Tourism in Uganda’s oil economy: Deal or no Deal!

For Citizens, doing nothing is inexcusable.

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Forward by AMOS WEKESA

January 2014
Salutations

The Agency for Transformation presents to the world insights on options for an enduring oil economy in Uganda – yet again. This time round the focus is on tourism sector – a timeless sector for Uganda’s economic transformation. This follows an earlier paper on farmers and oil that can be accessed via http://www.agencyft.org/wp-content/uploads/2013/06/AFT-Publication-Bklet_Revised.pdf. This paper is a result of several months of inquiry and contemplation of authors enriched by discussions and interactions with several public policy analysts, journalists and most importantly practitioners in Uganda’s tourism sector. The authors are particularly grateful to Ms Holly Jean Buck of Cornell University, USA, for editing the original manuscript and Mr. Angelo Izama, an Open Society Foundation Fellow for providing intellectual provocations and critique that stimulated deeper inquiry into this subject. The team at the Agency for Transformation (AfT) is acknowledged for providing the backroom environment that made this publication possible.
Foreword

It is my greatest pleasure to present this paper that provides key insights on the plight and prospects of Uganda’s tourism under the nascent and highly promising petroleum industry that many Ugandans are excited about. It so happens that we in the tourism sector have already expressed concern over the possibility of ruining our country’s great tourism resources by turning them into oil fields. As we all know, the benefits of oil are finite because at one point in time there will be no more oil to explore and exploit. Tourism can stay with us for several centuries and beyond, unlike petroleum which will be definitely be depleted after a few decades.

What is so special about this paper is that it brings out the key issues while also explaining how a win-win position can be achieved for tourism and petroleum exploration. The power of the tourism sector is highlighted alongside the dangers of poor planning and inadequate regulation of the petroleum industry. Besides success stories that can be benchmarked, the way forward for policy makers and other key actors is also clearly indicated.

Therefore, I wish to congratulate the authors and the Agency for Transformation team for this great work. The paper effectively voices the concerns of all actors in the tourism sector. I call upon policy makers, oil companies and all Ugandans to reflect upon the message of this document and to take the necessary actions early enough. This will ensure that Uganda’s tourism derives maximum benefits from the petroleum sector, and that irreversible damage that can be caused to the environment and tourism by the oil industry is forestalled.

Amos Wekesa

Managing Director – Great Lakes Safaris
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## List of Acronyms

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<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>AU</td>
<td>African Union</td>
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<tr>
<td>CNOOC</td>
<td>China National Offshore Oil Corporation</td>
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<td>CSO</td>
<td>Civil Society Organization</td>
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<tr>
<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<tr>
<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>IUCN</td>
<td>International Union for Conservation of Nature</td>
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<tr>
<td>LRA</td>
<td>Lord’s Resistance Army</td>
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<tr>
<td>MFNP</td>
<td>Murchison Falls National Park</td>
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<tr>
<td>NAPE</td>
<td>National Association of Professional Environmentalists</td>
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<td>NEMA</td>
<td>National Environment Management Authority</td>
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<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
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<td>NP</td>
<td>National Park</td>
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<td>PWYP</td>
<td>Publish What You Pay</td>
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<tr>
<td>QENP</td>
<td>Queen Elizabeth National Park</td>
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<tr>
<td>SEA</td>
<td>Strategic Environmental Assessment</td>
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<tr>
<td>SWF</td>
<td>Sovereign Wealth Fund</td>
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<td>UWA</td>
<td>Uganda Wildlife Authority</td>
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1.0 INTRODUCTION

1.1 Overview of the paper

This study explores the potential impact of Uganda’s new petroleum industry on the country’s tourism sector. Uganda is naturally endowed with many resources, and also has bottomless potential to become a premier tourist destination. Although images of past political instability have affected the country’s reputation, and in spite of meager budget allocation to tourism, the sector has been growing and the new oil industry offers great opportunities to boost it further. Indeed, tourism in itself relies heavily on oil, not only for its transportation components but also for many other aspects of tourism products, like accommodation, recreational activities and hospitality.

However, Uganda’s oil resources are onshore and nearby rich tourist sites. There is thus a danger that the nascent oil industry will have negative and destructive effects on tourism enclaves, the environment and the economy. For example, most of the new oil operations are taking place in the highly valued Murchison Falls National Park. There are over 400 identified species of mammals in the park, including elephants, buffaloes, giraffes, lions and leopards. Excursion activities consist of game drives, bird watching, boat rides to Murchison Falls, and sport fishing (UWA, 2001). This park alone collected Uganda shillings 6.8 billion in revenue in the 2011-2012 fiscal year (UWA 2012). Overall, the tourism sector contributed USD 662 million in 2011, representing 11.4 percent of the total country’s foreign exchange earnings. This paper highlights the risks that are involved and measures that can be taken to optimize the benefits of the oil industry while minimizing its effects on the tourism sector (achieving sustainable tourism). The paper also articulates necessary actions that will help the tourism sector surge (deal) as well as the costs of inaction that will sink the tourism sector (no deal).

The paper starts with an overview of tourism and oil exploitation in Uganda. The performance and prospects of the tourism sector are investigated. Next, the negative impacts of petroleum on tourism are explored, including the impact of oil extraction and oil refining operations, the potential for conflict escalation, and other common concerns such as the Dutch Disease and resource curse syndrome. Thereafter, the regulation of the petroleum industry is considered, in view of promoting and protecting the country’s tourism sector. Finally, some success stories and lessons from international best practice are given, from which Uganda can learn, plus some key policy recommendations for the way forward.
1.2 Purpose of the paper

This paper aims to illuminate how we can ensure that the new petroleum industry in Uganda does not destroy the already significant and surging tourism sector. Rather, the new industry should strengthen and complement tourism and other productive sectors in order to build a strong and robust national economy. There is already a looming threat that the new petroleum might negatively affect tourism in Uganda. This concern arises out of the fact that the targeted areas for petroleum extraction lie in the Albertine Rift, which is also a great tourist destination due to its rich natural endowment. Therefore, this paper:

1. Explores the status of Uganda’s tourism industry in relation to petroleum exploitation.
2. Examines the opportunities and threats posed by the petroleum industry to the tourism sector.
3. Investigates the regulatory framework of the petroleum industry in relation to tourism development in Uganda.
4. Identifies strategies and benchmarks for a win-win outcome between the petroleum and tourism sectors.

