

**SUMMARY OF THE PROCEEDINGS OF THE  
YOUTH OIL DEBATE HELD ON THE 6<sup>TH</sup> MARCH 2015**

THEME: *"OIL AND GAS IN UGANDA; FORTUNE OR NOT FOR JOB CREATION FOR THE YOUTH"*

VENUE: **SEASCALLOP RESTAURANT IN KITANTE – KAMPALA.**

**ORGANIZED BY PAN AFRICAN CLUB (PAC)**

Contents

- **General information on current global oil politics by Prof Edward Kakonge.**
- **Presentation by Ms. Sarah Adong, a student at Makerere University and Former Speaker of Uganda Young Democrats (UYD) Makerere Chapter.**
- **Presentation by Mr. Moses Owori, the Secretary for Legal Affairs for the FDC Youth League.**
- **Participants' views**
- **Conclusive remarks by Sarah Adong, Moses Owori and Prof Kakonge**
- **Closing remarks by Pan African Club Management**

**General information on current global oil politics by Prof Edward Kakonge**

He said that in early 1970s, oil prices were low reason being that the buyers were largely determining the oil prices. That however, all of a sudden, the oil producers united and hiked oil prices and that buyers such as America complained. He added that when the oil prices were increased, the buyers continued to buy and the producers made a lot of profits.

That in June last year, a barrow of oil was costing \$110 but now it is fluctuating around \$50! He asserted that this is not because of economic factors but rather political! He said that due to Russia's role in the on-going Ukraine conflict, aware that Russia is a big exporter of oil that America asked the Middle East to suppress oil in order to affect Russia's economy. He said that in particular, America told Saudi Arabia not to reduce production and that hence there is a lot of oil in the market leading to the fall in oil prices and that the target is Russia.

The Professor further said due to fall in oil prices, Saudi Arabia has resorted to financial resources earlier accumulated that however, countries like Uganda, Ghana and Nigeria are suffering because they did not have such huge financial stocks. That America is urging Saudi Arabia to continue producing a lot of oil so that oil prices continue to fall. He said that in this conspiracy by Saudi Arabia and America, they wish to reduce oil prices to about \$20 a barrow so that new comers in the oil industry stop production. He added that most oil companies such as Tullow have reduced staff because it is economically unviable to keep them.

Prof Kakonge said that therefore, the song of we killed our animal in reference to oil discovery by some Ugandan leaders will not materialize in the near future. He added that recently, America reprimanded Uganda for awarding oil refinery construction contract to Russia saying it hurts America's interest. He suggested that our heightened expectations in oil should rather be managed that because there are still a lot of challenges affecting our oil.

**Presentation by Ms. Sarah Adong, a student at Makerere University and Former Speaker of Uganda Young Democrats (UYD) Makerere Chapter**

She questioned why we have abandoned agriculture yet it is the backbone of our economy and we are jumping onto oil which is a depletable resource. She also asked whether citizens have legal rights over oil and questions the transparency in the oil sector all of which she said affects job creation for the youth in Uganda.

She asserted that the government is not protecting Ugandan workers who are exploited by foreign investors especially the Indians and that all that government is interested in is revenue irrespective of the degenerating welfare of the citizens and this she said is irrespective of party belonging by the affected citizens.

Madam Sarah Further argued that the government of Uganda does not care whether the youth will get jobs in the oil sector or not. She pointed out selfishness of leaders with gross corruption being unmindful about the welfare of Ugandans aged below 35 years, abuse of human rights and reasoned that in such a situation, oil will not help Ugandans and that no jobs will come out of it.

## **Presentation by Mr. Moses Owori, the Secretary for Legal Affairs for the FDC Youth League**

Mr. Owori disagreed with Sarah that Ugandans do not have legal rights over oil arguing that the Constitution makes Ugandans stakeholders of national resources like oil and gas.

