



**Namibia**

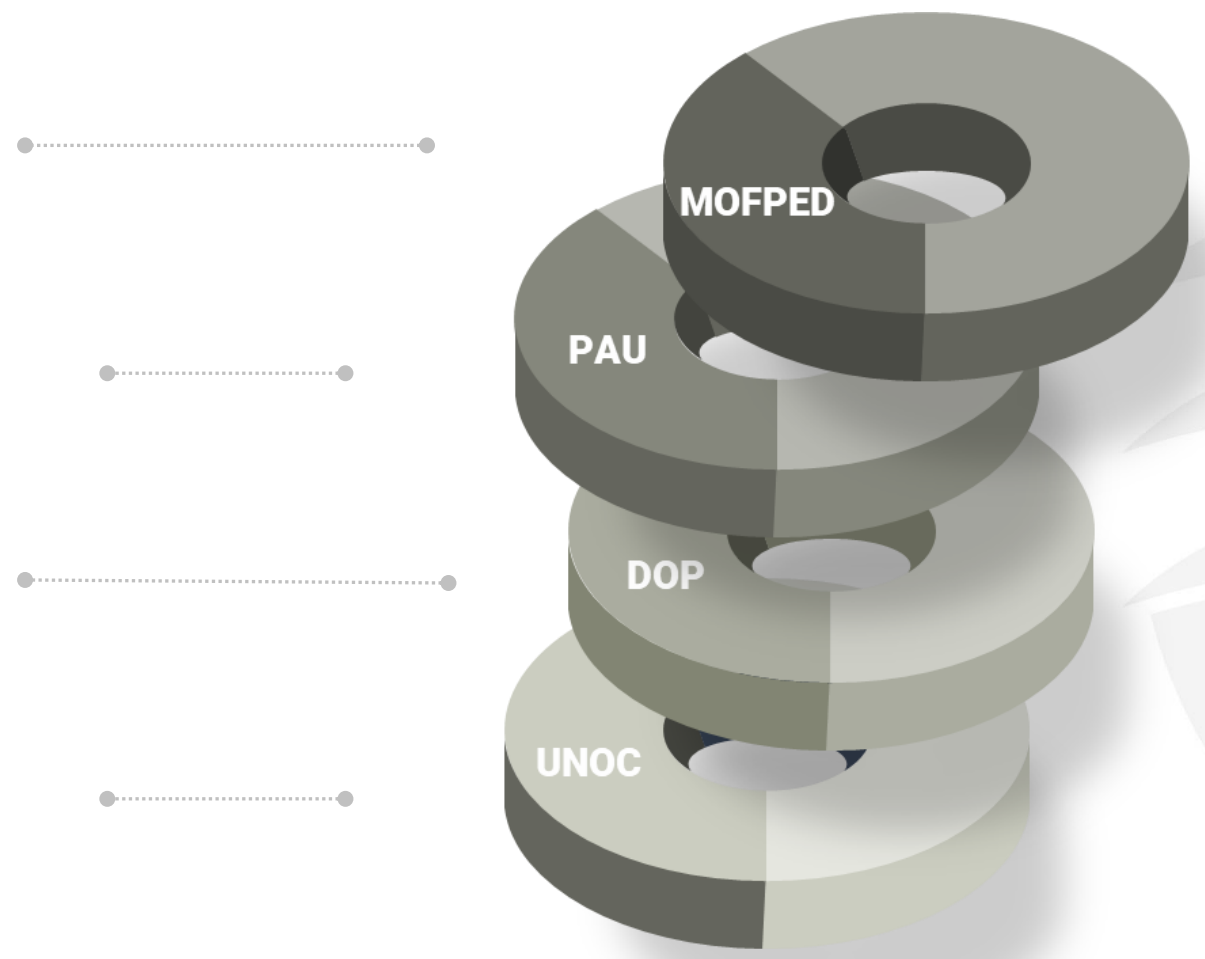
Oil and Gas Conference

# Uganda Oil & Gas Infrastructure

**Kabalega Petro-based Industrial Park & the East African Crude Oil Pipeline**

# Uganda's Oil & Gas Sector Governance Structure

- 1**  **Ministry of Finance, Planning and Economic Development**  
Fiscal Regime, Petroleum Fund
- 2**  **Petroleum Authority of Uganda**  
Regulation
- 3**  **Directorate of Petroleum – Ministry of Energy and Mineral Development (MEMD)**  
Policy, Investor Promotion, Licensing
