Climate, Environmental and Social Impacts of Lake Albert Resources Development Project (East African Crude Oil Pipeline and the Tilenga and Kingfisher oil fields)

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Project Background

The Lake Albert Resources Development Project is composed of the East African Crude Oil Pipeline (EACOP) and two upstream oil fields in the Lake Albert basin in Uganda.¹ These are the Tilenga and Kingfisher oilfields. The proposed EACOP consists of a buried 1,443km crude oil pipeline, stretching from the Lake Albert basin in Uganda to the port of Tanga in Tanzania. The pipeline is expected to transport 246,000 bbls/day at peak production.² The project also includes a storage terminal and loading jetty in Tanga. Most of the oil produced from the two oil fields would be for export.³

As project risks increase, the estimated costs of the EACOP have grown from \$3.5 billion to \$5 billion.⁴ The project developers have stated that 60% of the total cost (roughly \$3 billion) will come in the form of debt financing.⁵ So far, 27 major commercial banks,⁶ 24 insurance and reinsurance companies,⁷ 4 Export Credit Agencies⁸ and the African Development Bank⁹ have publicly ruled out involvement in EACOP. Some of the above financial institutions have explicitly cited climate, environmental and social concerns as the reasons for ruling out support to the EACOP.¹⁰

Project Overview

¹ <u>https://corporate.totalenergies.cn/zh-hans/xin-wen/dao-da-er-xuan-bu-qian-shu-wei-yu-wu-gan-da-he-tan-sang-ni-ya-de-ai-bo-te-hu-zi-yuan-kai-fa</u>

² http://zhuhaidaily.hizh.cn/html/2023-05/06/content 1210 7657838.htm

³ <u>https://www.climatepolicyinitiative.org/wp-content/uploads/2020/12/Understanding-the-impact-of-a-low-carbon-transition-on-Uganda-December-2-2020.pdf</u>

⁴ <u>https://www.upstreamonline.com/exclusive/plenty-to-ponder-sky-rocketing-prices-drive-cost-of-totalenergies-eacop-pipeline-to-5-billion-as-schedule-slips/2-1-1202222</u>

⁵ <u>https://parliamentwatch.ug/wp-content/uploads/2021/05/Statement-to-Parliament-on-the-laying-of-the-Host-Government-Agreement-Tarrif-and-Transportation-Agreement-and-Shareholders-Agreement-for-the-East-African-Crude-Oil-Pipeline.pdf</u>

⁶<u>https://www.stopeacop.net/banks-checklist</u>

⁷ <u>https://www.stopeacop.net/insurers-checklist</u>

⁸<u>https://www.banktrack.org/download/the_east_african_crude_oil_pipeline_eacop_finance_risk_update_no_3/220628eacopbriefingjun2022.pdf</u>

⁹ <u>https://www.theeastafrican.co.ke/business/Groups-lobby-AfDB-to-decline-pipeline-funding/2560-5520818-ddwgd0/index.html</u>

¹⁰ For example: Allianz, Swiss Re and Munich Re: <u>https://thehill.com/policy/equilibrium-sustainability/3847622-why-a-major-insurance-firm-is-under-fire-for-backing-an-east-african-oil-pipeline/;</u> AXA: <u>https://www.businessinsurance.com/article/20210709/NEWS06/912343126/Axa-SA-Axa-XL-not-involved-in-pipeline-project-TotalEnergies%E2%80%99-East-Africa-Crude-;</u> QBE: <u>https://www.insurancebusinessmag.com/au/news/breaking-news/suncorp-and-qbe-rule-out-east-africa-crude-oil-pipeline-425030.aspx;</u> AEGIS London and Britam Holdings: <u>https://www.theenergymix.com/2022/12/01/two-more-reinsurers-nix-coverage-for-east-africa-pipeline-megaproject/</u>