Owori suggested that oil and gas will create jobs for the youth but adds that only those who are well placed will get the jobs. He pointed out that oil mining is a very long process and highlighted the various stages; upstream, midstream and downstream each involving many activities and reasoned that by the time we finally get oil products into the market, it will be some many years from now.

In addition, he pointed out some of the challenges which come with oil activities and in particular said that Uganda's oil is waxy and thus will require a lot of heating with resultant melting and that in due course all the living organs in the mining area will die and the soil will not be able to support agriculture any more.

He argued that Ugandans have a cause to feel disappointed because of the prevalent gross mismanagement of national affairs and asserted that if you have leaders who can steal patients' money, how about oil money?

He however expressed hope that because this situation of mismanagement is not permanent saying that the world over, all governments are changeables and that they in fact keep changing and that therefore even our own government which has made corruption rampant will also change sometime in future and to him that creates hope that eventually, Uganda will overcome what he calls bad governance.

He called upon the youth to have Uganda at heart and resist all forms of bribery that aim at luring them into engaging in unpatriotic schemes.

### **Participants' views**

**Mr. Gabriel Mpuuga** argued that oil opportunities will go to the prepared, he asked the youth whether they have applied for Tullow scholarships which have been advertised in newspapers or they just let such opportunities pass unexploited and then resort to lamentations yet they are the ones to blame for not embracing the available opportunities.

Comrade Mpuuga also said that the impact of antagonistic relations between global powers will get to us, he gave an example that our shilling is already devalued against the raising value of the dollar and this he said had something to do with the falling oil prices globally. He advised the youth to embrace agriculture to boost their daily incomes.

**Nalongo Nassimbwa Hamidah** asserted that nothing good can be achieved for Uganda during the current regime even with oil and gas, she said that everything we have tried has failed because of corruption and mismanagement and that on her part, she suspects the agenda of this government.

Nalongo further said that Uganda is a blessed country yet the less privileged countries are leaving us in terms of development and that all this has happened under this regime during which, things have gone astray because of governance failure.

Madam Nalongo regretted that Ugandans have been denied access to oil information and questioned how sure we can be that all is well when we are denied information, she also questioned the motives of the authorities who have denied citizens access to information on oil and gas.

Nalongo argued that oil exploitation will destroy the environment to the extent dependent on environmental management in the oil region and said that this will bring doom to the wildlife and that change in climate will affect livelihoods since agriculture will be tampered with and other local means of survival.

Nalongo argued that the government does not consider peoples' views and that therefore Ugandans have no part to play in the oil and gas industry. She said she is a victim of Parkyard market fire which destroyed her merchandise and that she is now suffering with unemployment. She called upon the youth to wake up and cause the change they want to see in their country.

**Peter Nuwagaba** who claimed to be an oil engineer said that he has been in various oil sites in the oil region such as King Fisher and that NEEMA is doing great in protecting the environment.

Mr. Nuwagaba revealed that hundreds of thousands of jobs will be created in the oil industry saying that all oil stages of upstream, mid and downstream involve many activities and that all those will create many jobs for the youth of Uganda. Nuwagaba explained that various oil products such as fertilizers and other chemicals such as oil lubricants will be made in Uganda and marketed by Ugandans and that all this means employment for Ugandans.

**Bakampa Brian** called upon members to stop panicking that because jobs will come for as long as oil is processed in Uganda. He added that the only concern is the bad politics in which he feared that oil may build dictatorship where leaders may not want to leave power having been strengthened by oil wealth against the people. He further argued that as long as the geopolitics of oil is well managed then our oil will benefit us and jobs will be created.

**Kuribigambwa Justus** who claimed to be unemployed sighted favoritism in offering jobs in Uganda, he said jobs are available in the country but they are distributed on know who not know how, he said that access to information about jobs in the oil sector is a reserve of some people because of favoritism.

