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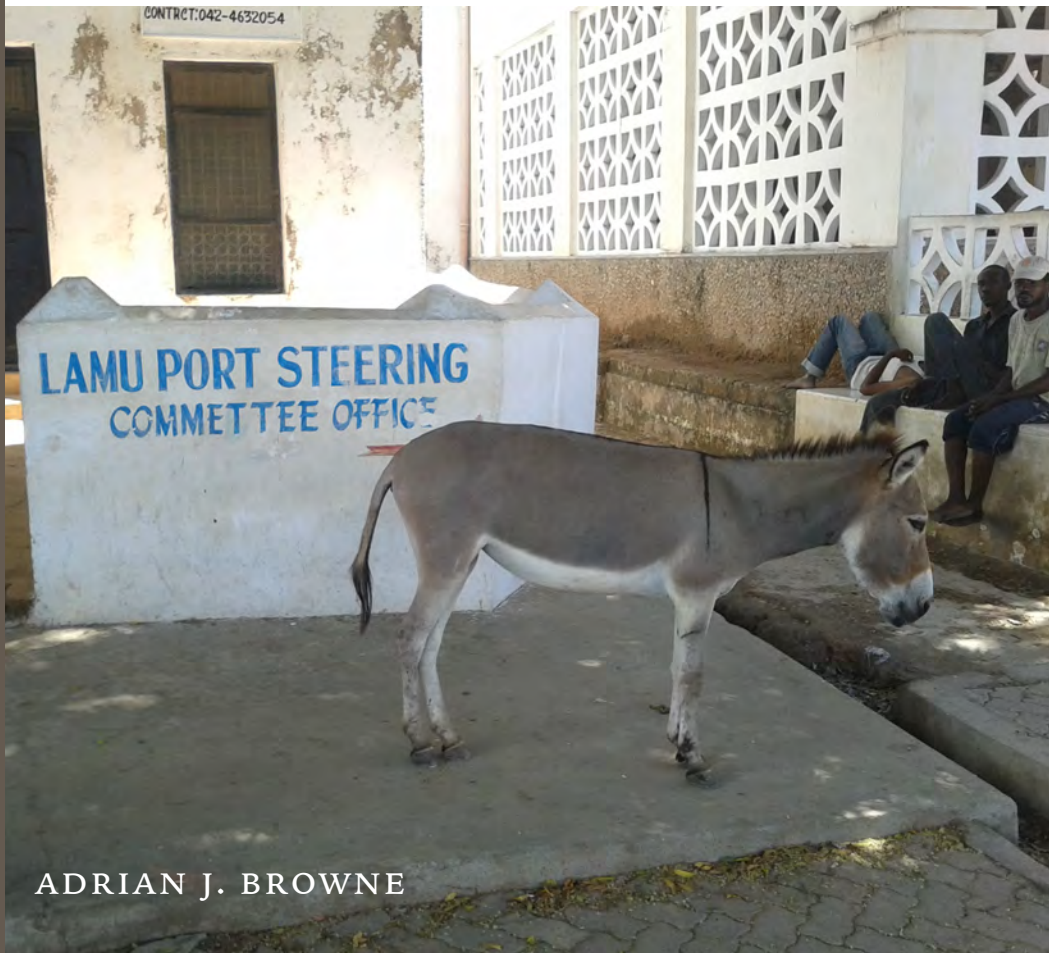
LAPSSET

The history and politics of an eastern African megaproject



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COVER: A donkey stands in front of the sign to the Lamu Port Steering Committee office on the seafront in Lamu Old Town.

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Map 1. *Eastern Africa, showing the proposed LAPSSET corridor*

Summary

In its original and most ambitious imagined form, the Lamu Port–South Sudan–Ethiopia Transport (LAPSSET) corridor project would be transformative, enormously expensive, and very invasive, linking a major new port development on Kenya's Indian Ocean coast to South Sudan and Ethiopia with an oil pipeline, railway and highway. Current circumstances make it unlikely that the pipeline will reach South Sudan or that the railway will be completed within this decade. The development of a new transport corridor in Kenya has long been a project in search of a rationale. It may have found one in the form of Kenyan and Ugandan crude oil—even without some reliance on oil from South Sudan, where civil strife continues.