Status	The final agreements of the Lake Albert Resources Development Project was reached in April 2022. ¹¹ but financial close is not yet achieved. Drilling for the Kingfisher oil field project was launched in January 2023 ¹² and Tilenga commenced drilling in July 2023 after multiple delays. ¹³ The East African Crude Oil Pipeline is still completing the land acquisition process. ¹⁴ but early civil works are already underway. ¹⁵
Location	Uganda and Tanzania
Type of project	Oil extraction and transportation
Project Sponsors ¹⁶	 East African Crude Oil Pipeline: TotalEnergies (62%), Uganda National Oil Company (UNOC, 15%), Tanzania Petroleum Development Corporation (TPDC, 15%), China National Offshore Oil Corporation (CNOOC, 8%) Upstream oil fields: TotalEnergies (56.67%), CNOOC (28.33%) and UNOC (15%); CNOOC is the operator of the Kingfisher oil field and TotalEnergies is the operator of the Tilenga oil field.
Confirmed	• East African Crude Oil Pipeline: China Petroleum Pipeline
Chinese contractors ¹⁷	Engineering Co., Ltd. (CPP, 中国石油管道局工程有限公司), Daqing Oilfield Construction Group Co., Ltd. (DOCG, 大 庆油田建设集团有限责任公司) ¹⁸ , Panyu Chu Kong Steel
	Pipe Co., Ltd. (pipe supplier) ¹⁹
	 Kingfisher: China Petroleum Engineering and Construction Corporation (CPECC, 中国石油工程建设总公司), China's
	Offshore Oil Engineering Company (海洋石油工程股份有
	限公司, COOEC), China State Construction Engineering
	Corporation Limited (CSCEC, 中国建筑集团有限公司),
	Daqing Oilfield Construction Group Co., Ltd. (DOCG, 大庆

¹¹<u>https://totalenergies.com/media/news/press-releases/Uganda</u> Tanzania-final-agreements-for-lake-<u>albert-resources-development-project</u>

¹² http://www.focac.org/chn/zfgx/jmhz/202301/t20230129_11016000.htm

¹³ https://www.independent.co.ug/tilenga-drilling-to-commence-in-july/

¹⁴ <u>https://www.monitor.co.ug/uganda/business/commodities/compensation-for-eacop-labour-camp-land-at-81--4132840</u>; Also ground observation.

¹⁵ <u>https://pau.go.ug/the-east-african-crude-oil-pipeline-eacop-project/</u>

¹⁶ <u>https://corporate.totalenergies.cn/zh-hans/xin-wen/dao-da-er-xuan-bu-qian-shu-wei-yu-wu-gan-da-he-tan-sang-ni-ya-de-ai-bo-te-hu-zi-yuan-kai-fa</u>

¹⁷ Unless specified: <u>https://pau.go.ug/download/tier-one-contractors-for-ugandas-oil-and-gas-projects-2/</u>

¹⁸ <u>https://eacop.com/opportunities-by-main-construction-contractors/daging-oilfield-construction-group-co-ltd/</u>

¹⁹ <u>http://www.pck.com.cn/cn/news/?info_kind=1&info_id=372</u>

	油田建设集团有限责任公司), Harbin Guanghan Gas
	Turbine Co., Ltd. (中船重工龙江广瀚燃气轮机有限公司),
	CNOOC Energy Technology & Services Ltd.(中海油能源发
	展股份有限公司), CNOOC Enertech Equipment
	Technology Co., Ltd (中海油能源发展装备技术有限公司),
	CNOOC Enertech International (Uganda) Limited, Sinopec
	Petroleum Engineering Jianghan Co., Ltd (SPEJH, 中石化
	江汉石油工程设计有限公司)20
	• Tilenga: Sinopec Group International Petroleum Engineering
	Co., Ltd. (中石化国际石油工程有限公司), China Oilfield
	Services Limited (COSL, 中海油田服务股份有限公司)
Confirmed and Potential Financiers	 Industrial and Commercial Bank of China (ICBC), Standard Bank, Sumitomo Mitsui Banking Corporation (SMBC) were reported finance advisors and potential project financiers²¹. In May 2023, SMBC confirmed that it was one of the advisors but it was no longer involved at the moment²². In September 2022, the Islamic Development Bank ²³ approved \$100 million and African Export-Import Bank (Afreximbank)²⁴ approved \$200 million; In September 2023, the Ugandan government told media that more than half of the debt finance of the EACOP project will come from Chinese lenders, ²⁵ including the Export-Import Bank of China (Exim) and several other Chinese banks²⁶. The Ugandan officials also indicated that China Export & Credit Insurance Corporation (Sinosure) would insure the project,²⁷
	although the Ugandan government was worried that talks with