The ultimate goal of the paper is to bring to light the concerns and possible solutions to the challenge of maintaining and promoting tourism while exploiting the country’s petroleum resources.

Photo by: Shawn Mubiru: Bullisa
## 1.3 Some highlights

<table>
<thead>
<tr>
<th>UGANDA’S TOURISM IN UGANDA’S OIL ECONOMY</th>
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<tr>
<td><strong>Deal</strong></td>
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<tr>
<td>✣ Invest substantial revenues from oil to market Uganda’s tourism</td>
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<tr>
<td>✣ Adequate research and benchmarking relevant to Uganda context.</td>
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<tr>
<td>✣ Establish the best <em>Utali</em> (Tourism and hospitality) College in Africa</td>
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<tr>
<td>✣ Linkages of oil sector to planning to other sectors, including tourism.</td>
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<tr>
<td>✣ Uganda joins EITI, a globally developed initiative for revenue transparency; accountability throughout the oil value chain.</td>
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<tr>
<td>✣ Modernized roads, railway, airports and marine transport networks for tourists, citizens, and trade.</td>
</tr>
<tr>
<td>✣ Better tourism ambience, destinations, services and institutions.</td>
</tr>
<tr>
<td>✣ Improved economy, more jobs and income, improved standards of living and lifestyles.</td>
</tr>
<tr>
<td>✣ Uganda, “The Pearl of Africa” shining as an outstanding tourist destination.</td>
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1 The tourism sector in Uganda receives the lowest marketing budget of all its East African competitors. Uganda invests US$300,000, while Kenya spends US$23 million, Tanzania US$10 million, and Rwanda US$5 million. Although the government associates low financing with a limited national budget (MoFPED, 2012)
2.1 Background on petroleum development

Of Uganda’s five sedimentary basins, the Albertine Graben has so far been the most prospective area for petroleum in Uganda. This area is along Lake Albert, which is Africa’s seventh largest lake, being 160 km long, averaging 32 km wide, and forming part of the Uganda–Democratic Republic of Congo (DRC) border, with the two countries sharing the lake.

The land surrounding Lake Albert is rich in biodiversity, and is partly a designated protected area on the Ugandan side. Much of the land is used for agriculture (crops and livestock) and human settlements, while the lake provides fish for the surrounding communities and beyond. Ituri on the DRC side and Nebbi, Amuru, Buliisa, Hoima, Kibaale and Bundibugyo on the Uganda side surround the lake.

Population growth is expected to increase pressure on natural resources and access to land. Ituri in the eastern DRC is one of the country’s poorest and least stable regions, still conflict-prone after a brutal war in 1998–2003. Future oil extraction and processing will pose major additional risks to the environment, with likely negative effects on Uganda’s important tourism industry.

![Fig.1 Some of Uganda’s wildlife species threatened by oil operations](image)

Current oil exploration began in Uganda’s part of the Lake Albert basin in the late 1990s, and increased in 2003–4. Major finds were confirmed in 2006 and 2007, both offshore (under the
lake bed) and onshore. The Ugandan government has negotiated and renegotiated production sharing agreements (PSAs) with international oil companies. Among the first international exploration companies involved were Tullow and Heritage. Tullow is developing partnerships with larger international production companies Total and CNOOC (a Chinese state oil company). Tower and Dominion are also present in Uganda. The government has allocated five of its current nine exploration blocks to companies. On the DRC side, oil exploration is developing more slowly than in Uganda, although the DRC has been a minor oil producer from other parts of the country since the mid-1970s.

2.2 The power of Uganda’s tourism sector

The tourism sector in Uganda remains an important avenue for economic growth and poverty reduction. It has experienced growth in investment along the value chain, attractiveness and operational complexity. According to Amos Wekesa, the President of the Uganda Tourism Association and managing director of Great Lakes Safaris, Primate Lodge, “Tourism is the fastest growing industry on earth. It grows faster than the manufacturing and oil industries which are our major focus as a nation.” Indeed, tourism in Uganda offers a number of advantages and economic growth opportunities, such as:

- Source of employment: The World Travel & Tourism Council (WTTC) estimates that the Ugandan tourism industry directly contributed 225,300 jobs in 2011, with the figure rising to a total of 522,700 jobs when factoring in those indirectly supported by the industry. These figures represent 3.4% and 7.9% of Uganda’s workforce, respectively.
- Potential linkage with other sectors, e.g. agriculture (food supply), communications and other hospitality industries.
- Opportunities for off-farm diversification, especially in areas where agriculture is less viable and manufacturing industries do not exist.
- Foreign exchange earner: Tourism was estimated to contribute USD 662 million in 2011 representing 11.4 percent of the total country’s foreign exchange earnings.
- Generates demand for assets, goods and services. Tourism is also associated with infrastructure development in remote places.
- Offers a relatively rapidly growing market in Uganda where the country’s full tourism potential has not yet been developed.

2 http://www.newvision.co.ug/D/8/459/672604
Uganda’s tourism sector has been steadily growing. This growth has been driven in large part by foreign non-residents, with some important increases also being seen within the student and citizen (domestic) markets\(^4\) as indicated in Figure 2. The country’s natural parks are major tourist destinations and have a wide range of tourism products. These include gorilla tracking, nature guided walks, village walks, butterfly and bird watching, rare fauna and flora species. Figure 3 shows that the number of visitors to the national parks increased from about 127,000 to about 210,000 between 2007 and 2011, an increase of over 65%. The most popularly visited national park in 2011 was Queen Elizabeth (42%), followed by Murchison Falls (29%) and Lake Mburo (10%). The three collectively accounted for 80 percent of the visitors to national parks\(^5\).
Tourism’s contribution to Uganda’s GDP is targeted at 9.2% by 2015, according to government sources. However, figures from the World Travel and Tourism Council forecast the direct contribution of travel and tourism to Uganda’s GDP to be 7.4% by 2021. It has also been pointed out that the use of sector’s employment opportunities and contribution to gross domestic product (GDP) as a measure of its performance may be deceptive as the sector is prone to domination by foreigners and has a lot of ‘leakages’.