However, the dramatic fall in international oil prices and increasing insecurity in northern Kenya since mid-2014 have prompted an interrogation of LAPSSET's current rationale. Nonetheless, it is still possible that, early in the next decade, Kenyan crude oil will be carried from Lokichar for export through Lamu Port. A highway continuing to South Sudan along the same route may be built, linking to a spur from Isiolo to Ethiopia, which is already near completion. Another pipeline from western Uganda may also be constructed, bringing Ugandan oil to Lamu for export via the planned Kenyan pipeline infrastructure. However, Uganda's commitment to this particular regional petroleum export configuration has been far from steady.

The path to regional integration in eastern Africa has never been straightforward. Despite recent rhetoric on cooperation, rivalries between Kenya and Uganda run deep and are likely to be laid bare as negotiations proceed over pipeline transit fees to be charged by Kenya. Significant questions also remain unanswered about financing any of these more limited versions of LAPSSET, as original plans presupposed a significant contribution from South Sudan. While some World Bank funds are earmarked for an eastern African regional pipeline, external investment has otherwise proved elusive. Moreover, the Kenyan and

Ugandan governments are currently struggling to realize a multitude of infrastructural ambitions, straining treasury resources. Concurrently, increasing security concerns in Kenya, along with South Sudan's civil strife, are further deterrents to most potential investors.

Since the idea of this large-scale infrastructure development first emerged in the public domain in the mid-to-late 2000s, delays in project implementation and a perceived lack of local consultation have given rise to misgivings over Kenyan government intentions. Confused and sometimes contradictory announcements have fuelled public anxiety over land grabbing and the wider impact of the project, which has both exacerbated existing inter and intra-communal tensions and created new ones. Optimism regarding the project's potential socio-economic benefits is mixed with concerns over its possible adverse effects on livelihoods and environments. This is intensified by uncertainties over outstanding land reform issues and the recent process of devolution in Kenya, with the new county governments under strain to meet popular expectations. In this context, local and national activist organisations are increasingly voluble.

The Kenyan government is caught in a bind. From the perspective of some state officials, the search for private capital demands bullish statements about LAPSSET. These tend to conceal the project's uncertain status from both potential investors and the Kenyan public. A broader participatory process is impeded by government inability to take decisions—or acknowledge indecision and challenges—regarding the route, sequencing, timeline, and nature of the project.

Although the fall in oil prices and inter-governmental differences have checked the progress of the project, it remains possible that the current phase of delay will give way to an urgent rush to build a pipeline and roads, particularly if and when global oil prices undergo a sustained rise. A rushed project would be entirely inimical to the need to give proper attention to environmental, political, social and economic considerations, such as the careful mapping of migratory and grazing patterns in areas affected by LAPSSET and more transparent efforts to establish land ownership.

1. Introduction

According to official claims, the proposed Lamu Port–South Sudan–Ethiopia Transport (LAPSSET) corridor, spearheaded by the Kenyan government, will, based on 'conservative feasibility statistics…inject between 2% and 3% of GDP into the [Kenyan] economy'.[1] Officials further estimate that LAPSSET might even yield higher growth rates 'of between 8% to 10% of GDP when generated and attracted investments finally come on board'.[2]

These claims lie behind the project slogan: 'Building Africa's Transformative and Game Changer Infrastructure to Deliver a Just and Prosperous Kenya'. A key component of Kenya's Vision 2030 strategy, LAPSSET echoes the modernist developmental approach of African governments in the 1960s but differs from the infrastructural visions of the past in both its magnitude and rationale. The plan involves an ambitious array of components across a vast tract of the Horn of Africa. Moreover, in presentations to potential investors around the world, LAPSSET has been marketed as the first section of a colossal, continent-wide Great Equatorial Land Bridge via Juba and Bangui to Douala on Cameroon's Atlantic coast. At the core of LAPSSET is petroleum. The project logo depicts a gigantic drop of crude oil above the mast of a Lamu *dhow* as the sun rises over the Indian Ocean in the background.

The LAPSSET project has complex origins. The port at Lamu and the pipeline from Southern Sudan to the Kenyan coast appear to have been proposed separately in the 1970s. Only decades later did these different elements come together under the banner of LAPSSET, a project which draws its momentum from multiple sources—from regional power relations; from Kenyan politics; from a vision for integrated regional development; and from contractors and speculators who see it as an opportunity to derive private wealth from public investment.

