AFIEGO's WEEKLY ENERGY NEWS ROUNDUP

Total Uganda case: Court declares itself incompetent in favour of commercial court

The Nanterre tribunal de grande has made a decision concerning the urgent action brought by Friends of the Earth France, Survie and four Ugandan organisations AFIEGO, CRED, NAPE/ Friends of the Earth Uganda and NAVODA.

The organisations filed a suit against the Total group concerning its mega Tilenga oil project in Uganda. This is the very first court decision on France's duty of diligence law.

The law requires French companies and their subsidiaries all over the world to identify the potential risks of their projects and put in place adequate mitigation measures, which must be implemented, to prevent the risks. Surprisingly, the judges considered that the case did not fall within their jurisdiction but that of the commercial court. They therefore did not consider the organisations' requests.

Friends of the Earth France and Survie strongly contest this decision, which also has a negative impact on all future cases, and plan to appeal. AFIEGO, CRED, NAPE and NAVODA also consider the court's decision a miscarriage of justice. They had hoped that the civil court in France would urgently rule on the Tilenga oil project through ordering Total to put in place an adequate vigilance plan with measures to protect communities' livelihoods and the environment. The organisations will join their partners in the appeal process. Read more:

East Africa: Financing the East African Crude Oil Pipeline is a big mistake

At a time when the international scientific community is telling us the world cannot absorb new fossil fuel developments if we are to tackle the climate crisis, Uganda and Tanzania are planning to construct a highly controversial oil pipeline that threatens to destroy the livelihoods of tens of thousands and threaten extensive ecosystems with incomparable biodiversity.

South Africa's Standard Bank, through its Ugandan subsidiary Stanbic and Japan's Sumitomo Mitsui Banking Corporation (SMBC) are the lead financiers of the pipeline. Financiers need to be on the right side of history and should be focused on green projects which will positively transform East Africa's economies for future generations.

Standard Bank, Stanbic and SMBC should publicly commit not to finance this disastrous project. Read more:

Oil refinery works to start next financial year

The government of Uganda is on course to resolve the outstanding issues that have delayed the oil and gas sector's Final Investment Decision (FID) before the end of the current financial year. One of the outstanding issues in the sector has been the payment of a $167 million capital gains tax on the aborted $900 million farm-down deal between Tullow, Total E&P and CNOOC.

[Ugandans should recall that AFIEGO and our partners warned government last year not to cave in to oil companies' demands not to pay the capital gains tax. The Ugandan government needs taxes to provide education, health, infrastructure, tourism and other services. **See the statement that AFIEGO and 12 other CSOs released here:]**

Government has also revealed that the General Electric-led consortium that was selected to construct the $4 billion refinery in Uganda is close to making a Final Investment Decision for the project. Consequently, the Ministry [of Energy] is seeking government funding of Shs 100 billion in the next financial year to build infrastructure associated with the refinery. **[Source: New Vision, January 28, 2020].**

Two turbines of new Isimba power dam idle

Two of the four turbines at Isimba hydropower dam station are idle and the dam is only generating less than its total capacity. Officials at the dam told the new energy and minster, Dr Goretti Kitutu, that they only produce and sell 90mw although the dam has capacity to generate 183mw.

They said that this is because there is no infrastructure in place as yet to evacuate the power from the dam to consumers.

[As AFIEGO, our partners and energy experts have previously noted, production of excess power, poor infrastructure, corruption and other factors continue to undermine citizens' access to affordable power. Ugandans pay high electricity prices because of the above and other factors]. **Source, New Vision, January 30, 2020**

Uganda: First Solar hydro hybrid plant paused

Uganda will have to wait a while longer before it can see its first solar hydro hybrid power plant. This follows a halt on plans to establish solar on the 6.6 megawatt Nyagak III dam in West Nile. According to Uganda Electricity Generation Company Limited, government had last year embarked on feasibility studies to ascertain the viability of a solar hydro hybrid plant.

"During the year, in collaboration with our Norwegian Partners, Malthe Winje Infrapower (MWIP) and Giertsen Energy Solutions, we were able to embark on a Solar Hydro Hybrid Feasibility Study on the Nyagak III," the generator noted in its 2019 report. One of the concerns raised by activists, however, is the environmental degradation inflicted on water resources by large scale investments.

According to Ms. Diana Nabiruma, senior communications officer, Africa Institute for Energy Governance (AFIEGO) dams have been seen to be unfavourable to water resources and life underwater. "One of the things we have raised in the past is that when you put a dam in a place, you tend to destroy economic activities that exist in that area such as fishing. You also destroy breeding grounds and habitats for some living things," she notes. **Read more:**

NEXT WEEK'S UPCOMING EVENTS

- **February 3, 2020; Kampala:** High court hearing of the case against the Tilenga ESIA decision by NEMA
- **February 7, 2020; Buliisa:** Community engagements on the French court decision on Total E&P's oil exploitation activities in Uganda

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