- 4**  **Uganda National Oil Company**  
Commercial / Business



# Uganda's Regulatory Framework

## NATIONAL OIL & GAS POLICY

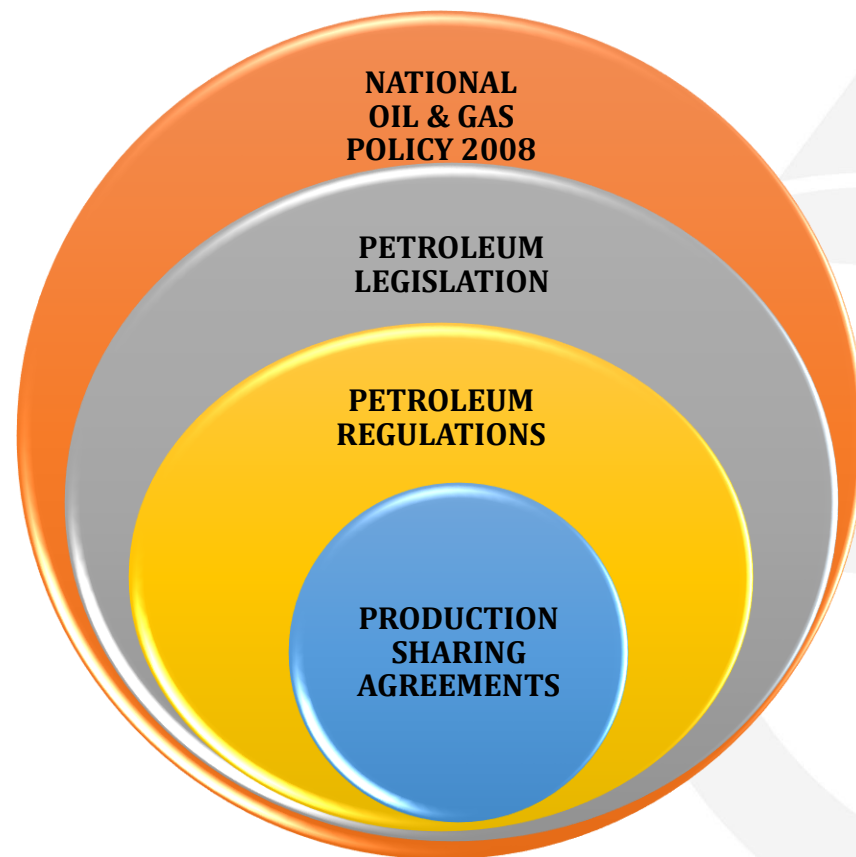
- National Oil and Gas Policy is the key document guiding the sector

## LAWS

- The Petroleum (Exploration, Development and Production) Act, 2013
- Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act, 2013
- Public Finance Act 2015, (Part VIII on Petroleum Revenue Management)
- Other relevant statutes and guidelines such as Environment, Wildlife, Water, Income Tax, Land