1 LCDA, 'Profile'.

2 LCDA, 'Profile'.

Integral to the detailed plans formulated in 2010–2011 was an oil export pipeline from South Sudan to a 32-berth free port and a merchant refinery at Lamu, from which a pipeline would run to Ethiopia. These pipelines were to be accompanied by highways and standard gauge railways carrying both passenger and cargo trains. Three new international airports and Dubai-like resort cities were proposed for Isiolo, Lake Turkana and Lamu. A series of development zones were envisaged along the corridor: special economic zones, export processing zones and agricultural growth zones. According to the plan, LAPSSET would serve to relieve the existing overburdened Northern Corridor running from Mombasa via Nairobi to Uganda.[3]

In March 2012, Mwai Kibaki, then President of Kenya, was joined by South Sudan's President Salva Kiir and the late Meles Zenawi, then Prime Minister of Ethiopia, for the launch of LAPSSET at the site of the project's proposed port in Kililana, Lamu County, Kenya. More than three years later, progress towards realizing this grand vision remains modest. Yet officials continue to offer descriptions of the project that verge on hyperbole, with PowerPoint presentations featuring statistical projections and computer-generated images of LAPSSET's yet-to-be-built infrastructure.[4] Questions about the timetable, finance, and the commitment of Kenya's regional partners have long tended to be deflected with expansive accounts of what has been achieved so far, along with lists of what could be achieved through private sector investment.[5]

Long before the ground-breaking ceremony in 2012, the planning and implementation of this project faced what some considered to be insurmountable political, technical, financial and security obstacles. The maximal LAPSSET corridor demands investment on a scale without

3 The Central Corridor runs from Dar es Salaam to Kampala. The Southern Corridor runs from Dar es Salaam to Zambia.

4 PKF in Eastern Africa, 'LAPSSET Corridor Program', 12 June 2015.

5 Kenya Citizen TV, 'Power Breakfast Interview: The Lamu Port Project', YouTube, 30 April 2014; Africa Investor, 'Silvester Kasuku, DG/CEO, LAPSSET Corridor Development Authority – Ai CEO Infrastructure Summit 2015', interview with Barbara Samuels, YouTube, 21 July 2015.

precedent in the history of the region—USD 24–30 billion.[6] The project has been seen as an example of an infrastructural renaissance in Africa, with the sources of international investment and governance for such megaprojects coming from both the East and the West.[7] But funding—whether private or public from any global pole—has not been forthcoming on the scale necessary to push this project forward.

LAPSSET was originally predicated on the export of South Sudan's oil through Kenya. From the outset, however, many doubted the economics of—and Juba's dedication to—such an undertaking. The civil conflict that erupted in South Sudan at the end of 2013 has cast further doubt on South Sudanese cooperation. A different configuration of LAPSSET has now emerged, focused solely on the pipeline and less dependent on Juba's involvement. Oil discoveries in north-western Kenya and western Uganda offer a strong rationale for an export pipeline, albeit on a smaller scale. This new partnership, however, brings new challenges for regional cooperation and coordination.

In short, LAPSSET is a major infrastructure project, the size, shape and timing of which remain very uncertain. The development challenge of any version of LAPSSET—whether the grand scheme outlined in PowerPoint presentations or a more modest pipeline, port and roads—will be to realize its transformative potential while safeguarding the environment and the rights and livelihoods of those whose lands the project would cross.

This challenge is a significant one. As imagined in the original maximal LAPSSET plan, the corridor, with its mostly parallel pipeline, highway and railway, was to be some 200 metres across. This includes a 100 metre right-of-way for the two-way single carriageway road, 60 metres

6 Isaac Mwangi, 'Kenya hopes to spur investment as LAPSSET project unfolds', *AFK Insider,* 3 October 2013.

7 Mark Lamont, 'The road to Sudan, a pipe dream? Kenya's new infrastructural dispensation in a multipolar world', in *African Dynamics in a Multipolar World*, eds. Ulf Engel and Manuel João Ramos, Leiden: Brill, 2013, 154–55.