²⁰ <u>https://new.qq.com/omn/20220308/20220308A02K8700.html</u>

²¹ <u>https://www.theeastafrican.co.ke/tea/business/ngos-pressure-on-banks-threatens-pipeline-project-financing-3309268</u>

²² <u>https://www.bloomberg.com/news/articles/2023-05-16/sumitomo-mitsui-rules-out-funding-5-billion-uganda-oil-pipeline?utm_source=website&utm_medium=share&utm_campaign=twitter</u>

²³ <u>https://www.isdb.org/news/isdb-board-approves-us-112-billion-in-development-financing-and-us-179-million-in-grants-for-health-transport-food-security-energy-urban-development-market-access-education-and-water-sanitation-projects</u>

²⁴ https://www.afreximbank.com/afreximbank-signs-mou-to-support-the-development-of-nigeriasanambra-state-foresees-200-million-debt-financing%EF%BF%BC/

²⁵ <u>https://www.scmp.com/news/china/diplomacy/article/3235472/china-steps-save-uganda-oil-pipeline-western-lenders-back-out-over-environmental-concerns</u>

²⁶ <u>https://www.scmp.com/news/china/diplomacy/article/3220764/china-doubles-down-controversial-african-pipeline-western-lenders-walk-away</u>

²⁷ https://www.energyvoice.com/oilandgas/africa/pipelines-africa/538212/eacop-back-on-track-withchinese-funding-minister-says/

	Sincerve was taking too long which could wate the arrive
	Sinosure was taking too long which could make the project
	more expensive. ²⁸
Financial	Banks ²⁹
Institutions	• Africa: African Development Bank, ABSA, FirstRand,
Who Have	Nedbank, Investec
Confirmed Not	• Asia-Pacific: Sumitomo Mitsui Banking Corporation,
Being Involved	Mizuho Bank, United Overseas Bank, ANZ
(as of 16	• Europe: Standard Chartered, HSBC, Deutsche Bank, DZ
October 2023)	Bank, Barclays, BNP Paribas, Credit Agricole, Societe
	Generale, Natixis, Credit Suisse, UniCredit, Intesa
	Sanpaolo, Santander
	• North America: JPMorgan Chase, Citigroup, Wells Fargo,
	Morgan Stanley, Royal Bank of Canada
	Insurers ³⁰
	• Allianz, Generali, Hannover Re, Munich Re, QBESCOR SE,
	Swiss Re, Talanx, Zurich Insurance, Aspen, AEGIS London,
	Argenta, ARGO Group, Arch Insurance, AXIS capital,
	Beazley, Britam holdings, Canopius Group, Helvetia, RSA
	Group, Suncorp
	Export Credit Agencies (ECAs) ³¹
	• ECAs of France, Italy, Germany and the UK

Potential Environmental and Social Impacts

1. Climate Impacts

An analysis by Climate Accountability Institute estimated greenhouse gas emissions totalling 379 million tonnes CO²e across the full value chain, encompassing EACOP's construction, operations, refining, and product use over the course of its 25-year lifetime.³²

- 2. Potential Environmental and Ecological Impacts:
- Significant weakness of the Environmental and Social Impact Assessment: The Netherlands Commission for Environmental Assessment (NCEA) conducted reviews of the Environmental and Social Impact Assessment (ESIA) reports of the EACOP and noted that the proposed mitigation measures to minimise the project's social and environmental impacts were inadequate. NCEA, which is an independent advisory body of experts, was requested by the Ugandan National Environmental Management Authority (NEMA) to review the EACOP ESIA

