



Rural Initiative for Community Empowerment – West Nile (RICE-WN)

**“Bringing Uganda’s oil to the surface,
increasing community capacity to handle oil
resource effectively”**

0131_RICE-WN

<< 2013/2014, January-March 2014>>

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Basic Project Information

Profile	
Name of project	Bringing Uganda's oil to the surface, increasing community capacity to handle oil resource effectively
Project goal and objectives	<p>Goal</p> <p>To build an empowered community that has a voice in oil governance and accountability.</p> <p>Objectives</p> <ol style="list-style-type: none"> i. To empower communities and their leaders on oil accountability tracking by the end of 2016 ii. To facilitate information dissemination to all stakeholders for knowledge and conflict prevention in the oil rich areas by the end of 2016 iii. To enable communities to exploit local business opportunities brought by oil exploration by the end of 2016 iv. To strengthen local community participation in policy implementation, security, law enforcement and policy reform related to oil and gas by the end of 2016
Location of the project	Arua, Nebbi, Buliisa and Nwoya
Geographical coverage	Arua, Nebbi, Buliisa and Nwoya
Contract start date	1 st December 2013
Contract end date	30 th June 2016
Planned budget for the reporting period	138,750,667

Actual expenditure for the reporting period	129,805,238
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Progress

Project output/expected result 1	Planned activity	Status of implementation	Reason for variance (if any)
<p>Output 1.1: A total of 166 key stakeholders were mapped from all the four districts.</p> <p>All important stakeholders are identified and documented</p>	<p>Activity 1.1.1: Conduct Stake Holder mapping</p>	<p>Stakeholder mapping was conducted in all the four districts of Arua, Buliisa, Nwoya and Nebbi. The stakeholders mapped were from the district and sub county leadership (Technical, political and security officers), religious and cultural leaders, media, youths and women representatives and CSOs, PEPD, UWA, NEMA and oil companies (Total E&P and Tullow property/Tullow Uganda). A total of 166 key stakeholders were mapped in the four districts, Arua 42, Buliisa 51, Nebbi 51 and Nwoya 22. Ways to work with these stakeholders, stakeholder powers and interests were also captured by the mapping tool. The stakeholder analysis gave us recommendations to engage people in the capacity building training.</p>	
<p>Challenges;</p> <ul style="list-style-type: none"> • High expectations about money in this sector. This was experienced during the mapping where some of the leaders said they expect facilitation from the project to integrate oil and gas activities in their plan since their budget at sub County level is constrained. • The mapping took longer than planned because some leaders did not give us 			

their time when we asked for it as they were busy. This later led to delay of subsequent activities.

- Capacity building needs are so diverse among the local leaders that it may need more interventions than designed in this project to meet some of the needs. For example capacities to borrow community engagement practices from other successful countries may need exposure comparisons by visiting other countries which this project has not planned for in its current form.
- Recommended stakeholders included almost all sectors and it is not possible to include everyone in our activities of this project.

Recommendations ;

- The leaders recommended that this project should build the capacity of the local people in order to get more organized to economically benefit from the oil and gas industry.
- There is need for a comprehensive sensitization so that the people are prepared to handle issues of high expectations, negative and positive environmental, socio-economic and the political impacts.
- They recommended that the project should include the health sector, the teachers and pupils. “I hear oil and gas comes with its catastrophes which can destroy our people therefore health facilities in this sub county should be included as one of the key stakeholders to work with. This will ensure safety of our people,” Says the LCIII chairperson of Okollo Sub County. “include teachers as key stakeholders so that their capacity can be built to shape the pupils to tap education and employment opportunities related to oil and gas industry” says the LCIII chairperson Buliisa sub county.
- The LCV chairperson of Buliisa recommended that for proper mobilization of the communities the LC system should fully be involved in the planning process of these programs since they have direct touch with the community

Project output/expected result 2	Planned activity	Status of implementation	Reason for variance (if any)
Output 2.2 204 local leaders trained on oil and gas issues. Of the 204, 62 females and 142 males	Activity 1.1.2: Conduct training for local leaders and communities on oil and gas legal issues, policies, strategies, gender, opportunities and risks.	This was implemented in the four districts of Arua, Buliisa, Nwoya and Nebbi. A total of 204 leaders (were trained on current status of oil and gas, the legal frame work, the issues on public finance bill, the environmental concerns and the peaceful land ownership.	Some 4 more interested parties came in considering importance of the training.