for the railway, 30 metres for the oil pipeline, and 10 metres for utilities.[8] More recent presentations from LAPSSET officials indicate that current plans envisage a much wider footprint for the corridor within Kenya: a 500 metre-wide inner corridor, including 150 metres on either side of the infrastructure to provide scope for expansion. The inner corridor would be at the core of a 100 km-wide economic corridor for industrial parks, mechanized industrialized farms, and cities, towns and real estate development.[9]

In Kenya, LAPSSET's inner corridor alone would cut across nine counties. It would traverse a vast region of great physical, socio-cultural, and economic diversity, and run through or near sites renowned for their cultural and/or natural heritage, such as the Lamu Archipelago and Marsabit National Park. It would draw investment and increased government presence into areas that have been on the economic and political fringes of the state since the colonial period—northern Kenya's arid and semi-arid lands (ASALs). While in some of these areas mixed farming, agro-pastoralism and fishing are practised, the vast majority of communities along LAPSSET's path are primarily pastoralist. The corridor may offer new economic opportunities in terms of employment and entrepreneurship but the project would also affect land use and livelihoods, in some cases exacerbating local tensions or giving rise to new ones.

Land is an emotive subject in Kenya. Along the proposed LAPSSET corridor, there is suspicion that a lack of secure land rights is being exploited in an unprecedented scramble for land. Though people in the counties that would be affected by LAPSSET are far from united in their sentiments about the project, there has been considerable local concern over its possible effects.[10] Such concerns are complicated by the implementation of the new Kenyan constitution, which has created a heady

8 Japan Port Consultants (JPC), 'LAPSSET Corridor and New Lamu Port Feasibility Study and Master Plans', 15 May 2011.

9 PKF, 'LAPSSET Corridor Program'.

10 Ridwan Laher, 'Resisting development in Kenya's Lamu District: a postcolonial reading', Policy Brief no. 48, Africa Institute of South Africa, 2011.

atmosphere of heightened hope and fear. There is confusion over the relationship between the national government and the newly formed county governments seeking to be involved in LAPSSET's implementation within their jurisdictions.

LAPSSET would, therefore, have a significant impact on a large number and variety of interests: governmental, non-governmental, local, regional and international. At present, however, very little information about its history and politics is publicly available, contributing further to the ambiguity and speculation that surrounds the project. This report aims to redress this lack of information on the historical and political context from which LAPSSET has emerged. It is based on two primary sources of information: 40 key informant interviews,[11] conducted in Kenya's Isiolo, Lamu and Lodwar counties—three LAPSSET nodes—and Nairobi, and an extensive review of national, regional, and international media reports, government and oil company reports and presentations, academic studies and grey literature. The general approach to this material is narrative and descriptive, offering an overview of key events and stakeholders.

The first section of this report consists of a chronology and synthesis of available information on events and developments relevant to the emergence of LAPSSET. The second section maps the diverse interests of key LAPSSET actors—insofar as this tangled web can be aggregated into homogeneous categories—and includes references to various current configurations of the project. Although the maximal LAPSSET corridor would pass through several countries, primary attention here is given to Kenya because it has been and remains the strongest proponent of the project and much of the infrastructure would be located on its territory.

11 These interviews were conducted between March and April 2014 on condition of anonymity.

2. Port and pipe dreams (1970–2005)

Under British rule, northern Kenya was treated as a buffer zone between the arable highlands to the south, and Sudan, Ethiopia and Somalia to the north. At independence in 1963, and for decades afterwards, a lack of funding and political will meant that the consequent infrastructural deficit went unaddressed as the government directed investments where it was thought they would yield the largest increase in net output. This rationale favoured areas 'having abundant natural resources, good land and rainfall, transport and power facilities, and people receptive to and active in development'.[12] In the eyes of the government, northern Kenya did not meet these criteria.

The various components of LAPSSET took a long time to coalesce on paper. Proposals for a large deep-water free port at Manda Bay in Lamu first started to receive serious official consideration some 45 years ago, predating by several years the idea of a crude oil export pipeline from then Southern Sudan. When Mombasa, Kenya's only deep-water port, started to experience congestion, the idea of a second port came under discussion and Lamu was seen as a possible site. The few jetties at Lamu harbour, a small inlet between Lamu and the Manda islands, constituted the only place outside Mombasa in use as a maritime trading port. In a debate over the Kenyan government's five-year development plan in 1970, the Member of Parliament for Lamu declared that 'the only thing we can do to save Lamu from dying day and night is to establish a second port at Lamu'.[13]

Starting in late 1973, hopes of resurrecting Lamu received temporary encouragement from the Kenyan administration. Following an interim report on possible port development sites by Geneva-based consulting engineers Renardet-Sauti the previous year, Manda Bay was selected

12 Government of the Republic of Kenya, 'Sessional Paper no.1: African socialism and its application to planning in Kenya', Nairobi: Government Printer, 1965, 46.

