ Consider support to developing capacity of agencies

1.4 Conclusion and recommendations

It is important to note that managing impacts effectively can mean reduced impacts on wildlife and oil exploitation companies should consider reducing impacts accordingly. For example: a development next to a wetland has the potential for harm to that wetland, even after all mitigation is in place. As a result the company should provide additional resources to protect a threatened wetland further along the coast.

So, can oil and conservation co-exist in Uganda?

Development can co-exist with wildlife protection

- ♦ Only where impacts managed effectively & collaboratively
- ♦ Government have to increase capacity to properly minimise impacts
- ♦ Companies have to up their game
- ♦ International companies should apply international standards

Nevertheless, pristine areas should be kept as wilderness

- ♦ Not “green neo-colonialism” but sustainable development protecting critical natural assets.