Challenges;

- Some of the political leaders took the forum to exchange their land conflict

issues which have come about as a result of creation of more sub counties in the district.

- Views on the public finance bill are not collected from the districts. The training exposed the need to add voice and fill gaps but it is still not enough to incorporate all the voices.
- Elephant problem in Nwoya is still a big question.
- There is still a problem of leaders not spreading the information they get from workshops to their people. This may be due to lack of facilitation.
- Districts acknowledged poor waste management systems.
- The capacities of police officers are still too low to handle oil and gas emergencies.
- Rampant land conflicts still rock the districts.
- Some leaders still yearn to visit oil sites, a request which is outside the current contract.
- Media groups are viewed by many of the district leaders to be agitating the communities rather than promoting development in their reporting work.

Recommendations;

- Paul Twebaze the facilitator for these trainings recommended that RICE-WN should facilitate a meeting for a smaller group of local leaders in the four project districts with the petroleum committee of parliament to present the views of the leaders on the Public finance Bill.
- The LC V Chairperson of Nwoya recommended that special studies must be conducted to establish the facts about the relationship between oil and gas exploration and elephants' movements. He said this has caused a lot of concerns and people's crops are being destroyed by the elephants.
- The LCV chairperson of Buliisa was thankful to RICE-WN for valuing the consideration of Buliisa people in the project. He added that Knowledge that would be learnt from universities is freely brought down to the people and he urged the local leaders to take advantage of such opportunities and educate the ones who could not get the chance of being part of the workshop.
- Rev. Canon Isaac Candia of Arua recommended that as leaders there is need to enforce the waste management at all levels whether district, Sub County, Parish even at Village level and more so at the Oil exploration areas. This can be integrated in the work plan of the district and sub county so that our people are prepared enough. A good experience can be learnt from Kenya where there are strict laws governing proper waste management. In addition there is need for creation of more laws governing the liquid waste in the oil and gas sector since the oil companies are using the old solid waste guidelines for liquid waste handling.
- The District Police Commander (DPC) Nwoya advocated for a special training for the police in line with oil and gas sector to effectively handle the community concerns arising from the sector's activities.
- The leaders were urged by the project manager to encourage land owners to acquire land titles and or certificates of customary ownership so as to avoid land conflicts which seems to arise rampantly in the districts.
- If possible DGF to consider exposure visits for such key players.

- The leaders also recommended that RICE-WN should lobby with the relevant offices to organize exposure visits for the leaders to the oil sites so as to get more knowledge with evidence of the sector in the country.
- A training to be factored in for the media groups so as practice correct reporting and ability to incorporate land and peaceful living in their programs as a way of building the capacity of the different communities.
- Sensitization of the communities on land specifically land tenure system, registration and acquisition of land title, demarcating land with trees or sisal harmonization of land boundaries (political, administrative and traditional).

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Project output/expected result 3	Planned activity	Status of implementation	Reason for variance (if any)
Output 3; 80 volunteers selected and trained (40 female and 40 male)	Activity 3; Select and train volunteers on oil and gas information sharing	Volunteers were selected and trained in all the four districts. However only 30 (13 female and 17male) in total out of the 80 that were trained were given full package and facilitation for their work after further vetting exercise. This was distributed as follows; Arua 8, Nebbi 9, Buliisa 9 and Nwoya 4 volunteers	This vetting helped to align the activity with the budget which has a significant oversight as advised by DGF team that visited RICE-WN.

Challenges;

- Some local leaders tasked to select volunteers mostly based on their own relatives and friends thus bringing a lot of debate among other local leaders. This was witnessed in Kigwera Sub County in Buliisa.
- Some of the volunteers took this opportunity like a job with salaries especially those that were school dropout in S.4 & S.6 thinking they will get money to continue with studies thus it was difficult to retrieve their mindset.
- Some of the volunteers had poor attitude towards working willingly for their people due to wrangles among them.
- Capacity gaps still exist among the volunteers as regards time keeping, writing skills, reporting skills and oil and gas knowledge.

