

Statement on ESCROW Applications in Masaka and other High Courts

In reference to the press release dated 10th September 2024, issued by Africa Institute for Energy Governance (AFIEGO), pertaining to the escrow application filed by the Government of Uganda (GoU), through the Attorney General's office, concerning some Project Affected Persons (PAPs) whose land is affected by the East African Crude Oil Pipeline (EACOP) project. The Masaka application pertains to part of land in Lwengo, Kyotera and Rakai districts which is being acquired for the pipeline project in accordance with applicable laws and international best practices. It is regrettable that AFIEGO did not request any clarifications from EACOP prior to issuing its statement.

These applications are in accordance with the Land Acquisition Act, which allows the Attorney General to apply to the High Court for permission to deposit compensation amounts in court where a person awarded compensation refuses to accept payment or where circumstances render it inexpedient, difficult, or impossible to make payment to Project Affected Persons (PAPs) in accordance with the Assessment Officer's Awards. Applications are being made in 5 High Courts along the pipeline route of which Masaka High Court is one.

As of 24/9/2024, 3551 of the 3660 PAPs impacted by EACOP Uganda have signed their Compensation Agreement. Of the remaining 109 PAPs it is expected that 13 will sign imminently (in fact 05/13 recently had Letters of Administration (LOA) issued for deceased PAPs which enables Compensation Agreement signing)

Of the remaining 96 PAPs,

- 40 are absent or not identified. EACOP has run radio announcements in local dialect in all ten districts through 11 radio stations. Several announcements were made in 2023 and 2024.
- 27 are facing succession register issues that cannot be resolved in a timely fashion, many associated with the Buganda Kingdom estates administration regime
- 14 are involved in non-EACOP related disputes either between PAPs, either in or out of the Courts
- 9 have rejected the compensation values approved by the Chief Government Valuer
- 6 miscellaneous cases, including 4 where the Administrator General rejected applications for Certificates of No Objection.



If these applications are granted, the approved compensation sums, as determined by the Chief Government Valuer, will be deposited in court, and the government will be granted access to the land for project activities. The compensation will remain available to the PAPs once their respective challenges/ constraints are resolved, and it becomes possible for them to receive payment.

In addition to the Laws of Uganda, EACOP has through this land acquisition process adhered to the IFC Performance Standards, in particular PS-5 concerning land acquisition.

- THE END -

The East African Crude Oil Pipeline is a 1,443km crude oil export infrastructure that will transport Uganda's crude oil from Kabaale - Hoima in Uganda to the Chongoleani peninsula near Tanga in Tanzania for export to the international market. This major export system includes 1,443 km (296 km in Uganda and 1147km in Tanzania) of insulated and buried 24" inch pipeline, 6 pumping stations, two pressure reduction stations and a marine export terminal in Tanzania.

Following the Final Investment Decision (FID) that was taken on the 1st of February 2022, East African Crude Oil Pipeline (EACOP) Ltd. on 15th February concluded the formation of the company that will construct and operate the pipeline.

EACOP Ltd. is a special purpose company, governed by its Shareholders Agreement in which TotalEnergies (62%), Uganda National Oil Company (UNOC - 15%), Tanzania Petroleum Development Corporation (TPDC - 15%) and CNOOC (8%) are shareholders.

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