INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

FACULTY OF LAW

END OF SEMESTER EXAMINATIONS - DECEMBER 2025

PROGRAMME: LLB
YEAR/SEM: YEAR 4/SEMESTER 1
COURSE CODE: LLB 4113
NAME: FUNDAMENTALS OF PETROLEUM LAW AND PRACTICE IN UGANDA

DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

INSTRUCTIONS 1.This is a partially open book examination. Students are allowed to carry into the exam r oom i)The Petroleum (Exploration Development and Production) Act 2013 ii)Petroleum (Refining, Conversion, Transmission, and Midstream Storage) Act, 2013 iii)The Uganda Public Finance Management Act, 2015 iv)National Content Regulations i.e upstream and midstream 2.Answer FOUR (4) questions in total. QUESTION ONE IN SECTION A IS COMPULSORY. 3.Attempt other THREE questions from other sections with at least one number from each of the sections. Each question carries 25 marks. Answer ALL parts of the question.

Question 1:

QUESTION (COMPULSORY)

In 2014, the Government of Luhanga discovered significant petroleum reserves in the Kitala Basin, an area historically occupied by the Ngori people, a pastoralist community living under customary tenure. The land is neither titled nor surveyed, but the Ngori have occupied, used, and culturally identified with the land for generations.

The government enters into a Production Sharing Agreement (PSA) with MegaOil Ltd, a multinational petroleum company. The PSA is concluded without parliamentary approval, contrary to constitutional procedures, and is kept confidential, denying the public access to essential information. Acting on a presidential directive, the Ministry of Energy issues a petroleum exploration licence and orders the Ngori to vacate parts of their ancestral grazing lands. Although the Ngori are promised compensation, no valuation, consultation, or participatory process is conducted.

MegaOil begins operations and:

- Clears over 2,500 hectares of community land without conducting an Environmental and Social Impact Assessment (ESIA) that meaningfully involves the Ngori or respects their right to participate in environmental decision-making.
- Blocks traditional access routes to water sources and grazing territories essential for pastoral livelihoods.
- Employs private security forces who intimidate and arrest community members resisting eviction.

Pollutes the Nseru River through the discharge of oil-based drilling muds, posing risks to health, water, and the environment.

- Establishes exclusion zones around cultural and ancestral burial grounds, limiting access to cultural heritage sites.

Supported by a coalition of civil society organisations, the Ngori petition the High Court, alleging that the State and MegaOil have violated their fundamental human rights. They further argue that the PSA violates constitutional principles on public trust, natural resource governance, Parliamentary oversight, and environmental stewardship. The eviction, conducted without compensation, consultation, or procedural safeguards, contravenes domestic constitutional provisions and international human rights standards.

The Government responds that:

- Petroleum resources belong to the State and may be compulsorily acquired for public benefit.
- Customary land rights are not enforceable unless titled.
- National development, foreign investment, and petroleum exploitation take precedence over traditional land uses.
- The Ngori possess no legal or proprietary interests over sub-soil resources or resource management decisions.

Using relevant domestic, regional, and international legal authorities:

1. Identify and assess the constitutional and human rights that may have been violated. (13 marks)

2. Discuss the State's obligations under both domestic and international human rights law in the context of petroleum development, land acquisition, and protection of vulnerable communities. (5 marks)

3. Discuss landmark cases i.e domestic, regional, and international that have developed or clarified human rights standards in the petroleum industry. (7 marks)

Question 2:

QUESTION (COMPULSORY)

In 2013, the Republic of Kimeja discovered substantial petroleum reserves in the Mavuno Valley. The valley is inhabited by the Oteka Indigenous Community, who depend on communal land for cattle grazing, crop cultivation, and access to sacred cultural and ancestral sites located near the proposed drilling blocks. The Oteka hold the land under customary tenure, although it is neither titled nor formally registered.