Uganda is greatly endowed with tourist attractions such as wildlife, impenetrable forests, lakes, mountains with rare fauna and bird species, and the unique climate. It is due to its natural
beauty that the country was labeled as “The Pearl of Africa”. In spite of the foregoing, Uganda lags behind in the region due to inadequate marketing. For example, in 2009, Kenya received 2.4 million tourists and Tanzania 714,320 compared to Uganda at 61,000 tourists\(^3\). Indeed, the contribution of tourism to the country’s GDP and the country’s share in the tourism market has been relatively small, as can be seen from figure 7 below:

![East Africa Leisure Tourism Market Share (2009)](image)

**Fig. 7 Share of tourism market in East Africa**

### 2.3 The future of tourism and petroleum

If well managed, Uganda’s petroleum offers an excellent opportunity for developing tourism and other sectors of the economy. Although the direct revenues from the petroleum are expected to cease after 20 or 30 years, some of the revenues can be invested into long-term tourism related projects such as:

- Developing road networks that lead to tourist destinations, particularly by making use of bitumen oil refinery by-products to make modern tarmac roads and superhighways.
- Developing key institutions for promoting the tourism sector, such as training institutions in catering, hotel management and other hospitality industries, and a regional language and diplomacy training centre.
- Upgrading Entebbe International Airport to increase its capacity, services and ambience.
- Promoting Uganda’s tourism destinations and attractions, including cultural sites, museums, lake resorts, forest lodges, etc.
- A lot more can be done by benchmarking other efforts that have made use of oil revenues to boost the tourism sector (as will be seen in Section 4 below).

\(^3\) [http://www.monitor.co.ug/News/National/-/688334/1138330/-/c39xo0z/-/index.html](http://www.monitor.co.ug/News/National/-/688334/1138330/-/c39xo0z/-/index.html)
The oil revenues can also be used to overcome other constraints, such as those identified in the country’s National Development Plan (NDP 2010/11 – 2014/15):

- Inadequate human resource capacity in terms of numbers and skills, exacerbated by absence of adequate specialized training institutions within the country, and the duration it takes to develop expertise.
- High staff turnover in the sector rendering it weak and ineffective in its functions.
- Limited bulk transportation capacity due to the dilapidated rail system, and over-reliance on a single transport route.

Continuous efforts are needed to overcome the above constraints in order to properly manage the country’s natural resources and the environment.

According to Uganda Vision 2040, Uganda has shown impressive performance with a total number of annual tourist arrivals of 945,899 in 2012, representing a 17% increase from the previous year. Tourists visiting wildlife protected areas increased by 20 percent in 2012 from the previous year. The Vision 2040 notes that these figures are still quite low compared to other countries. It also notes that tourism is expected to play a major role in the economy and become a major contributor to GDP by 2040, spurring growth in secondary and tertiary industries. Although the tourism sector is one of the fastest growing service sectors, and is a main foreign exchange earner for the country, the government has not yet strategically invested and mainstreamed tourism in all government activities to boost the sector. This is in contrast to many countries in the region and beyond that have significantly invested in this sector and thus benefited from the high rates of return associated with the investment. Vision 2040 promises to improve infrastructure and services to support the tourism sector. This will include improving transport networks and connectivity, improving and expanding Entebbe International Airport, upgrading five tourism aerodromes, and boosting domestic air transport—in addition to establishing adequate road networks, water, electricity and ICT infrastructure for the tourism sector. If the Government of Uganda follows through with the foregoing ‘promises’ in 2040, it will surely be a deal for the tourism sector. If it remains a fantasy on paper as with the previous visions – it will be no deal for the tourism sector.
Oil extraction in Uganda’s Albertine Graben region is starting. Expectations are high because the area is estimated to hold at least 3.5 billion barrels of oil. The oil exploration area stretches from West Nile to the south-western tip of Uganda covering an area of 23,000 square kilometres. However, there are already other on-going economic activities in the area that might be jeopardized by the new petroleum industry. In particular, the area is home to the country’s major tourism destination areas and eco-conservation zones, including Queen Elizabeth, Murchison Falls and Semliiki national parks.

Whereas a major spill or fire explosion could cause irreversible havoc to the environment, there is also great concern that tourism and other activities such as agriculture, fisheries and human livelihood may be destroyed by dangerous substances from:

- Oily mud, sands and rocks drilled from the oil wells.
- Muddy water and chemicals used in the drilling process to force up the oil.
- Venting and flaring (i.e. letting off or burning up unwanted gases).
- Discharges from the drills, oil refinery and pipe leakages on land and water.
- Displacement of human beings and other forms of life to clear way for the petroleum industry.
- Discharges and emissions from use of the petroleum products such as fuel for motor vehicles, thermal electricity, machines that use oil, etc.

Fig.9  Current status of licensed areas
For the oil drilling part, comprehensive plans for oil waste management have not yet been completed, although waste from ongoing exploration sites is deposited in designated pits that have been lined with plastic materials. It is not well known where all the waste will go when full or peak oil production is reached. People around the area are already being affected by smell from the mud pits that are dug during oil exploration. It is feared that fisheries, agriculture, forests, and biodiversity may be ruined by the new petroleum industry, along with the great tourism potential of the area.

Some government officials have allegedly been saying that oil exploration must go on because of its economic importance, with or without animals in the parks\(^6\). However, oil is a finite resource that currently promises to bring in over $50 billion over a period of about 20 years. Tourism, on the other hand, is not a finite resource. It can bring in at least $10 billion each financial year and much more, for hundreds of years to come.

### 3.2 Oil refinery and the tourism sector

Uganda’s government is intent upon establishing a refinery to ensure that maximum value is derived from the country’s petroleum. It is argued that the refinery and its spin-offs, such as the petrochemical industries, will create jobs and income for Uganda. The refinery may also process crude oil from neighbouring countries such as South Sudan and the DRC. In addition, the refinery is also important for Uganda strategically, to avoid dependence on a transnational pipeline, since Uganda is a landlocked country. The oil companies, on the other hand, have been opposed to the refinery on the grounds that it would add little value while it would cause delay in recovering the initial costs incurred by the oil companies.

Whatever the case, the oil refinery is not good news for Uganda’s tourism and environment. Refineries generate toxic residues (besides other harmful wastes to the environment) such as lead, nickel, vanadium and mercury which accumulate into soils and waters overtime. They also emit very small dust particles (called PM\(_{10}\)) that get deep into lungs and harm the ability to breathe. In addition, refineries emit many gases like sulphur dioxide (SO\(_2\)), nitrogen oxide (NO\(_2\)), carbon dioxide, carbon monoxide, methane, dioxins, hydrogen fluoride, chlorine, benzene and others.