²⁸ <u>https://www.reuters.com/world/africa/uganda-announce-oil-refinery-bid-winner-next-month-2023-10-17/</u>

²⁹ <u>https://www.stopeacop.net/banks-checklist</u>

³⁰ <u>https://www.stopeacop.net/insurers-checklist</u>

³¹<u>https://www.banktrack.org/download/the east african crude oil pipeline eacop finance risk update _no_3/220628eacopbriefingjun2022.pdf</u>

³² <u>https://climateaccountability.org/wp-content/uploads/2022/10/CAI-EACOP-Rptlores-Oct22.pdf</u>

reports, raised major concerns, which have not yet been sufficiently addressed in the revised version.³³ NCEA recommends that a fully-fledged environmental and social management system has to be established in line with ISO 14001 prior to the start of any works (including early works such as road construction and vegetation clearing).³⁴

- Water pollution: The planned route of EACOP crosses the seismically active Rift Valley and numerous watercourses that are critical water supplies for a large population. Nearly one third of the proposed pipeline (approximately 460 km) will be built within the basin of Lake Victoria, Africa's largest freshwater body, endangering the water supply of more than 40 million people. A technical review of the pipeline ESIA by E-Tech International—an environmental technology organization, confirmed that "EACOP oil spills will occur over the lifetime of the project." However, the EACOP project employs the lowest-cost option for water crossings, instead of industry "best available techniques" as required by international standards. Moreover, the EACOP ESIA does not contain a robust oil spill emergency response plan.³⁵
- **Impacts on Ramsar wetlands**: Analysis by the Stockholm Environment Institute shows that the project will threaten several Ramsar sites. Two Ramsar sites, which are designated as wetlands of international importance under the Ramsar Convention, are directly downstream on the planned pipeline trajectory, which crosses multiple tributaries to these wetlands.³⁶ The Tilenga oil project ESIA also shows that the project area includes the Murchison Falls-Albert Delta Ramsar wetland system.³⁷ A recent research conducted by Ugandan wetlands experts points

https://www.eia.nl/docs/os/i72/i7228/7228 website versie advisory report eacop uganda 22 octo ber.pdf

³⁵ Analysis of the Uganda section of the pipeline:

³³ Advisory Review of the Environmental and Social Impact Assessment for the East Africa Crude Oil Pipeline (EACOP):

https://www.eia.nl/docs/os/i72/i7228/7228 advisory report eacop uganda 27 june 2019.pdf; Advisory Review of the resubmitted Environmental and Social Impact Assessment for the East Africa Crude Oil Pipeline (EACOP):

https://www.eia.nl/docs/os/i72/i7228/7228 website versie advisory report eacop uganda 22 octo ber.pdf

³⁴ Advisory Review of the Environmental and Social Impact Assessment for the East Africa Crude Oil Pipeline (EACOP):

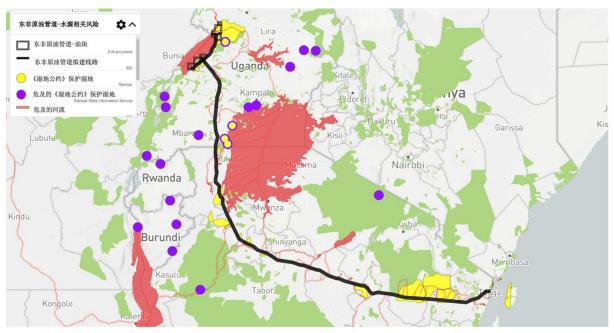
<u>https://www.eia.nl/docs/os/i72/i7228/7228_advisory_report_eacop_uganda_27_june_2019.pdf;</u> Advisory Review of the resubmitted Environmental and Social Impact Assessment for the East Africa Crude Oil Pipeline (EACOP):

https://www.banktrack.org/download/review_of_adequacy_of_environmental_mitigation_in_the_esi a_for_the_east_africa_crude_oil_pipeline/12may19_bp_final_reviewtotaleacopugandaesia.pdf; Analysis of the Tanzania section of the pipeline: https://www.amisdelaterre.org/wpcontent/uploads/2022/09/etude-e-tech-esia-eacop-tanzania-juin-2019.pdf.