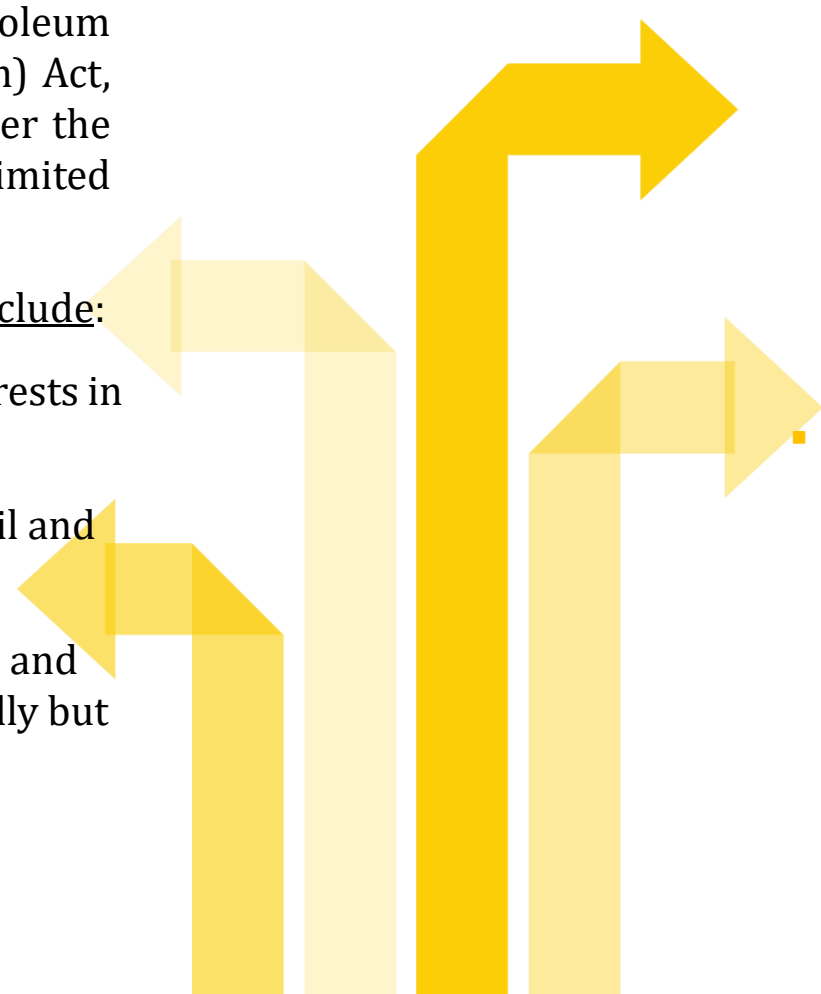
## REGULATIONS

- New Petroleum Regulations 2016 to address Exploration, Development, Production, HSE, National Content among others



# UNOC Mandates

- The Uganda National Oil Company (UNOC) was established by Section 42 of the Petroleum (Exploration, Development and Production) Act, 2013 and incorporated in June 2015 under the Companies Act (2012) as a private limited company
- UNOC's mandates per the Petroleum Act include:
  1. Handle the state's commercial interests in the petroleum sub-sector
  2. Develop in depth expertise in the oil and gas sector
  3. Propose new upstream, midstream and downstream ventures initially locally but later internationally.
- Board of Directors – appointments by His Excellency the President of the Republic of Uganda; approval by Parliament
- Wholly owned by the Government of Uganda – two shareholders:
  1. Minister of Energy and Mineral Development **51%**
  2. Minister of Finance, Planning and Economic Development **49%**
- Subsidiaries – currently wholly owned by UNOC:
  1. The Uganda Refinery Holding Company Ltd – Responsible for refining and petrochemical related businesses
  2. The National Pipeline Company (Uganda) Ltd – Responsible for pipelines, storage and downstream trading ventures



# Scope: Petroleum Value Chain Key Projects

## UP STREAM

- Licensing
- Exploration
- Appraisal
- Development
- Production

1. Manage State Participation
2. Launching New Ventures
3. Crude Oil trading

## MID STREAM

- Transportation
- Refining
- Gas processing

4. Refinery
5. Kabalega Industrial Park
6. Crude Pipeline

## DOWN STREAM

- Storage
- Terminals
- Bulk Trading

7. Jinja Storage Terminal
8. Kampala Storage Terminal
9. Downstream Bulk trading

← **Joint Ventures for Service Delivery** →



# UNOC AT A GLANCE

Projected Net Revenues of  
**\$9.05 Billion** to be generated through  
UNOC over life of projects