The normal practice is to build oil refineries near big oceans whereby the toxic materials are buried very deep underwater. Lake Albert is too small and too delicate to handle such waste. Oceans and large seas are more suitable for disposing of toxic waste from oil. The heavy waves churn up the waste, and volatile compounds may safely evaporate in the air near the oceans, whereas the remainder may congeal and sink to the ocean bottom or decompose through photolytic and biodegradation processes. For tourists (local and foreign) to keep visiting parks where refinery activities are taking place, Government will have to come up with mitigation appropriate guarantees. Environmental Impact Assessments (EIA) must be made open. And options for waste management must be made public.
Some illustrative examples on oil refinery toxic waste problems

Over 150 toxic chemicals were found in the indoor air of 40 homes near Chevron Oil Refinery in Richmond, California, according to American Journal of Public Health\textsuperscript{9}. It was found that toxic pollution from oil refineries doesn’t stay outside; it seeps into homes, where people spend most of their time. Fine particulates linked to cancer, respiratory and cardiovascular problems including premature death were found at concentrations above California’s annual ambient air quality standard. The areas 15% asthma prevalence rate is among the highest in the country

Although South Africa’s Durban refineries are located near to the Indian Ocean where most of the toxic waste can be safely dumped, there is still growing concern over the following:

- Air polluted by up to 100 pollutants emitted from stacks and by fugitive emissions from leaking equipment at the refineries.
- Land polluted by the large amount of harmful waste from refineries which need to be dumped.
- Water polluted by the fallout from air pollution and by refineries discharging chemical pollutants into waterways, plus the risk of accidental spills that can pollute ground water and open water ways.

A number of measures can be taken to reduce the pollution caused by the oil refineries. Government of Uganda, the Private Sector and the entire citizenry must ensure that the following measures are taken\textsuperscript{10}:

- **Waste minimization**: waste reduction at source through choice of processes and process/equipment modifications, or alternative treatments; recycling of waste and re-use within or outside the company; appropriate operation of equipment and optimum use of chemicals; appropriate housekeeping and handling.

- **Pretreatment of waste**: De-oiling/dewatering by filtration and centrifuging techniques; solidification, stabilization and encapsulation, including use of cement, thermoplastic, asphalt and other chemical processes, etc.

- **Waste disposal routes**: landfill, underground storage, complete incineration, pyrolysis, biodegradation and mechanized methods.
Key concerns about Uganda’s oil refinery

- Environmental Impact Assessments (EIA) are influenced by developers and were made before the Strategic Environmental Assessment (SEA), hence they were not gauged against the SEA.
- Insufficient legal provisions and enforcement of measures to minimize negative environmental impacts of the refinery.
- Inadequate provisions and technical specifications to measure the environmental impacts.
- Lack of transparency and public access to information on oil refinery operations.
- Unpredicted impact of refinery on wildlife, ecosystems, natural habitats, and tourism in general.

3.3 Disruption of Wildlife by Oil activities

Oil activities are bound to disrupt wildlife which is a key ingredient of the tourism sector. As already noted, oil extraction in Uganda is to start in pristine tourist locations, including Murchison Falls, Queen Elizabeth and Semiliki national parks. It has been shown that the oil operations are already having several effects on the behavior of wildlife animals such as:

- Noise pollution causing animals to avoid areas where drilling is occurring and change behavior due to noise interference with vocalization and hearing (including mating and alarm responses).
- Light pollution at the rig sites which may interfere with visual stimuli, lead to confusion, and increase likelihood of mortality for some species which may be attracted to the lights on the site.
- Increase on traffic on roads, which increases likelihood of road kills. In addition, linear developments such as roads and pipeline rights-of-way can affect wildlife by creating travel corridors for predators such as wolves.

In addition, linear developments such as roads and pipeline rights-of-way can affect wildlife by creating travel corridors for predators such as wolves. The waste generated by the oil operations can also harm the plants and other organisms that are essential for survival of wildlife.

Those extracting oil and refining it are not likely to be so concerned about the above effects. Therefore there is a need for citizens, civil society organizations and other pressure groups to bring these issues to the attention of the various actors in the oil sector and to engage them on taking action to ensure that valuable wildlife is not destroyed by the oil industry.
This paper proposes the following actions:

- Minimize movements of vehicles and personnel to reduce disturbances at the sites.
- Stagger pad construction and drilling to avoid simultaneous activities at the sites.
- Avoid placing well pads in relatively rare habitat types where species have fewer options to flee the disturbances.
- Avoid establishing well pads on ridge tops where noise disturbance will carry much further afield and likely have a larger radius of impact on wildlife.
- Plan access roads to the sites to minimize disturbance and harm.
- Minimize noise pollution from a site: for example, only switch on machinery when using it and avoid car horns and other loud noises.
- Minimize disturbances by traffic; for example, by letting the traffic come as a convoy or during strictly defined periods.
- Minimize the time taken to drill, construct pads and complete the drilling.
- Control emissions and discharges that harm the wildlife habitats.

### 3.3 What oil-generated conflicts will mean for tourism

Nothing scares away tourists faster than conflicts, wars and absence of peace. For example, Uganda’s tourism industry, which was booming in the late 1960s and was the country’s fourth foreign exchange earner, suddenly collapsed in the 1970s due to political instability. During the 17 years of political unrest beginning in 1971, international tourism stopped. The sector began to grow slowly in the early 1990s, with the end of political crisis (Reinikka and Collier, 2001), but the persistent image of instability continues to challenge the sector’s growth (Teye, 1986).

Tourism in Northern Uganda was impeded by the LRA insurgency that lasted for more than two decades. Up to now, many would-be tourists living outside Uganda still think that the country is as insecure as it used to be during the past periods of political strife. Obviously, this is not good for the tourism sector.

But what is more important to consider is the potential disruption to tourism that can be caused not only by the destructive nature of the petroleum industry, but also by the conflicts that can be generated or escalated due to the oil industry. Some potential sources of conflict are:

- **Political**: Tension over distribution of revenue and other benefits of oil – between national and district levels; and at the local level; increased corruption as political leaders vie for control of change processes; undermining of administrative structures and accountability as oil is managed from “above”, leading to community disillusionsment.