13 Government of the Republic of Kenya, 'Kenya National Assembly Official Record', Nairobi: Government Printer, 1149–1151, cited in Lamont, 'The road to Sudan', 164–5.

for further studies based on long-term economic and political reasons. Site investigations were completed in 1975, with the master plan and first-phase port development report submitted by Renardet-Sauti that same year.

With its deep sheltered harbour and extensive areas of level land, the consultants saw Manda Bay as rich with potential. They stressed, however, that constructing a new port at this site, with its limited hinterland and poor road communications, 'could not be justified on a strictly economic basis'. Instead it had 'to be considered as a long-term national asset' that would require investment in a road and railway to Nairobi, along with investment in the livestock, fishery, agricultural, and petrochemical industries.[14] Knowing that there was room for improvement in the capacity and efficiency of Mombasa Port, the government instead invested significant funds there in 1979.[15] The Manda Bay port concept was shelved, although officials continued to assert that it was still under consideration.[16]

A crude oil pipeline to the Kenyan coast from Sudan was first mooted in the late 1970s following early indications of oil in Bentiu, during exploration by US-based Chevron Corporation. The Kenyan route was favoured both by many Southern Sudanese and by Tiny Rowlands' Lonrho conglomerate, which later became a financial backer of the Sudan People's Liberation Movement (SPLA).[17] It seems that at this stage, Mombasa, not Lamu, was envisaged as the pipeline terminus. But Sudanese president Gaafar Nimeiri's government, anxious to ensure Khartoum's control of oil revenues, preferred to construct a pipeline northwards to Port Sudan on the Red Sea. Since that route was shorter and less challenging from an

14 Renardet-Sauti, *Manda Bay Port: feasibility study of Kenya's second port*, Nairobi: Ministry of Power and Communications, 1977, i-iii, 1–3, 11, 15–18.

15 Brian S. Hoyle, *Seaports and development: the experience of Kenya and Tanzania,* New York & London: Gordon and Breach, 1983, 234–236.

16 Government of the Republic of Kenya, 'Kenya National Assembly Official Record', Nairobi: Government Printer, 1981, 1551; Government of the Republic of Kenya, 'Kenya National Assembly Official Record', Nairobi: Government Printer, 1984, 993–994.

17 Douglas H. Johnson, *The Root Causes of Sudan's Civil Wars,* Oxford: James Currey, 2011, 46.

engineering perspective, it also suited Chevron. Oil exploitation in Sudan was delayed by the resumption of hostilities in 1983. Long after Nimeiri had fallen from power and Chevron had exited Sudan, the pipeline was eventually completed with Chinese funding, becoming operational in mid-1999.[18] As expected, oil proved a major asset for the Khartoum government in the civil war that continued until 2005. Within Southern Sudan, however, the notion of an alternative pipeline and export terminal was kept alive during these years.

18 Luke Patey, *The New Kings of Crude*: *China, India, and the global struggle for oil in Sudan and South Sudan,* London: Hurst & Company, 2014, 34, 101–110.

3. The corridor to nowhere: From ROOLA to LADJUKI to LAPSSET (2005–2013)

After the 2002 multi-party elections that brought Mwai Kibaki to power, the Kenyan government developed a new interest in technocratic national development planning, with 'virtually unprecedented priority given to the development of physical infrastructure'.[19] In an effort to reverse the perceived decline during the two decades of Daniel Arap Moi's presidency, planners increasingly turned to the East Asian developmental models for inspiration. In particular, Kenyan technocrats sought to emulate the 'path to modernity' taken by Malaysia and Singapore, the developmental trajectories of which starkly contrasted with Kenya, despite their having gained independence from Britain at around the same time.[20] The Renardet-Sauti study of Manda Bay Port, published a year before Moi became president, became relevant again.