## NEW VENTURES

- Pelican & Crane
- Kasuruban

## BULK PRODUCTS TRADING

- Refined products (PMS & AGO)
- LPG concept under development

## REFINERY

(URHC – Was 40% (now 51+%)

- Capacity 60,000bpd
- Products Pipeline – 211 kms
- Public sector capital providers

## EACOP (NPC -15%)

- Capacity 216,000 bpd
- Heated Pipeline -1,443 kms

EAST AFRICAN  
CRUDE OIL  
PIPELINE

B/Sheet US\$324 million as  
at 30<sup>th</sup> June 2023  
**Target \$1Bn**

## HEAD COUNT (144)

**(35 Trainees)**

- 54% of Full Structure
- Female 39%
  - Male 61%

## KABALEGA PETRO-BASED INDUSTRIAL PARK (KIP)

- Greenfield industrial park – 29 km2
- Hosting EACOP pump station (PS#1), Refinery & Airport
- Petrochemical & Fertilizer industries

## STORAGE TERMINALS

- JST 30 Million Litres
- JST Equity share – 100%
- KST (proposed) – 320 Million litres (Phased)
- KST Equity share - 51%

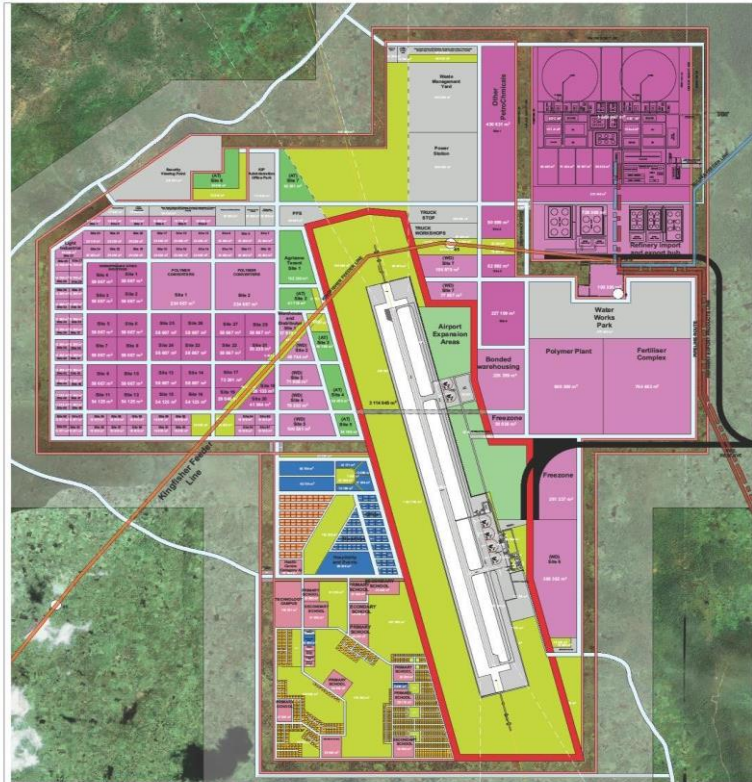
## KINGFISHER (UNOC – 15%)

- 2P reserves estimated at 168 MMBBL
- Design capacity 42 kbpd
- Base case - 40 kbpd

## TILENGA (UNOC – 15%)

- 2P reserves estimated at 835 MMBBL
- Design capacity - 190 kbpd
- Base case – 190 kbpd