- **Land**: Scramble for access to land; rapid transition of customary or communal land into registered tenure (leasehold), and subsequent exclusion of communities from common lands and resources; influx of immigrants, speculators and investors in land, leading to resentment and tension between communities and new landowners; fraudulent sale of land in areas where oil has been discovered; fear of “land grab” by oil companies or

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government; forced displacement to clear way for petroleum industry, without the desired or adequate compensation.

- **Economic**: Disparities as some localities and households benefit more directly from the oil industry and others are left lagging behind; perceptions of unfair and corrupt recruitment, procurement and other business practices; disruption of livelihood activities such as fishing and farming; delayed payments and compensations;

- **Social**: Migration to oil-affected localities heightens tribal and cultural consciousness negatively, e.g. where newcomers are seen to benefit at the expense of local people.

- **Environmental**: Negative environmental impacts coupled with unclear channels to redress them; “top-down” management of oil industry eroding powers of local authorities on environmental issues. Some farmers use oil wastes directly on their farms as fertilizer, leading to a very high yield of crops. But the oil wastes have hazardous metals (lead and calcium) that can destroy soil organisms and cause abnormalities in human beings such as cancers and birth defects.

- **Information/communication**: Lack of information about company activities, which breeds suspicion and rumor; companies dealings with central government perceived as secretive, with local governments disempowered; absence of clear framework to work with traditional institutions.

As a shared resource between Uganda and the DRC, oil also has the potential to signal a new era of cross-border cooperation in the wider Great Lakes Region. But it also has the potential to generate more conflict as communities are being displaced, land and water resources are getting polluted, livelihoods are lost and contentions arise over the shared resources, especially when offshore oil drilling commences. International experience (including close to home in the DRC) shows that the likelihood of civil war and social instability, the “resource curse”, is more likely than mineral wealth translating into prosperity and peace. So there is a need to take great care that potential benefits generated by the oil are not eroded away by conflicts. Peace is a prerequisite for a prosperous tourism industry.

Oil companies often invest in natural resources wherever they can be found, which means they sometimes end up investing in conflict-prone societies. While most of the companies would have no interest in exacerbating instability or violence, all too often they lack the skills and experience to avoid doing so.

Despite advances in political risk methodologies and environmental and social impact assessment (ESIA) standards, and the wider corporate responsibility sphere, fundamental gaps in company practice remain. These include the capacity of companies to understand existing or potential conflict dynamics, and to grasp the spectrum of influence that a company’s investment may have on such conflict, directly, indirectly and at varying levels. While Uganda is trying to learn from international experience, there is still an urgent need to emphasize the assessment, monitoring and mitigation of conflict. This calls for more concerted efforts by government, development partners, companies, parliamentarians, civil society organizations and other stakeholders.
3.4 Other concerns of the oil industry

Dutch Disease

“Dutch Disease” refers to a situation where a sudden influx of revenues from exploitation of a natural resource may negatively affect other lagging sectors (such as agriculture, manufacturing and tourism in the case of Uganda) due to abundance of money that shifts labour and production into “non-tradable” items that are not among the country’s exports. Foreign exchange derived from selling petroleum products may also make the Uganda shilling stronger, thereby making Uganda’s products and services less competitive on the international market. In terms of tourism, visitors from abroad would have to spend more dollars to get Ugandan shillings to access tourism destinations and services.

The above kind of scenario occurred in Netherlands in the 1960s, hence the name “Dutch Disease”. In this case, the manufacturing sector came to a standstill when new oil was discovered in the North Sea. The problem has also occurred in several other resource rich countries such as Ghana and Nigeria whose agricultural and other sectors dwindled due to exploitation of oil, leading to great suffering among the masses that depend on the affected sectors.

It should be noted that the “Dutch Disease” can also result from influx of foreign exchange from other sources such as donor funds and foreign direct investment. Preventing the disease will require government to take stringent measures to ensure that the revenues from Uganda’s petroleum are managed properly for the present and future benefits when the oil is gone. This can be accomplished through establishment of appropriate sovereign wealth funds.

Natural Resource Curse

The phrase ‘resource curse’ describes how many resource-rich developing countries experience negative economic, social and environmental consequences. Many such countries are characterized by constant wars and debilitating poverty. Potential sources of the “resource curse” that need to be watched out for include:

- The “Dutch Disease” and its impacts, as explained above.
- Disputes over sharing of petroleum revenues (e.g. exclusion of direct provisions for cultural leaders of Bunyoro).
- Pollution of land and waters that extend beyond the country’s borders.
- Unfair or incomplete compensation of displaced people.
- Territorial conflicts over areas with shared natural resources.
- Poor governance, corruption and lack of accountability.
- Sudden halting of the petroleum industry for any reason.
- A likely unfair distribution of petroleum benefits between rural and urban areas.
- Other sources of conflict mentioned in Section 3 above.
Nigeria is a classic example of the “paradox of plenty” and what can go wrong in the management of oil wealth. Endowed with proven reserves estimated at 30 billion barrels, the country has earned a staggering US$ 340 billion over the past 40 years. Nigeria’s oil production ranked only behind that of Saudi Arabia, Venezuela, Iran and the United Arab Emirates. Yet more than 70% Nigerians live on less than a dollar a day. The percentage of people living in poverty increased from 28 percent in 1980 to 66 percent in 1996, according to Nigeria’s Federal Office of Statistics. Per capita income has fallen from US$800 in 1980 to US$300 today.

When oil production started in the 1960, the value of local currency suddenly increased, and the Dutch Disease set in destroying agriculture, manufacturing and other sectors. Environmental degradation became extreme. Oil dependence was overwhelming, with petrodollars accounting for 83 percent of federal government revenue, more than 95 percent of export earnings and about 40 percent of GDP. But all the revenue was diverted from national development goals. Corruption became the rule of the day. For example, General Sani Abacha is reported to have stolen more than US$ 4 billion government funds during his dictatorship. Currently, the country is embroiled in oil-related conflict, spills, violence and incidences of human rights abuse. Oil companies are targets of the disgruntled communities. There is complete political decay, with frequent change of power between military and civilian rule.