³⁶ <u>https://mapforenvironment.org/story/The-East-African-Crude-Oil-Pipeline-EACOP-a-spatial-risk-perspective/111</u>

³⁷ <u>https://totalenergies.com/sites/g/files/nytnzq121/files/documents/2021-03/Tilenga_esia_non-tech-</u> <u>summary_28-02-19.pdf</u>

out that the EACOP is set to affect 158 wetland sections in Uganda. Of particular concern is the impacts on the Kibale/Bukoora wetland— the most important in the <u>Sango Bay-Musambwa Island-Kagera (SAMUKA) Wetland System</u>, a Ramsar Site³⁸.



Source: Stockholm Environment Institute (2021)³⁹

- **Biodiversity damage**: The pipeline will pass through seven forest reserves, two game reserves, two game-controlled areas and one open area that supports wildlife management .⁴⁰ According to research by World Wide Fund for Nature (WWF), nearly 2,000 square kilometers of protected wildlife habitats will be negatively impacted by the EACOP, including 500 square kilometers of important wildlife corridors for the Eastern Chimpanzee and the African Elephant.⁴¹ The ESIA of the project acknowledged that there are at least 13 species "of conservation importance" within the EACOP's area of influence, including at least 10 plants of conservation importance. Six of these are on the IUCN Red List of Threatened Species.⁴² At the port of Tanga in Tanzania, where the oil will be transferred offshore, two Ecologically or Biologically Significant Marine Areas (EBSAs), the

³⁸ <u>https://www.afiego.org/download/factsheet-on-eacop-impacted-wetlands-in-uganda-july-2023/?wpdmdl=3073&refresh=64bed6e51a6e61690228453</u>

³⁹ <u>https://mapforenvironment.org/story/The-East-African-Crude-Oil-Pipeline-EACOP-a-spatial-risk-perspective/111</u>

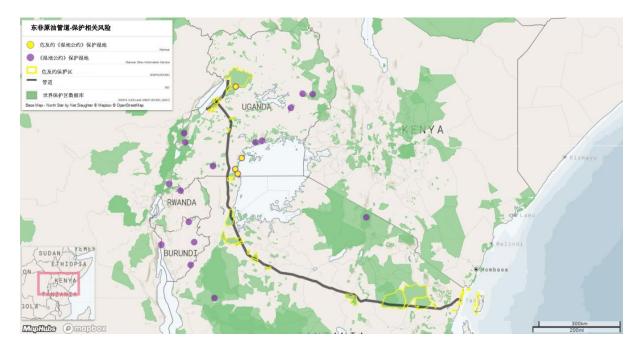
⁴⁰ <u>https://mapforenvironment.org/story/The-East-African-Crude-Oil-Pipeline-EACOP-a-spatial-risk-perspective/111</u>

⁴¹ <u>https://media.wwf.no/assets/attachments/99-</u> safeguarding nature and people oil and gas pipeline factsheet.pdf

⁴² <u>https://totalenergies.com/sites/g/files/nytnzq121/files/documents/2021-03/Eacop_esia_executive-summary-Uganda.pdf</u>

Pemba-Shimoni-Kisite site and the Tanga Coelacanth site, are at high risk of degradation. These two EBSAs host numerous Marine Protected Areas, Mangrove Forest Reserves, ecologically significant coral reefs, and other wildlife.⁴³ The project's threats to marine ecosystems are even more concerning when considering the high tsunami⁴⁴ and cyclone⁴⁵ risk in the coastal areas of East Africa.