# KABALEGA INDUSTRIAL PARK



	FAK	COV (%)	FAK	COV (%)	FAK	COV (%)	FAK	COV (%)
1. LOW DENSITY RESIDENTIAL	1	20%	6. INSTITUTIONAL	6%	11. SECURITY FENCE BUFFER	1%	1%	1%
2. HIGH DENSITY RESIDENTIAL	1	40%	7. UTILITIES AND TRANSPORT	6%	12. AIRPORT FENCE	1%	1%	1%
3. LIGHT INDUSTRY	1	10%	8. OPEN SPACE	6%				
4. HEAVY INDUSTRY	0.5	6%	9. AGRICULTURE	6%				
5. COMMERCIAL	0.8	10%	10. EXPANSION AREAS	6%				

KIP OIL AND GAS INTERIMS MASTERPLAN  
Final Layout - Phase 3 Zoning Plan

SCALE: 1:12000



DATE: 07.07.17 REV: 010



# Kabalega Industrial Park (KIP) Development

## KIP to accommodate:

- 29.57 sq. km of land to be developed into a petro-based industrial park in Hoima District
- Uganda's 2<sup>nd</sup> International Airport for Cargo (under construction @ 91%)
- Crude Oil Export Hub – EACOP Pump Station No 1 & Feeder Pipelines (under construction)
- Uganda Refinery (FEED complete; Value Engineering; ESIA complete; Public Sector-Led Funding Plan)
- Fertilizers & Petrochemicals (feasibility studies initiated)
- Industrial Gases (feasibility studies initiated)
- Cold Chain / Agro-Processing
- Warehousing / Logistics





**\$4.9 Billion/yr to National GDP**

**Macro-economic study of the Kabalega Industrial Park:**

**USD 11.9 billion/yr National Capital formation**

**Balance of payments by USD 849million/yr**

**Net Fiscal impact of USD 1.2 billion**

**35,000 job opportunities.**

**Industrial development - fertilizers, petrochemicals, industrial gases, bulk LPG**

## STATUS

- KIP Masterplan approved.
- Critical Oil Roads infrastructure – 800 kms
- Entering negotiations with JV development and management partner
- Land Allocation Policy awaiting final Cabinet approval on service fees
- Enabling infrastructure: UNRA, MoWT, UETCL, MWE & NITA-U discussions ongoing for provision of utilities and roads to the Park
- Design of Phase 1 infrastructure within KIP - roads, fencing, water, wastewater, MV/LV power underway
- Strategic ESIA – draft preliminary report submitted for NEMA review
- Promoting linkages between Agro-based value addition investors & local farmer groups.