Fig.10  Nigerian oil pipeline on fire!
4.0 REGULATION OF THE PETROLEUM INDUSTRY

4.1 Petroleum Legislation

There is need for laws, policies and other regulations that ensure that optimal use is made of the country’s natural resources. In the case of petroleum, the pertinent legislation includes the following:

- The 1995 Constitution is the cardinal law in the land and provides a reference for the powers and roles of the various arms of government. In the absence of specific or current legislation regulating the oil sector, the 1995 Constitution is the ultimate arbiter of conflicting interests.
- The Uganda Petroleum & Production Act, Chapter 150 of the laws of Uganda 2000 [amended from the 1985 Petroleum (Exploration, Production) Act]: Among other things, this Act gives the responsibility of directing the upstream petroleum sub-sector to the Minister responsible for oil (typically the Minister of Energy and Mineral Development), who receives applications for any petroleum rights, and is charged with issuing, renewing, and revoking petroleum exploration and production licenses.
- The Petroleum Supply Act 2003 guides all downstream petroleum activities that involve the distribution, marketing, and selling of petroleum products.
- The Uganda Petroleum (Exploration and Production) (Conduct of Exploration Operations) Regulations 1993. These regulations, which guide the conduct of operations in the upstream petroleum sub-sector, are in the process of being updated.
- The Mining Act 2003 regulates the distribution of rights and benefits within Uganda’s mining sector.
- The Procurement and Disposal of Public Assets Act (amended) 2011 which needs to be updated to emphasize participation of local companies and transparency.
- The National Environmental Management Act, which is the primary law regulating protection of the environment.
- The Public Finance and Accountability Act 2003 on the governing of public finances.
- The Income Tax Act regulates taxes payable on oil revenues.
- The Petroleum (Exploration, Development and Production) Bill 2012 was passed by parliament on December 7th, 2012.
- The Petroleum Refining, Conversion, Transmission and Midstream Storage Bill 2012' was passed on 23rd February 2013.
- Current debate on petroleum law in Uganda revolves around the following:
  - The powers given to the minister over petroleum seem to be excessive. There needs to be provisions for adequate checks and balances, including oversight by parliament and consultations with other key stakeholders, e.g. tourism and other line ministries.
  - Accessing information about the petroleum, including secrecy over contracts and agreements.
Inadequate distinction between human rights and ‘national interest’, with the latter vaguely defined and not publically debated.

Absence of sufficient regulations to ensure ‘local content’, e.g. in the procurement of labour and materials, to ensure that local capacity is enhanced by the petroleum sector.

In addition, there are weaknesses and gaps in the environmental law and policies, especially given the fact that these were established before the petroleum industry. These include\textsuperscript{17}:

- Weak linkages between environmental laws and sectors closely affected by the environment.
- Absence of an environmental tax that should be imposed on all industries which contribute to degradation of the environment.
- Insufficient capacity of environmental law enforcers in terms of environmental law provisions, management expertise, technical skills, equipment and facilitation. This underscores the need for continuous training and capacity building.
- Absence of partnerships and collaboration at community, local, national, regional and international levels to enforce environmental regulations.
- Lack of effective checks and balances to harmonize development objectives, poverty alleviation and conservation interests, for well-informed trade-offs\textsuperscript{18}.

### 4.2 Environmental dimensions of oil regulation

#### Neighborhood and regional concerns

The legal and environmental concerns of petroleum exploration in Uganda go beyond the country’s borders. Uganda is a land-locked country in East Africa, with Kenya to the East, Tanzania to the South, Rwanda to the South West, the Democratic Republic of Congo to the west and South Sudan to the North. The Albertine Graben is the region on the Uganda-DRCongo border, and includes Lake Albert and the Semiluki River, which lies in the northern section of the Albertine Rift.

The implication here is that environmental regulation of the petroleum industry needs to take into account international treaties, bilateral agreements, regional protocols and even global expectations such as those advanced by international environmental protection agencies. Inadvertent disruption of wildlife and the environment would obstruct the following:

- Uganda’s commitment to the strategic objectives of the NEPAD Tourism Action Plan under the African Union.
- The DRC-Uganda Arusha Pact, particularly Article 4 on the management of trans-boundary natural resources.
- Cooperation in tourism and wild management under EAC Treaty (Chapter 20, Articles 115 and 116) and Uganda’s similar commitments under COMESA, IGAD and AU.
- Other relevant international laws, standards, initiatives, conventions and treaties, such as those enlisted in Sections 4.3 and 4.4 below.
Public Trust Doctrine

The public trust doctrine is the principle that certain resources are preserved for public use, and that the government is required to maintain them for the public’s reasonable use. Ugandan laws recognize the public trust doctrine which makes the central government and local governments the trustee of important resources such as forests, natural lakes, rivers, game reserves and national parks. This implies that the central government or local government cannot lease out or otherwise alienate any natural resource even for oil exploration and production. However, the central government or a local government may grant concessions or licenses or permits in respect of any for the natural resource.

The issue of converting any portion of the preserved natural parks into oil fields for a petroleum industry that is to last for only a few decades is a grave public trust issue that needs to be justified through sufficient research and debate. Most of the damage is irreversible, such as the extinction of wildlife and rare species, long-term environmental degradation, and violent conflicts that can arise.

4.3 Relevant international laws, standards and initiatives

To some extent, the adverse effect of extractive industries on tourism and the environment can be curbed by engaging government, companies and other key stakeholders to ensure that Uganda’s petroleum industry is compliant with international laws, standards and other initiatives that are applicable to the extraction of oil and other natural resources. These include:

- **Extractive Industries Transparency Initiative** which commits governments and companies to disclose payments and revenues for oil, gas and mining subject to independent verification.
- **US Dodd-Frank Act 2010** which requires oil, gas and mining companies listed on US stock exchanges to disclose payments to governments of countries where they operate on a country-by-country basis.
- **European Union Accounting and Transparency Directives** which is applicable to companies listed on EU stock exchanges and is similar to the US Dodd-Frank Act 2010.
- **UN ‘Protect, Respect and Remedy’ Framework and Guiding Principles on Business and Human Rights** which asserts the state’s duty and companies’ responsibility to respect and protect human rights against abuse, avoid causing harm, and provide victims with effective remedy.
- **Global Reporting Initiative** which provides companies with a sustainability reporting framework, with specific reporting guidelines for the oil, gas and mining sectors.
- **Natural Resource Charter** which is an independent set of principles for governments and civil society on how to best harness the opportunities created by natural resources for development.
- **Equator Principles** which recognize the responsibilities of the banking industry for the social and environmental impacts of large scale projects they finance.
- **Publish What You Pay**: a global civil society coalition and campaign to hold governments and companies accountable for oil, gas and mining revenues and payments.
- **Voluntary Principles on Security and Human Rights** which assist extractive industries in developing and implementing security and safety standards.
United Nations Global Compact\textsuperscript{28} which brings together UN agencies, companies, labor organizations and civil society to align business operations and strategies with universally accepted principles of human rights, labor, environment and anti-corruption.

