

EVALUATING THE EFFICACY OF UGANDA'S LAW ON DECOMMISSIONING IN THE OIL AND GAS SECTOR

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DECLARATION

I SUSAN BATUUKA KAGGWA, hereby declare that this research thesis is my original work and has not been submitted for any academic award in any University or Institution. All sources used in this research study have been rightfully acknowledged.

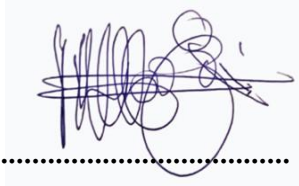


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APPROVAL

I certify that the research thesis entitled: “Evaluating the Effectiveness of Uganda’s Decommissioning Law in the Oil and Gas Sector” has been supervised by me and it is now ready for submission.



Signed: Date: 30th May, 2025

Dr. Isaac Christopher Lubogo

DEDICATION

This research paper is dedicated to my dear parents, whose unwavering support, sacrifices, and encouragement have shaped my academic journey and have been the cornerstone of my resilience. To my children (Madiba, Menelik and Nefertiti) and my siblings, thank you for always cheering me on. Most importantly, to the future generations of Uganda, may this work contribute to the responsible and sustainable management of our natural resources for your benefit, our communities and the preservation of our environment.

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LIST OF ACRONYMS

BITs	-	Bilateral Investment Treaties
Cap	-	Chapter (used in Ugandan legal citations, e.g., Cap 161 refers to a statute chapter)
CNOOC	-	China National Offshore Oil Corporation
DRC	-	Democratic Republic of Congo
EBM	-	Ecosystem-Based Management
ECT	-	Energy Charter Treaty
EEZ	-	Exclusive Economic Zone
EIA	-	Environmental Impact Assessment
EIS	-	Environmental Impact Statement
EITI	-	Extractive Industries Transparency Initiative
GA	-	UN General Assembly
GDP	-	Gross Domestic Product
ICJ	-	International Court of Justice
IFFs	-	Illicit Financial Flows
IFIs	-	International Financial Institutions
ILO	-	International Labour Organization
IMO	-	International Maritime Organization

IOC	-	International Oil Company
IOGP	-	International Association of Oil & Gas Producers
ITLOS	-	International Tribunal for the Law of the Sea
KPI	-	Key Performance Indicator
MA	-	Multi-criteria Approval
MCDA	-	Multi-Criteria Decision Approach
MEMD	-	Ministry of Energy and Mineral Development
NEMA	-	National Environment Management Authority
NOC	-	National Oil Company
OECD	-	Organisation for Economic Cooperation and Development
OGM	-	Optical Genome Mapping
OSCOM	-	Ocean Surface Current Multiscale Observation Mission
OSPAR	-	Convention for the Protection of the Marine Environment of The North-East Atlantic
PAU	-	Petroleum Authority of Uganda
PSAs	-	Production Sharing Agreements
SDG	-	Sustainable Development Goals
U.S.	-	United States
UDHR	-	Universal Declaration of Human Rights (mentioned as part of “International Bill of Human Rights”)

- UK** - United Kingdom
- ULII** - Uganda Legal Information Institute
- UN** - United Nations
- UNCLOS** - United Nations Convention on the Law of the Sea
- UNEP** - United Nations Environment Programme
- UOG** - Unconventional Oil and Gas

ABSTRACT

This study critically evaluates the efficacy of Uganda's legal framework on decommissioning within the oil and gas sector, with a focus on the Petroleum (Exploration, Development and Production) Act, Cap 150. As Uganda moves closer to full-scale oil production, the environmental, fiscal, and infrastructural implications of decommissioning oil installations remain both imminent and underexplored. The research sets out three specific objectives: first, to assess the adequacy of decommissioning provisions under the current legal regime; second, to examine the potential legal, environmental, and economic challenges Uganda may face if the current framework remains underdeveloped; and third, to offer comparative insights and recommendations that align Uganda's practices with international best standards. Using a doctrinal legal research methodology supplemented with comparative analysis and policy critique, this study reveals substantial gaps in Uganda's decommissioning legal regime and approach, including lack of detailed guidelines, funding mechanisms, and enforceable timelines. The findings highlight the urgent need for legal reforms that ensure transparency, fiscal responsibility, and environmental sustainability in Uganda's oil and gas sector. The study concludes by recommending legislative amendments, institutional strengthening, and the adoption of global benchmarks to foster responsible resource management and intergenerational equity. I believe that addressing these issues proactively will not only protect Uganda's environment and communities but will also enhance investor confidence and promote responsible resource governance.

CHAPTER ONE: INTRODUCTION

Introduction

This chapter will cover the background of the study, the objectives, problem statement, scope and significance of the study and the synopsis.

Decommissioning refers to the process of dismantling industrial facilities and related structures that are no longer in use, followed by restoring the site to its original condition.

For offshore activities, decommissioning may involve leaving infrastructure or facilities in place, or alternatively dismantling, removing, or sinking unused structures. The chosen approach typically considers environmental impacts, worker safety, the interests of other water or land users, potential reputational effects, and cost implications. When an offshore oil installation reaches the end of its useful life and no revenue can be generated from the field, it is decommissioned. According to Testa, the above fact "must be kept in mind as decommissioning financing and security regimes are anticipated and finally implemented."¹

As a result, various scholars agree that a host government must handle the finance of such decommissioning as soon as possible, preferably through the issuance of financial securities. The term "financial security" refers to methods that ensure that funds for decommissioning are available.

¹ D Testa, 'Dealing with Decommissioning Costs of Offshore Oil and Gas Field Installations: An Appraisal of Existing Regimes' (2014) 12(1) OGEL 12.

The decommissioning process involves several stages. In the oil and gas sector, especially offshore, the process begins with securing wells. After that, the structures and pipelines connecting the platform to onshore treatment facilities are dismantled. These operations require careful execution, skilled personnel, and advanced techniques to reduce potential environmental harm. Following the removal stage, suitable locations for the storage of non-usable items are identified, as well as the final processing of potentially polluting products such as metallic and plastic wrecks, combustible fluids, and so on.

Estimating decommissioning costs can be challenging, as they depend on numerous factors, including the type of installation, site geomorphology, the extent of dismantling (partial or complete), market conditions, the availability of key personnel, and other relevant considerations.²

The quality of the working environment, particularly weather conditions, plays a crucial role in the decommissioning process. For instance, decommissioning in the North Sea area of the United Kingdom is significantly impacted by the region's remoteness and harsh conditions. As a result, most removal activities are carried out during the summer months. Additionally, removal can be more complex than installation, especially when it involves a continuous overlaying process accumulated over the years. Therefore, advanced resources and thorough planning are essential to address key decommissioning challenges, including costs and safety, from both corporate and environmental perspectives.

² Francesco V.A., 2016. An Overview On The Decommissioning Process In The Oil And Gas Sector. [online] available at; <https://www.lexology.com/library/detail.aspx?g=06ad2b58-2646-4cbf-9c5f-f5de60145a41> (accessed on January 21st, 2022)

The decommissioning process in the oil and gas industry is controlled by a diverse set of international, national, and regional legal sources, some of which conflict with one another and are in the process of being reviewed and developed.

The primary international legal principles regulating decommissioning are outlined in the following legal frameworks: the 1958 Geneva Convention on the Continental Shelf, the 1982 United Nations Convention on the Law of the Sea (UNCLOS), the non-binding International Maritime Organization Guidelines and Standards for the Removal of Offshore Installations and Structures on the Continental Shelf and in the Exclusive Economic Zone, and the OSPAR Convention, along with the adopted OSCOM Guidelines.

The aforementioned sources all highlight the ongoing debate regarding whether abandoned or decommissioned installations and structures should be fully dismantled (as outlined in Article 5.5 of the Geneva Convention and the OSPAR Convention) or if partial removal is allowed (as per Article 60.3 of the UNCLOS Convention).

Despite varying interpretations of the text in these provisions, the absence of unanimous ratification of the UNCLOS by all states party to the Geneva Convention is the reason no definitive decision has been reached.

This has sparked an intense discussion about whether the UNCLOS has become a part of customary international law, which would imply a widespread and consistent practice by the majority of ratifying states, reflecting an obligation to follow it.

If this is the case, the Geneva Convention would be considered overridden, ensuring the full application of the partial removal principle. This would allow certain

remaining installations to be repurposed for other uses, while also ensuring that the objectives set forth in Article 60.3 of the UNCLOS (such as navigation safety, fishing, and marine environmental protection) are thoroughly and actively addressed.³

Since decommissioning primarily impacts offshore facilities, the debate has gained an international dimension. This uncertainty undermines the predictability necessary to attract investments and fully capitalize on the current positive trend in the decommissioning industry.

With such a heated argument in the global aspect of decommissioning, this paper seeks to establish Uganda's stand and depth on the said concept.

History and Background of the Study.

Oil, gas, and other natural resources constitute a critical source of wealth for many emerging economies, accounting for a substantial share of their GDP, government revenue, export earnings, and employment. Properly harnessed, these finite resources have the potential to transform low-income countries like Uganda into middle-income economies within a generation. Yet, such transformation depends not only on resource extraction, but also on the establishment of robust legal frameworks that anticipate the end-of-life stage of energy projects, particularly through the regulation of **decommissioning**.

In light of the above, Uganda's entry into the oil and gas production domain signals an epochal shift in its development trajectory. The country's petroleum journey dates back to the 1920s, but it was not until 2006 that the first commercial oil

³ R. Higgins, "Abandonment of energy sites and structures" [1993] 6 J. En. & Nat. Res L. 8.

discovery was made in the Albertine Graben region. According to the Ministry of Energy and Mineral Development, Uganda boasts an estimated 6.5 billion barrels of oil, of which approximately 1.4 to 1.7 billion barrels are recoverable. With this discovery, Uganda is poised to join Africa's league of major oil producers. The granting of production licenses to firms like Tullow Uganda Operations Pty. Ltd, TotalEnergies, and China National Offshore Oil Corporation (CNOOC) in 2016 formally inaugurated the country's production era.

As Uganda prepares to benefit from its oil wealth, it must also grapple with the inevitable phase of **decommissioning**. This is the formal process of retiring oil installations once their productive lives come to an end. Decommissioning is a critical part of the oil production lifecycle and involves complex decisions, significant capital outlay, and environmental stewardship. Globally, poorly managed decommissioning operations have resulted in extensive environmental degradation, legal disputes, and socio-economic dislocation. Uganda must therefore act proactively to ensure that decommissioning is not an afterthought, but an integral part of oil governance.

The Petroleum (Exploration, Development and Production) Act, Cap 150 (previously Cap 161), gives the Ugandan government ownership of petroleum resources and mandates licensees to set aside funds for decommissioning activities. However, the effectiveness and enforceability of these provisions remain underexplored. As the country edges closer to oil production in the Albertine Graben, the absence of detailed legal procedures, institutional capacity, financial planning, and regulatory clarity for decommissioning poses significant environmental, legal, and socio-economic risks.

Decommissioning, whether onshore or offshore, involves the systematic sealing of wells, removal of infrastructure, site restoration, and compliance with environmental standards. The process typically begins with feasibility studies, followed by environmental and regulatory reviews, logistical audits, and stakeholder consultations. Ultimately, the operational phase includes cementing wells, removing hazardous materials, dismantling platforms, and recycling or reusing components—all while minimizing ecological harm.

In the Ugandan context, where environmental protection, biodiversity conservation (especially in ecologically sensitive zones like Lake Albert), and sustainable development are paramount, the legal framework on decommissioning must be clear, forward-looking, and adequately enforced. Moreover, decommissioning activities often span several years and require substantial financial reserves. Without well-articulated guidelines on financial assurance, liability allocation, site remediation, and post-decommissioning monitoring, Uganda risks inheriting derelict oil fields, abandoned infrastructure, and environmental degradation costs that will ultimately be borne by the state and future generations.

The oil and gas sector drives global economic growth but poses serious environmental and social risks, especially during the decommissioning process of safely closing oil infrastructure.

It is against this backdrop that this study seeks to evaluate the efficacy of Uganda's legal framework on decommissioning in the oil and gas sector. Specifically, the study will assess the sufficiency of the Petroleum Act and regulations made thereunder provisions on decommissioning, examine the potential legal and institutional challenges the country may face, and offer recommendations by benchmarking

Uganda's practices against international best standards. As Uganda stands at the cusp of its oil boom, now is the time to ensure that its legal regime not only facilitates production but also safeguards responsible closure and site restoration for long-term sustainability.

Oil, gas, and natural resource riches are abundant in emerging countries, accounting for a significant portion of the Gross Domestic Product (GDP), export earnings, government income, and employment. Its economic and social transformation potential is obvious for any country that can harness it. Converting these non-renewable natural resources into capital can help a country go from poverty to at least middle-income status in a single generation, which would positively impact the lives of the citizens.

Uganda's oil and gas industry traces its origins to the 1920s, with the first commercial discovery made in 2006. According to the Ugandan Ministry of Energy and Mineral Development, the country is estimated to have 6.5 billion barrels of oil. It is estimated that at least 1.4-1.7 billion barrels of oil are believed to be recoverable.⁴ The Albertine Graben holds the majority of this oil reservoir. Over 1.1 billion barrels of oil deposits are found in the Albertine Graben, mainly in Lake Albert, Africa's seventh largest lake, which borders Uganda and the Democratic Republic of Congo. This oil deposit is located both on and off the coast. It is believed that Uganda's oil reserves will firmly place Uganda among the top oil producers in Africa by both African and global criteria. On August 20, 2016, the government granted oil

⁴ Felix Njini and Fred Ojinmbo, 'Tullow, Total Uganda Oil Exports may Delay on Infrastructure' (2016) <http://www.worldoil.com/news/2016/11/14/tullow-total-uganda-oil-exports-may-delay-on-infrastructure> accessed January 20th, 2022.

production licenses to Tullow Uganda Operations Pty. Ltd, Total Ltd, and China National Offshore Oil Corp to commence production in Lake Albert.⁵

Oil drilling in Uganda's portion of the Lake Albert basin began in the late 1990s, but significant offshore discoveries occurred for the first time in 2006. Recent plans for oil extraction and production in the region have raised concerns about the potential impact on the marine ecosystem, particularly regarding future abandoned oil sites. The Ugandan Petroleum (Exploration, Development, and Production) Act, Cap 161, grants the government ownership of petroleum resources and the authority to issue licenses to oil companies. It also requires licensees to set aside funds for the decommissioning of retired oil installations.

A facility is decommissioned when it approaches the end of its economic life and will no longer be used to extract oil and/or natural gas. Decommissioning is a common procedure that occurs throughout the lifecycle of a well, both onshore and offshore. Decommissioning entails safely turning down the well and properly disposing of the infrastructure that supported the project's production phase.

Decommissioning is carried out in a safe and environmentally responsible manner, which may entail removing all equipment from the location, or partially removing equipment if systems are in place to ensure that any remaining equipment complies with all legal requirements.

Decommissioning oil facilities entails restoring the operational site to its former state as feasible as possible while maintaining the highest level of safety. The choice

⁵ Elias Biryabarema, 'Uganda gives Tullow Oil, Total Production Licences' (August 30, 2016) <http://www.reuters.com/article/us-uganda-oil-idUSKCN115104> accessed January 20th 2022 .

to shut down an installation when it is unavoidable at the conclusion of the economic production of its reserves is so critical. This involves the operator and the relevant State. Many investigations and actions have been conducted in the past to verify the need for a decommissioning operation.

A decommissioning project takes several years to complete and necessitates the mobilization of substantial logistical, financial, and administrative resources. The project begins with feasibility studies to investigate potential solutions that could eventually lead to the site's recycling.

The first step in a decommissioning effort is for the responsible parties to examine the entire installation. They can create standards and validate operation costs during this audit phase.

This is done in conjunction with a review of local rules and an environmental impact evaluation in order to determine the final scope of the work to be done with the authorities. Apart from finding new ways to repurpose the facilities, decommissioning can sometimes be more environmentally damaging than existing solutions, thus each case must be examined separately.