# EACOP



## Project overview:



**1,445 KM LONG  
24 INCHES DIAMETER  
BURIED HEATED PIPELINE**

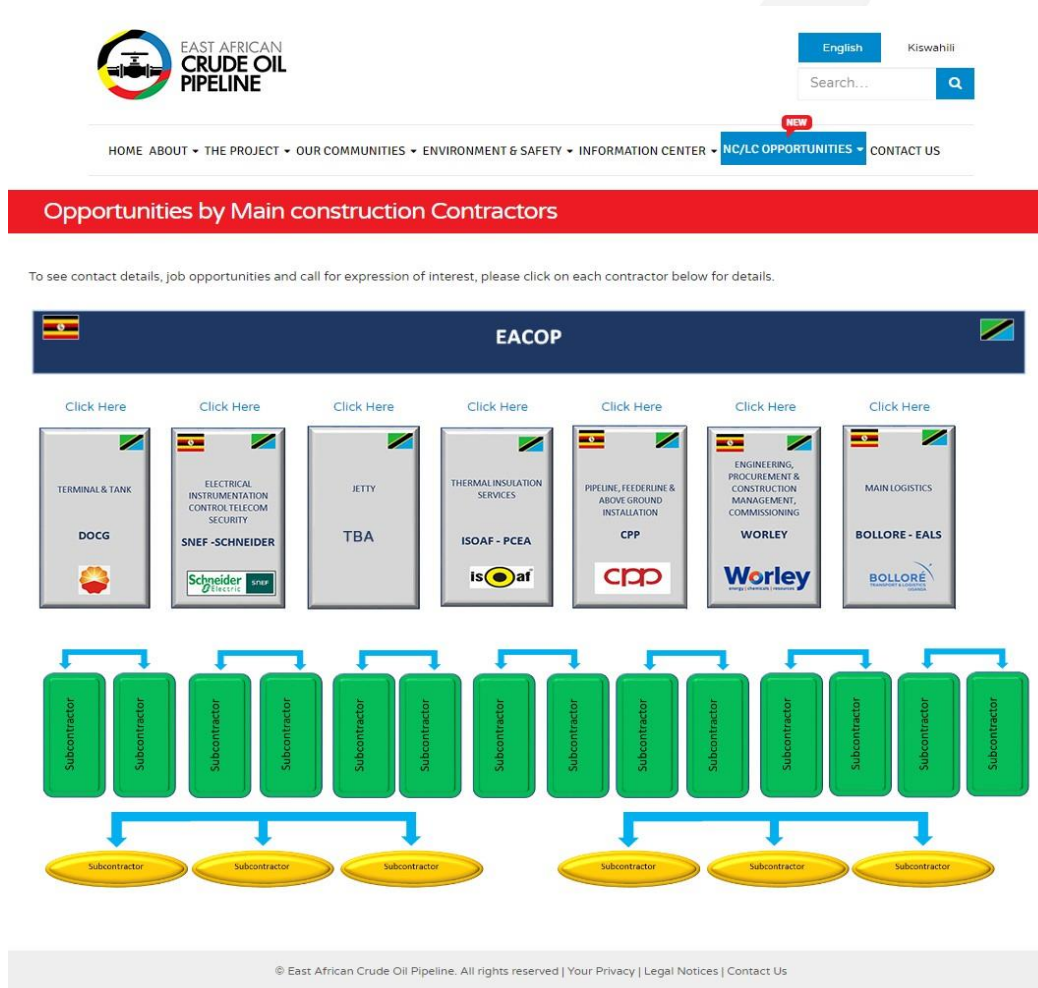
**The EACOP** is a 1,447 km long and 24 inches diameter buried heated pipeline that will transport crude oil from Tilenga and Kingfisher from the delivery point in Kabalega Industrial Park, Uganda to the Indian Ocean Port of Tanga in the United Republic of Tanzania.

Total Project Cost current estimate: USD 5 billion

Shareholdings: TotalEnergies 62%, UNOC & TPDC 15% each; & CNOOC 8%.

## Project progress to date:

- Inter-Government Agreement for the Crude Export Pipeline was signed in May 2017
- FEED and ESIA for Uganda and Tanzania completed and approved by respective regulatory bodies
- EACOP route was approved
- Signing of the key EACOP agreements (HGAs, SHA and TTA)
- SHA completion done
- Enabling legislation for EACOP approved.
- Tier One contracts awarded.
- RAP implementation of the EACOP.
- Internal and regulatory approvals done
- FID achieved 1<sup>st</sup> February 2022
- Financial Close Target – October 2023
- First Oil in 2025



The screenshot shows the EACOP website interface. At the top, there is a navigation menu with links for HOME, ABOUT, THE PROJECT, OUR COMMUNITIES, ENVIRONMENT & SAFETY, INFORMATION CENTER, NC/LC OPPORTUNITIES, and CONTACT US. Below the menu, a red banner highlights "Opportunities by Main construction Contractors". A sub-header reads: "To see contact details, job opportunities and call for expression of interest, please click on each contractor below for details." The main content area features a grid of contractor cards, each with a "Click Here" link and a small flag icon. The contractors listed are: DOCG (Terminal & Tank), SNEF-SCHNEIDER (Electrical Instrumentation Control Telecom Security), TBA (Jetty), ISOAF-PCEA (Thermal Insulation Services), CPP (Pipeline, Feederline & Above Ground Installation), WORLEY (Engineering, Procurement & Construction Management, Commissioning), and BOLLORE-EALS (Main Logistics). Below the contractor cards, a diagram shows a hierarchy of subcontractors, with blue arrows indicating the flow from the main contractors to their respective subcontractors.