Recommendations;

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- Cross checking with local leaders at all times to ensure transparency and accountability.
- There is need to keep emphasizing the value of volunteering to these volunteers so that they appreciate the need for the voluntary work.
- The LCIII C/P of Okollo urged the volunteers to work as a team being the eyes
- The volunteers recommended that RICE-WN should get for them an identity such as T-shirts, name tags etc that has the organization logo so that when they go to the community they can identify themselves.

Project output/expected result 4	Planned activity	Status of implementation	Reason for variance (if any)
Output 4: The district leaders able to harmonize community concerns to enhance advocacy A total of 206 (57 female and 149 male) stakeholders engaged in the dialogue	Activity: 4 Conduct District Dialogues on emerging community concerns	The dialogue was conducted in 4 districts with the theme “Enhancing community participation in the oil and gas industry in Uganda	
Challenges; <ul style="list-style-type: none"> • There is no clear strategy for districts to enhance community participation in oil and gas industry. • There is inaccessibility of PEPD from the districts since they have no representative at district level. • Most local leaders have little knowledge on the benefits of oil and gas and how the communities would benefit from this sector. There is lack of basic package that districts can use for sensitization. • Collaboration between districts and oil companies is still weak. • Community engagements with central government are much desired • There is still a problem of compensation rates being outdated at district level. 			
Recommendations; <ul style="list-style-type: none"> • There is need for district leaders to focus community participation based on strategy. The facilitator, Mrs. Catherine Benkunda from PEPD urged district leaders to encourage take up of science subjects in schools since the qualification for Kigumba in the petroleum institute is passing of these subjects. However she said other opportunities other than employment and scholarships can be tapped such as supply of goods and services, consultancy, capacity enhancement services among others. 			

- Mr. Droti Basil, the Executive Director of West Nile Rural Development Agency (WENIRUDA) recommended that government through PEPD should strengthen the environment officers to take up the issue of environmental impact assessment and oil in general as their representatives. Besides, PEPD needs regional office in Albetine graben.
- In addition, the ministry of Energy (PEPD) in particular should ensure that when oil companies get license for their operations, they should be able to also have a formal agreement with the local government where their operations will take place.
- The Executive Director of MYANK Anti-corruption Coalition (MACCO) recommended that some of the meetings be organized at community level with engagement of the government agencies such as PEPD, UWA, NEMA and oil companies so that they can hear from the “horse’s mouth.”
- The district speaker of Arua said there is still a big gap on people’s perception of this industry thus there is need for a basic package of information for the communities to clear their minds on this sector.
- There is need for all the districts to update their compensation rates yearly which will help them not only in oil and gas but many other sectors such as road constructions, public schools, hospitals etc.

Project output/expected result 5	Planned Activity	Status of implementation	Reason for variance (if any)
Output; 30 copies of oil and gas policy, 10 copies of enhancing community participation in oil and gas were received and disseminated in all the districts	Activity 5; obtain and disseminate oil and gas accountabilities.	The oil and gas accountabilities were obtained from PEPD, oil companies and UWA and disseminated in all the four districts	

Challenges;

- Copies of the oil and gas accountabilities were not enough to disseminate up to the sub counties thus only the district local government was supplied though not all the offices
- There is tendency among local leaders to narrow accountability only to money aspects and this made them to expect more about the oil revenues which was not available.
- Some of the expected government line ministries involved in the sector did not have updated accountabilities to be given to the local people.
- Partnership building with some of the sectors was limited due to bureaucratic tendencies in the offices thus missing out some of the important documents especially from NEMA.

Recommendations;

- More copies of the documents related to oil and gas updates, how the people can benefit, environmental concerns and mitigation measures, oil and gas and animal behavior among others need to be disseminated to the communities.
- There is need for encouraging the local government to take up dissemination of the accountabilities to the grass root in their districts. Even the Nwoya district Chairperson recommended that some of the IEC materials be translated in the local language so that all the people can benefit.
- RICE-WN needs to build more partnership with line ministries especially National Agricultural Advisory Services (NEMA) and ministry of finance, planning and economic development so that information sharing with them is smooth.
- Local leaders still need to be sensitized on accounting to communities.