4.4 International and Regional Conventions and Treaties

Uganda is signatory to a number of international and regional conventions/treaties that directly apply to the oil industry. These include\textsuperscript{29}:

- *The United Nations Convention on Biological Diversity* aimed at conserving biological species, genetic resources, habitats, and ecosystems, to ensure the sustainable use of biological materials, and to guarantee the fair and equitable sharing of benefits derived from natural resources.
- *The United Nations Framework Convention on Climate Change* aimed at stabilizing greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous interference with the climate system.
- *The Montreal Protocol on Substances that Deplete the Ozone Layer* concerned with controlling chlorofluorocarbons (CFCs) that might deplete the ozone layer, hence the need to mitigate methane emissions from oil and gas exploration and production activities.
- *The Ramsar Convention* on conservation and sustainable use of wetlands.
- *The UNESCO Convention Concerning the Protection of World Cultural and Natural Heritage*, which implies addressing impacts of oil and gas activities on cultural and archeological heritage, and participation of cultural institutions in the management of oil resources.
- *The Convention on Migratory Species (Bonn Convention)* aimed at conservation of territorial, marines and avian migrating species.
- *The World Commission of the World Environment and Development (WCED)* on sustainable development and equitable and sustainable sharing of natural resources.
- *The United Nations Conference on Human Development (Stockholm Declaration)* to promote and enhance ecosystems for production without detriment.
- *The Protocol Concerning Protected Areas and Wild Fauna in the East African Regions* which obliges contracting parties to take appropriate measures to ensure sustainable utilization of harvested natural resources and preservation of genetic diversity.
- *The Convention on the Protection and Use of Trans-boundary Watercourses and International Lakes*, aimed at protecting and conserving water surface and ground waters across national boundaries.
- *The Bamako Convention on the Ban on the Import into Africa and the Control of Trans-boundary Movement and Management of Hazardous Waste within Africa*, which is intended to control trans-boundary movement of hazardous waste.
The World Bank Operational Policy 4.12 on Involuntary Resettlement which requires that affected persons should be compensated at full replacement cost and assisted during relocation. The SEA notes that these World Bank policy provisions are much more favorable to displaced people than Ugandan law which, for instance, does not legally bind project proponents to procure alternative land or provide relocation assistance if they are provided financial compensation based on a legally accepted valuation process.

4.5 Institutional framework for environmental management

According to the SEA, the institutions set up by government to manage the impact of oil and gas activities on the environment and biodiversity include: National Environment Management Authority (NEMA), Directorate of Water Resources Management (DRWM), Directorate of Environmental Affairs (DEA), National Forestry Authority (NFA), Uganda Wildlife Authority (UWA), Department of Fisheries Resources (DFR), and Ministry of Lands Housing and Urban Development (MLHUD). In addition, a multi-sectoral team was also instituted at the national level to inspect oil exploration activities on a quarterly basis, and a multi-sectoral institutional structure for environment management is to be established as illustrated in Figure 11.

![Fig.11 Current institutional framework for environmental management as depicted in the SEA](image-url)
Some key issues of concern with the institutional arrangement are mentioned in the SEA, namely:

- The limited capacity of the institutions to manage the impact of oil and gas activities on the environment and biodiversity, hence the need for training and capacity building.
- The need to improve and strengthen the regulatory framework for the oil sector.
- Coordination challenges between national, district and lower authorities.
- The need to integrate government efforts with civil society, business and industry in a coordinated structure.

Addressing the above issues requires a review of the existing institutional framework, which is conceptualized in Figure 11. There is a need for a framework that ensures adequate coordination, participation and transparency. The nested institutional framework depicted in Figure 11 above should be replaced with a flat, interconnected framework to ensure that, for example, the CSOs, private sector and communities are not just at the periphery of the system. Greater involvement of all key stakeholders will relieve NEMA of the constantly decried lack of sufficient resources to address environmental issues.
5.0 ENHANCING TOURISM THROUGH OIL

5.1 Success stories and lessons for Uganda

The Middle East as a whole attracts comparatively few visitors due to several factors such as: political events, tensions and uncertainties that deter tourists and investors, poor accessibility to some regions, and a perceived lack of conventional attractions. However, Dubai has dismantled all these constraints and has used its oil revenues to boost the tourism sector. In East Africa, the LAPCSET port project in Kenya is using Dubai as an example for making Lamu the next Dubai. Indeed Dubai has pursued strategic efforts that Uganda can learn from. They include the following:

- Upgrading its major airport to handle millions of passengers and building new airports.
- Spending heavily to establish a fleet of 214 aircraft plus an option for 50 more on unconfirmed orders.
- Establishing and heavily promoting itself as a regional entry point and the commercial and financial nexus of the Gulf. This includes energetically creating free trade zones and industrial parks such as the latest ones devoted to the internet and media.
- Investing in ports, harbors and cruising gear, and heavily marketing itself as a cruising hub for tourists, and as an alternative to the overcrowded Mediterranean and Caribbean hubs.
- Oversimplifying travel procedures and making it extremely easy to get a visa to Dubai.
- Encouraging construction of several attractive hotels, now estimated to be about 80,000 in total.

Uganda could similarly use the oil revenues to:

- Establish a powerful national air fleet on the continent.
- Market Uganda’s natural scenery, forests, wildlife, mountains, etc.
Develop Lake Victoria and other lakes and the “Source of Nile” as tourist destinations.
Market Uganda as a tourism entry hub for nearby countries such as South Sudan, DRC, Burundi and Rwanda.

### Learning from Norway

Norway has been documented as one of the most important success stories in the management of petroleum resources. Some of Norway’s best practices that can be benchmarked are:

- A strong regulatory and legal framework that deals with every aspect of the petroleum industry, including health and safety, licensing, joint ventures, environmental and transportation procedures.
- Domestic and foreign sovereign wealth funds to regulate petroleum revenues and invest the funds for future benefits.
- Encouraging international exploitation of petroleum resources, but with national citizens at the forefront of the industry.
- Managing petroleum resources for the benefit of the whole country and its citizens.
- Wide participation in the management of petroleum resources, including several ministries such as those of fisheries, coastal resources, labor and environment, besides the ministry of petroleum and energy.