He said it is unfortunate that the leadership in Uganda does not mind about peoples' welfare and gave an example of the unfair Umeme contract which exploits Ugandans in favor of investors. He added that foreigners are exploiting Ugandans and that the government is very absent in this matter.

**Bernard Bahama** said that the President of Uganda is marginalizing the energetic and knowledgeable youth and gave the example that his cabinet is full of old people, in the same view, he questioned the President's motive of trying to return retired judge Benjamin Odoki yet we have many capable young lawyers who can take over such a job. Bernard argued that Ugandan youth are languishing in poverty yet they have the skills and that to him even with oil, the languishing story will not change.

**Oduku Ruben Oboma** said that the government's main policy is foreign investment with 100% profit repatriation in which case Uganda loses revenue to foreigners. He said that unlike Uganda which has left employment of foreigners in oil and gas unregulated, in Kenya a certain percentage of employment must go to Kenyans by policy and that Kenya is likely to advance in oil work ahead of us.

Mr. Oduku added that we need the Karuma dam project well-done in order to have the required electricity to handle oil work, he questioned the unnecessary delays in Karuma dam construction stating that in the year 2002, it had been earmarked to cost \$250m only but today we are told it is costing \$2bn which is unfortunate.

**Kasozi Mulindwa** argued that it is worth debating oil and gas that because it provides an opportunity for the transformation of Uganda through constructing roads, equipping hospitals to mention but a few, he added however that the current leadership is not interested in transforming the country.

He urged the youth to demand information about oil contracts including information on whatever is happening in the oil and gas industry such as who the players are and what they have committed themselves to do. He predicted that the government is already borrowing on the basis of anticipated oil cash which implies that oil money is already eaten.

**Brian Rwamurinda** said that we do not know how people get oil jobs; he suggested that many jobs in Uganda are advertised when selection is already done, he also criticized government reliance on tied aid and abandoning agriculture.

**Angiro Vincent** Said that oil and employment still remain our big fight adding that our government has killed everything including hospitals where currently you hardly find drugs and doctors are poorly paid leading to many of them running into economic exile. Studies have shown that every ten doctors trained in Uganda, eight leave the country because of poor government policy towards health.

He called upon the youth to get serious and defend their country, he castigated youth who go to bars and also wondered how some youth graduates who can't give a speech before the public can fight at national level for national goals.

**Norman Tumuhimbise** said that he is not worried that the youth are worried; to him this is what should happen so that the youth wake up due to excessive anger and liberate their country. Norman questioned how one who has failed to keep a goat should be entrusted with cattle. He said that we had the Kilembe mines and that today there is nothing to show both in Kasese and Uganda at large that we at one time had such a precious resource. To him, even oil will pass away like that, it will not create jobs and it will leave no visible development impact in Uganda.

He further said that 20 years ago, this oil was sold and that in a deal between Russia and Uganda over the jet fighters that Uganda acquired a few years ago, the unpaid money was to be settled around oil and gas deals including the construction of the oil refinery which was recently announced to have been awarded to a Russia Company. Norman questioned the bad state of roads in Hoima despite hosting the oil. He said that there is a certain clique of people who are already benefiting from oil while the rest of Ugandans have remained with the hope likened to a hyena which keeps following a person hoping that his swinging hand will fall and then it gets a meal but in vain because the hand never falls.

**Nyakubaho Zephaniah** who claimed to be a veteran said that the major problem of Uganda is corruption and that it will affect the oil industry. He gave an example that him and other veterans were deployed in Somalia to do security work but their money was eaten by some of the top leaders in this country, so they worked for nothing and they are languishing in abject poverty yet they sacrificed for Uganda.

**Onwaki Felix** said that the peasants just hear about oil and do not know much about it and he doubted whether they will benefit. He added that if oil money is well managed then the country will benefit and jobs will be created but he doubted that managing the money well is a possibility arguing that everything in Uganda today has gone astray.