The operational phase, which lasts several months, is commenced by permanently cementing and fully sealing the well followed by the cleaning of all of the facilities that were utilized in the process, as well as the removal of any hydrocarbons that may have contaminated the environment.

Finally, they arrive at the most spectacular stage: the platform's removal. All installations are transported on land for final treatment, which includes either reusing or recycling in accordance with environmental regulations.

Problem Statement

The development of offshore oil deposits will benefit Uganda in a variety of ways. According to Reuters, Uganda's oil reserves, including offshore, are projected to be worth up to \$50 billion dollars.⁶

Additionally, international oil corporations operating in Uganda have employed a small number of Ugandans, and additional employment are projected to be generated. These oil firms are also obligated to build capacity in key sectors in the oil and gas sector as part of their corporate social responsibility under the various production sharing agreements under which they operate.⁷

The benefits of oil derived from offshore exploration, on the other hand, cannot obscure the detrimental environmental consequences that such offshore oil activities in Lake Albert may have. Offshore oil activities, from exploration to production, unquestionably pollute the environment if not adequately controlled.⁸ For example, the contamination as a result of a decommissioned offshore site after production.

Lake Albert is one of the world's most biodiverse lakes. This is due to the fact that it is home to a wide range of aquatic vegetation and fauna. If the offshore oil

⁶ Reuters Ltd, 'UPDATE 2-Uganda Ups Oil Reserves Estimate by 85 pct, finds Natural Gas' (July 1, 2015) <http://www.reuters.com/article/uganda-oil-idUSL5N0QZ1EW20140829> accessed January 20th, 2022.

⁷ The government is required to train Ugandans in oil and gas related courses under Article 21 of the Model Production Sharing Agreement implemented in Uganda. They must also deposit funds with the government for the training of government employees.

⁸ Jeom Kee Paik and Anil Kumar Thayamballi, *Ship-Shaped Offshore Installations: Design, Building, and Operation* (Cambridge University Press 2007) 456.

infrastructure that will be repaired in Lake Albert are not properly maintained, hazardous substances could leak into the lake, killing aquatic life.

This makes it critical to assess the strength and effectiveness of Uganda's legal framework on decommissioning in the oil and gas sector. A robust law is essential to ensure that economic gains do not come at the cost of irreversible environmental damage.

Further, the presence of abandoned offshore installations may represent a risk to lawful lake users. As a result, it is necessary to guarantee that such abandoned installations are properly cared for when production ceases.⁹

This article examines the key provisions of the law, arguing that they do not ensure adequate funding for the decommissioning of future offshore sites in Lake Albert. Additionally, it is argued that the legal framework regarding petroleum ownership implies that the government would bear the financial responsibility for any future decommissioning activities.

Finally, this study examines decommissioning legal frameworks from different jurisdictions to highlight how insights from these regions could help address the gaps in Ugandan law.

Main Objective of the Study

The primary objective of this study is to **critically evaluate the effectiveness of Uganda's existing legal framework governing decommissioning in the oil and gas**

⁹ Lake Albert borders Republic of Congo and Uganda, as such is a route within which indigens of both country travel for trade and other purposes. See Ugandan Civil Society, 'Civil Society Coalition on Oil in Uganda', 20 <http://platformlondon.org/wp-content/uploads/2012/01/Contracts-Curse-Uganda-Platform-CSCO.pdf> accessed January 20th, 2022.

sector, with specific reference to the Petroleum (Exploration, Development and Production) Act and the regulations made thereunder. The study aims to determine whether the current laws are sufficiently comprehensive, enforceable, and aligned with international best practices to ensure environmentally sound, economically efficient, and socially responsible decommissioning of petroleum infrastructure at the end of its productive life.

Specific Objectives

In order to achieve the main objective, the specific objectives of the study will be;

1. To evaluate the laws that provisions of the Petroleum (Exploration, Development and Production) Act, Cap 161 on decommissioning.
2. To examine the challenges that may be faced by Uganda if the legal framework is not stepped up.
3. To provide recommendations for closing the gap between Uganda's laws and those of other jurisdictions.

Research Questions

1. To what extent are the provisions of the Petroleum (Exploration, Development and Production) Act, Cap 161 effective in regulating decommissioning in Uganda's oil and gas sector?
2. What legal, institutional, or practical challenges could arise from the inadequacies in Uganda's current decommissioning framework?
3. What reforms or policy recommendations can be proposed to align Uganda's decommissioning legal framework with international best practices and standards?

Purpose of the study

The purpose of this study is to evaluate the laws that govern decommissioning in Uganda. The process of restoring the environment back to its former state is very vital for the sustainable utilisation of the land where the oil extraction once took place. This process is so important that it is normally required to set aside decommissioning funds before even beginning the drilling. This paper therefore, weighs in on whether the laws of Uganda sufficiently ensure that the land will be restored as much as practicable to its former state.

Justification of the study.

The concept of oil and gas may not be new to the world, but it is certainly novel to Uganda. The resource has reached the stage where it could potentially alleviate the economic shortfalls of the country or drown it further and have significant negative impact on the environment.

This therefore requires all knowledge and advice in order to maximise the resource while minimising the negative effect. This paper adds to the voice of the many on how this can be achieved for the benefit of Uganda and the generations to come.

Significance of the study

The discovery of a valuable resource such as oil or gas is a one-way ticket. Because it is a finite resource, it will not be available indefinitely, whether it is used effectively or not. As a result, how Uganda uses this resource will determine whether it grows or declines. As a result, this study issues a clear warning to the country

about what needs to be done in order to fully profit from the resource, as well as how to avoid the resource's potential negative consequences.

Scope of the study

Content scope

This study covers the laws regulating the oil and gas sector in Uganda, as well as international laws, policies, and practices within the industry. It also includes literature related to the oil and gas sector, with a focus on decommissioning. Additionally, the study presents a comparison of decommissioning practices in other jurisdictions within the oil and gas sector.

Time scope

This research will be conducted over a span of four months. The material examined on the other hand, dates from the late 1800s, when oil was first discovered, and includes all subsequent literature on the use, development, and status of the OGM sector around the world. A special focus will be placed on newly generated material on Uganda's OGM sector, which began in 2009 and continues to this day.

Geographical Scope

This research will examine most countries with oil and gas resources, with a particular emphasis on Uganda and its oil discovery. Tanzania will also be included, as it recently signed agreements with Uganda for the sector's development. Located in East Africa, Uganda is bordered to the north by South Sudan, to the east by Kenya, to the south by Tanzania, to the southwest by Rwanda, and to the west by the

Democratic Republic of Congo. Uganda's geographical coordinates are 1.3733° N, 32.2903° E.

Chapter synopsis

Chapter one of this paper presents the research proposal. Chapter two will review the available literature, while chapter three will outline the methodology. Chapter four will examine the legal framework governing decommissioning in Uganda. Chapter five will explore the challenges Uganda may face if the legal framework is not strengthened. Chapter six will compare Uganda's decommissioning laws with those of other jurisdictions, and finally, chapter seven will offer recommendations to close the gap between Uganda's laws and those of other jurisdictions.

CHAPTER TWO: LITERATURE REVIEW.

Introduction

The aim of this chapter is to review and critically analyse the existing literature on oil and gas decommissioning. The literature has been examined in light of the study's objectives. This chapter also highlights the gaps in the legal framework. Sources used to review the literature include domestic laws, international treaties and conventions, case law, textbooks, law journals, publications, working papers, and websites. The subsequent discussion is primarily shaped by this material.

Literature

- a. J. Komugisa; N. Chinwa Ole; "Ugandan Legal Framework on Decommissioning Fund: Is There an Achilles Heel, and Can Lessons from the UK Help?" OGEL 2 (2018), www.ogel.org URL: www.ogel.org/article.asp?key=3753

Komugisa and Chinwa Ole (2018), in their seminal article "*Ugandan Legal Framework on Decommissioning Fund: Is There an Achilles Heel, and Can Lessons from the UK Help?*", present a foundational critique of Uganda's decommissioning framework as provided under the Petroleum (Exploration, Development and Production) Act, Cap 161. This work is directly relevant to the current study as it not only interrogates the effectiveness of Uganda's legal provisions on decommissioning but also offers comparative insights from the United Kingdom's mature regulatory regime.

The authors begin by situating their analysis in the context of Uganda's oil discoveries around Lake Albert. They emphasize the ecological vulnerability of these

offshore sites and raise the critical question: **Does Uganda’s current legal framework ensure sufficient financial preparedness for decommissioning activities, especially in the face of potential environmental degradation from abandoned oil fields?** This concern directly mirrors the **first research question** of the current study, which evaluates the extent and effectiveness of the legal provisions under Cap 161.

A significant portion of Komugisa and Ole’s analysis focuses on the **three triggers for contribution to the decommissioning fund** in Uganda’s Act:

1. When 50% of recoverable reserves is reached,
2. Five years before the license expires,
3. Upon submission of a surrender notice.

While this phased approach seems legally coherent, the authors point out a **glaring financial and structural weakness**: it lacks the flexibility and robustness required to ensure that enough resources are accumulated in time for actual decommissioning activities. This critique strengthens the **second research objective** of this study, which seeks to examine the challenges Uganda may face if the existing legal framework is not fortified. Komugisa and Ole argue that these funding thresholds may result in undercapitalization, especially given that the actual decommissioning costs often exceed initial projections, a challenge faced even in better-regulated jurisdictions.

Furthermore, the authors sound an early warning that **Uganda’s apparent legal oversight could leave the government, i.e., taxpayers, liable** for future

decommissioning liabilities. This situation undermines the polluter-pays principle and exposes a critical gap in legal risk allocation. Their argument reinforces the importance of not merely having laws on paper but ensuring their **enforceability, adequacy, and fiscal foresight**, which is central to this research's overall aim of **evaluating the efficacy** of Uganda's laws in ensuring sustainable decommissioning.

Crucially, Komugisa and Ole provide a **comparative lens**, examining the UK's legal regime, where oil companies are subject to **continuous, independently audited financial tests and assurances** to guarantee decommissioning obligations. The UK's system emphasises **proactive financial planning, transparency, and accountability** principles that are largely missing in Uganda's model. This aligns with the **third research objective** of the present study, which aims to provide recommendations for harmonizing Uganda's laws with global best practices.

By analysing the decommissioning experiences of countries with established oil sectors, the article underscores that **Uganda must act early**, using its still-nascent oil development phase to avoid repeating costly governance errors seen in other African jurisdictions. This preventive approach is particularly critical given the **fragile ecological zones** of Uganda's Albertine Graben and the high capital costs associated with offshore decommissioning.

In conclusion, the article by Komugisa and Ole (2018) provides a **compelling and highly relevant critique** of the current Ugandan decommissioning legal framework. Their insights directly inform this study's analytical framework, especially concerning the effectiveness of current laws, anticipated challenges, and pathways for reform. The literature thus not only supports but also **sharpens the urgency** and

direction of this research's inquiry into Uganda's readiness to govern the decommissioning phase of its oil and gas industry.

The authors suggest that oil drilling began in Uganda's portion of the Lake Albert basin in the late 1990s, with significant offshore discoveries occurring for the first time in 2006. Recent proposals for oil extraction and production in the region have raised concerns about the potential effects on the marine ecosystem, particularly regarding future abandoned oil sites. The Ugandan Petroleum (Exploration, Development, and Production) Act, Cap 161, grants the government ownership of petroleum resources and the authority to issue licenses to oil companies. Additionally, it requires licensees to allocate funds for the decommissioning of retired oil installations.

This article examines the key provisions of the Act and argues that they do not ensure adequate funding for the decommissioning of future offshore sites in Lake Albert. It further suggests that the legal framework on petroleum ownership implies that the government would bear the responsibility for funding any future decommissioning efforts. Finally, this study examines the UK legal framework for decommissioning in order to demonstrate how lessons from it could be used to fill in the gaps in Uganda's Petroleum laws.

This article begins by examining whether Uganda's legal framework is sufficient and comprehensive enough to guarantee the availability of adequate funds for the decommissioning of potential offshore sites in Lake Albert. The Ugandan Petroleum Act is analysed to address this concern, revealing that the Act relies on a decommissioning fund as the sole means of ensuring financial stability for decommissioning activities. The three conditions for contributions to the

decommissioning fund are: (a) fifty percent of the total recoverable reserves as determined in an approved development plan and any subsequent reappraisal of those reserves; (b) five years prior to the license's expiration; or (c) upon the issuance of a surrender notice. The decommissioning fund is generally regarded as the most reliable method of financing decommissioning efforts.

However, it is argued that the protections provided by the fund are insufficient and lack the necessary comprehensiveness to shield the government from having to bear some or all of the decommissioning costs. It is suggested that the fund accumulated by the end of the expected recovery period, once production reaches 50%, may not be enough to cover the actual decommissioning expenses. Additionally, the five-year timeframe may not allow for the accumulation of sufficient funds for decommissioning. Regarding the third trigger, there is concern that the funds gathered during the one-year period between submitting a surrender application and the actual surrender of the license may not be adequate to cover the full cost of decommissioning.

The implications of these shortcomings are considered within the context of government oversight of offshore installations. It is argued that the Ugandan government may be held responsible for decommissioning costs in the future. A comparison is made with the legislative framework for decommissioning in the United Kingdom, offering lessons that could be applied to address the gaps in Uganda's structure. The authors suggest that Uganda should learn from the mistakes of other African petroleum-producing countries that began with weak governance. Fortunately, Uganda's oil sector is still in its early stages. Therefore, implementing

these recommendations could significantly contribute to ensuring effective governance in Uganda's oil sector.

- b. Francesco V.A., 2016. An Overview On The Decommissioning Process In The Oil And Gas Sector. [online] available at; <https://www.lexology.com/library/detail.aspx?g=06ad2b58-2646-4cbf-9c5f-f5de60145a41> (accessed on January 21st, 2022)

Francesco V.A. (2016) provides a comprehensive overview of the **technical, legal, and ethical complexities of decommissioning** within the oil and gas sector. His contribution is particularly valuable for the present study because it expands the understanding of **decommissioning beyond the legal realm**, introducing international best practices, human rights concerns, environmental obligations, and financial uncertainties, all of which are central to **assessing the efficacy of Uganda's decommissioning laws under Cap 161**.

At the heart of Francesco's argument is the notion that **decommissioning is not merely a mechanical process**, but rather an intricate, multi-phased operation involving well-securement, infrastructure dismantlement, waste disposal, and eventual environmental restoration. He rightly emphasizes the **cost unpredictability** of these activities, which depends on technical, geological, and market conditions. This observation directly resonates with the concerns raised in your research regarding whether Uganda's current decommissioning fund thresholds under the Petroleum (Exploration, Development and Production) Act are **financially sustainable and adaptable to project-specific realities**.

Importantly, Francesco moves beyond national frameworks and compares international approaches to decommissioning, notably **those adopted in the UK**, which again aligns with your **third research objective**: to draw lessons from other jurisdictions to bridge the gaps in Uganda's legal regime. His analysis shows that while Uganda has taken commendable initial steps, such as requiring licensees to contribute to a decommissioning fund, the **lack of clear, dynamic, and enforceable international benchmarks** in Uganda's legal structure could result in long-term governance and liability problems. This deficiency weakens the predictive power of Uganda's system and complicates financial planning for decommissioning.

Francesco also integrates a **human rights perspective**, a theme rarely emphasized in Uganda's petroleum discourse. He notes that International Oil Companies (IOCs) and National Oil Companies (NOCs) often fail to be transparent or accountable regarding the **human and environmental impacts of decommissioning**. This insight strengthens your study's **argument for a more holistic legislative approach** in Uganda, one that not only ensures physical site restoration and fund adequacy but also mandates the protection of local communities' environmental rights and access to remedies.