The raison d'être for a transport corridor in northern Kenya that had been lacking in the early 1980s was now identified: Southern Sudanese petroleum. Kenya played a central role in the negotiation of the 2005 Comprehensive Peace Agreement (CPA) between the government in Khartoum and the SPLA.[21] Soaring oil prices and increasing production in the southern oilfields in the mid-2000s encouraged the idea that an alternative route, through Kenya, could become economically viable, as well as economically attractive to southern Sudanese politicians who saw independence from Sudan as their goal.[22] With their counterparts in Juba and Addis Ababa, a Kenyan inter-ministerial committee began to outline

19 Elsje Fourie, 'Model students: policy emulation, modernization, and Kenya's Vision 2030', *African Affairs* 113/453 (2014): 555.

20 This paragraph draws heavily on Fourie, 'Model students', 540–562.

21 Benoit Faucon and Jackie Range, 'White Nile executive: to help build south Sudan Kenya pipeline', *Sudan Tribune,* 3 March 2005.

22 JPC, FS & MP, 3.2-13-16.

an elaborate corridor, dubbed ROOLA (Road/Railway, Oil Pipeline, Oil Refinery, Lamu Port and Airports), or simply the 'Lamu Corridor'.

Almost identical to LAPSSET in its rudiments, ROOLA reflected the opportunities and challenges for Kenyan entrepreneurship in South Sudan in the years surrounding the CPA. Kenya's role as the regional base for humanitarian intervention meant that many skilled Kenyans had gained experience of Southern Sudan. Although Kenyan entrepreneurs were very much a part of the post-CPA economy, the capacity of Kenyan industry to sell to South Sudan was limited by the poor state of the main road between Kenya and South Sudan, which had been tarmacked during Operation Lifeline Sudan but subsequently allowed to fall apart. Ugandan industry, with its slightly better road link, had a significant advantage.

Kenya hoped that South Sudan both would bear responsibility for funding the export pipeline and pay Kenya transit fees for its use. This, in turn, would bring in other public and private investments, embedding Kenya's role as the regional hub. ROOLA could establish Kenya as a gateway to and from the Indian Ocean for South Sudan and also address chronic congestion problems at the port in Mombasa. The apparent necessity for landlocked Uganda to construct an export pipeline through Kenya for its crude oil, discovered in 2006 and declared commercially viable a few years later, also presented a potential anchor for private investment, even though Uganda was to resist this idea for several years.

Although the ROOLA vision was largely endogenous to the region, it appears that an outside party was also a major influence on the project at this time. The ROOLA plans seem to have been spurred on by an unsolicited bid received by the Kenyan government from a Kuwaiti company to finance the project in exchange for ceding control over the allocation of contracts. The Qatari government also vied for access, proposing to finance ROOLA in return for exclusive rights to a vast tract of irrigable agricultural land in Tana River. These proposals came to naught after intense criticism on the grounds that they were skewed in favour of the investors.

Converging circumstances

As the 2000s wore on, key conditions for the project began to shift into a more favourable alignment. The development of the maximal LAPSSET scheme owed much to the coincidence of Kenya's Grand Coalition Government (2008–2013) and the run-up to the secession of South Sudan in 2011. While the CPA held out the possibility of a united new Sudan, it soon became apparent this was not going to happen. Khartoum's control over the export of oil from the now formally autonomous South Sudan was met with increasing resentment. Under the CPA, oil export revenues were to be split equally between Khartoum and Juba. Southern Sudanese suspected, however, that the north colluded with oil companies to take even more than this. Since the South Sudanese government was almost entirely reliant on oil revenue, this was a sensitive and divisive issue.[23]

At the same time, Kenyan President Kibaki was anxious to re-establish his country's reputation as the region's stable economic hub and gateway, which had been shaken by the post-election violence of 2007–2008. Kibaki's determination to improve transport infrastructure was made clear through new investments, including a number of major new road projects. Prior to independence, South Sudan produced three quarters of Sudanese oil output. Anticipating the reconstruction and development of an independent South Sudan—backed by oil revenue—the Kenyan government made its aspirations for ROOLA increasingly public. Also referred to as the Lamu–Addis–Juba–Kigali Corridor Development Project (LADJUKI), this extensive infrastructure development project became known as LAPSSET in 2009. LAPSSET then became one of the flagship projects of a large-scale economic plan, branded Vision 2030, which had been adopted as the centrepiece development strategy of Kenya's Grand Coalition in 2008.