Regarding the upstream oil projects, the Tilenga Oilfield plans to develop ten well pads, corresponding to roughly 130 oil wells, within Murchison Falls National Park, one of Uganda's oldest and largest national parks.⁴⁶ The Kingfisher Oilfield will locate its central processing facility and well pads directly within the sensitive area of Buhuka Flats.⁴⁷ One expert analysis of the projects' ESIAs conclude that both projects employ low-cost yet high-risk technologies, instead of applying industry "best available technique" to prevent and mitigate degradation of ecosystems.⁴⁸



safeguarding nature and people oil and gas pipeline factsheet.pdf

⁴³ https://media.wwf.no/assets/attachments/99-

⁴⁴ <u>https://pubs.geoscienceworld.org/gsa/geology/article/48/8/808/586277/A-1000-yr-old-tsunami-in-the-</u> <u>Indian-Ocean-points</u>

⁴⁵ <u>https://theconversation.com/tanzanias-forgotten-cyclones-and-concerns-for-the-future-160284</u>

⁴⁶ https://www.eia.nl/docs/os/i72/i7228/7228 advisory report eacop uganda 27 june 2019.pdf

⁴⁷ <u>https://www.albertinewatchdog.org/wp-content/uploads/2019/05/12-may-19 BP FINAL CNOOC-</u> Kingfisher-ESIA review-adequacy-of-mitigation.pdf

⁴⁸ Tilenga 油田分析: https://www.albertinewatchdog.org/wp-content/uploads/2020/01/27-november-19_E-Tech-evaluation-of-Total-Tilenga-ESIA.pdf; Kingfisher 油田分析: https://www.albertinewatchdog.org/wp-content/uploads/2019/05/12-may-19_BP_FINAL_CNOOC-Kingfisher-ESIA review-adequacy-of-mitigation.pdf

Source: Stockholm Environment Institute (2021)⁴⁹

3. Social Impacts:

One hundred and twenty-thousand (120,000) individuals are being physically or economically displaced by land acquisition for the EACOP, Kingfisher and Tilenga oil projects, according to the data from various project documents. This includes: roughly 13,000 households across Uganda and Tanzania, accounting for more than 86,000 individuals, including indigenous people, affected by the EACOP;⁵⁰ 4,865 households, accounting for 31,716 individuals affected by the Tilenga oil project displacement;⁵¹ and 680 households, or roughly 2,949 individuals affected by the Kingfisher oil project displacement.⁵²

Affected communities report inaccuracies in the valuation processes carried out in relation to both Tilenga and EACOP, which has led to insufficient compensation⁵³. Some affected communities claim that they were never consulted on the compensation rates for crops and buildings of a non-permanent nature, which is required by Uganda's 1998 Land Act.⁵⁴ In some cases, assessment forms were signed under pressure, including through intimidation, or valuation was carried out while property owners were not present.⁵⁵ Both the EACOP and Tilenga projects heavily restricted affected communities from land use long before providing compensation, for up to 4 years, in a region where the majority of people depend upon the subsistence economy, which has seriously threatened local livelihoods and food security.⁵⁶ Communities affected by Kingfisher have made similar complaints, including inadequate consultation, prolonged restriction of land use without compensation and livelihoods restoration.⁵⁷

The project will also impact the livelihoods of a wider population who rely on the tourism sector and fisheries, due to the environmental impacts discussed above. The fisheries sector

⁵³ <u>https://www.afiego.org/download/afiegos-april-2021-</u> <u>newsletter/?wpdmdl=2322&refresh=60f14f1a2dff61626427162</u>

⁴⁹ <u>https://mapforenvironment.org/story/The-East-African-Crude-Oil-Pipeline-EACOP-a-spatial-risk-perspective/111</u>

⁵⁰ <u>https://www.amisdelaterre.org/wp-content/uploads/2021/04/20210407-numbers-of-individual-persons-affected-by-eacop.pdf</u>

⁵¹ <u>https://www.amisdelaterre.org/wp-content/uploads/2020/10/raps-2-5-tilenga-executive-summary-atacama-2020-sep-en.pdf</u>