Furthermore, Francesco highlights the **economic and reputational risks** of inadequate decommissioning, especially for public companies and states dependent on extractive royalties. Poor decommissioning practices can lead to share price collapse, legal liability, and diplomatic fallout. This supports your **second research objective**, which focuses on the **risks Uganda may face if the current legal framework remains stagnant**.

Crucially, Francesco brings international soft law instruments, such as the **UN Guiding Principles on Business and Human Rights**, the **ILO's 1998 Declaration**, and the **Voluntary Principles on Security and Human Rights**, into the decommissioning debate. These instruments, although non-binding, have increasingly shaped how responsible companies and states structure their extractive policies. Uganda's decommissioning law, however, remains largely **silent** on such ethical dimensions. This literature review thus makes a compelling case for the **integration of international soft law standards into Ugandan statutory frameworks**, both for legitimacy and compliance with evolving global norms.

Conclusion of the Review

In sum, Francesco's contribution offers a **multi-dimensional lens** through which to assess the strengths and weaknesses of Uganda's legal infrastructure on decommissioning. His work significantly informs this study's main objective by underscoring the importance of technical, financial, human rights, and environmental dimensions, all of which must be legally embedded for a decommissioning regime to be truly effective. The inclusion of human dignity, environmental sustainability, and international benchmarking makes this a crucial reference in any effort to **reform Uganda's decommissioning laws into a globally respected, ethically grounded, and operationally sound framework.**

The author begins by defining decommissioning as the process of removing industrial installations and associated structures that have reached the end of their operational life in a particular industry, followed by the restoration of the site to its original condition.

He outlines the various stages involved in decommissioning. The process starts with securing wells, particularly in the offshore oil and gas sector, followed by the removal of structures and pipes connecting the platform to the treatment facilities. These activities must be performed with great care and require specialized personnel and advanced techniques to minimize environmental damage. After the removal stage, appropriate sites are identified for the disposal of unusable items, along with the final processing of potentially harmful materials such as metal and plastic debris, flammable fluids, and other pollutants.

The costs of decommissioning are difficult to estimate since they are dependent on a variety of variables such as the installation type, site geomorphology, whether to dismantle the installation partially or totally, market conditions, the presence of key employees etc.

The writer goes on to discuss the international legal framework that governs the aspect of decommissioning. He notes that the international standard, even when not agreed upon, differs from the national laws concerning decommissioning. He then goes on to explore the laws that govern decommissioning in the UK.

The writer also considers the concept of human rights. Apart from any obvious consideration for the hazardous nature of their activities and the care with which any relevant information is handled, IOCs and NOCs (and, more broadly, oil and gas operators) show limited sensitivity in disclosing the extent of their commitment to reducing the impact of their activities on the environment and human life in their decommissioning activities. This situation arises from the ongoing challenge faced by corporations to balance their environmental responsibilities with the profit-driven motives of their shareholders, and sometimes, the interests of states.

However, it is also true that inadequate decommissioning practices present significant risks not only to the companies involved but to the entire oil and gas industry. This includes both direct and indirect economic losses. For instance, publicly traded companies may see sharp declines in share value, and reputational harm can jeopardise current and future contracts.

As a result, in recent years, oil and gas companies have become more proactive in addressing international regulations related to human rights protection. Legal

instruments such as the International Bill of Human Rights (including the Universal Declaration of Human Rights), the 1998 Declaration on Fundamental Principles and Rights at Work by the International Labour Organization (ILO), the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the Voluntary Principles on Security and Human Rights are often referenced on company websites as guiding sources and are frequently included in contractual clauses as part of corporate responsibility efforts.

The author concludes by arguing that states must ensure the protection of human rights, ensuring that multinational corporations respect them. Additionally, states should establish internal legal mechanisms that allow individuals to challenge abuses and seek justice, including through financial compensation. With concerted efforts from states and international organizations, a new era will soon emerge, where economic development is aligned with dignity, well-being, and overall welfare.

c. **Boschee, Pam, 2012. Decommissioning Challenges in the Gulf of Mexico, Oil and Gas Facilities, Vol. 1; Iss. 2.**

Pam Boschee's (2012) case study of **decommissioning challenges in the Gulf of Mexico** provides valuable comparative insight into the **operational and institutional pitfalls** that may afflict decommissioning processes in oil-rich regions. Though focused on the U.S. context, the article highlights structural weaknesses that resonate strongly with Uganda's nascent oil and gas sector—especially when evaluating the **effectiveness, preparedness, and foresight** of Uganda's legal regime under the Petroleum (Exploration, Development and Production) Act, Cap 161.

Boschee identifies **data scarcity** and **loss of institutional memory** as key impediments to effective decommissioning. In the Gulf of Mexico, frequent transfers of asset ownership and corporate downsizing over the decades led to fragmented, outdated, or entirely missing decommissioning records. This finding is instructive for Uganda, where oil production is yet to reach full maturity, but **risks of poor documentation, weak archiving protocols, and personnel turnover** already loom large—particularly as multiple international oil companies (IOCs) and joint ventures begin to engage in Uganda’s petroleum sector.

This connects directly to my study’s second objective: to **evaluate challenges Uganda may face if its legal framework is not stepped up**. Boschee’s findings suggest that unless Uganda embeds **statutory mandates for record retention, data transparency, and inter-company knowledge transfer** within its legal regime, it may face similar inefficiencies or disputes during the actual decommissioning phase—possibly decades later when much of the original corporate or state memory has eroded.

Furthermore, Boschee highlights the difficulty in aligning decommissioning expectations between **asset sellers and buyers**. Acquiring companies often inherit **facilities built under entirely different technical, safety, and regulatory standards**. Uganda may soon face comparable risks if its regulatory institutions do not enforce harmonised standards and **comprehensive due diligence protocols** during the transfer of petroleum licenses or joint venture stakes. This insight underscores the need for **robust procedural safeguards** in Uganda’s laws to protect future decommissioning interests during asset transfers.

Unlike jurisdictions with long standing decommissioning experience (like the U.S. or UK), Uganda lacks a historical precedent for dismantling petroleum infrastructure. Therefore, learning from real-world cases like the Gulf of Mexico equips policymakers and legal scholars with foresight on **what could go wrong if early-stage legal engineering is weak or ambiguous.**

Conclusion of the Review

Boschee's article is a timely cautionary tale for Uganda's oil and gas legal apparatus. Her case study reflects the **practical difficulties and liabilities** that can emerge long after the production phase, especially in jurisdictions where **ownership transfers, poor record-keeping, or legal ambiguity compromise institutional memory.** For Uganda, where the industry is still young, these lessons reinforce the critical importance of **embedding detailed, forward-looking, and enforceable decommissioning obligations in the law,** not merely to ensure physical site rehabilitation but to protect the state from financial and logistical uncertainties decades down the road.

Thus, this work is directly relevant to my dissertation's overarching goal of **analysing the effectiveness of Uganda's current decommissioning laws** and complements your legal recommendations by underscoring the **real-world operational risks that arise in the absence of robust legislative foresight.**

The writers take a case study of the Mexican Gulf and analyse the challenges that were faced in decommissioning.

One of the challenges in decommissioning planning is insufficient data. They were dealing with fields that had been sold several times in the Gulf of Mexico. There was

a lot of data that had gone lost over time. Another issue with the statistics is that with the industry's staff reductions in the mid-1980s, the quality of record-keeping declined.

The likelihood of assets not being created or operated in accordance with the acquiring company's style increases with asset purchase. They were dealing with situations that were ill-defined and not theirs to begin with.

d. **A. Scarborough, Bull, Milton S. Love, 2019. Worldwide oil and gas platform decommissioning: A review of practices and reefing options, *Ocean & Coastal Management*, Volume 168, 1 February 2019, Pages 274-306**

Scarborough, A., Bull, A.S., & Love, M.S. (2019). "Worldwide oil and gas platform decommissioning: A review of practices and reefing options," *Ocean & Coastal Management*, Volume 168, Pages 274-306.

Scarborough et al. (2019) present a comprehensive analysis of global decommissioning practices, focusing specifically on the evolving discourse around “**rig-to-reef**” options as an alternative to full dismantling of offshore oil and gas platforms. Their study draws heavily on the **California and Gulf of Mexico experiences**, where the submerged jackets of oil platforms have been **transformed into artificial reefs** rather than completely removed, highlighting an **environmental, economic, and ecological recalibration** of traditional decommissioning practices.

This work offers a **valuable comparative perspective** for Uganda as it formulates and refines its own decommissioning legal regime under the Petroleum (Exploration, Development and Production) Act, Cap 161. The Act currently mandates that

licensees fund the safe removal and environmental restoration of oil infrastructure, but does not **explicitly entertain or regulate partial removal alternatives such as reefing**, which could emerge as viable strategies, particularly in Uganda's **biodiverse Lake Albert ecosystem**.

As Uganda anticipates its first major decommissioning cycles in the coming decades, Scarborough et al.'s insights raise critical questions about the **flexibility and foresight of Uganda's current legal framework**. While the Act emphasises total decommissioning and full restoration, the California model illustrates how scientific research and stakeholder engagement can support **innovative, ecologically symbiotic alternatives**, potentially reducing costs, preserving marine habitats, and avoiding unnecessary environmental disruption.

Scarborough et al.'s work is especially pertinent. It suggests that effective decommissioning laws should not only emphasise compliance and environmental rehabilitation but also **accommodate evolving scientific and ecological insights**, including structured pathways for partial removal and reefing.

Notably, the authors reference the **National Fishing Enhancement Act** and **National Artificial Reef Plan** in the U.S., which provide the regulatory scaffolding for reefing decisions. Uganda lacks any equivalent statutory provision that allows or assesses alternative reuse options for decommissioned installations. This underscores a **gap in Ugandan law**—namely, the absence of **flexible, ecologically informed exit strategies** for oil infrastructure, and the lack of supporting environmental legislation that interfaces with petroleum law.

Moreover, reefing requires **robust long-term monitoring, stakeholder consensus, and marine science capacity**, all of which must be anticipated through **proactive legal planning**. If Uganda is to ensure environmentally sustainable decommissioning in Lake Albert or future offshore blocks, its legal framework must **not only mandate decommissioning funds** but also contemplate **site-specific adaptive reuse models** rooted in empirical marine science.

Scarborough et al. (2019) challenges traditional perceptions of decommissioning as a purely extractive and restorative process. By showcasing **reefing as a science led, environmentally beneficial option**, they present a **progressive global trend** that Uganda cannot afford to ignore as it builds its legal and regulatory architecture.

Their research reinforces the urgent need for **legal reform in Uganda**, to expand the decommissioning conversation beyond strict removal mandates and incorporate **alternative, science-informed reuse possibilities** that balance environmental protection, community benefit, and fiscal responsibility. Their work enriches your dissertation's comparative dimension and underscores the value of **global benchmarking** in evaluating the efficacy of Uganda's laws on decommissioning.

California is considering whether to totally remove an oil and gas production station from the seafloor or leave the underwater jacket as a reef, as a number of offshore platforms in both state and federal waters are nearing the end of their useful lives. Laws mandate that a platform be completely dismantled when it reaches the end of its useful life, unless the submerged jacket piece be used as a reef under state sponsorship. Because of the long-term fate of fish and invertebrate populations beneath platforms, the jacket part of platforms has been reefed rather than removed at the time of decommissioning.

Artificial reefs have been built and used for millennia, and they are made from a wide range of materials. The history of platform reefing may be traced back to the mid-twentieth century, when generic artificial reefs were created to give both fishing possibilities and increased fisheries productivity for a growing US population. After the oil and gas sector constructed thousands of standing platforms in the Gulf of Mexico, which had become popular fishing locations, the trend towards reefing platforms at the end of their lifespan began.

Rig-to-Reefs was made possible by the National Fishing Enhancement Act and the National Artificial Reef Plan that followed. Reefing platforms in the Gulf of Mexico is a common process that is used all around the world. Reefing decommissioned platforms have been debated for years, and many years of scientific research beneath California platforms has resulted in a California State statute that now enables the subject to be considered. When contemplating the reefing option, this document outlines the history, practices, published science, and available information. This document is intended to inform the general public, policymakers, and regulators about impending decisions.

e. B. Sommerab, A.M. Fowler et al, 2019. Decommissioning of offshore oil and gas structures - Environmental opportunities and challenges, Science of The Total Environment, Volume 658, 25 March 2019, Pages 973-981.

Sommer, B., Fowler, A.M., et al. (2019). *Decommissioning of offshore oil and gas structures - Environmental opportunities and challenges*, Science of The Total Environment, Volume 658, Pages 973-981.

Sommer et al. (2019) offer a timely and essential contribution to the global conversation on oil and gas decommissioning, focusing on the often-overlooked **environmental dimensions and ecosystem services** associated with decommissioned infrastructure. Their paper emphasises that the environmental implications of decommissioning are far more nuanced and dynamic than traditional legal, or engineering approaches typically acknowledge.

This literature becomes particularly relevant to Uganda's emerging oil and gas sector, where decommissioning law, currently housed under the **Petroleum (Exploration, Development and Production) Act, Cap 161**, remains predominantly **compliance driven and extraction-centric**, with little formal integration of ecological science or long-term biodiversity concerns.

Sommer et al. critique the historic tendency of many jurisdictions to evaluate decommissioning through a **limited set of criteria**, often emphasising liability avoidance, mechanical dismantling, and site restoration without a holistic environmental valuation. This limitation results in **suboptimal or ecologically harmful outcomes**, particularly in biologically rich ecosystems, like Uganda's Lake Albert Basin, where oil platforms, over time, become **embedded within larger marine or freshwater ecological frameworks**.

Their findings, especially the observation that **ecosystem services increase with platform age**, are critical to Uganda's case. As Uganda's oil sector is still in its infancy, now is the opportune moment for legislators and regulators to **incorporate environmental performance standards into the decommissioning legal framework**, with a strong focus on **ecological resilience, biodiversity protection, and habitat valuation**.

In relation to my **research objective of evaluating the adequacy of Ugandan decommissioning laws**, this article exposes a gap: Uganda’s laws currently do **not mandate ecosystem-based decommissioning assessments** or account for the **ecological benefits of aged infrastructure**. There is no clear obligation to **balance removal mandates with environmental opportunity analysis**, nor is there provision for stakeholder-inclusive biodiversity evaluation prior to decommissioning approval.

Sommer et al.’s recommendation—that regulatory authorities should **expand the range of permissible decommissioning options** and align their priorities with ecosystem functions, presents a **powerful policy insight for Uganda**. Particularly, their call for an **ecosystem-based management (EBM) approach** resonates with international best practice and supports the **inclusion of adaptive and context-sensitive decommissioning alternatives** within national legislation.

Additionally, their critique implies a legal reform necessity: Ugandan laws should not merely impose decommissioning fund contributions but also **establish technical and ecological guidelines** for what constitutes an “environmentally responsible” decommissioning strategy, tailored to site-specific ecosystem conditions.

Sommer et al. (2019) broadens the understanding of decommissioning by reframing it not as an end-of-life liability, but as an opportunity to **leverage environmental value** and enhance **long-term ecological services**. Their insights directly support the **third research question** of your study—*how Uganda’s laws could be improved by drawing from international experience*.

In the context of Uganda’s petroleum legal framework, the study underscores a **critical omission of environmental nuance**. By embedding ecosystem-based

evaluation mechanisms, Uganda can not only mitigate post-decommissioning ecological damage but also align its oil governance with **Sustainable Development Goals (SDGs), particularly SDG 14 and SDG 15, focused on life below water and life on land.**

Ultimately, this literature strengthens the argument that **Uganda's current legal architecture on decommissioning must evolve** from a reactive, mechanistic approach to a **proactive, ecologically intelligent, and future-facing framework.** Sommer et al.'s work, therefore, provides both **a caution and a blueprint** for integrating environmental stewardship into decommissioning legislation.