# EACOP Pipeline Integrity

- Once constructed and buried, the topsoil and surface vegetation will be reinstated, and people and animals will be able to pass freely across.
- Operational monitoring of all pipeline parameters in 24/7 manned control rooms at either end of the pipeline, complemented by operational patrols, remote monitoring and community monitoring programs
- Use of the fibre-optic cable to monitor both temperature changes and intrusion along the entire length of the pipeline
- Development of contingency plans for oil spill recovery and emergency pipeline repair prior to the operation of the pipeline
- EACOP has prepared a comprehensive suite of Environmental and Social Management Plans (ESMP), which describe how the project will attain sustainable environmental and social management.

## Project Affected Persons (PAPs)

	UG	TZ	Total
Total number	3,656	9,898	13,554
Compensation agreements signed	3,389 (93%)	9,419 (95%)	12,808 (94%)
Compensations paid	3,062 (84%)	8,899 (90%)	11,961 (88%)

The content above is as of July 2023

## Physically displaced houses

	UG	TZ	Total
Number of houses	203	344	547
Number of replacement houses (*)	177	339	516
Replacement Houses Handed Over	177	175	352
Replacement Houses Under Construction	0	97	97
To Start Construction	0	67	67

The content above is as of July 2023

# EACOP Project Lessons Learned

- Land acquisition challenges in Uganda due to varying land tenure systems (Customary, Private and Public Land). In contrast to Tanzania, where all land is public and remains vested in the President as trustee for & on behalf of all citizens.
- Avoidance of sensitive ecosystems to minimize on impacts and project footprint.
- Need to conduct thorough environmental & social studies to mitigate against unfounded accusations by various interest groups.
- Meaningful, free, prior and informed consent while engaging project affected and interested persons, communities and institutions.
- Provision of independent body of experts (International Biodiversity & Land Advisory Committee), for unbiased Environmental & Social Performance reviews.
- Opportunities to minimize carbon emissions through the integration of renewable energy in pipeline operations.

# Rationale for UNOC's ESG Strategy

## Environmental Considerations

- Conservation of sensitive ecosystems
- Minimization of Green House Gas emissions
- Adaptation to the Energy Transition

## Social Considerations

- Sustainable relationships with project host communities
- Promotion of national participation
- Creation of a diverse, equitable and inclusive environment for all stakeholders

## Governance Considerations

- Adherence to high ethical standards of the UNOC Code of Conduct
- Demonstration of strong corporate governance practices
- Contribution to the United Nations' Sustainable Development Goals



# UNOC ESG Priority Areas

## Good Governance, Corruption Prevention & Business Ethics

*(Good corporate governance principles, transparency, integrity & accountability)*

## Climate Change Adaptation & Mitigation

*(decarbonization, low carbon technologies, renewable energy)*

## Quality, Health, Safety & Environment

*(air, water, land, waste)*

## Social License to Operate

*(labor practices, community engagement, conflict and security)*

## Diversity, Equity & Inclusion

*(employment practices, non-discrimination)*

## National Participation

*(skilling, supplier development)*

# 7 Pillars of UNOC's National Content Strategy



**Pillar 1:**  
Recruitment  
of Ugandan  
Talent



**Pillar 2:**  
National  
skills  
development



**Pillar 3:**  
Supplier  
capacity  
development



**Pillar 4:**  
Supplier  
selection



**Pillar 5:**  
Operatorship  
capacity



**Pillar 6:**  
Operations  
service  
capacity



**Pillar 7:**  
Community  
Content

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**Namibia**

Oil and Gas Conference



SCAN ME



#NamibiaOGC23

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