In May 2010, the Kenyan government commissioned a USD 35 million LAPSSET feasibility study and master plan, along with a detailed design for Lamu Port. Undertaken as a joint venture between Japanese and

23 Luke A. Patey, 'Crude days ahead? Oil and the resource curse in Sudan', *African Affairs* 109/437 (2010): 617–636.

Kenyan consultants, this contract was limited to 13 months due to its 'importance and urgency'.[24] The feasibility study was completed in 2011. Also in 2010, the South Korean government agreed to fund and conduct a USD 2.8 million cartographic study of Lamu, which was required for the construction of the port.[25] Kenyan officials courted investors from several continents and the Ministry of Transport issued an international tender for expressions of interest in the first three berths at Lamu Port in early September 2010.[26]

In mid-2011, Kibaki was predicting that ships would call at Lamu Port by the end of the following year.[27] But confusion and uncertainty reigned. Earlier that year, the Kenyan government had withdrawn the tender for the first phase of the port. Amidst allegations of inflated costs and corruption at the Ministry of Transport and Infrastructure, the National Treasury refused to honour further payments scheduled in the feasibility study contract. Concerned that LAPSSET was suffering because of quarrels among his ministers, Kibaki placed the project under the control of the Office of the Prime Minister, Raila Odinga.

South Sudan's likely withdrawal

More significant still, South Sudan's commitment to the project came into question.[28] In July 2010, the South Sudanese government had apparently given assurances to LAPSSET planners that the country would export 500,000 barrels per day through Kenya, once independence had been secured.[29] There were obvious questions over the cost and timing of these assurances. These were compounded by a generalized lack of transparency and acute problems with reliable data on the South Sudanese oil

24 JPC, FS & MP, S3-1.

25 'Korea hands over map of Lamu port', *The Standard,* 13 September 2013.

26 Justus Ondari, 'Countdown starts for Lamu Project', *allAfrica,* 13 September 2010.

27 Duncan Miriri, 'Kenya to start work on second port at Lamu this year', *Reuters News,* 26 July 2011.

28 Jackson Okoth, 'Uncertainty over Lamu port as S. Sudan begins railway project', *The Standard,* 11 October 2010.

29 JPC, FS & MP, 3.2-13-16.

sector. Whoever built the pipeline, based on whatever model, the costs would inevitably end up as a charge against oil export revenues. Would this option be better than paying Sudan to use the existing pipeline? And how long would it take to build a new pipeline? There was a strong economic and practical argument to continue using the existing Sudan pipeline rather than build a new one.[30]

In January 2012, negotiations with Juba over the transit fees to be charged by Khartoum broke down. It seemed clear that the government in Khartoum had every intention of using its control over the oil pipeline both to extract as much revenue as possible and exert constant political pressure on Juba. With negotiations at a stalemate and both sides trading accusations, South Sudan—the world's most oil-dependent state—took the drastic step of shutting down oil production, thereby depriving both itself and its northern neighbour of key revenue.[31] A week later in a much publicized meeting in Juba, the LAPSSET initiative appeared to have been revived. South Sudan signed a memorandum of understanding (MoU) with Kenya 'to establish the framework for cooperation for the construction of [the] Kenya–South Sudan Oil Pipeline'.[32] The pipeline was to be financed by South Sudan, with Juba claiming it could be built in just one year. As in 2010, questions were again raised about South Sudanese assurances. In particular, this timeline was difficult to reconcile with the 36–42 month estimate in the 2011 feasibility study.

Launching LAPSSET

LAPSSET was officially launched in Lamu in March 2012. Over the following 12 months, the final year of Kibaki's tenure in office, the outgoing president once more attempted to drive the project forward. The Kenyan government again sought bids for the construction of the first three berths at Lamu, where work on port headquarters had already begun. Studies on specific parts of the LAPSSET highway network were

30 Patey, *New Kings of Crude*, 243–249.

31 'The South goes for sovereignty', *Africa Confidential* 53/3, 3 February 2012.