Thousands of offshore oil and gas structures are nearing the end of their useful lives around the world, but the authors' knowledge of the environmental consequences of various decommissioning procedures is lacking. Decommissioning consequences have been limited in the past due to a constrained set of criteria, which has limited decommissioning alternatives in most places. The authors provide a general overview of decommissioning's environmental effects, analyse case studies, and explain analytical methodologies that can help them better comprehend ecological dynamics on oil and gas structures.

The authors discover that ecosystem functions and services grow with structural age and vary by geographical context, implying that decommissioning decisions must be made in an ecosystem-based manner that takes into account the structure's larger habitat and biodiversity values. The possibility of unpredictable and sub-optimal decommissioning decisions will be reduced if regulators align their decommissioning assessment priorities and how they are evaluated. Finally, the range of decommissioning solutions available must be increased to improve the

environmental results of decommissioning across the many ecosystems where platforms are located.

- f. V. Parentea, D. Ferreirab et al, 2006. **Offshore decommissioning issues: Deductibility and transferability**, *Energy Policy*, Volume 34, Issue 15, October 2006, Pages 1992-2001.

Parente et al. (2006) address two complex but increasingly urgent issues within the international oil and gas decommissioning discourse: **the fiscal treatment of decommissioning expenses** (particularly deductibility timing) and **the transferability of decommissioning liabilities** when petroleum licenses change hands.

This contribution is particularly valuable to Uganda's legal reform agenda, especially when measured against the backdrop of the **Petroleum (Exploration, Development and Production) Act, Cap 161**, which mandates the creation of a decommissioning fund but offers **limited statutory guidance on the financial and legal treatment of liability transfer or tax implications**.

The authors begin by highlighting a global trend: **most producer countries, including emerging ones like Uganda, are far more experienced in building oil infrastructure than dismantling it**. As a result, laws tend to be **ill-equipped to manage decommissioning's downstream financial complexities**, especially when projects extend over multiple decades and may involve multiple license holders due to mergers, acquisitions, or policy shifts.

One major issue tackled is **deductibility**, that is, whether decommissioning costs (which are incurred at the end of a project) can be anticipated and deducted from a company's taxable income **ex-ante** (before decommissioning occurs). This has massive implications for **Uganda's fiscal regime**, especially since its government expects significant revenue from the sector even as it concurrently expects oil companies to maintain full responsibility for decommissioning.

The authors also explore the **uncertainty created when ownership rights and obligations are transferred**. In Uganda, current petroleum legislation does not sufficiently elaborate on **whether and how decommissioning liability is reassigned** when licenses are surrendered, reassigned, or terminated. Parente et al. suggest that without **explicit statutory continuity of liability**, successor companies could evade the long-tail financial and environmental responsibilities of decommissioning.

This critique is **highly relevant to Uganda**, where production sharing agreements (PSAs) and joint venture partnerships have seen multiple transitions over time—e.g., the withdrawal of Tullow Oil and transfer of interests to TotalEnergies and CNOOC. The risk of **regulatory ambiguity** in assigning responsibility for end-of-life costs remains significant.

Their application of **project finance theory and pension fund models** also offers a creative avenue for **Uganda's legislative review**. These models underscore the importance of **ring-fencing and time-bound asset allocation**, reinforcing that **decommissioning funds must be financially isolated, irrevocable, and inflation-adjusted** over time to withstand long-term economic shocks or changes in operator status.

Parente et al. (2006) expose **two blind spots in many decommissioning laws worldwide**—issues Uganda must urgently address as it finalizes production and commercial extraction plans. First, without clarity on tax treatment, oil companies may **underinvest in decommissioning**, shifting burdens to the state. Second, without enforceable frameworks on liability transfer, Uganda risks **regulatory gaps that may leave orphaned wells and unpaid environmental debts**.

In relation to my **research question on the challenges Uganda may face if the legal framework is not stepped up**, this literature signals the **financial governance and accountability risks** inherent in a static and under-specified decommissioning regime.

The authors recommend a **robust regulatory architecture**, where decommissioning liability is treated as a **persistent obligation that travels with the asset**, regardless of changes in operatorship. For Uganda, this translates into a necessary reform of both the **Petroleum Act and related tax statutes**, to establish enforceable, transferable, and adequately funded decommissioning obligations, supported by clear **contractual clauses in licenses and production agreements**.

Most producer countries are facing a new problem in dealing with the decommissioning of petroleum infrastructure. It's only rational to assume that the industry has far more expertise in constructing platforms than destroying them. Even though numerous and various attempts are underway to establish worldwide "best practices" standards in this sector, countries continue to have considerable discretionary power in the regulation of decommissioning activities within their state's jurisdiction.

The writers provide a general overview of the debate, focusing primarily on two contentious issues. The first examines whether decommissioning expenses can be deducted ex-ante, notwithstanding the fact that they are an ex-post expense. The second point of contention is the assignment of decommissioning responsibilities in the event that exploration and production rights are transferred to new lessees during the project's lifetime. Finally, the research develops insights into these topics by using concepts typically used in project financing as well as structures commonly utilized in pension fund organization.

g. A.M. Fowlera, P.I. Macreadie et al, 2014. A multi-criteria decision approach to decommissioning of offshore oil and gas infrastructure, Ocean & Coastal Management, Volume 87, January 2014, Pages 20-29.

Fowler et al. (2014) introduce a **multi-criteria decision-making framework (MCDA)** for determining appropriate decommissioning options for aging offshore oil and gas infrastructure, arguing that rigid, one-size-fits-all statutory decommissioning mandates, common in many jurisdictions, may not yield optimal results. Instead, they advocate **case-by-case flexibility**, integrating environmental, economic, social, and health-and-safety concerns into the final decommissioning decision.

This perspective has **direct implications for Uganda's emerging oil and gas sector**, particularly in relation to the **Petroleum (Exploration, Development and Production) Act, Cap 161**, which mandates decommissioning but does not yet embed any **adaptive, participatory or environmentally contextual decision-making framework**. Uganda's legal framework appears to treat decommissioning as a procedural end-stage requirement with **limited room for multi-dimensional assessment**.

The MCDA approach outlined by the authors offers an **advanced governance model** that Uganda could adopt to enhance the **effectiveness, transparency, and environmental sustainability** of decommissioning decisions. The authors argue that because offshore structures often become marine habitats, especially in biodiverse environments like California and the Gulf of Mexico, the binary option of "complete removal" versus "partial reefing" must be evaluated using **scientific and local stakeholder input**.

In the **Ugandan context**, the Lake Albert basin, where most oil operations are concentrated, is home to sensitive aquatic ecosystems, and environmentalists have raised concerns over **biodiversity disruption, habitat loss, and toxic residues**. Yet Uganda's current petroleum legislation **does not provide for structured, ecosystem-specific evaluations** when decommissioning options are considered. This is a regulatory weakness that could undermine Uganda's environmental obligations under SDG 13 (Climate Action) and SDG 14 (Life Below Water).

Fowler et al. propose a **deliberative and inclusive decision-making model**, where regulators, companies, experts, and civil society engage in a **structured prioritization process** using weighted criteria and trade-offs. They note that, especially in cases where empirical data on ecological impacts is lacking (a likely scenario in Uganda), **expert opinion should guide decision-making** until further evidence is available.

In their California case study, the MCDA tool identified "leave in place intact" as the optimal solution due to **marine ecological benefits**. While this may not be appropriate for every Ugandan site, the **principle of context-sensitive,**

scientifically informed decommissioning should inform future reforms of Cap 161 and related regulations.

Fowler et al. (2014) provide a **valuable methodological blueprint** that Uganda can adapt in order to modernize its decommissioning legislation. Their multi-criteria model directly addresses one of the **key weaknesses in Uganda's current petroleum laws**: the absence of an **institutionalized mechanism for evaluating alternatives based on ecosystem, socioeconomic, and safety dimensions**.

This work complements my research objectives, particularly the **second objective**, which seeks to identify the **challenges Uganda may face if the legal framework is not stepped up**. Without adaptive legislative tools like MCDA, Uganda risks making decommissioning decisions that are **technically compliant but environmentally or socially suboptimal**.

Moreover, the MCDA model would also serve my **third objective**, offering **recommendations for aligning Uganda's legal approach with global best practices**, as found in countries like the United States and Australia. Fowler et al.'s call for participatory, evidence-based governance reinforces the idea that **legal effectiveness in decommissioning must be grounded in procedural flexibility, ecological knowledge, and institutional inclusiveness**.

Thousands of offshore oil and gas structures throughout the world are nearing the end of their useful lives and will need to be decommissioned over the next decade. Many countries have blanket rules demanding the removal of old structures, although this option is unlikely to produce the best environmental, sociological, and economic consequences in all cases. The authors advise that countries adopt a

flexible strategy that permits decommissioning choices to be made on a case-by-case basis from a wide range of possibilities (including 'rigs-to-reefs' options). They describe a multi-criterion decision-making process (Multi-criteria Approval, (MA)) for analysing and comparing potential decommissioning solutions based on major selection factors such as environmental, economic, socioeconomic, and health and safety concerns.

The multi-criteria Approval method organizes the decision problem, forces explicit trade-off consideration, and incorporates stakeholder groups directly in the decision-making process. Major decommissioning possibilities are identified, and a basic list of selection criteria is provided for use in the multi-criteria Approval decision process. To address knowledge gaps about decommissioning's environmental implications, they propose that expert opinion be factored into the multi-criteria Approval approach until more evidence becomes available. They conducted a brief trial of the multi-criteria Approval decision approach in southern California to demonstrate its applicability to a difficult and contentious decommissioning scenario.

For this case, the analysis revealed that the choice of "leave in place intact" will likely deliver the best environmental consequences in the event of eventual decommissioning. In summary, the multi-criteria Approval approach will allow for the simultaneous and public assessment of the environmental, social, and economic implications of decommissioning decisions.

h. West, S. 2014-07-30. **The Decommissioning of Offshore Oil and Gas Installations and Structures in Nigeria and South Africa in the context of international best practices.** University of Cape Town.

H. West, S. (2014). *The Decommissioning of Offshore Oil and Gas Installations and Structures in Nigeria and South Africa in the Context of International Best Practices.* University of Cape Town.

West (2014) provides a **comparative legal analysis** of decommissioning frameworks in **Nigeria and South Africa**, benchmarking them against **international best practices** in Norway and the United Kingdom. The study emphasizes the need for developing nations to craft decommissioning laws that are **not only aligned with domestic economic and ecological contexts** but also **compliant with international obligations**, particularly under the **United Nations Convention on the Law of the Sea (UNCLOS)**.

This analysis is **directly relevant** to Uganda's legal regime under the **Petroleum (Exploration, Development and Production) Act, Cap 161**, which, while domestically robust in parts, still lacks the **comprehensive integration of international standards** necessary for offshore decommissioning, especially as Uganda plans oil extraction activities near shared water bodies like Lake Albert.

One of the key takeaways from West's study is that **both Nigeria and South Africa** face similar challenges to Uganda: **fragmented legal provisions, limited capacity for environmental oversight, and poor enforcement mechanisms**. Importantly, West demonstrates that **international law significantly constrains unilateral national action**, especially in offshore environments, and recommends that

countries must **develop decommissioning laws that reflect both local needs and treaty-based obligations.**

For Uganda, this insight is critical. As Uganda shares transboundary water ecosystems with the Democratic Republic of Congo (DRC), failure to incorporate international environmental norms into its decommissioning laws could result in **regional disputes, violations of UNCLOS, and barriers to international investment.**

West's comparative method—evaluating **Nigeria and South Africa** against **Norway and the UK**—mirrors the **third objective** of your dissertation: to **recommend legal reforms by benchmarking Uganda's framework against global best practices.** For instance, Norway mandates **state-backed guarantees** for decommissioning funds and prescribes detailed environmental restoration duties. These standards far exceed Uganda's current statutory decommissioning fund triggers and offer a **model Uganda can adapt** to ensure fiscal and ecological accountability.

Additionally, West notes that international best practices often include **stakeholder participation, public consultation, and ongoing environmental monitoring**—elements that are notably absent in Cap 161. This omission could severely limit Uganda's compliance with future **environmental impact obligations**, particularly under the East African Protocol on Environment and Natural Resources.

West also critiques the **reactive posture** adopted by most African states—waiting until fields mature before developing decommissioning strategies. In Uganda's context, this warning is highly relevant, as the country's oil production is yet to fully commence. There is a **strategic legal window** to integrate international standards, avoid future litigation, and ensure a **proactive, sustainable petroleum regime.**

West's (2014) study serves as a **jurisprudential mirror** for Uganda. It exposes the **consequences of legal inertia** and urges immediate reforms to bridge the gap between **local petroleum governance** and **international legal standards**. His comparative analysis strengthens your dissertation's second objective, which seeks to **highlight legal and operational challenges** Uganda may face if its laws remain unamended.

Moreover, West's focus on **regional and global legal compatibility** adds a new dimension to your third objective by emphasizing that **Uganda's decommissioning laws must go beyond local adequacy and align with treaty obligations**, international environmental norms, and sustainable development goals (notably SDGs 12, 13, and 14).

In sum, West's work reinforces the notion that Uganda has a **legal and moral duty** to reform its decommissioning framework now while the sector is still maturing to avoid the **economic, ecological, and diplomatic crises** that have beset other African oil producers.

This study seeks to compare the regulations governing the decommissioning of offshore oil and gas installations and structures in Nigeria and South Africa with international best practices, as demonstrated by the regimes in Norway and the United Kingdom. It also considers how these countries have fulfilled their international obligations, recognizing that governments' ability to create laws concerning the continental shelf and exclusive economic zone is limited by their international commitments.

i. B. Anifowose, D.M. Lawler et al, 2016. A systematic quality assessment of Environmental Impact Statements in the oil and gas industry, *Science of The Total Environment*, Volume 572, 1 December 2016, Pages 570-585

B. Anifowose, D.M. Lawler et al. (2016). *A Systematic Quality Assessment of Environmental Impact Statements in the Oil and Gas Industry*, *Science of The Total Environment*, Volume 572, Pages 570-585.

Anifowose et al. (2016) undertake a pioneering study on the **quality and consistency of Environmental Impact Statements (EISs)** produced for oil and gas projects in Nigeria. Using a **modified Lee and Colley review package**, they assessed 19 EISs spanning a decade and found **significant weaknesses** in two crucial areas: **Environmental Impact Prediction and Project Decommissioning**.

This directly feeds into Uganda's context, especially under the **Petroleum (Exploration, Development and Production) Act, Cap 161**, which mandates that environmental considerations be integrated into oil production planning and decommissioning processes. However, as Uganda prepares for full-scale oil extraction in the Albertine Graben, **the quality and robustness of Environmental Impact Assessments (EIAs)** and their associated decommissioning provisions become pivotal.

The study found that while most EISs adequately described project operations and communicated their findings, **the predictive assessment of long-term environmental risks, especially related to decommissioning, was poorly handled or omitted entirely**. This observation is especially concerning for Uganda, given that **the decommissioning of oil infrastructure—both onshore and near water bodies**

like Lake Albert—poses profound environmental implications if not planned with technical foresight.

The authors further recommend that **systematic reviews and audits of EIS quality** should be institutionalized every 3-5 years. This aligns closely with your study's second objective—to **highlight the legal and operational challenges Uganda may face** if the current regulatory framework is not enhanced. Uganda currently lacks **mandatory and periodic evaluation protocols for EIS quality**, particularly those concerning **post-production site rehabilitation**, a component central to responsible decommissioning.

In the context of Uganda, where EIAs are regulated by the **National Environment Act (as amended) and NEMA guidelines**, this study raises critical concerns. Are Uganda's current EISs, and their decommissioning components, rigorous enough to anticipate long-term environmental risks? The Anifowose et al. study implies that without **targeted legal reform**, Uganda may repeat Nigeria's experience: the development of superficially adequate EISs that **fail to capture the complexity and risks associated with decommissioning**.