⁵² <u>https://www.eia.nl/projectdocumenten/00006431.pdf</u>

⁵⁴ <u>https://www.afiego.org/download/afiegos-april-2021-</u> newsletter/?wpdmdl=2322&refresh=60f14f1a2dff61626427162

⁵⁵ <u>https://www.business-humanrights.org/en/latest-news/uganda-locals-to-be-displaced-by-oil-pipeline-oppose-land-valuation-process-includes-totals-comments/; https://www.hrw.org/report/2023/07/10/our-trust-broken/loss-land-and-livelihoods-oil-development-uganda#_ftn80</u>

⁵⁶ <u>https://www.sciencedirect.com/science/article/pii/S2214629621000633;</u> <u>https://www.amisdelaterre.org/wp-content/uploads/2020/11/a-nightmare-named-total-oct2020-foe-france-survie.pdf</u>

⁵⁷ https://justfinanceinternational.org/2023/04/18/the-oil-operations-broke-families-and-brought-tears/

in Uganda alone employs over 1.7 million people directly and 3.6 million people indirectly,⁵⁸ with Lake Albert and Lake Victoria serving as contributing to more than 80% of the country's total fish production.⁵⁹ In comparison, the project claims that EACOP and the two oil fields will create only 12,000-13,000 direct jobs during the construction phase. Most of these jobs will no longer be available after the construction is completed.⁶⁰ Communities in the Democratic Republic of the Congo who rely on the Lake Albert are also likely to be affected, since the oil field projects are located onshore of the Lake Albert basin, which lies on the border of Uganda and the Democratic Republic of the Congo.

Litigation

The social and environmental impacts and risks associated with the EACOP and associated projects have resulted in lawsuits concerning EACOP, the upstream oil field developments, and/or the operator, TotalEnergies, in different jurisdictions, namely France, Uganda, and the East African Court of Justice. Ongoing litigation includes:

1) A case filed against the Governments of Uganda and Tanzania as well as the Secretary General of the East African Community (EAC) at the East African Court of Justice (EACJ) claiming violations of the Treaty for the Establishment of the East African Community (EAC Treaty), by signing the agreement to build EACOP which has adverse impacts on the livelihoods, biodiversity, climate change and social economic aspects, and by doing so without the approval of the ESIA;⁶¹

2) A case brought against the Ugandan Government asserting that it violated environmental laws by approving and issuing the Tilenga project with an ESIA certificate of approval;⁶² 3) A case filed in the French civil court by people from the affected communities, supported by Ugandan and French CSOs. The above accuse TotalEnergies of serious harm caused by the Tilenga project and EACOP, especially in relation to the host communities' rights to land and food;⁶³

4) There are also two ongoing cases in France against TotalEnergies alleging a failure to adequately address climate impacts in its operations⁶⁴ and for misleading communication on net zero, and on the climate impacts of its activities.⁶⁵

⁵⁸ https://eprcug.org/publication/industrial-linkages-and-employment-opportunities-in-the-fish-valuechain/

⁵⁹ https://www.ubos.org/wp-content/uploads/publications/01_20202019_Statistical_Abstract_-Final.pdf

⁶⁰ EACOP 和 Tilenga: <u>https://totalenergies.com/projects/oil/tilenga-and-eacop-acting-transparently;</u> Kingfisher: <u>https://cnoocinternational.com/-/media/cnooc-images-and-files/operations/middle-east-and-north-africa/uganda/esia-</u> documents/vol 4 cnooc kingfisher esia ss 10 sia final print ready 20181120.ashx?la=en&hash=E

BC34CDC342429BEB405B145671CE5D2 ⁶¹ https://www.eacj.org/?cases=reference-no-39-of-2020-center-for-food-and-adequate-living-rightscefroht-3-others-v-the-attorney-general-of-the-republic-of-uganda-2-others

⁶² <u>https://www.afiego.org/download/press-statement-on-tilenga-eia-certificate-case-hearing-12-april-</u>2022/?wpdmdl=2753&refresh=626bcc05dcef41651231749