Project output/expected result 6	Planned Activity	Status of implementation	Reason for variance (if any)
Output 6; Coordinated information sharing on oil and gas through media	Activity 6: Collecting and airing community based radio dramas	The community based radio dramas have been collected. Scripts were developed by the community drama groups of the four districts on topics such as; land factor; how the community can be conscious and protect their land, hope to acquire a land title and or certificate of customary ownership; how communities can monitor environment; corporate social responsibility; and right procedure to follow on compensation and how communities can benefit from the sector.	These dramas are not yet on radio because the government arms concerned with the above topics are still reviewing the scripts and the approved copies will be put on air as soon as possible.
Challenges; <ul style="list-style-type: none">• Delay by drama groups to submit scripts for all the topics thus airing not done in the quarter.• There was budget oversight where no budget was allocated for collecting the			

<p>radio dramas yet some staff had to travel to other districts to collect these dramas.</p> <ul style="list-style-type: none"> Enhancing the knowledge of the drama group members on oil and gas took some time because some of the group members had little or no knowledge on the topics stipulated. This delayed the process of getting the dramas done. 			
<p>Recommendations;</p> <ul style="list-style-type: none"> Topics by the drama groups be given one at a time because offering them choice from many topics confused them. “These topics are too many and they will confuse us. Give us one topic at a time,” says Francis, the chairperson of drama groups in Nebbi district. Budgetary adjustments are needed in the up coming activities. There is need for refresher training and or orientation for all the drama groups on the topics given for the drama so that every member has a clear understanding of what is required. 			
Project output/expected result 7	Planned Activity	Status of implementation	Reason for variance (if any)
<p>Output 7; Exploitation of business opportunities brought by oil and gas exploration by the local community members</p> <p>A total of 161 business men and women were trained (51 female and 110 male)</p>	<p>Activity 7: Hold business forums in each district to tap business opportunities from oil and gas</p>	<p>Four (4) business forums were held; 1 in each of the four districts of project implementation. Each forum was targeted to have 40 participants with a total of 160 participants in the four districts. But a total of 161 (51 females, 110 males) participants attended the business forums.</p>	
<p>Challenges;</p> <ul style="list-style-type: none"> Some of the business persons selected had too low capacity to meet the standards of oil companies to the extent that when the facilitator explained what it takes to do business with oil companies, they got scared because the standards appeared too high for them. Most of the business people own individual businesses which is not sustainable enough to tap opportunities from oil companies. This then limits their potential to do business with oil companies Some of the business people have not explored the different business potentials in the region more especially the agricultural side which could be an entry point for seed capital. 			
<p>Recommendations;</p> <ul style="list-style-type: none"> There is need to follow a green enterprise model that empowers business people in the oil rich areas. The model proposed by Natural Enterprises Development 			

Limited (NED Ltd) could be looked at further and if approved should be adopted. This will mean following the advice of the facilitator Mr. Madira Davidson who urged participants to form groups called investment clubs to save adequate seed capital purely for investment. He expressed to participants the importance of group investment and how individual business owner can sell out shares of their businesses. This makes the business stronger and will help it grow faster. He told participants to move from VSLA approach where savings are divided up and eaten at the end of the cycle to adopting “save to invest approach.”

- There is still need to organize bigger capacity building for the business communities. During business forums it was clear that business people felt neglected by the government and NGOs in terms of capacity building. “Many times people assume that business people have money and they okay but the truth is that we are burning with many problems which could be solved by capacity building” says Michael Oluma, a business owner from Arua. It is recommended that RICE-WN searches opportunities of capacity building with NGOs, Uganda Investment Authority and other private agencies.
- The business community of this region should start with opportunities around them including agri-business in agricultural products such as simsim, ground nuts, millet, cassava, honey, fruit trees to generate quick capital.