The authors referenced above also emphasise the **growing global shift towards unconventional hydrocarbon extraction**, which adds layers of ecological complexity. Uganda's venture into **deep onshore drilling within biodiversity-sensitive areas** (e.g., Murchison Falls National Park and Lake Albert Basin) necessitates high-quality decommissioning plans embedded within EISs not as afterthoughts but as core operational obligations.

This study reinforces my research's **first and second objectives** by demonstrating that **legal mandates alone do not ensure effective decommissioning—quality implementation, monitoring, and revision mechanisms must accompany them.** Anifowose et al.'s recommendation for routine EIS quality audits offers a **concrete policy reform Uganda can adopt**, ensuring that decommissioning obligations are **not only funded but also technically and environmentally sound.**

This literature review supports my third objective: to **draw comparative insights from other jurisdictions.** The Nigerian case reveals the perils of weak institutional capacity and unstandardized EIS quality, pitfalls Uganda can avoid by embedding **performance based standards and continuous quality checks** into its petroleum and environmental regulatory architecture.

Thus, Anifowose et al. (2016) offer not only **diagnostic insight** into the failure of EIA-decommissioning integration but also **prescriptive value** for Uganda's emerging oil and gas sector.

Oil and gas resources are extremely important to the world economy. Hydrocarbon exploitation initiatives, on the other hand, can have substantial environmental consequences. Despite the fact that several Environmental Impact Statements (EISs) have been produced to identify and mitigate such effects, no study has specifically assessed the quality of EISs for both onshore and offshore oil and gas projects, using tested assumptions. This article develops a modified Lee and Colley evaluation model to assess the quality of 19 sampled oil and gas project EISs generated in Nigeria between 1998 and 2008. Project Description and Communication of Results are the primary areas of strength, according to the data.

Environmental Impact Prediction and Project Decommissioning, on the other hand, were two significant topics that needed to be addressed. However, according to Mann-Whitney tests, there is no evidence that the quality of EISs for the latter period (2004-2008) is higher than for the former period (1998-2004). The authors propose that a systematic examination of the quality of submitted/approved EISs be created regularly (every 3-5 years) to track trends in EIS quality and identify strong and weak areas. This would aid in the continuous improvement of both the EIA processes and the EISs produced as a result of technical engineering initiatives.

Such studies have the ability to shed light on some of the underlying issues with oil and gas exploration, production, and transportation, as well as their environmental consequences. This proposed adjustment will be beneficial both domestically and internationally, particularly in the expanding exploration and exploitation of unconventional hydrocarbon resources.

j. S. Esterhuysen, M. Avenant, et al, 2016. A review of biophysical and socio-economic effects of unconventional oil and gas extraction - Implications for South Africa, *Journal of Environmental Management*, Volume 184, Part 2, 15 December 2016, Pages 419-430

S. Esterhuysen, M. Avenant, et al. (2016). *A Review of Biophysical and Socio-economic Effects of Unconventional Oil and Gas Extraction - Implications for South Africa*, *Journal of Environmental Management*, Volume 184, Part 2, Pages 419-430.

Esterhuysen et al. (2016) critically examine the **biophysical and socio-economic impacts** of unconventional oil and gas (UOG) extraction in South Africa, a country with acute water scarcity and delicate ecosystems. The study underscores the **cumulative and regional-scale nature of UOG impacts** and the need for **strategic, long-term planning** in policy and governance to manage these multidimensional consequences. Although focused on South Africa, this work carries **valuable implications for Uganda**, especially as it embarks on full-scale commercial oil extraction around **Lake Albert and within biodiversity-rich regions like Murchison Falls National Park**.

The study makes three relevant contributions to my research:

1. **Importance of Strategic and Cumulative Impact Assessment in Decommissioning.**

The authors argue that the **biophysical and social impacts of oil production do not occur in isolation**. They accumulate over time and space, and thus, **site-specific environmental regulations may be insufficient unless backed by regional planning**

mechanisms. In Uganda's case, while the Petroleum Act Cap 161 provides for decommissioning funds and licenses, there is **limited integration of regional environmental sensitivity mapping or cumulative impact planning** into the decommissioning legal structure.

The paper recommends that legal and policy frameworks **go beyond project-level impact assessments** and instead anticipate the **long-range socio-ecological costs**, a consideration especially pertinent for Uganda's western region, where multiple oil projects are clustered. This recommendation supports my **second research objective**, which is to explore the **challenges Uganda may face if it does not strengthen its legal frameworks.**

2. Governance and policy responsiveness in fragile ecological contexts.

South Africa's experience, as documented in this paper, shows that **environmentally fragile states require higher legal vigilance**, especially concerning **post-extraction site restoration and water resource governance.** Uganda is no exception. It is already grappling with freshwater scarcity in certain regions and shares Lake Albert with the DRC, raising **transboundary ecological and legal responsibilities.** The study implicitly warns Uganda that failure to integrate **ecological sensitivity and transboundary planning** into its decommissioning legislation will likely exacerbate socio-economic inequalities, environmental degradation, and public mistrust.

This critique supports your **first objective**, to evaluate whether Uganda's current laws (specifically Cap 161) are **robust and anticipatory enough to manage such risks**, particularly in a multi-stakeholder, environmentally fragile setting.

3. Socioeconomic Integration in Decommissioning Frameworks

Esterhuysen et al. highlights that Unconventional oil and gas UOG extraction affects not just the environment but also **local economies, employment, land use, and public health**. These are rarely included in decommissioning mandates in many African jurisdictions. Uganda's Petroleum Act, while requiring a decommissioning plan and fund, **lacks express socio-economic performance indicators**, particularly concerning the **livelihood restoration** of affected communities post-decommissioning.

This analysis reinforces the need for Uganda to **adopt a more holistic decommissioning model**, one that incorporates **socio-economic sustainability, long-term health surveillance, and stakeholder participation**—features found in more evolved legal regimes like those of the UK or Norway, as referenced in your third objective.

The insights from this study are critical for my dissertation. They support my argument that **Uganda's current legal framework on decommissioning—while present—is still legally, environmentally, and socioeconomically thin**. The authors' call for **integrated governance, strategic spatial planning, and policy responsiveness in ecologically sensitive zones** provides a strong comparative basis for your third objective: **recommending ways to bridge Uganda's legal gaps using lessons from other jurisdictions**.

In short, this study illustrates the **urgent need for Uganda's legal infrastructure to move from isolated project-based planning to adaptive, ecosystem-wide and socioeconomically inclusive decommissioning regimes**.

Unconventional oil and gas (UOG) production will have cumulative effects that will most likely occur on a regional scale, emphasising the significance of strategic decision-making and management methods. In a water-scarce country like South Africa, responsible management of potential consequences is critical, as opposed to countries where more water is available for UOG extraction. This page covers the biophysical and socioeconomic effects of UOG extraction in the context of South Africa, as well as how these complex effects interact. Policy and governance structures that are relevant to managing these implications are also highlighted.

CHAPTER THREE: RESEARCH METHODOLOGY

Introduction

This chapter outlines the research methodology adopted to evaluate the efficacy of Uganda's legal framework on decommissioning in the oil and gas sector. It details the research design, scope, target population, sampling methods, research instruments, data collection procedures, data analysis techniques, and limitations. The methodology is tailored to critically assess Uganda's legal approach to decommissioning and benchmark it against international best practices.

Research Design

The study uses a **qualitative doctrinal legal research design**, which is well-suited for analyzing laws, judicial decisions, and legal principles governing decommissioning. This design is supplemented by a **comparative legal analysis** method, drawing on lessons from jurisdictions such as the United Kingdom, Nigeria, South Africa, and Norway. The methodology also incorporates **library-based** and **desktop research** for accessing statutes, scholarly literature, policy papers, and official documents relevant to the oil and gas sector.

Scope of the Study

Geographical Scope:

The study focuses primarily on Uganda, particularly the Albertine Graben region where significant oil discoveries have been made. It also includes comparative jurisdictions with established decommissioning regimes.

Content Scope:

The study critically evaluates the **Petroleum (Exploration, Development and Production) Act, Cap 161** and other Ugandan laws on decommissioning. It explores how these laws address environmental sustainability, funding mechanisms, and legal responsibility. The research includes a comparative perspective on decommissioning practices and regulatory frameworks in other oil-producing countries.

Time Scope:

The study is conducted over a period of four months. However, it reviews literature and legal developments from the late 1800s when global oil exploration commenced up to Uganda's modern-day oil and gas operations, with emphasis on developments from 2006 onward.

Target Population

The target population includes all legal documents and literature relevant to decommissioning in the oil and gas sector. Specifically, it covers:

- Ugandan legislation, including Cap 161 and relevant regulations.
- International conventions and treaties on environmental and oil sector governance.
- Scholarly articles, commentaries, and case law.
- Reports and guidelines from the Petroleum Authority of Uganda (PAU), MEMD, and global institutions such as IOGP and UNEP.

Sampling Techniques and Sample Size

This research uses a **purposive sampling technique** to identify and select legal texts, literature, and documents that directly address or influence decommissioning.

The sample includes:

- Uganda's Petroleum Act and implementing regulations.
- Decommissioning frameworks from at least three comparative jurisdictions.
- A selection of **10 peer-reviewed articles**, **5 relevant case studies**, and **official government and industry reports**.

Data Collection Methods

The study relies on **documentary review** as the main method of data collection.

Data sources include:

- **Primary legal sources** such as statutes, regulations, treaties, and case law.
- **Secondary sources** including academic journals, books, policy briefs, and institutional publications.
- **Legal databases** like ULII, Westlaw, HeinOnline, and LexisNexis to ensure comprehensive access to authoritative materials.

No field interviews or stakeholder surveys are conducted due to the doctrinal nature of the study.

Data Analysis Procedures

The study employs **thematic content analysis** to extract key themes from legal texts and literature. The analysis is guided by the following themes:

1. The effectiveness and clarity of Uganda's legal provisions on decommissioning.
2. Legal and practical challenges that may arise if the framework is not enhanced.
3. Comparative legal insights and reform-oriented recommendations.

The study further uses a **comparative legal methodology** to assess Uganda's legal regime against international standards and identify areas for legislative and policy improvement.

Study Limitations

- **Restricted access** to confidential or proprietary industry documents may limit real-time data verification.
- **Evolving legal frameworks** could render some provisions outdated during or shortly after the study.
- **Absence of empirical fieldwork** reduces insight from industry actors, although doctrinal analysis remains rigorous and sufficient for legal evaluation.

Despite these limitations, the study applies credible and validated legal research methods to generate a critical, comparative, and actionable assessment of Uganda's preparedness in managing oil and gas decommissioning.

Theoretical literature review.

The findings and analysis of this study will be based on the principal-agency theory. The essential tenet of the principal-agency theory, according to Basheka, is that the agent must have a clear grasp of the principal's needs and the ability to meet those demands competently. The principal must keep a careful eye on the agents' performance and devise reward mechanisms that encourage the desired results. When a procurement contract is well-defined and structured, it becomes easier for both the principal and agents to meet each other's needs efficiently, leading to the timely completion of the contract.

In this study, the principal-agent theory is applicable, with a firm or government acting as the principal, and contractors, service providers, or suppliers as the agents. The theory is relevant because it highlights the importance of clear contractual terms, negotiation requirements, and an objective framework for monitoring the feasibility of oil and gas projects. By clearly outlining contract specifications, team roles and responsibilities, and key performance indicators (KPIs), it becomes easier for the principal and agents to meet each other's expectations efficiently, ensuring that the contract is executed on time and at the agreed-upon performance level.¹⁰

¹⁰ Oluka, P & Basheka C, Determinants and constraints to effective procurement contract management in Uganda, a practitioner's perspective 2012

Sample and its determination

The sample size will be determined based on the specific requirements relevant to the research topic. The targeted population will include officials responsible for critical aspects of the research, as identified within their respective organizations. Sampling will be employed as the method to ensure a higher level of confidence in the findings.

Sources of data

The researcher plans to utilize both primary and secondary data sources.

Primary data will be gathered through structured questionnaires, which will require conducting a survey.

Secondary data will be collected by reviewing various publications and reports relevant to the study's objectives, including both local and international sources.

Ethical considerations

The purpose of ethics in this study is to ensure that no harm or negative consequences arise for the participants as a result of the research. The researchers aim to protect the rights of the respondents by ensuring that their identities remain confidential throughout the study and in the final thesis. Respondents will be selected impartially, fostering trust. The researcher will also inform the participants about the research's purpose and objectives by providing an introductory letter from the academic registrar of Uganda Christian University. Additionally, the researcher will reassure participants that management approval from the relevant organizations was obtained prior to the commencement of the study.

Data analysis plan

The study will employ qualitative data analysis, which will include concise descriptions, explanations, or instructions, as well as the use of prose tables. This descriptive information will primarily be presented in the form of prose or lists within the essay. Data analysis refers to the process of organizing, structuring, and assigning meaning to a substantial amount of data. The goal of data analysis is to obtain relevant and usable information. The analysis can be used to describe and summarize data, find correlations between variables, compare variables, find differences between variables, and predict outcomes.

Qualitative data analysis

This approach will outline processes and procedures for transforming qualitative data into explanations, understanding, or interpretations of the individuals and situations being studied. Qualitative data analysis often relies on an interpretative philosophy, which focuses on exploring the symbolic and meaningful aspects of the data. For instance, when analysing interview data, the researcher will seek to understand a person's worldview, the reasons behind their perspectives, how they arrived at their views, and their actions. The qualitative data analysis process typically involves two key steps: writing and identifying themes.

CHAPTER FOUR: THE LEGAL FRAMEWORK GOVERNING DECOMMISSIONING IN UGANDA.

Introduction.

This study explores the various laws and practices that constitute Uganda's legal framework for decommissioning in the oil and gas sector. This includes the constitution, along with primary and secondary legislation. Additionally, it incorporates international law and guidelines specifically tailored for the oil and gas industry.

The regulatory framework in Uganda.

Uganda's regulatory framework is primarily governed by the Constitution, with subordinate laws created by parliament and relevant ministers. Following this are contracts binding the IOCs, the government, and the National Oil Company (NOC). This is supported by public finance laws and international laws.

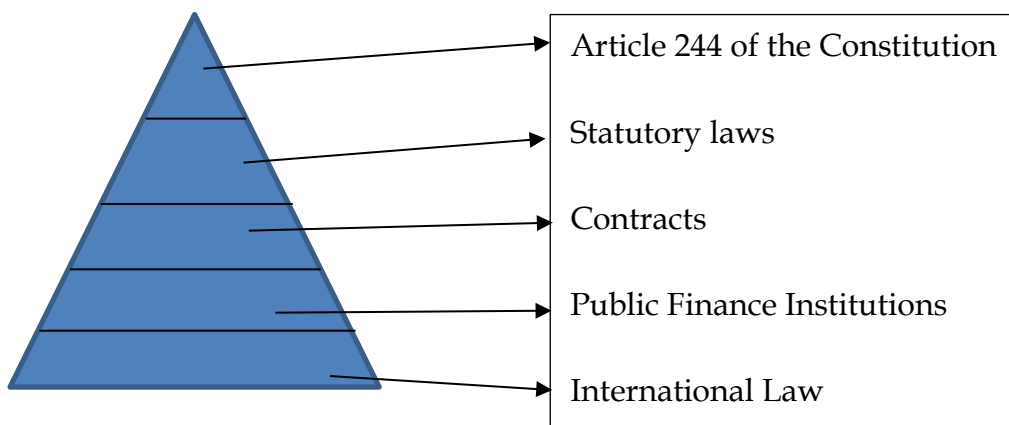


Figure 1: Shows the regulatory framework in Uganda

The 1995 Constitution, as amended is the supreme law in Uganda.¹¹ No law can override the Constitution, making it the highest authority in Uganda's oil and gas sector. Any other legislation related to the oil and gas sector must align with the Constitutional provisions; otherwise, they will be deemed invalid to the extent of their inconsistency.