**Robert Mayanja** said that there is no hope for Uganda, he said that a government which has failed agriculture and the huge human resource of Ugandans that such a government will definitely fail the oil and gas industry. He advised that the solution is for Ugandans to take charge of their country and rid it of bad leadership.

He regretted the squeezing of self-expression such as local talk-show platforms known as Ebimeeza in which the young people were developing their articulation skills and talents and were identification grounds whereby many participating youth acquired government appointments including some by the president himself.

**Mwido Mohammed** who claimed to be the shadow RDC said that Uganda may not benefit from oil, he gave example of Busoga region where he comes from that despite hosting power dams, the Basoga do not have electricity. He added that good technical information is usually ignored when it comes to implementation; he said very good proposals some of which appear in newspapers about oil have been ignored simply because what is to be implemented in as far as oil is concerned only lies in the mind of the president.

Mwido claimed that oil money has already been eaten in the on-going presidential campaigns which he termed as bisanja. He regretted that we have a problem in Uganda of not doing things in Ugandan heart / national interest.

**Bwanika Patrick** who pronounced himself as an NRM member by conviction said that it is too early to declare that there is road infrastructure failure in Hoima and the oil region in general that because oil has not yet been got from the ground and thus oil earnings to support such infrastructure are not yet realized.

He added that oil is capital intensive and thus will employ a few people and that most of the expertise required is not easily available among Ugandans. He advised the youth to think beyond oil for jobs.

**Issiko Ramadhan** said that the NRM ruling party has been claiming that it discovered oil thus making oil appear as if it is a partisan issue. He further said that there is unproportional youth representation in governance structures in Uganda and called upon youth to vote fellow youth in 2016 general elections in order to fill that gap.

**Kisiro Allan** advised fellow youth to be organized and principled if they are to succeed to advocate for their own empowerment including putting pressure for job creation for the youth in Uganda.

### **Conclusive remarks by Sarah Adong**

She noted that the youth are expecting too much yet they will get little out of oil and gas in Uganda. She argued that the youth will not benefit much from Uganda's oil because of corruption and mismanagement and that our oil is in actual sense already gone. She advised the youth to look for other alternatives for jobs such as agriculture.

Sarah highlighted the plight of leadership in Uganda arguing that it is to some extent a general problem both in NRM and opposition political parties. She gave an example that if a youth decided to stand for the position of Secretary General in an opposition political party that such a youth would be 'slaughtered' by the elderly politicians in the party. She concluded on this issue that both NRM and opposition politicians do not want to leave power because of selfishness and lack of vision for the country.

She called upon Pan African Club to extend these debates beyond Kampala and other urban centers to villages so that every youth in Uganda is brought on board if we are to realize a more meaningful impact in this youth advocacy for employment.

Ms. Sarah regretted that Uganda has Employment Act but it is not implemented and thus Ugandans have been left to be freely exploited by foreign and local investors. She gave an example that there is a big Indian company in Kampala which pays Ugandans little money and they have no contracts, therefore they can be unfairly fired any time without pay and have no legal basis to claim what they deserve and that the government has not been helpful in such circumstances.

She wound up by thanking all participants for being such wonderful debaters and also thanked the organizers for inviting her to the youth debate.

### **Conclusive remarks by Moses Owori**

He appreciated the level of debate and hoped that no participants would be harassed by the state as a result of their views. He also called for active citizenry in order to demand for their rights. He also thanked management for inviting him and thanked participants for the vibrant discussion.

### **Conclusive remarks by Prof Edward Kakonge**

He said that in the recent cabinet reshuffle, Northern Uganda got only two cabinet ministers while western region got 20 yet in his view, northern Uganda needs the ministers than western region because of high poverty in northern Uganda compared to that of western region due to effects of war which ravaged that part of the country for many years. He said that there was therefore no justice, fairness and consideration of factors on ground in the recent cabinet appointments by the president. Professor further said that the Gulu – Kitgum road which was constructed in 1906 has not changed much since then because of negligence by government. He added that even the Hoima road where there is oil, nothing has been done to improve it since 1943.