⁶³ <u>https://www.trtafrika.com/business/ugandans-sue-french-oil-giant-totalenergies-for-reparations-</u> <u>13802448</u>

⁶⁴ https://www.sohu.com/a/369443936_100001695

⁶⁵ https://www.21jingji.com/article/20230203/herald/94b843c41f535cdff712370d41cb333b.html

Other Compliance Analysis

There is other potential non-compliance in relation to the project, besides the possible legal violations detailed above. These include:

- 1) The project is incompatible with the Paris Agreement on limiting global temperature increases to 1.5°C. The International Energy Agency (IEA) points out that exploitation and development of new oil and gas fields must stop to achieve this goal.⁶⁶ The acceleration agenda of United Nations calls for ending licensing or funding of new oil and gas.⁶⁷
- The adverse impacts of the projects on biodiversity and Ramsar wetlands are incompatible with the Convention on Biological Diversity and the Convention on Wetlands.⁶⁸
- 3) Although the project has committed to comply with the Equator Principles and the Performance Standards on Environmental and Social Sustainability of the International Finance Corporation,⁶⁹ detailed analysis has found various issues of the project's non-compliance with the Equator Principles standards.⁷⁰
- 4) The outstanding environmental, ecological and social risks of the project, and the non-compliance with relevant international standards, are incompatible with policies and guidelines issued by the Chinese government. The Opinions on the Joint Implementation of Green Development in the Belt and Road Initiative, the Green Development Guidelines for Overseas Investment and Cooperation and Guidelines for Ecological Environmental Protection of Foreign Investment Cooperation and Construction Projects stipulate that Chinese companies shall strictly follow local laws, regulations and standards of the recipient countries, and encourage companies to follow international or Chinese standards, when host country standards are inadequate, to identify and prevent ecological and environmental risks. In particular, the Opinions on the Joint Implementation of Green Development in the Belt and Road Initiative pledges to promote the implementation of the United Nations Framework Convention on Climate Change and the Paris Agreement by all relevant parties. According to the Guidelines for Ecological Environmental Protection of Foreign Investment Cooperation and *Construction Projects*, companies shall select project routes and sites in accordance with the requirements of green, low-carbon and sustainable development, and try

⁶⁶ https://www.iea.org/reports/net-zero-by-2050

⁶⁷<u>https://unsdg.un.org/zh/latest/stories/%E6%B0%94%E4%B8%93%E5%A7%94%E6%96%B0%E6%8A%A5</u> <u>%E5%91%8A%EF%BC%9A%E9%87%87%E5%8F%96%E7%B4%A7%E6%80%A5%E6%B0%94%E5%80%99</u> <u>%E8%A1%8C%E5%8A%A8%EF%BC%8C%E5%AE%9E%E7%8E%B0%E5%AE%9C%E5%B1%85%E6%9C%A</u> <u>A%E6%9D%A5%E4%BB%8D%E6%9C%89%E5%8F%AF%E8%83%BD</u>

⁶⁸ <u>https://www.afiego.org/download/factsheet-on-eacop-impacted-wetlands-in-uganda-july-2023/?wpdmdl=3073&refresh=64bed6e51a6e61690228453;</u>

https://www.inclusivedevelopment.net/wp-content/uploads/2022/07/EACOP-EPs-assessment.pdf

⁶⁹ <u>https://corporate.totalenergies.cn/zh-hans/xin-wen/dao-da-er-xuan-bu-qian-shu-wei-yu-wu-gan-da-he-tan-sang-ni-ya-de-ai-bo-te-hu-zi-yuan-kai-fa; https://www.inclusivedevelopment.net/wp-content/uploads/2022/07/EACOP-EPs-assessment.pdf</u>

⁷⁰ https://www.inclusivedevelopment.net/wp-content/uploads/2022/07/EACOP-EPs-assessment.pdf

to avoid occupying or passing through nature reserves and important wildlife habitats.