The Constitution serves as the foundation for effective resource management and governance of Uganda's oil and gas sector, safeguarding natural resources like water, wetlands, minerals, oil, wildlife, and plant life for the benefit of the Ugandan people.¹²

The Constitution, as amended in 2005, grants the government control over all minerals and petroleum found in or beneath any land or waters in Uganda, acting on behalf of the Republic of Uganda.¹³ Despite the amendment, the Constitution upholds the public trust doctrine, which asserts that natural resources are held in trust for the people by the government. In essence, the people are the principals, designating the government to manage resources on their behalf. This relationship obligates the government to be accountable to its citizens as the rightful owners, ensuring their participation in resource management either directly or through elected representatives.

The Constitution grants parliament the authority to enact laws governing the extraction of minerals and petroleum, the allocation of royalties from oil exploitation, the payment of indemnities arising from mineral and petroleum

¹¹ Article 2 of the Constitution of the Republic of Uganda, 1995, as amended

¹² Objective no. 13 of National Objectives and Directive Principles of State Policy.

¹³ Article 244 of the Constitution of the Republic of Uganda, 1995, as amended

activities, and the restoration of abandoned lands.¹⁴ Article 79 of the Constitution states that parliament has the power to establish laws on any subject for the purposes of development and good government, among other things.

Statutory legislation.

The Petroleum (Exploration, Development, and Production) Act cap 161 regulates all oil operations, including those associated with offshore drilling.¹⁵ The law gives the government ownership of all petroleum in Ugandan waterways, stating that "the whole property in, and control over, petroleum in its natural condition in, on, or under any... waters in Uganda is vested in the Government on behalf of the Republic of Uganda."¹⁶

Therefore, it is prohibited to interfere with petroleum in Uganda's waterways, including the Ugandan section of Lake Albert, without obtaining the government's permission, permit, or license.¹⁷ The Act grants the Minister of Energy and Mineral Development extensive powers to issue licenses or permits for offshore petroleum activities in Uganda.¹⁸ The Minister has the power to revoke these authorisations under certain conditions and approve the voluntary surrender of any license by a licensee. Additionally, the Minister can establish policies and regulations that govern all aspects of offshore oil and gas operations, including decommissioning.¹⁹

¹⁴ Ibid

¹⁵ International Business Publication, *Uganda: Business Law Handbook* (Global Publications 2013) 225

¹⁶ The Petroleum (Exploration, Development and Production) Act, cap 161, Section 4(1)

¹⁷ Ibid, section 5(1) and (2)

¹⁸ Ibid, section 8(a)

¹⁹ Ibid, section 8(b). Government of Uganda, Energy Policy of Uganda 2012, 7-12.

The Act creates the 'Petroleum Authority of Uganda,' a legal entity empowered to oversee and enforce the provisions of the Act, as well as all other relevant industry regulations.²⁰ The Authority's duty is to oversee and regulate petroleum exploration, development, and production in Uganda,'. Additionally, It has the mandate to ensure that licensees comply with the provisions of this Act and its Regulations, as well as other Ugandan laws and the terms of the production sharing agreements.²¹

Consequently, the Petroleum Authority is responsible for ensuring that licensees comply with the applicable regulations, the provisions of the Act, and any other decommissioning laws. The Authority is also tasked with overseeing and monitoring "the cessation of petroleum activities and decommissioning," including offshore operations. Regarding the Authority's duties, the Minister has the authority to issue written directives to it.²²

The Act establishes a variety of licenses and permits that the Minister can issue with the Petroleum Authority's approval. It includes a reconnaissance permit, as well as exploration and production permits. In this context, a reconnaissance permit is a non-exclusive permission granted by the Minister to a person to conduct preliminary appraisal or geological activities, primarily to determine the presence of oil in Uganda. It grants the permit holder this privilege for an eighteen-month term from the date of issuing.²³ The Minister issues an oil exploration license to a person, allowing them to conduct exploratory activities in Ugandan waters with the aim of discovering petroleum.

²⁰ The Act confers on the Petroleum Authority a corporate personhood meaning that it can sue and be sued. See the Petroleum Act, s.9(2).

²¹ Supra note 13, Section 10 (2)(i)

²² Ibid, Sections 10(2)(f) & 13(1)

²³ The Petroleum Act, section 2(2).

The Minister issues a production sharing agreement or any other agreement to the party after the application for a license is granted. The Minister is responsible for selecting a licensee through a competitive bidding procedure that has been approved by the Ugandan Cabinet, which is led by the President.²⁴ Nevertheless, the Minister, in partnership with the Petroleum Authority, has the power to approve an application for an exploration license without going through a formal bidding process. An exploration licence is valid for two years and can be renewed for another two years.²⁵

In this context, a Petroleum Production License is the Minister's authorization to an oil company to do all activities related to recovering and evacuating oil from a Ugandan offshore oil deposit.²⁶ Upon declaration of interest, it is usually issued to the former holder of an offshore exploration licence in connection to the particular field involved. If there is no such interest, the Minister has the authority to issue the production license to another enterprise. This could be done through a private application from a specific oil company or a competitive bidding process.²⁷

In most cases, the previous exploration license holder or applicant is required to submit a field development plan as part of their expression of interest or application.²⁸ This field development plan must provide extensive information on how such offshore oil installations will be decommissioned.²⁹ The production license is typically valid for twenty years, with the possibility of a five-year extension.³⁰

²⁴ Ibid, section 70(1)

²⁵ The Petroleum (Exploration, Development and Production) Act, 2013, sections 53(1) & 61(a)

²⁶ Ibid, section 61(b).

²⁷ Ibid, sections 2(1) & 69(4)

²⁸ Ibid, section 71(1)(b)

²⁹ Ibid, section 77(3)(o)

³⁰ Ibid, section 80(6)

Upon approval from the Petroleum Authority, the licensee must submit a decommissioning plan within four years of obtaining the license or two years before the offshore oil facility is decommissioned, whichever occurs first.³¹ If the licensee voluntarily surrenders his or her license, the application must be submitted at least two years before the licensee surrenders his or her license. The preferred option for decommissioning is intended to be included in the decommissioning plan, which could be reuse, removal fully or partially, or abandonment.³²

The Petroleum Authority will provide a direction to the licensee or owner of the offshore oil facility (where there is a transfer of ownership) based on this plan on how and when it will be carried out.³³ According to the Act, the licensee and owner of an offshore facility must ensure that the Petroleum Authority's directive is followed.³⁴

It establishes a decommissioning fund that will be utilized to carry out the plan for the decommissioning of offshore oil facilities.³⁵ The Petroleum Authority will determine the quarterly cost to be paid, which will contribute a percentage of the anticipated future decommissioning costs of the facilities into the fund.³⁶ The licensee is accountable for recovering decommissioning costs, in accordance with any cost recovery limitations set by petroleum agreements or regulations.³⁷ The Act assigns the management of the fund to a body made up of both government and

³¹ Ibid, section 112(1) and (2)

³² Ibid, section 112(3)

³³ Ibid, section 112(1) and section 115(1)

³⁴ Ibid, section 115(4) and (5)

³⁵ Ibid, section 113(2)

³⁶ Ibid, section 113(4)

³⁷ Ibid, section 113(5)

licensee representatives. The specific ratio of this representation will be determined by subsequent regulations issued under the Act.³⁸

The Act stipulates three triggers for payments into the fund. Payments will begin in the calendar quarter when: (a) petroleum production reaches fifty percent of the total recoverable reserves as outlined in an approved development plan and any subsequent reappraisal of those reserves; (b) five years prior to the expiration of the license; or (c) upon receipt of a notice of surrender.³⁹ If the funds available are insufficient to cover the costs of implementing the plan, the licensee and the owner of the facilities (if the licensee is no longer the owner) must bear the responsibility of reimbursing the expenses.⁴⁰

The establishment of a fund as the sole option for decommissioning security is commendable, as it is generally considered the most reliable form of financial assurance. Other methods of decommissioning security include third-party guarantees and parent company guarantees.

A third-party guarantee is a commitment from a financial institution, such as a bank or insurance company, to cover decommissioning costs on a specified date. While some oil-producing nations still accept it as a decommissioning security option, it is often disregarded due to the possibility that the institution may not be able to provide the funds when needed.⁴¹

³⁸ Ibid, section 113(8)

³⁹ Ibid, section 113(3)

⁴⁰ Ibid, section 113(6)

⁴¹ Mark Saunder and Nabarno Nathanson; 'Abandonment Agreements' in Martyn R. David (ed) in *Upstream Oil and Gas Agreements: With Precedents* (Sweet & Maxwell 1996) 235

When a parent business agrees to cover decommissioning if the licensee defaults, this is known as a parent company guarantee. 'Future events may degrade the creditworthiness of even oil giants [and] this alternative is not popular with governments,' it is claimed. Compared to other security systems, the decommissioning fund is regarded as "the safest and most dependable security mechanism" because it guarantees the availability of funds for decommissioning.

Contracts

These are agreements Uganda has established with various International Oil Companies and other entities for the exploration and production of oil and gas. Due to confidentiality concerns, the actual contracts are not typically accessible to the public; however, Uganda has model contracts that are utilized during negotiations with other International Oil Companies.

The Model Production Sharing Agreement for Petroleum Exploration, Development, and Production in Uganda is a framework designed to assist the Ugandan government in establishing contracts for oil exploration, development, and production. It consists of 34 articles outlining the mutual responsibilities of the parties involved.

This model outlines how the participating interests are divided among the parties, their rights and obligations, the requirement for exploration work programmes, and budgeting. It covers areas such as discovery, development, and production, maintaining records, reporting, and data management. It also addresses government bonuses, royalties, state participation in the oil and gas market, cost recovery, production sharing, taxation, petroleum valuation and measurement, oil transportation by pipeline, marketing, lifting, and domestic supply requirements.

Additionally, the model includes provisions for natural gas, training and employment of local expertise, asset ownership, foreign exchange control, and assignment of interests. It also touches on safety measures, environmental protection, dispute resolution, force majeure, annual acreage rentals, contract termination, accounting, audits, notices, applicable laws, amendments, waiver clauses, and confidentiality.

All of these provisions will be tailored to fit the agreements between the government of Uganda and other entities involved in petroleum exploration, development, and production.

International law.

Under the 1958 Continental Shelf Convention, which was later incorporated into the UN General Assembly (GA) Resolution 1803 on Permanent Sovereignty over Natural Resources in 1962, international law affirms a state's sovereignty over its natural resources.

This was further reinforced by UN Resolution 3281 (XXIX), the Charter of Economic Rights and Duties of States, adopted in 1974. The resolution emphasized that host countries fully own and control petroleum resources within their jurisdiction. As sovereign entities, host countries had the right to nationalize or expropriate foreign assets, but only if they compensated in accordance with the laws of the host state and international law, and for reasons related to public welfare, security, or national interest.

A more contemporary and detailed version of this principle is found in the 1994 Energy Charter Treaty (ECT), signed by countries from resource-rich Central Asia, Europe, Japan, Russia, and Turkey.

Article 18 of the ECT upholds the principle of permanent sovereignty over natural resources while specifying expropriation guidelines: it must be for public interest, non-discriminatory, conducted through due process, and accompanied by prompt, adequate, and effective compensation. The ECT also features a comprehensive investment protection section in Part III, establishing norms that have influenced the investment provisions in many subsequent Bilateral Investment Treaties (BITs).

The Energy Charter Secretariat, the executive body of the Energy Charter Treaty (ECT), developed a model for cross-border intergovernmental and host-government agreements for natural gas pipelines. This model has been the basis for several pipeline agreements in Central Asia, including the Baku-Aktau pipeline deal.

The UN Convention on the Law of the Sea provides essential international rules for offshore exploration and the installation of subsea pipelines, including regulations on offshore removal and disposal obligations.

Over the past 50 to 60 years, the significance of marine boundaries in international relations has grown alongside the expansion of national maritime jurisdictional boundaries. This is particularly true today, as an acre of sea may hold more value than an acre of unproductive land, especially if oil or gas is located beneath the surface or seabed. Consequently, establishing maritime boundaries has become a

critical issue for coastal states, with only a few having fully defined maritime boundaries.⁴²

According to an article by Chatham House, only 180 maritime boundaries have been established so far, far fewer than the 400 possible boundaries. This is because, in the absence of disputes or valuable natural resources, countries do not consider boundary-setting a priority. Furthermore, underdeveloped countries frequently lack ready access to the professional guidance that hydrographers are expected to provide. Despite this, some of them have negotiated borders, for example, due to the oil industry's support.⁴³

During a meeting of the International Law Discussion Group on February 14, 2006, Chatham House identified two main causes of maritime boundary disputes: conflicting claims of sovereignty over land and overlapping claims to maritime rights and jurisdiction. In the first case, it was noted that two countries might both assert ownership over the same island or a section of the mainland.⁴⁴ International law addresses issues of sovereignty through norms that focus on human actions such as occupation and administration to determine ownership of a contested area.

Regarding overlapping claims, it was noted that disputes often arise over territorial waters within a 12-mile limit, 200-mile exclusive economic zones (EEZs), and continental shelves extending beyond 200 miles between neighbouring or opposing

⁴² Chatham House. 2006. "Methods of resolving maritime boundary disputes", available at: <https://www.chathamhouse.org/sites/default/files/public/Research/International%20Law/ilp140206.doc> (accessed on 15th January, 2022)

⁴³ Ibid

⁴⁴ See *Eritrea v Yemen, Award on Territorial Sovereignty and Scope of the Dispute*, (1998) XXII RIAA 211, PCA.

states. These overlaps have become more frequent due to the expansion of maritime rights to the 200-mile limit.

To resolve overlapping claims, international law relies on maritime boundary delimitation principles, which are outlined in the United Nations Convention on the Law of the Sea (UNCLOS), along with national practices and judicial rulings.

Article 33 of the UN Charter calls for peaceful dispute resolution through methods chosen by the parties involved, with negotiation being an essential step. If negotiations fail, alternatives such as conciliation, good offices (e.g., the UN Secretary-General), arbitration (either ad hoc or under UNCLOS Annex VII), or judicial settlement (ICJ/ITLOS) can be pursued.

To resolve conflicts over sovereignty, states can reach an agreement to establish clear boundaries, partial boundaries, or a shared territory, or a combination of these options. Ultimately, maritime boundaries must be defined by mutual agreement, with sovereignty disputes being resolved by assessing the level of activity each state has in the contested area.

The International Court of Justice (ICJ) is the primary judicial body of the United Nations, composed of 193 member states.⁴⁵ Consequently, it is tasked with addressing any disputes that arise between these nations, applying international law and other legal sources as defined by the law.⁴⁶ The United Nations Convention on

⁴⁵ Article 92 of the Charter of the United Nations, 1945

⁴⁶ Article 38 of the Statute of the International Court of Justice

the Law of the Sea (UNCLOS) is the primary international treaty referenced by the ICJ.⁴⁷

A key criticism of the UNCLOS is that Articles 74(3) and 83(3), which address the obligations of States "pending agreement" on delimitation, do not explicitly prohibit any specific oil and gas activities in disputed areas. Instead, these provisions require States to refrain from actions that could hinder or impede the eventual delimitation agreement. However, the specific types of economic activities that might jeopardise or obstruct this final agreement remain unclear.⁴⁸

Previously, any actions linked to digging wells, erecting installations, or appropriating petroleum in contested territories were subject to an international responsibility to refrain from doing so.⁴⁹ This requirement appears to stem from traditional law, such as the United Nations Convention on the Law of the Sea (UNCLOS) is also reflected in customary international law as a general duty of 'mutual restraint.

Seismic exploration surveys, in contrast, have traditionally been considered "legally legitimate," even if conducted without the approval of other concerned parties. The reasoning behind this distinction is that, while certain activities may have lasting physical effects on the marine ecosystem of the disputed area, seismic surveys are considered temporary and transient in nature.

⁴⁷ United Nations Convention on the Law of the Sea (adopted 10 December 1982, entered into force 16 November 1994) 1833 UNTS 3.