### Congo takes on Strategic Environmental Assessment (SEA)

In 2011, the Congolese Minister for Environment suspended all oil exploration activities in “Block V” in Eastern Congo which overlaps over 50% of Virunga National Park. The minister’s letter stated that government had after all “rejected the recommendations of an environmental impact assessment conducted by the oil company, SOCO, which we consider premature, superficial and which does not conform to the standards which we would expect”. This happened amidst great pressure from several institutions and CSOs that eventually led government to initiate a comprehensive, transparent and inclusive Strategic Environmental Assessment (SEA) to analyze the best options available to the Congolese People.

### 5.2 Lessons from International Best Practice

Here is a brief outline of lessons from best practice to ensure that the petroleum revenues are managed well to benefit tourism sector.

- Emphasize good fiscal governance, especially by developing mechanisms and polices to enhance transparent collection and use of revenues from the oil. All revenue streams and transactions should be clearly traceable and accounted for in the state budget and independently audited, and there should be regular public disclosure of revenues, along the lines of initiatives such as the EITI and PWYP.
Save for the future to counteract revenue volatility, and to set aside revenues for future spending, especially post-oil. It may not be appropriate to establish a “stability and savings fund” due to the need to increase the mass of domestic capital, as some scholars might argue. Otherwise, establishment of sovereign wealth funds to avoid wasteful expenditure and the debilitating effects of a sudden influx of petroleum revenues seems to be the most recommended strategy.

Whether these saving funds are seen as effective forms of managing revenues or not, there is consensus on how they should be managed, if established. Firstly, there should be transparent oversight procedures, including independent audits, preferably enshrined in a legal framework. Secondly, the fund should be integrated within the state’s overall fiscal management, that is, good fiscal discipline should be maintained; and finally, they should have prudent asset management guidelines. Uganda’s planned Petroleum Fund is short of these requirements, given that the supporting legal framework gives too much power in the hands of the Minister in charge.

Maximize benefits along the value chain. This can go a long way in combating the resource curse and is much wider than revenue management. It extends from the award of exploration rights through to the implementation of sustainable development policies and remediation post-projects.

Separate state regulation from commercial functions. It should not be like Angola’s case, where the national company Sonangol is the only sector regulator responsible for monitoring the other companies, setting up terms of licenses, collecting revenues for government, making expenditures, as well as taking part in upstream exploration and production activities. This calls for a review of the roles of the Minister of Energy and other public agencies involved.

Regulation and monitoring of operations: State bodies charged with monitoring the operations of oil companies (for instance ministries of energy, petroleum and exploration departments, national environmental management agencies, etc.) must have clearly defined roles and responsibilities, plus sufficient technical capacity to carry out their roles and the ability to coordinate their actions effectively.

Develop accurate information on the extractive sector through setting up a national data bank as a key to improving transparency, certainty of rights, knowledge of the resource base, and the quality and reliability of government revenue estimates. Norway, for instance, has a “petroleum register” to hold all the data collected by companies for the use of both private and state agencies.

Participatory approaches: The most successful examples of environmental and social impact mitigation and monitoring involve early consultation and participatory monitoring practices at the local community level.

5.3 Policy Recommendations

1) Revise the National Environmental Policy to address the management of extractive industries in natural parks and control the effects of oil exploration, production and use on the environment, in line with the Strategic Environmental Assessment (SEA).

2) Provide mechanisms for implementing, monitoring and reviewing the recommendations of the SEA. Restructure the institutional framework to ensure more collaboration,
coordination, transparency, and optimal allocation and use of available resources for managing the environmental impacts of the oil industry.

3) Review the pertinent national laws, bills, policies and regulations and ensure that they are line with the laws, standards, initiatives, conventions and treaties outlined in this paper, as well as the public trust doctrine principal, and neighborhood and regional concerns. Oblige oil companies to comply.

4) Ensure transparent and participatory governance of oil-generated revenues that invests in key infrastructure to boost tourism and other lagging sectors such as agriculture and oil. Provide for future income streams when the oil gets depleted. Take measures to avoid the Dutch disease and ‘resource curse’. Involve communities and cultural leaders in order to prevent escalation of oil-related conflicts. Apply the lessons from best practice outlined in Section 5.2 above.

5.4 Conclusion

At the moment, tourism in Uganda is at a turning point due to the country’s new petroleum industry. Tremendous opportunities will emerge for the tourism sector, which was named a primary growth sector in the 2010/11-2014/15 National Development Plan (NDP) and is one of the major sectors targeted in the country’s Vision 2040. Oil revenues, if well managed, will enable Uganda to have better transport networks, electricity, ICT and other infrastructure that will be boosted by the petroleum industry. In addition, direct investment in tourism will enable the sector to have better tourist destinations, services and tourist products, which will make Uganda shine as a tourist attraction. However, there is concern that most of the areas targeted for oil operations are also areas of great tourism potential, including three national parks. The concern is over the environmental impacts that the oil industry will have on tourism. There are also concerns over proper use of the oil revenues, adequate compensation of affected people, and other negative effects such as conflicts and the Dutch Disease which are commonly associated with abundant natural resources.

This paper explores the above issues. In summary, Uganda’s oil will be a deal or no deal for the tourism sector depending on proactive measures and continued efforts to optimize the benefits while preventing or mitigating the negative effects.


Direct contribution to employment includes jobs in hotels, travel agencies, airlines, other passenger transportation services, restaurants, and other leisure businesses. The total contribution to employment includes wider effects from investment, the supply chain, and induced income impacts.


Source: Uganda Bureau of Statistics Statistical Abstract 2012 (Statistics Appendix Table 3.8 L)


A detailed analysis can be found in “Key concerns in the Petroleum (Exploration, Development and Production Bill 2012” by Human Rights Network (HURINET)


The World Conservation Strategy defines conservation as “the management of human use of the biosphere so that it may yield the greatest sustainable benefit to present generations while maintaining its potential to meet the needs and aspirations of future generations”: IUCN. (1980). World Conservation Strategy: living resource conservation for sustainable development. Switzerland: Morges.

EITI, accessible at http://eiti.org


At http://ec.europa.eu/internal_market/accounting/other_en.htm
Source: Draft Strategic Environmental Assessment (SEA) of oil and gas activities in the Albertine Graben, Uganda. March 2013

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