Project output/expected result 8	Planned activity	Status of implementation	Reason for variance (if any)
Output 8; District concerns harmonized and all districts developed strategies to engage in the oil and gas industry	Activity 8; Regional Dialogue	The regional dialogue was not done. It is postponed to next quarter (April – June) to be implemented in early April 2014.	The key stakeholders were not available at the time of planned implementation on
Project output/expected Result 9	Planned activity	Status of implementation	Reason for variance (if any)
Output 9; districts take up a strategic direction on issues affecting the communities	Activity 9; Advocacy meeting with district leaders	An advocacy meeting with district leaders was not done. It is postponed to next quarter (April – June).	The advocacy meeting was postponed from march to early April because RDCs, LCV and members of parliament expected to be present at the

			advocacy meeting were engaged by the president's office.
Project output/expected result 10	Planned activity	Status of implementation	Reason for variance (if any)
Output 10; A strengthened Monitoring and Evaluation system in place	Activity 10: Conduct quarterly M&E review meeting	The M&E was not done. It is postponed to next quarter (April – June).	The period selected in the quarter was after all activities take place but was not convenient for some key stakeholders and so it had to be postponed to early April.
Project output/expected result 1	Planned activity	Status of implementation	Reason for variance (if any)
Output 11: information shared through newsletters.	Activity 11: disseminate oil and gas information through newsletters.	Not yet implemented because it was to be after all activities are implemented. The articles are ready but the printing process is still incomplete. The newsletter will be disseminated next quarter, precisely early April 2014.	Articles from communities took a long time. This was essential to incorporate community voices.

Report on gender mainstreaming (how has the organization integrated gender in the reporting period?)

RICE-WN in all her activities critically selects the key participants taking into consideration the gender mainstreaming. On realization that inviting leaders by office and title leaves women out due to their low numbers in official positions, RICE-WN decided to extend direct invitation to women leaders, youths leaders, and PWDs leaders at district and sub county level. These categories capture both men and women who are considered as key stakeholders. With this approach the women, youth and PWDs were included and had their voice represented. For instance during the business forums in Nebbi one of the female participants was a PWD who said she is

benefiting from the sector through making crafts which symbolize African materials thus “disability is not inability”

With this approach, RICE-WN was able to reach 210 women out of the 649 participants involved in the district dialogues, training for local leaders & communities, volunteer training and business forums in all the districts. This is a significant step to factor in women involvement and participation which has been low in the region previously.

Emerging issues, Risks and Mitigation

- The chairperson for PWDs in Buliisa expressed worry about the population influx which he said was illegal. This is fueling land conflicts in Buliisa.
- Political interference in land wrangles especially between Nwoya and Nebbi Districts. According to the LCV chairperson Nebbi and other participants at the workshop, the Alur and Acholi lived peacefully before the discovery of oil in the region. The discovery of oil has sparked land conflicts which are fuelled by politicians.
- During the district dialogue, the cultural institutions (Cultural Chiefs) in Nebbi are said to be fueling land conflicts and their inability to handle land matters impartially. According to Mr. Ofoi the LC111 chairperson of Panyimur Sub county, the cultural chiefs in his sub county constitute themselves as court (traditional court) to handle land matters which is not recognized by the constitution. The role of traditional chiefs is to be advisory. The decisions taken by such traditional courts are not recognized by the conventional courts like the Chief Magistrate’s courts. Therefore, when an aggrieved person appeal to Chief Magistrate’s courts, the decisions of the traditional courts is nullified which fuels more land wrangles.
- During the training of local leaders, the two recently passed Acts on oil and gas were analyzed and it was realized that they contain serious loopholes despite efforts made by CSOs and exchange visits by members of parliament to other countries before and during the law making process. The loopholes have serious bearing on transparency and accountability in the oil and gas industry. Members were advised to engage their members of parliament to make sure the public finance bill is tight. Deliberate effort should also be directed in addressing the loopholes in the laws by engaging the line ministry as they make the guidelines and regulations to patch up the loopholes.
- In Nebbi district Border disputes between the sub counties of Alwi, Pakwach and Panyango were expressed in the local leader training. The district officials and other stakeholders need to speed up the process of demarcating the boundaries between the sub counties so that the communities can live in peace. “I have been patient about this border issue and my next step will be mobilizing my district to demonstrate in the disputed market,” says Proscovia, the LCIII chairperson for Alwi Sub County.

- The capacity building for CSOs is a concern to NGO networks. The network coordinators argue that CSOs that are not working in oil and gas industry still need capacity enhancement on oil and gas in order to mainstream issues of oil and gas. “I am quite sure that a capacity building training for other CSOs who are not directly into oil and gas would enable them mainstream these issues and thus increase the multiplier effect of oil and gas interventions,” says Ronny Drasi Mobutu, the coordinator for Arua district NGO network (ADINGON).
- There is presidential directive stopping district land boards from issuing certificates and recommending titles for the land in oil areas in Albertine Graben. That means the land there is no titling or transfer of interest. The owners can only till the land but not sell or lease.