⁴⁸ Yiallourides C. "Oil and Gas Development in Disputed Waters Under UNCLOS", available at: <https://core.ac.uk/download/pdf/82962947.pdf> (accessed on 15th January, 2022)

⁴⁹ Lagoni R. 1984. "Interim Measures Pending Maritime Delimitation Agreements", UCL Journal of Law and Jurisprudence, AJIL 345.

Case law prior to the 1982 Convention, such as the North Sea Delimitation Cases (1969), the Aegean Sea Case (1976), and the Fisheries Jurisdiction Case (1974), supported this theory, which diverges from modern international law.

Since the United Nations Convention on the Law of the Sea (UNCLOS) only came into effect in 1994, most, if not all, of these cases were decided under the 1958 Continental Shelf Convention.⁵⁰ The 1958 Convention, however, lacked any provisions or procedures addressing the rights and obligations of States pending delimitation. Such provisions, like Articles 74(3) and 83(3), were introduced only in the 1982 Convention, 24 years later.

Today, all coastal States are entitled to a continental shelf extending at least 200 nautical miles (nm) from their baseline coastlines. They have sovereign rights to explore and exploit the natural resources beneath their seabed, as recognized under both conventional and customary international law. These rights are automatic and inherent, meaning they do not require any specific legal actions or declarations to be established.⁵¹

Similarly, all coastal States are entitled to an Exclusive Economic Zone (EEZ) extending up to 200 nautical miles from their coastlines, over which they have sovereign rights to explore and exploit their offshore natural resources, though this zone applies to both non-living and living resources, such as oil and gas, as well as fisheries.⁵²

⁵⁰ Convention on the Continental Shelf (adopted 29 April 1958, entered into force 10 June 1964) 499 UNTS 311

⁵¹ David M. 1999. "Joint Development of Common Offshore Oil and Gas Deposits: "Mere" State Practice or Customary International Law?", *AJIL* 771, 775.

⁵² Article 57, UNCLOS

When a State's continental shelf or EEZ rights overlap with those of another State, a marine delimitation process is necessary to determine the boundary separating the two entitlements.⁵³

This framework creates an important distinction between the entitlement to a specific maritime area and the process of delimiting that area between two or more neighbouring or opposing coastal States.⁵⁴

Delimitation becomes relevant or necessary only when overlapping claims arise. Conversely, the sovereign rights of a coastal State over its continental shelf inherently mean that the maritime area belongs to the State, whether or not it has been delimited previously.⁵⁵

Consequently, in the Libya/Malta case, the International Court of Justice (ICJ) ruled that the issues of continental shelf entitlement and continental shelf delimitation are not only distinct but also complementary.

In fact, the delimitation process cannot be used to bypass or undermine each state's inherent right to its portion of the continental shelf under international law. Therefore, maritime delimitation serves to draw a dividing line between areas that are already owned by one or both affected States, rather than determining a State's entitlement to a continental shelf or an EEZ.

⁵³ Douglas MJ & Philip MS. 1988. "Ocean Boundary Making: Regional Issues and Developments" Croom Helm, p. 17

⁵⁴ Daniel PO (ed). 1982. "*The International Law of the Sea*", Clarendon Press, Vol. 1, pp.691-692

⁵⁵ Churchill R. & Ulfstein G. "*Marine Management in Disputed Areas: The Case of the Barents Sea*", Routledge, p.86.

Thus, when a maritime boundary dispute is presented to the ICJ, the court will adhere to this approach in assessing the extent of each party's claim.

As a result, international law plays a significant role in various aspects of the oil and gas industry, including both onshore and offshore oil issues, dispute resolution, and other related matters discussed above.

Conclusion.

As outlined earlier, the oil and gas industry has developed a comprehensive and intricate legal framework over time. This study explores this framework within the context of Uganda, evaluating its relevance, effectiveness, and reliability.

Analytical paragraph on the pros and cons of confidentiality clauses in oil and gas contracts, particularly within Production Sharing Agreements (PSAs):

Confidentiality clauses in Production Sharing Agreements (PSAs) play a crucial role in protecting proprietary information, trade secrets, and sensitive commercial data shared between governments and oil companies. On the positive side, these clauses help safeguard exploration techniques, financial models, and contract terms from competitors, thereby encouraging foreign investment and protecting national strategic interests. They can also prevent market speculation and political interference by limiting premature disclosure.

However, the downside is that such clauses often limit public scrutiny and accountability, especially in resource rich developing countries where transparency is essential to curb corruption and ensure equitable benefit-sharing. Excessive confidentiality can hinder civil society, oversight bodies, and even parliamentary

institutions from assessing whether deals are fair and in the public interest. The confidentiality clauses also curb informed participation in the management of natural resources. As such, while confidentiality may be commercially justified, it must be balanced with transparency obligations under international standards such as the Extractive Industries Transparency Initiative (EITI).

Corruption in the oil and gas industry poses a significant threat to the integrity and effectiveness of the decommissioning process.

In jurisdictions with weak governance structures, decommissioning funds, meant to ensure safe and environmentally sound closure of oil fields, are susceptible to misappropriation, underfunding, or outright embezzlement. When regulatory bodies are compromised or collude with operators, companies may evade their financial responsibilities or underreport liabilities, leaving the state and taxpayers to bear the burden. Corrupt procurement processes may also lead to the selection of incompetent contractors, resulting in substandard dismantling of infrastructure, environmental degradation, and long-term safety risks. Moreover, the opacity around decommissioning cost estimations creates fertile ground for inflated budgets and kickbacks. Ultimately, corruption erodes public trust, discourages responsible investment, and undermines the sustainable development goals of the host country. It is therefore imperative that decommissioning frameworks incorporate anti-corruption safeguards, independent audits, and transparent fund management mechanisms to mitigate these risks.

CHAPTER FIVE: CHALLENGES LIKELY TO BE FACED IF THE LEGAL FRAMEWORK IS NOT HARMONIZED.

Introduction.

This chapter will explore the challenges Uganda has encountered or may face if the legislation governing decommissioning in the country remains inconsistent.

Uganda has been referred to as Africa's "hottest inland exploration frontier" by the oil industry. Exploration is currently underway in the Albertine Rift, with five out of nine oil exploration blocks allocated to companies for drilling.

Recent estimates suggest that the country has around 2.5 billion barrels of recoverable oil reserves from the three blocks drilled so far.

Some estimates also suggest that Uganda's Albertine Graben may contain over six billion barrels of oil, positioning Uganda among Africa's leading oil producers. However, predicting the country's potential oil revenue is challenging due to the volatility of oil prices.

That said, if production proceeds without significant issues, Uganda's budget could see substantial growth, potentially tripling the country's revenue within six to ten years.

This surge in national income presents Uganda with a unique opportunity to reduce poverty, stimulate widespread development, and improve living standards across the country.

However, history shows that resource-rich developing countries often struggle to convert their natural wealth into lasting peace and prosperity. The concept of the

"resource curse" highlights the challenges countries face when they become overly dependent on oil and minerals, leading to various political, economic, and social issues.

A closer look at the conditions governing payments into the decommissioning fund reveals potential shortcomings in ensuring there are adequate funds for decommissioning. As previously mentioned, the Act requires payments to the fund to start under any of the following circumstances: (a) when petroleum production reaches fifty percent of the total recoverable reserves, as determined in an approved development plan, along with any subsequent reappraisal of those reserves; (b) five years prior to the expiration of the license; or (c) upon the issuance of a notice of surrender.⁵⁶

Where petroleum production has reached 50% of total recoverable reserves

In practice, where payment into the fund is triggered by "output reaching fifty percent of expected reserve recovery," the Petroleum Authority would begin withdrawing the fund from the licensee based on an estimated decommissioning cost given in the plan.⁵⁷ The deduction will continue until the full decommissioning cost has been collected or the offshore field has been fully recovered.

In the first case, the fund generated at the end of the expected recovery in the offshore oil field may not be sufficient to meet the costs of decommissioning. It is

⁵⁶ Section 113(3)

⁵⁷ E Okello, 'Comparative Study of the United Kingdom and Uganda's Decommissioning Legal Regimes on Oil and Gas installations: The Extent to which Uganda can adopt or benefit from it', LLM Dissertation, University of Birmingham, 2013, 40-44.

frequent, according to Lagenkamp, for "estimates of recoverable petroleum to fail to capture reality."⁵⁸

As a result, it's probable that the expected revenue from the field has changed significantly, making it impossible to recoup the total decommissioning cost from the remaining 50% of recoverable oil in the field.

Similarly, it is not uncommon for the predicted decommissioning costs in the decommissioning plan to fluctuate prior to decommissioning due to factors such as inflation.⁵⁹ 'Host States will tend to be apprehensive of the trigger mechanism scenario (given also the danger of inaccurate estimations),' Testa predicts.

As a result, it's possible that the fifty percent of recoverable oil in the approved offshore oil field in Lake Albert, Uganda, won't be enough to pay for decommissioning.

Further, it might be argued that the Petroleum Authority's discretionary power means that a modification of the cost could be requested if the anticipated cost no longer reflects reality.

The Petroleum Authority has the authority to "demand a new or altered decommissioning plan" at its discretion.⁶⁰

The licensee, on the other hand, is required by law to 'update the decommissioning plan... as requested by the Authority, within a reasonable time limit stipulated in

⁵⁸ D.R. Langenkamp, 'Comments on the Draft Uganda Petroleum Bill 2010' (2010)8(4) OGEL 5.

⁵⁹ D O Salawu, 'Bringing the House Down: Decommissioning Issues in Nigeria's Upstream Oil and Gas Sector' (2013)12(4) OGEL 11.

⁶⁰ The Petroleum Act, section 112(5).

the request.' When the predicted cost does not reflect reality, the Petroleum Authority might use this discretionary power to propose a change to the decommissioning plan.⁶¹ As a result, the issue of a lack of such funding for decommissioning would be avoided.

On the one hand, the likelihood of the aforementioned occurring is remote, given that the Petroleum Authority has the necessary competence to determine whether the predicted decommissioning cost will be sufficient to cover the decommissioning cost on a regular basis.

A survey by Uganda's Ministry of Energy and Mineral Development reveals that "Uganda performs poorly when assessing the fundamental requirements for building capacity in the oil industry."⁶²

In addition, Uganda's National Oil and Gas Policy admits that the Petroleum Authority has sufficient capacity in topics related to petroleum activities, notably offshore.⁶³

Given the required requirement for capacity-building by oil firms in Uganda as part of their corporate social responsibility and national content obligations, this could change.

However, evidence from African oil-producing countries with older offshore oil businesses suggests that such provisions cannot be guaranteed to be implemented by a competent regulator. As a result, there is no certainty that the Petroleum

⁶¹ N.M. Lomonaco, 'How to Finance Decommissioning in The Offshore Petroleum Industry? The Role and Importance of Decommissioning Funds' (2013) CEPMLP Annual Review - CAR Volume 16.

⁶² Ministry of Energy and Mineral Development, 'Enhancing National Participation in the Oil and Gas Industry in Uganda' (2011) VII <http://www.eisourcebook.org/cms/Feb%202014/Uganda,%20Enhancing%20National%20Petroleum%20Participation.pdf> accessed 14 January 2022.

⁶³ The National Oil and Gas Policy for Uganda 2008, 54.

Authority will have the necessary competence to review and rule on the sufficiency of such estimated decommissioning costs on a regular basis.

Unfortunately, the licensee is not obligated to change the estimated decommissioning cost if it is insufficient to support the decommissioning. A licensee is required to revise the decommissioning plan 'whenever the projected manner or costs of carrying out the decommissioning work have changed considerably as a result of new techniques for work becoming available,'⁶⁴ aside from when the Petroleum Authority requests it. This means that the licensee is not obligated to seek such a modification in every other situation, such as when a global drop in oil prices impacts the sufficiency of the predicted decommissioning cost.

As a result, there is no certainty that sufficient cash will be obtained for the decommissioning of oil infrastructure in Lake Albert if payments to the fund begin after the field has recovered 50% of its value.

Five years before the license expires

The Act stipulates that if the recovery rate does not reach fifty percent, but the license expires within five years, money will be paid into the decommissioning fund.⁶⁵

Given that a production licence has a twenty-year life period, the fact that recovery has not reached fifty percent five years before the license expires could indicate that the recoverable oil was underestimated.

⁶⁴ The Petroleum Act 112 (6) (b).

⁶⁵ Ibid

According to McGlade, 'The estimation of reserves is intrinsically imprecise since, regardless of the mathematical method utilized, data will be restricted, it will not be feasible to precisely quantify all required factors, and numerous assumptions will be required,'⁶⁶ .

As a result, it's probable that the recoverable oil is smaller than expected in such a situation.⁶⁷ As a result, there's a chance that whatever decommissioning fund is obtained from the remaining recoverable oil in the reserves won't be enough to cover the entire cost of decommissioning.

When a Notice of Surrender is Issued

A holder of a petroleum production license can surrender their license at any time during the term of the license by submitting an application to the Minister of Energy for a certificate of surrender a year in advance of the surrender.⁶⁸ The license is cancelled when the Minister issues a certificate of surrender.⁶⁹ The licensee is released from any liability arising from the offshore field after the date of surrender as a result of such cancellation.⁷⁰

Surrendering a license, on the other hand, "does not impact any liability incurred previous to the surrender." If payment to the decommissioning fund was not triggered before the surrender, it will be activated upon receipt of the notification

⁶⁶ C E Mcglade 'A Review of the Uncertainties in Estimates of Global Oil Resources' (2012) 47 Energy 264 ; Shepherd M, 'Factors Influencing Recovery From Oil and Gas Fields' in Shepherd M(eds), *Oil Field Production Geology* (AAPG Memoirs 2009) 37.

⁶⁷ Vladimir Alvarado and Eduardo Manrique, 'Enhanced Oil Recovery: An Update Review' (2010)3 Energies 1526

⁶⁸ The Petroleum Act, section 89(1)(b).

⁶⁹ Ibid, section 89(3)

⁷⁰ Ibid, section 89(7)

to surrender application.⁷¹ This means that payment must be made within a year of surrendering the license.

Can the Liability Provision compensate for the Decommissioning Fund's gaps?

'Where the decommissioning fund is insufficient to cover the implementation of the decommissioning plan, the licensee, and where applicable, the owner of the facilities, shall reimburse the costs and expenses,'.⁷²

As previously noted, the licensee's decommissioning responsibilities continue even after the license has expired or been terminated. This means that even after the license or interest has expired, the licensee or owner of the facilities (in the event of a transfer of the license or ownership of such facility) is responsible for the remaining decommissioning expenditures.

As a result, one could argue that the government can use this provision to petition a court for an order requiring the licensee or owner of the facilities to pay the remaining decommissioning costs.

On the one hand, the licensee may not have enough property in Uganda to allow the decision to be enforced. There's no guarantee that a licensee or owner who hasn't paid the full cost of decommissioning will voluntarily comply with a Ugandan court decision. If the licensee or owner of the facilities fails to comply, the government will have to enforce the judgment against the licensee's or owner's property.⁷³

⁷¹ Ibid, section 113(3)(c)

⁷² Ibid, section 113(6)

⁷³ Elau Emmanuel, 'Enforcement of civil judgements –responsible law enforcement authorities, Procedural obstacles and current issues in Uganda' (2016) 3 Librairie Africaine d'Etudes Juridiques 92.

Notably, all of the international oil corporations with petroleum licenses in Uganda are foreign firms. As a result, the assets they own in Uganda are anticipated to be sufficient to carry out their petroleum operations in Uganda. As a result, there is a possibility that the execution of judgment will be ineffective in covering the remaining decommissioning costs.

In relation to Nigeria, both the contractor and the guarantor corporate entity may not have resources or property within the Nigerian jurisdiction, so removing the possibility of recovering such decommissioning costs through a judicial judgment.

Furthermore, the Ugandan government cannot rely on future relationships with such licensees to finance the remaining costs of decommissioning.

