

## Kampala hosts 10<sup>th</sup> regional petroleum conference

All is set in Kampala as Uganda hosts the 10<sup>th</sup> East African Petroleum Conference and Exhibition 2023 (EAPCE'23). It is happening at the Kampala Serena Hotel between May 9-11, 2023.

The Ministry of Energy and Mineral Development is delighted to be the main organizer and platinum sponsor for the prestigious EAPCE'23 – a conference and exhibition Uganda first hosted in 2011.

At least 1,000 delegates will be in Kampala, comprising business people from different parts of the world, students, and government executives from the East African Community (EAC). The Conference provides an opportunity for the attraction of further investments in the sub-sector, and more private-sector participation in the numerous business opportunities will be enhanced.

EAPCE'23 is in line with one of the objectives of the energy sector development under the EAC Vision 2050 – ensuring a sustainable, adequate, affordable, competitive, secure and reliable supply of energy to meet the region's needs – moreover at the least cost while also protecting and conserving the environment.

The EAC region has several energy sources currently being explored, including those in the oil and gas sub-sector, where Uganda, Kenya (oil), and Tanzania (gas) have vast potential.

Accordingly, in line with its *National Oil and Gas Policy of 2008*, the Uganda Government developed plans to undertake medium to large-scale refining to satisfy national and regional petroleum product requirements.

The production of oil and gas will provide the essential raw materials necessary to develop the petrochemical industry in the region and enable the region to take advantage of the abundant investment and business opportunities afforded by vibrant international trade in the said industry.

Against this backdrop, the Uganda Government is hosting EAPCE'23 under the theme: "***East Africa as a Hub for Investment in Exploration and Exploitation of Petroleum Resources for Sustainable Energy and Socioeconomic Development.***"

Uganda's Minister of Energy and Mineral Development, Dr Ruth Nankabirwa Ssentamu, said the Conference aligns with the EAC's broad goal of achieving economic, social and political integration to create regional wealth. She further says it would enhance competitiveness through increased production, trade and investment in the oil and gas sector.

"The EAPCE'23 presents a significant opportunity for the EAC Partner States to showcase the potential for oil and gas in the region while also reporting on their ongoing activities in exploration, development and production of the two commodities.

"Energy is one of the vital infrastructures' enablers' of East African Community EAC Vision 2050. This is to invite the private sector, therefore, to take an interest in the momentum in the region's petroleum subsector and get involved to tap the opportunities available," said Minister Nankabirwa.

Energy Ministry's Permanent Secretary, Ms Irene Bateebe, said EAPCE'23 would promote investment in the oil and gas sector by demonstrating to the world the potential within the region and sharing information on the status of oil and gas development in each Partner State. "I, therefore, welcome you all to Uganda to experience what the Pearl of Africa offers."

The Oil and Gas Policy (2008) aims to *"Use the country's oil and gas resources to contribute to early achievement of poverty eradication and create lasting value to society."*

As a result, the Government of Uganda focuses on creating a conducive environment for continued petroleum exploration and the anticipated development, production and utilization of any discovered resources. Further efforts are towards establishing a robust framework for efficiently managing the realized oil and gas resources and revenues from there.

Ensuring a conducive environment for attracting the levels of investment required to establish the country's resource potential and facilitate its development.

Participation of the country's private sector and its entrepreneurs in the oil and gas business and other related activities.

Provide opportunities for technological development and employment for the citizens of Uganda in particular and the EAC region in general.

Use at least 2 per cent of the revenue from petroleum and gas sectors to support training, research, development and innovations.

### **Uganda's petroleum sector**

Uganda is now one of the most established petroleum provinces in the world. Uganda's Albertine Graben region, with an estimated volume of 6.5 billion barrels of oil equivalent, with 1.4 billion barrels of economically recoverable oil, is estimated to be present in the area, which lies on the country's western border with the Democratic Republic of the Congo.

The more than US\$15 billion invested in the joint venture will be used to develop several upstream facilities for the Tilenga and Kingfisher projects and for building the East African Crude Oil Pipeline (EACOP).

The oil industry is critical to Uganda's social-economic transformation – raising millions of people out of poverty in a country where the average income remains around \$1,000 per year. It has provided opportunities for improved infrastructure, decent employment, business, skills development, increased fiscal revenues, capacity building of especially the youth, livelihoods of the host communities, and growth of national enterprises.

The first barrels are scheduled to be pumped in 2025, with the subsequent peak production rate reaching around 230,000 barrels per day. This will make Uganda a more significant producer than some African OPEC countries. About 60,000 barrels per day will be refined in the country to supply the local market, with the rest exported.

During the next 25 years, it has been calculated that this development will provide a boost of more than US\$40 billion to the Ugandan economy, bringing a potentially transformative impact for many Ugandans and the country's

economy. When production is at its peak, the Uganda government will receive an anticipated US\$2 billion yearly in taxes and royalties from the development.

Uganda has set National Content Development targets to ensure the economic benefit from the project's construction is spread widely. These mandate that at least 40 per cent of the amount spent remains within the country's economy through Ugandan goods and services and by training Ugandans to undertake the work.

The government is also strengthening links between the new oil sector and existing parts of the economy, such as agriculture, tourism, manufacturing and education. As a result of the government's initiatives, it is calculated that there will be a US\$ 8 billion boost to local businesses during the four-year construction period.