











7th/June/2022

H.E. Yoweri Kaguta Museveni, The President, Republic of Uganda, State House, Kampala (U).

Dear Mr. President,

CSO OPEN LETTER TO THE PRESIDENT: YOUR TELEGRAPH ARTICLE UNDERMINES THE CLIMATE CHANGE FIGHT AND ENDANGERS UGANDANS

- 1. Your Excellency, on May 2, 2022, you published a newspaper article titled, "Africa can help solve the energy crisis" in the UK's *Telegraph*. In the article, you noted that being a friendly country, Uganda, which is seeking to commercialise its oil and gas finds through the Lake Albert oil project, can play a crucial role in helping the West to enjoy energy security.
- 2. You also noted that Uganda is an environmentally-friendly country by nature, and that the families affected by the oil and gas exploitation activities in Uganda are receiving the most generous compensation packages among others.
- 3. Your article contained some important truths namely, that Africa needs energy to develop and that Uganda is an environmentally-friendly country. You also rightly noted that Africa has contributed the least to climate change among others.
- 4. With the above being said, we have some points of departure from your arguments. First, we are curious to know why your government is thinking of helping Europe and America to end their energy crisis while Ugandan citizens suffer from energy poverty. As at June 2020, only 19% of Uganda's population had access to grid power and yet since 2012, it is

estimated that your government has invested over USD 5 billion in hydropower dams and transmission lines.

- 5. To make matters worse, per information from the Uganda Bureau of Statistics (UBOS), 94% of the Ugandan population still relies on crude biomass to meet its cooking energy needs; 73% rely on firewood and 21% on charcoal. Despite borrowing to invest in the energy sector, -energy sector debts constitute part of the over USD12.5 billion or over UGX 73 trillion national debt burden- Uganda remains one of the darkest and poorest countries in Africa.
- 6. The above is partly because power tariffs are too high. Currently, Uganda produces only 1,346.6MW of power but most of this little electricity cannot be consumed by the majority of Ugandans because of high power tariffs. During peak hours, only 794.0MW is consumed (November 2021 statistics) and yet soon, the delayed Karuma dam of 600mw will also be added to the national grid. Your government will continue to tax Ugandans to pay for unconsumed power (deemed energy).
- 7. It should be noted that the unaffordability of the power in Uganda has created pressure on the existing forests as over 40 million Ugandans search for firewood and charcoal for cooking and other energy needs. Notably, in 2019, the National Forestry Authority (NFA) noted that Uganda had lost half its forest cover in the past 30 years alone with the country's forest cover going from 4.9 million to 2.5 million hectares. Your government needs to first address the energy needs of nationals before seeking to ensure energy security for others.
- 8. With prioritising the energy needs of the West, which the Lake Albert oil project is doing as over 90% of the oil produced in Uganda per day will be exported via the East African Crude Oil Pipeline (EACOP), the Lake Albert oil project becomes like many of the neocolonialist projects on the continent through which Africa's resources are exploited for the benefit of others.
- 9. In your article, you also noted that renewable energy is expensive and less reliable. This means that in the interim, Uganda and Africa at large need investments in fossil fuels to drive agro-industrialisation. While it is commendable to encourage sustainable and inclusive investments in agriculture, arguments that this agro-industrialisation will be realised from the deployment of gas-fired power plants come short. Thermal power in Uganda is expensive. It also contributes to the high deemed (unused) energy costs that Ugandans pay through taxes. These costs are expected to amount to UGX 193 billion in the coming financial year, per the 2022/2023 National Budget Framework Paper.
- 10. Moreover, information from the <u>International Renewable Energy Agency</u> (IRENA) shows that "62 per cent of total renewable power generation added [in 2020] had lower costs than the cheapest new fossil fuel option." Why then is Uganda seeking to exploit oil and not its rich renewable energy sources? If the over USD 15 billion planned for the EACOP, Tilenga

and the Kingfisher oil projects were shifted to off-grid solar, every Ugandan would get access to clean energy. Uganda would also become a climate change leader. To achieve this, you must first fight corruption at all levels of government.

- 11. In relation to the above, you yourself have noted that it is corruption that makes renewable power expensive in Uganda. You have severally complained about the Bujagali hydropower dam and UMEME contracts, noting that corruption led to signing of bad agreements that make power expensive. As you know, a unit of electricity from Bujagali dam costs 13 US cents at a time when the dam is exempted from taxes. The global average cost for hydropower is US\$0.047/kWh. It therefore isn't true that renewable power equals to expensive power. Bad leadership that promotes bad governance characterised by corruption remains responsible for energy poverty in Uganda.
- 12. Mr. President, in your article, you also noted that the discovery of oil has been celebrated at home while the West is criticizing Uganda's oil sector. However, even before oil is produced, oil exploration activities continue to cause untold suffering to local communities in terms of loss of land and displacements, inadequate, delayed and unfair compensation, environmental degradation and others. Communities impacted by the oil activities in Uganda are unhappy and curse the activities. The criticism therefore is not only from the West but even within the country. Local communities have filed many court cases in Uganda but again the weak and corrupt judiciary is failing them. But the evidence is on record if you want the truth.
- 13. In conclusion Mr. President, Uganda has great renewable energy potential with the solar energy potential alone standing at 5,000MW. Uganda can be a climate leader by prioritising investment in clean renewable energy. Uganda's leadership in the clean renewable energy agenda can be a basis to pressure the West, which has contributed the most to climate change, and is dilly-dallying on taking climate action.
- 14. Uganda is the <u>twelfth most vulnerable country</u> to climate change and one of the least prepared to tackle its impacts. We therefore need to take climate action while demanding that the biggest culprits do so too.

SIGNATORIES

- Africa Institute for Energy Governance (AFIEGO)
- African Initiative on Food Security and Environment (AIFE)
- Centre for Citizens Conserving Environment management (CECIC)
- East African Crude Oil Pipeline Host Communities (EACOPHC)
- Environment Governance Institute (EGI)
- Fridays for Future-Uganda (FFU)

- Oil and Gas Residents' Association (ORGHA)
- Strategic Response on Environmental Conservation (STREC)
- Tasha Research Institute Africa
- Youth for Green Communities (YGC)
- Women for a Green Economy Movement (WoGEM)