

October 25, 2011

**MEMBERS OF PARLIAMENT SHOULD NOT ABDICATE THEIR
FUNDAMENTAL RESPONSIBILITY TO DEMAND FOR ACCOUNTABILITY IN
THE DEVELOPMENT OF UGANDA'S OIL AND GAS SUB-SECTOR**

1. Fellow country men and women, as 9th Parliament of Uganda convenes today, the debate on accountability in the oil and gas sub-sector is still at the centre stage of our national discourse. In particular, the allegations of corruption in the oil sector that were raised in Parliament underlie the never ending fear that Uganda could be headed for an oil curse. During the course of these two weeks, we have seen our Members of Parliament do what they are required to do by our constitution by pushing a high reluctant executive to engage in a debate on the governance of Uganda's emerging oil and gas sub-sector. As civil society and Ugandan citizens, we congratulate and associate ourselves with those of our Members of Parliament who remain steadfast in demanding for transparency and accountability in the exploitation of our oil and gas resources as well as natural resources.
2. We also fully associate ourselves and support the resolutions adopted by Parliament to provide directions to Government on the handling of the oil and gas sub-sector. We also know that it is our collective responsibility as citizens to rise up together inspired by our motto and in defense of constitution and our national flag to defend our constitution and the independence of our parliament.
3. In its resolutions, Parliament asked government to do the only obvious thing that responsible governments would in a situation that Uganda is in. Parliament asked Government to expeditiously present legislation to establish an appropriate legal and institutional framework for the governance of the oil and gas sub-sector. Parliament also asked Government to restrain itself from committing Ugandans into other shoddy transactions until the appropriate legislation in place. The current maneuvers by the President and the NRM party caucus MPs to reverse the decisions of parliament and stampede the contracting process only service to reemphasize there are some of our public officials who stand to gain from the current legal and institutional vacuum in the sector.
4. We are particularly concerned that it is our President who is leading the charge to undermine the work of Parliament by conspiring with the NRM Party caucus to oust the authority and the legislative mandate of our parliament. While we recognize the right of all the political parties to organize around their caucuses, we have no doubt in

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our minds that our national interests supersede those of narrow and short-term interests of those parties and their leaders. We therefore call upon our President to reflect on the crisis of confidence that our Government faces and provide leadership that mobilizes Ugandans and our institutions to safeguard our oil resources against greed by individual politicians, public officials and corporations. It that kind of leadership that distinguishes strongmen from statesmen.

5. As the 9th Parliament convenes today for its 2nd Session, the next days and months will define whether our MPs will step out of their partisan cleavages like they honorably did during that debate on oil to claim the space of our parliament as a fundamental pillar of our emerging democracy. On the issue of oil and other matters of national interest, we implore our MPs to take a stand and sacrifice short-term political interests for the long-term prosperity of our nation. As the MPs engage in further debate on this matter, we implore them to think of our children across the country who have been condemned to 18th century education and yet they should be prepared to compete in a 21st century global economy. Let them think of our mothers who continue to die in our health centres because they can't access basic care. Let them think of our youth- educated and uneducated- who continue to roam our streets in search of a job. Unless MPs reflect on these issues, the apparent indiscipline with which we conduct our politics will continue to undermine the legitimate efforts of our government and the president to transform our country.
6. We commend our speaker of Parliament Hon. Rebecca Kadaga who ably steered the debate in Parliament with the highest level of impartiality and steadfastness. We can only hope and in that we are confident that she will continue with her pursuit to reassert the authority of parliament as one of the fundamental pillars of our democracy and our economy.
7. We are particularly astounded by the conspicuous silence of our local political leaders, including those in the oil sub-region. We believe that local council chairpersons and other local political leaders have a duty on behalf of their constituencies to speak out on issues of oil governance. Today, local governments receive paltry funding to provide public services. They can hardly access funding to invest in build their local economies in order to create jobs. And yet we know, prudent utilization of oil resources can provide much needed fiscal boost to local government funding.

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However, it is depressing that the voices of local leaders remain muted and they are unable to speak out in defense of the efforts by parliament to secure our oil resources.

8. We are also putting all the oil companies on notice that they cannot do successful business in Uganda by circumventing the due process and buying off our politicians and public officials. An enabling legal and institutional framework for effective governance of oil resources is not only good for Ugandans. It is also essential in establishing a predictable environment for investment and business. Rather than stamped the process to secure the signing of new Production Sharing Agreements (PSAs), it is incumbent upon these companies to do what responsible corporations do, comply with national legislation and respect the institutions of the host country.
9. Finally, in our capacity as civil society, we will do everything within our means to ensure that Government leaves up to its promise of managing our oil resources in a prudent and responsible manner. Besides working with the public sector agencies working on the legislation, we will support and defend the independence of parliament and other institutions of state against political machinations and interference. As part of our immediate action, we have decided to proceed to court in pursuance of three specific objectives: (to safeguard the independence of parliament as a fundamental pillar of our democracy and the manifest expression of our sovereignty; (ii) to ensure that we secure flexibility for Government to legislate on oil and avoid the current stamped that is fuelling corruption and abuse of due process; and (ii) to secure compliance with existing legal obligations and commitments. We consider Government and a number of companies to be culpable and we will challenge their actions in our courts.
10. In exercise of our full constitutional duties to protect and defend our constitution and promote good governance, we:
 - a) Demand that the president should respect the independence of the legislature and ensure that Government complies with the resolutions of parliament rather than investing in using the NRM party caucus to circumvent the legitimate institutions of governance enshrined in our constitution which he has time and again worn to protect and defend.
 - b) We demand that Government must stop playing hide and seek games and should expeditious bring to parliament appropriate legislation to establish the

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necessary legal and institutional framework for the effective governance of the oil and gas sub-sector. The current stampede and allegations of corruption are all manifestations of a failed governance regime and Government is culpable for not doing what responsible governments do – ensure that appropriate laws and institutions are put in place for the good governance of all aspects of our economy.

- c) We demand that oil companies should refrain from the current stampede and corporate warfare over oil resources and give government space to put in place appropriate legal and institutional framework to ensure a conducive and predictable investment climate. Companies should also know that no politician or military might will protect their investments better than the people of Uganda. But Ugandan citizens will only align and protect legitimate business pursued through strict compliance with Ugandan laws.
- d) We call upon our Members of Parliament and our Speaker to remain steadfast in their demand for responsible governance of oil resources and the need to have appropriate legal and institutional framework in place as a pre-condition for any subsequent transactions on the oil and gas sub-sector. It is important for them to recognize that the people of Uganda fully stand with you and align with their efforts on this matter.
- e) We call upon all men and women of good will, our respective institutions including religious institutions, civic organizations, professional organizations and patriotic Ugandans to speak out as loudly as possible in support of parliament and in securing its independence from an apparent onslaught by the government.

For God and my Country

Prepared and delivered by Ugandan civil society organizations

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