Lessons learnt

- The involvement of key district officials from the beginning of the project was very important. This has helped to draw their attention on every project activity they are called to attend. In addition, the new district staff appointed get oriented on the project activities and easily accept to contribute to the success of the activities. A case in point are the newly appointed RDCs who at the beginning were not part of the stakeholders during the inception of this project but now fully participate in the interventions and have owned it.
- The team spirit among RICE-WN staff has tremendously contributed to the success of this project. This is seen in planning, sharing responsibilities and appointing a team leader to coordinate each and every activity leading to success in implementation of the activities.
- Inviting government line ministries in relation to the intended work to be done is paramount. This creates the opportunity for the stakeholders to listen and question directly. These include parastatal bodies such as UWA, PEPD, Total E&P, professionals in the areas of business, laws and members of parliament
- In planning any activity in the community, it is important to understand community calendar which guides one to fix time, date and venue for effective participation. A case in point was the regional dialogue that was earlier planned on the 31st but with recommendations from the key stakeholders targeted it was shifted to 4th April to capture all the intended stakeholders
- Petroleum development is generally a complex industry that calls for thoroughness, patience and clarity in interventions is key to avoid doubt, suspicion and conflict with other players

Way forward

- Follow up made with the four districts on the strategies they made so that they can come up with a strategy paper to enhance community participation in the oil and gas industry
- Increased involvement of local and community leaders in conducting community sensitizations through integrating oil and gas information in their plans

- Managing community expectations through emphasizing the attitude change approach to development

Case stories

“Oil companies must respect culture”

Mr. Ndema Haruna the Rt. Hon. Prime minister lugbara Kari expressed that based on his experience with Neptune Petroleum and the experience of his colleagues in Pakwach with Total E&P, it is clear that oil companies have little disregard for the local cultures. This is especially in the area of information sharing before, during and after exploration, cultural sites and immoral conducts of the new comers in the community. To him this is a source of worry because influx of people in an area can easily destroy useful cultural practices. The cultural leader from Panyimur also commended that at the moment cultural institutions have little capacity to raise their voice and so they need support from the government, NGOs and the local communities. The cultures should be taken into account in the whole of oil value chain.

In the district dialogues that brought together district local government leaders, cultural, religious and local NGO leaders, issues discussed centered around “enhancing community participation in oil and gas industry in the district” and the chief presenter was Catherine Benkunda, a communications officer from PEPD. All stakeholders agreed that community level participation has not been much and all stakeholders need to take interest and strategize for increased participation. The districts were to take lead in designing this strategy.

RICE-WN sets example of working together with security.

In every intervention security office in the district has been involved. This has given insight to security agents including Resident District Commissioner, District Internal Security Officer (DISO) and District Police Commander (DPC) to hail RICE-WN for fostering the cooperation. The former RDC Nwoya remarked that, RICE-WN is one of the NGOs that has rightly understood the importance of security in development work. “Many NGOs isolate security office until they get problems and that is when they think of security and that is not right” says the former RDC Nwoya. Voice of the security personnel in oil and gas matters was captured and they advocated that security office needs more equipment and training on how to handle emergencies related to oil and gas.

“We are just busy bodies but not real business people”

Insights into “what it takes to do business with oil companies” made one of the participants to confess that their way of doing business at the moment does not qualify them to do business with oil companies and the associated subcontractors. This was during the business forums in which prominent business people were called together to discuss business opportunities in the oil and gas industry taking into perspective how business people can participate in offering business services. Among

the participants only three people had confessed attempts to do business with contractors of oil companies and only one of them was still doing that out of the more than one hundred fifty participants. This gives a very narrow participation rate of less than one percent. At the end of the forum participants were tasked to build new strategies based on the model suggested by NED. The model emphasizes collaborative effort on the part of business people by forming investment clubs where they save jointly and constantly for a particular purpose. This is believed to build their capacity. The guidelines of formation, administration and management of these clubs was given to the business people and more work is to be done with them to train assistants to constantly help them.