

Uganda, Tanzania sign \$3.5bn oil pipeline deal

Uganda, Tanzania and oil firms Total and China National Offshore Oil Corporation have signed agreements to kickstart the construction of a \$3.5bn 1,440 Kilometers long crude oil pipeline from Uganda's Albertine region to Tanzanian seaport of Tanga.



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"The East African Crude Oil Pipe Line (EACOP) Tripartite Project Agreement has been signed by all parties for the benefit of all people of Uganda and Tanzania in the spirit of East Africa," said Sam Kuteesa, Uganda's foreign minister.

Extraction will take place at two oil fields: the Kingfisher field, which is operated by China National Offshore Oil Corporation Ltd, and the Tilenga field, operated by Total SA.

The pipeline could be the longest electrically heated crude oil pipeline in the world. Once completed, more than 10,000 job opportunities will be created during execution, according to Suluhu.

Environmental opposition

Environmental activists say the project poses risks to protected environments, water sources and wetlands in both the countries due to CO2 emissions from the burning of oil through the pipeline.

"Oil companies are desperately clinging onto a dying industry. They clearly have vested interests in keeping their pockets lined. Communities in East Africa are not interested in dirty, outdated, fossil-fuels. They are rising up and championing a future that is powered by renewable sources of energy," says Greenpeace Africa senior political advisor, Fredrick Njehu.

"The crude oil pipeline will threaten water resources, biodiversity and Uganda's oldest and largest nature reserve, the Murchison Falls National Park, which would be opened up to large-scale oil extraction at a time when the world is acting to urgently reduce its reliance on fossil fuels. The project will also have severe impacts on local communities rights.

"No matter how you look at it, oil is highly risky and has significant potential to damage the environment and put surrounding communities in peril. East Africa has some of the best renewable energy resources in the world, and these resources should be maximised as governments shift away from fossil fuels in a people-centred just transition.

"Contrary to what proponents argue, the EACOP will not "unlock East Africa's potential". East Africa needs energy security based on widespread rollout of renewables and the millions of clean jobs that come with it, and it needs to protect its natural heritage. African governments must prioritise innovative and just solutions for energy and not fall into neo-colonial projects that have vast environmental and climate risks," he says.

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