Prof Kakonge also said that the more secretive the information is, the more useful it is and that when you get it, choose when and where to use it strategically. He appreciated the youth who have decided that whatever mess is going on in the country, they will not be part of it.



The Professor further said that some jobs are usually allocated long before interviews because of corruption and favoritism in the country. He said that it is common for state house officials to tell public service to reserve a certain number of jobs for some individuals during the recruitment processes.

Prof Kakonge decried the state of health services in the country sighting poor structures of Mulago National Referral hospital, understaffing, poor pay and lack of medicine while many doctors continue to leave the country in form of economic exile. He gave an example that in December 2014, a woman giving birth was operated in Mulago hospital after a placenta got stuck in her and that cotton wool was put to stop the bleeding that but the doctor covered it up and told no body, the woman went back home and after a few days, she experienced problems because the cotton wool was not sterile, the Professor wondered whether such a doctor was qualified to handle such operation. He also cautioned the youth to be careful in their activism that because they can lose their life yet they can do all that they wish to do only when they are alive. He alleged that this regime kills people.

### **Closing remarks by Pan African Club Management**

The Coordinator said that Pan African Club has always been a platform of free debate and that this is now the 5<sup>th</sup> year since it began and that members have always expressed themselves freely and there has never been any incident where a member is harassed by the state for their views expressed at Pan African Club. He expressed hope that this is not about to change and called upon members to continue to express themselves without fear.

The Management also disagreed that the situation about oil management and oil prospects to create jobs is as bad as depicted in the discussion by members that but rather there is information gap between the discussing youth and government implementers in the oil and gas industry. The Coordinator suggested that in the coming weeks, the Pan African Club will invite government officials whom he is sure will give the missing information so that as a country we move together more optimistically and help government where it is not doing well by suggesting progressive ideas in national interest and in view of creating jobs for the youth of Uganda.

Furthermore, the Coordinator said that the management will now implement the earlier request by members of arranging to have a Pan African Club interactive session with the President of Uganda about a wide range of issues such as youth unemployment, oil development, health, education, human rights, democracy and governance. Our chairman Mr. Oscar Kasya will write to the president that but if the president accepts, he would be free to decide when, where and for how long we would have audience with him. It was suggested that members would be expected to be disciplined and stick to issues when talking to the president sighting that the rules and regulations of Pan African Club would call for punishment of whoever would insult the president and

members accepted this position. It was expected that the president would tell the youth what they do not know and this would go a long way in correcting their thinking about issues like oil and employment in Uganda.

It was suggested that the Pan African Club should petition parliament on some issues of concern such as access to information, implementation of labour laws and youth employment. The Coordinator proposed that the management will consider appointing a petitions committee to come up with areas for petitioning but also drafting the petitions which members can discuss. The Management would then write to the Speaker of Parliament requesting to present the petitions. In this case, members are free to suggest issues on which the Club should petition.

The management suggested that this discussion on oil and employment thrilling as it has been calls for widening it to involve more youth out there. The management said it would consider mobilizing resources for a big youth conference and if means allow would even make it national for a bigger youth debate on oil and employment since the youth at the Club had indicated that it is a matter of big concern to the youth. In the spirit of continuing the discussion, it was resolved that the proceedings of the discussion we held on that day would be circulated on all our mailing lists and members can respond to the issues being raised here.

Lastly, the management reminded members that the Pan African Club would remain operating within the mandate for which it was registered. This was in response to some members who expressed views that if implemented by the Club would in effect display the Club as partisan which the Coordinator emphasized that it is not what we stand for, we shall remain non-partisan and we seek to unite all the youth on issues around development, information and knowledge dispensation, pursuing Pan Africanism ideals to mention but a few.

**Compiled by:**

Staff, Pan African Club