According to Testa, in a country with large oil reserves, foreign oil firms want to keep strong connections with the government, even when decommissioning, in order to secure further licensing opportunities.⁷⁴ In this situation, a licensee would want to pay the remaining decommissioning costs because it may still have other existing licenses in the country that could be revoked, or it may still want to secure another interest, in which case being in the good graces of the government becomes very important.

Unfortunately, the Ugandan situation is unique, as "the oil deposits in Uganda are anticipated to deplete in the next 40 years, which means that the oil corporations' activities will come to an end." This estimate is based on the current rate of

⁷⁴ Peter Cameron, 'Tackling the Decommissioning Problem' (1999) 14(2) *Natural Resources & Environment* 122.

production license grants.⁷⁵ Without excluding the possibility of additional oil discoveries, this would mean that by the time of decommissioning, all feasible licenses would have been issued, and production would be nearing its end. As a result, the Ugandan government may not be able to leverage future ties to ensure that a licensee or owner of a plant pays for the remaining costs of decommissioning.

Consequences of a Potential Failure of the Petroleum Act's Decommissioning Fund Provisions

The Petroleum Act does not guarantee that adequate funding will be available for the decommissioning of offshore assets in Lake Albert. The Petroleum Act gives the government complete ownership of petroleum in Ugandan waterways.⁷⁶

The privilege granted to licensees or permission holders is merely a deviation from this ownership.⁷⁷ As a result, if the licensee or owner of the offshore facilities in Lake Albert loses interest, ownership will revert to the government, which will be responsible for funding decommissioning.

Under the Petroleum Act, 'A licensee shall keep the Government indemnified against all actions, claims, and demands that may be brought or made against the Government by reason of anything done by the licensee in the exercise or purported exercise of the licensee's rights under this Act or the license. ' In this case, the term

⁷⁵ Maurice Eneu, 'Oil decommissioning plan will save our environment' (2012) <http://www.monitor.co.ug/OpEd/Commentary/Oil-decommissioning-plan-will-save-ourenvironment/689364-610762-sgro24z/index.html> accessed 17 January 2022

⁷⁶ Anne G. Wallace, 'Natural Resource Ownership and Use Rights Under Civil, Islamic, and Customary Legal System' (2016) https://law.wm.edu/academics/intellecualife/researchcenters/postconflictjustice/documents/Wallace_naturalresource%20Ownership.pdf accessed 17 January 2022.

⁷⁷ Alidri Agatha, 'Traditional Wisdom in Land Use and Resource Management Among the Lugbara of Uganda: A Historical Perspective' (2016)1 SAGE 12.

"indemnified" was not defined in the Act.⁷⁸ Some authors, however, understand this to suggest that the licensee is required to carry insurance that will indemnify the government in the event of third-party responsibility.⁷⁹

As a result, it's likely that the Minister would demand proof of insurance from oil corporations even before they begin their operations. This insurance covers them against third-party liability. The problem with the preceding assumption is that, because such insurance is not expressly provided for in the Petroleum Act, there is no certainty that the Minister would insist on it.

As stated by Mckenna, "Since the PSAs signed by the government are not publicly accessible, we cannot definitively comment on how often such guarantees are requested. Similarly, there is no guarantee that insurance institutions will be able to give funds at a later date that is not less than twenty years after the insurance was taken out. As a result, the Ugandan government may find itself in a position where it must bear the complete or partial cost of decommissioning offshore sites in Ugandan Lake Albert.

⁷⁸ The Petroleum Act, section 181

⁷⁹ Mckenna Group, 'Conducting oil and gas activities in Uganda' (2016) 5. <https://cms.law/en/content/download/279335/6964336/version/1/file/Conducting%20Oil%20%26%20Gas%20Activities%20-%20Uganda.PDF> accessed 17 January 2022.

CHAPTER SIX: FINDINGS, RECOMMENDATIONS AND CONCLUSION

Introduction.

This chapter summarizes the findings of the research on the above-mentioned thesis. It describes the researcher's observations, results, and discoveries during the course of the investigation. It also made recommendations for removing the fear of external factors and instilling confidence in the laws in place.

Summary findings

Positive findings

The researcher was able to extract several findings from the study in respect to Uganda's legal framework in the Oil and Gas sector. The study also discovered new information about the international structure that governs oil and gas, as well as how the two interact.

First, the researcher noted that Uganda's oil and gas rules are well-defined. Upstream, midstream, and downstream are the three stages of the oil and gas production process. Ugandan laws attempt to offer and accommodate all these stages through statute law, and it is well drafted to cater for most of the essential aspects of oil and gas, such as pollution and decommissioning, etc.

Secondly, Uganda's oil and gas laws are well-organized, with the constitution, as the highest legal authority, sitting at the top. The parliament and relevant ministers then passed a number of laws to oversee the sector's functioning. Uganda has prepared sample agreements that prospective contractual parties can consult for guidance on what terms are favourable and acceptable to the government as well

as the population. The IFIs have also established a structure before they can fund oil corporations to collect minerals. Finally, there is the issue of international law as it pertains to oil and gas.

Potential threats

Despite the fact that Uganda has much to be proud of, the researcher worries that the threats are slightly greater. According to the findings of the study, if the appropriate steps are not taken, Ugandans may face difficulties.

To begin with, the fear of a resource curse is becoming increasingly real. As the researcher previously stated, a resource curse occurs when a country fails to benefit from its abundant natural resources.

The resource curse will become the ultimate scourge for Uganda's economy as a result of mismanagement. We stand a good possibility of never benefiting from the resource if the country chooses to take on a more debt based approach on the belief that the oil reserves will readily pay off. When a non-renewable resource is mismanaged indefinitely, the country will be in a worse situation than when it was discovered.

The phrase "Dutch sickness" was popularised by The Economist magazine in 1977 when it examined a situation in the Netherlands following the discovery of enormous natural gas supplies in the North Sea in 1959. The value of the Dutch guilder rose dramatically as a result of the sudden wealth and enormous oil exports, making Dutch exports of all non-oil products less competitive on the global market. Unemployment increased from 1.1 per cent to 5.1 per cent, while capital investment fell.

The term "Dutch sickness" has become popular in economic circles to describe the paradoxical scenario in which seemingly good news, such as the discovery of enormous oil reserves, has a negative influence on a country's overall economy.

The term arises from the discovery of oil, and this effect is commonly linked to oil and gas finds. Uganda has the opportunity to make the right decisions to avoid repeating the same path taken by other nations.

Another immediate threat to the oil and gas sector's growth is corruption. Uganda is well-known for having anti-corruption legislation, and this is undeniable. However, there is a question about how this law will be implemented. Corruption and embezzlement of cash intended for various communities have plagued Uganda in the past. As a result, while the oil and gas sector has the potential to significantly boost the economy, there is no guarantee that the wealth generated will benefit Ugandans if the persistent issue of corruption continues to affect the country's leadership. Illicit Financial Flows (IFFs) represent a major risk. Defined by the Organization for Economic Cooperation and Development (OECD), IFFs involve various strategies and practices designed to illegally transfer financial resources out of a country, violating both national and international laws. This includes all methods, whether strictly illegal or not. Corruption could lead to funds being siphoned from the oil and gas sector and moved to tax havens, avoiding taxation by the country.

It is crucial to highlight that Uganda's weak political institutions and lack of political will play a key role in facilitating illicit financial outflows. Without strong political commitment, practices that encourage IFFs, such as tax evasion, transfer pricing, and bribery, are likely to persist.

At present, the implementation of the law is lacking. Uganda has well-structured and comprehensive laws, as mentioned earlier. However, previous attempts to enforce these laws have failed. The rule of law is not highly valued in Ugandan politics, raising concerns that the implementation of oil and gas regulations will suffer the same fate. The difference now is that such failures could have immediate and long-lasting negative effects on both the population and the environment.

Another risk is inefficient budgeting. Recently, there has been considerable criticism regarding how Uganda allocates its resources amid significant challenges. If not addressed, poor budgeting could create conditions for the oil curse or Dutch disease. Given the potential of the oil sector to fund the national budget in the coming years, careful budgeting is essential.

The dissemination of information to citizens also poses a risk. In a democratic society, leaders must be transparent and keep the public informed. Citizens need to understand what is happening within the oil and gas sector. This shouldn't be limited to releasing technical reports that only a few experts can comprehend. To ensure communities can engage with the information, it must be communicated in a way that is accessible. Involving the public in decision-making processes will build trust in leadership.

Long-term strategic planning is crucial, and without it, there is a risk of failing to maximise the potential of the resource. The country must be capable of predicting the possible benefits of various ventures and determining the best course of action. This approach will help safeguard the country from making harmful decisions and ensure the long-term success of the sector.

There is also a concern that the decommissioning fund could be diverted for purposes other than its intended use. The fund is meant to be set aside before oil drilling begins, ensuring that the licensee is responsible for cleaning up after their operations. These funds are then handed over to the relevant authorities. If Uganda decides to repurpose this money for other needs and it is unavailable when the time comes for decommissioning, it could lead to significant environmental and social consequences for the local communities that will inhabit the area once the drilling ends.

Another issue is the lack of agreement from the local communities for much of the work done so far. Permission should never be based on unfulfilled promises. It must be free, prior, and informed consent, meaning that the licensee is required to first inform local communities about the planned activities so they can freely agree. Compensation is another critical issue that must be strictly adhered to and should be provided before the land is taken over.

Recommendations

Resource-dependent countries with low socioeconomic development often fail to fully benefit from their natural wealth. These nations typically experience slow economic growth and, in some cases, are caught up in violent conflicts. For example, countries like Chad, the Democratic Republic of Congo, Guinea, and Mauritania have some of the lowest per capita incomes globally, with natural resource exports making up almost 90% of their total exports.

The root causes of economic failure and conflict are often attributed to unaccountable and mismanaged institutions, combined with the discovery of natural

wealth. Empirical evidence shows a strong correlation between dependence on natural resources and poor economic growth, a phenomenon commonly known as the "resource curse."

Governments can more easily conceal extractive revenues and expenditures when citizens lack a sense of public ownership over state resources. Moreover, when extraction companies pay taxes directly to the state, citizens have little oversight or influence over the flow of revenue. This lack of transparency and public ownership fosters a lack of accountability and enables illicit financial flows out of the extractive sector.

To address this, public disclosure should be mandated, and several multi-stakeholder initiatives should be established to encourage transparency. These initiatives should create platforms for public debate, empower civil society organizations to use the available information, and engage with the government to enhance accountability and transparency, ultimately leading to better development outcomes.

Legislators have the potential to play a significant role in governing the extractive industries by ensuring public access to extraction contracts, overseeing compliance with these contracts and laws, amending and ratifying relevant legislation, monitoring the performance of government bodies responsible for managing the extractive sector, and managing public expectations while representing the interests of their constituents.

Moreover, as more data about the extractive sectors becomes publicly available, the role of the media, particularly investigative journalism, is increasingly recognized as a vital part of promoting transparency and accountability.

The combination of a lack of transparency and accountability, along with Illicit Financial Flows, results in the loss of critical resources that could fund public initiatives and vital investments, especially in the context of a global pandemic.

For developing nations, particularly in the East African region, this loss can translate into millions of dollars in foregone tax revenues, which could have been used to support sustainable economic growth, job creation, poverty alleviation, and climate change mitigation, among other priorities.

With billions of dollars expected to be illicitly transferred out of developing countries each year, efforts to mobilize additional domestic resources to achieve globally approved Sustainable Development Goals (SDGs) are severely hindered. Therefore, it is crucial to emphasize transparency to ensure that the funds currently being lost in the extractives sector remain within the country.

Conclusion.

The blessing of having a valuable resource like oil and gas must be cherished and exploited carefully for future generations' benefit. There have been numerous instances around the world where countries gifted with oil have become the least developed because of the curse that comes with it. Uganda must be prepared to carry out all the rules it has enacted to the letter to ensure that our country's development is sustainable.

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Appendix - Post Viva Voca Form



UGANDA CHRISTIAN UNIVERSITY

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DISSERTATION CORRECTION COMPLIANCE REPORT BY THE CANDIDATE (POST VIVA FORM)

Date:06th June 2025.....

Name of Candidate:SUSAN BATUUKA KAGGWA.....Reg. No:RM19M23/002

Title of Dissertation EVALUATING THE EFFICACY OF UGANDA'S LAW ON DECOMMISSIONING IN THE OIL AND GAS SECTOR

SN	COMMENTS BY EXTERNAL EXAMINER	ACTION TAKEN	INDICATOR
1	The student's name should be clearly displayed on the front page of the document.	The name and registration number have been inserted.	Cover page

2	An abstract should be included, offering a brief summary of the research and its objectives.	The abstract has been inserted	Page xii
3	In the introductory chapter, particularly in the background of the study, make sure to relate the topic of decommissioning to the current Ugandan context and experience.	The text under the history and background has been edited accordingly.	Page 6,7, and 8
4	The main objective of your study should focus on analyzing the effectiveness of Uganda's current laws as they pertain to decommissioning.	This has been considered throughout the paper and the text under the main objective has been amended.	Page 10
5	The research questions should be reworded to explicitly address the effectiveness of the laws concerning decommissioning in Uganda.	The research question has been reworded.	Page 10
6	You have made a commendable effort to review scholarly work on decommissioning in Chapter Two. However, this chapter would benefit from being more critical and analytical. Rather than simply summarising the works of other authors, you should engage with the literature, critically analysing it and linking it directly to your research topic.	More text and deeper analysis on the works of the authors has been done and additional details provided.	Pages 13 to 42 have been edited.

7	The methodology chapter includes relevant information but consider starting the chapter with a clear outline of the research methods used before moving on to the discussion of the theoretical frameworks.	The methodology chapter has been edited to align with the recommendations from the external examiner.	Pages 43 to 46 have been edited.
8	In Chapter Four, the focus should be on analyzing the effectiveness of the laws you have identified with regard to decommissioning. Chapter Five offers a good discussion, though further refinement could improve its focus.	The proposed edits have been incorporated	Pages 49 to Page 71
9.	Overall, the research demonstrates a solid understanding of the legal framework surrounding decommissioning, with a clear appreciation for the relevant literature and scholarly work. The work is well-cited with appropriate references. However, the research would benefit from a more critical and analytical approach to deepen the analysis and provide more insight.	Edits have been incorporated throughout the paper to beef up the critical analysis.	

SN	COMMENTS BY INTERNAL EXAMINER	ACTION TAKEN	INDICATOR
1	Ensure you align the table of contents to the page number for ease of reading. The page numbers indicated under the table of contents should correspond to the page number where the text is stated.	This has been aligned throughout the document	Table of contents at page v,vi,vii,viii and ix.
2	Read through the paper and ensure there are no grammatical errors.	A review of the document was done, and all grammatical errors were corrected.	Incorporated throughout the document.

SN	COMMENTS BY VIVA VOCE PANEL	ACTION TAKEN	INDICATOR
1	Be deliberate in assessing the legal framework in relation to the objectives.	This has been done and throughout the paper the relation between the legal framework and the objectives has been reflected.	Page 10 and chapter at pages 42 to 62.
2	Show the criteria used to select the case study and justification.	A new paragraph at page 8 has been inserted to cater for this.	Pages 8 and 9 have been edited.
3	Include a paragraph on the pros and cons of confidentiality clauses under the oil and gas contracts, especially the production sharing agreements.	A clause on the pros and cons has been incorporated into the paper.	Page 61 and 62
4	Add a small a write-up about corruption in the industry and the effect it will have on the decommissioning process or fund.	A write up about the corruption in the industry and its effect has been incorporated into the paper.	Page 62

5	Thoroughly address all the shared comments, share with your supervisor and proceed to the submission stage	The comments were incorporated into the paper and subsequently submitted to the supervisor, who approved the edits and guided that the final copy be submitted to the institute.	
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SUSAN BATUUKA KAGGWA

Candidate's Name

Signature

DR. ISAAC CHRISTOPHER LUBOGO

Supervisor's Name

Signature