The Government of Kimeja signs a Production Sharing Agreement (PSA) with GlobalPetro Inc., a multinational oil company, granting the company exclusive exploration and production rights for 25 years. The PSA is withheld from public scrutiny on grounds of “national security” and “commercial confidentiality,” limiting the community’s access to information essential for participation in decision-making processes concerning their land.

Before operations begin, GlobalPetro:

- Conducts a rapid ESIA over a two-week period without meaningful participation of the Oteka Community, undermining their right to participate in environmental and developmental decision-making.
- Fences off large areas of communal land, restricting access to water points, grazing areas, and agricultural fields vital for the community’s livelihood and subsistence.
- Carries out seismic surveys at night, generating disruptive noise and vibrations affecting community health, well-being, and livestock.
- Deploys private security personnel who threaten and intimidate community members protesting the loss of land and access rights.

As petroleum operations progress:

- Several households report forced evictions without prompt, fair, and adequate compensation, affecting their property and land rights and their right to development and self-determination over ancestral territory.

Local women report sexual harassment and abuse by subcontracted workers, raising concerns about violations of health, dignity, and bodily integrity.

- Oil spills contaminate the Mavuno River, causing livestock deaths, crop damage, and waterborne diseases, thereby compromising the community's right to health and right to a clean and healthy environment.
- Government authorities fail to investigate or take corrective action despite multiple complaints submitted by community leaders, NGOs, and local health workers.

Civil society organisations file a petition before the High Court on behalf of the Oteka Community. They allege that the petroleum operations and the State's failure to regulate, supervise, and enforce environmental and human rights protections, have violated multiple constitutional and international human rights obligations. The Government argues that petroleum is a national resource held in trust for all citizens, and that temporary restrictions on community land are necessary for national development and economic transformation. It further claims that customary tenure lacks enforceability without formal registration and that security and confidentiality concerns justify withholding the PSA.

Using relevant legal principles, statutes, and human rights instruments (domestic, regional, and international):

1. Identify and Assess the human rights affected by petroleum activities in Mavuno Valley. (13 marks)

2. Discuss the nature and scope of the State's obligations in the context of petroleum development, land acquisition, and environmental governance. (5 marks)

3. Examine the landmark regional, international, and national cases that have clarified or developed human rights standards applicable to the petroleum industry. (7 marks)

SECTION B

Attempt atleast One Question from section B

Question 1:

"Critically examine the theories of ownership of petroleum resources and assess how they have influenced Uganda's legal and policy framework on petroleum. To what extent does Uganda's ownership model promote national interests such as sovereignty, economic development, and investor confidence?"

Question 2:

"State A has recently discovered oil and is drafting legislation for petroleum revenue management ". Using Uganda as accase study advise the government on:

1. The different models of revenue collection and allocation
2. The Measures and institutions Uganda has put in place to safeguard revenues for future generations.

Question 3:

Company X engages in petroleum operations without a valid license, fails to submit mandatory reports, and intentionally spills crude oil into a protected wetland. Advise the Director of Petroleum on possible offences, applicable penalties, and enforcement mechanisms under Ugandan law.

Question 4:

write short notes on the following:

1. Petroleum law and Contract law
2. Petroleum law and Administrative law
3. Petroleum law and Environmental Law

SECTION C

Attempt atleast one Question from Section C

Question 1:

Critically discuss the concepts of state participation and national content in the petroleum industry, highlighting their objectives, theoretical underpinnings, and practical implications for host countries.

Question 2:

Examine the legal and institutional framework governing Uganda’s petroleum industry, and evaluate how it supports or hinders sustainable development.

Question 3:

Examine the health and safety requirements in Uganda’s petroleum sector, and evaluate how enforcement mechanisms protect workers, communities, and the environment.

Question 4:

Critically discuss the licensing regime under Uganda’s Petroleum (Exploration, Development and Production) Act, highlighting the types of licenses, the general requirements and the powers of the regulatory authorities.

Question 5:

Critically analyse the types of petroleum contracts commonly used in the petroleum industry and discuss their advantages and disadvantages.