

CENTRE FOR ENVIRONMENTAL RESEARCH AND AGRICULTURE INNOVATIONS

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What you need to know about EACOP and its impacts.

- The EACOP is a planned 1,443km pipeline 1 set to be constructed from the Albertine Graben in Western Uganda to the port of Tanga in Tanzania.
- The EACOP project developers <u>include</u> TotalEnergies (62% shareholding), the Ugandan and Tanzanian governments (15% shareholding each) and China National Off-shore Oil Corporation (8% shareholding).
- At peak production, the pipeline will <u>transport</u> 216,000 barrels of crude oil per day from the Tilenga and Kingfisher oil fields in Uganda.
- If constructed, the pipeline will be the longest electrically-heated crude oil pipeline in the world. Construction of the pipeline is expected to commence in 2023.

3. IMPACTS OF THE EACOP

The EACOP project poses immense social, economic, environmental, biodiversity and climate change risks. These include:

Environmental risks: The EACOP is set to directly and indirectly affect forests, nation-al parks, game reserves, lakes, rivers, wetlands and others in Uganda and Tanzania. In 2017, the World Wildlife Fund (WWF) noted that the EACOP will affect 2,000km2 of protected areas and will fragment habitats for elephants, chimpanzees and other endangered animals. Some of the protected areas to be affected by EACOP include Bugoma, Wambabya and Taala forests in Uganda as well as Minziro Nature Forest Reserve and Burigi-Biharamulo Game Reserve in Tanzania.

Wetlands: In addition, the EACOP is set to affect wetlands belonging to Lake Victoria, Lake Tanganyika as well as the Wami/Ruvu and Pagani basins among others in Uganda and Tanzania. Notably, in

Uganda, the EACOP is set to affect the Sango Bay-Musambwa Island, Nabajjuzi and Lake Nabugabo wetland systems. Other affected wetland systems include the Mabamba Bay, Lutembe bay among others.

Biodiversity risks: The forests, game reserves, lakes, wetlands and other protected areas that will be affected by the EACOP are habitats for internationally-recognized endangered species. Notably, Bugoma forest hosts over 600 chimpanzees accounting to 12% of Uganda's chimpanzee population. Further, the wetland systems set to be affected by the EACOP are important bird areas for both migratory and other bird species.

Lake Victoria and ground water risks: Nearly a third of the EACOP will lie within the Lake Victoria basin. The Tanzanian EACOP Environmental and Social Impact Assessment (ESIA) report also indicates that at kilometer posts (KP) 455-470, the pipeline will come to within five kilometers of Lake Victoria. Experts have pointed out that a failure of the pipeline at multiple points – KP300 to 520 – would impact the water quality of Lake Victoria. Up to 40 million people in East Africa rely on Lake Victoria. Ground water in the districts affected by the EACOP is also at risk of contamination in case of oil spills.

Climate change: All the East African states have experienced climatic changes. For instance, Uganda's Ministry of Water and Environment says that mean annual temperatures in Uganda have risen by 1.3°C and annual seasonal rainfall has decreased considerably across Uganda since 1960. Tanzania's climate has also changed and further change is predicted.

With the EACOP, the climate crisis in Uganda and Tanzania stands to worsen as the full value chain emission estimates over the EACOP's 25-year lifetime are 377.6 mil-lion metric tonnes. These include the carbon emissions from the construction phase (0.24 MtCO2 -Uganda only), operational emissions (6.55 MtCO2e), refining emissions (34.52 MtCO2), and product use emissions (330.71 MtCO2)

- Economic risks from debt: Constructing and operating EACOP will be expensive, and there's no guarantee that revenues from the sale of oil will cover the costs. The project's construction costs stand at \$5 billion. Additional costs will be incurred to operate the pipeline. The risk that the EACOP will generate less than expected revenues is real.
- Countries around the world have made commitments to reduce their oil consumption, which could hamper demand for the oil transported by the EACOP. Also, the International Energy Agency predicts that oil prices will drop by one-third over the next two decades. The stark reality is that there is a high probability that Uganda and Tanzania will borrow money to build the EACOP and then have little revenues to pay off the debt. If that happens, the governments will have to repay the debt by diverting money meant for other priorities such as building schools, health centers, roads, and others. This could make ordinary Ugandans and Tanzanians econominally worse off.
- Social impacts: A total of 13,000 households have been affected by the EACOP project in Uganda and Tanzania. These households land is being compulsorily acquired for the project. Because of the over three years delay in compensating the affected people and use of 2018 and 2019 cut-off dates to stop the families from using their land to grow perennial food and cash crops, the households have suffered reduced family incomes, food scarcity, psychosocial distress, school drop-outs, abuse of their cultural rights and others. In the long-term, community and public expenditure on health, climate change crises and others could increase because of the EACOP. Air pollution, oil spills and others will worsen community health.