32 LCDA, 'Bilateral cooperation'.

funded by concessionary lenders and the runways of the three regional airports were completed. Just before Kibaki stepped down in March 2013 he formed the LAPSSET Corridor Development Authority (LCDA), a new state-owned corporation, to implement this grand vision.

The general elections in Kenya in March 2013 brought to power a government that was even more committed to major development and infrastructure projects and even friendlier with big business than the previous coalition had been. President Uhuru Kenyatta and his Jubilee government's strong rhetorical commitment to African partnership and regional integration made LAPSSET even more attractive. In April 2013, government officials announced that a Chinese consortium, headed by China Communications Construction Company (CCCC), had won a USD 480 million contract for the initial phase of port construction—the first three berths.[33]

These grand gestures belied a real lack of progress. It was far from clear whether the Kenyan government was in a position to underwrite even the first phase of construction of Lamu Port.[34] More importantly, there was still no clear plan for financing any other components of LAPSSET. Even before the outbreak of civil war in December 2013, South Sudan suffered from a profound incoherence in government and could not give any solid guarantee of its participation. In seeming contradiction of its March 2012 agreement with Kenya, in September 2012 the South Sudanese government took the decision to sign an MoU with Ethiopia and Djibouti for an alternative export route through these countries to the Gulf of Aden. A few months later, the Ministry of Petroleum and Mining in Juba commissioned a feasibility study of possible routes.[35] At the same time, ill-judged posturing over the lack of Kenyan dedication to LAPSSET created confusion and strain, with South Sudanese presi-

33 Jorgic Drazen, 'Kenya says Chinese firm wins first tender for Lamu port project', *Reuters Newswires,* 11 April 2013.

34 George Omondi, 'Challenges stall grand schemes to spur growth', *Business Daily,* 1 January 2014.

35 William Lloyd George, 'South Sudan to Truck Oil Through Ethiopia, Djibouti for Export', *Bloomberg Business Week,* 14 March 2013.

dent Kiir forced to make amends in a meeting with Kenyan President Kenyatta in May 2013.[36] Over the next few months, spokespersons for Juba persisted in announcing that a decision on an alternative pipeline route had yet to be made.

The lack of substance behind LAPSSET rhetoric was laid bare in September 2013. After months of confrontation and ill-tempered negotiation, Juba came to an agreement with Khartoum over transit fees and the pipeline to the north re-opened. In December 2013, the outbreak of a new civil war in South Sudan and the consequent reduction in oil flow from South Sudan's oilfields rendered Kenya's continuing pronouncements about Juba's involvement in LAPSSET increasingly fanciful. There is every reason to expect that the deal between Sudan and South Sudan will come under strain. But with the latter in continuing internal turmoil, government decision-making processes opaque and long-term planning impossible, the necessary investment looks extremely improbable. Yet developments in northern Kenya at this time offered an alternative rationale for the LAPSSET pipeline.

36 'Sudan regrets Juba statements as Kiir reaffirms his top priority to Kenyan pipeline', *Sudan Tribune,* 23 May 2013.

4. LAPSSET redux: A new rationale amidst familiar confusion (2013–2015)

In March 2012, less than two months after Nairobi and Juba had signed the MoU, UK-based Tullow Oil made a petroleum discovery in its first Kenyan well, south-west of Lake Turkana in the South Lokichar Basin. This sedimentary basin in north-west Kenya is in close proximity to the area through which the LAPSSET corridor would pass. Success in six of Tullow's next seven exploration wells in this basin and hopes for further finds seemed to convince both the company and the Kenyan government that an export pipeline from South Lokichar to the coast at Lamu was a commercially viable proposition.

The economic case for such infrastructure also received a boost from Kenya's landlocked neighbour, Uganda. After years of uncertainty over the Ugandan government's position on exporting its crude oil, in 2013 Kenya and Uganda agreed that they would work together in an inter-state public–private partnership to develop a refinery in Uganda and a 1,380 km pipeline coordinated by Kenya.[37] Ugandan oil would be pumped to Lokichar, where it would be joined by Kenyan oil for the final 850 km leg to Lamu. In early 2014, Tullow appeared to support this route, expressing a desire for both countries to progress to a common timeline, which envisaged construction from late 2015 or early 2016, with oil production and pipeline commissioning about three years later.[38]

Although oil discoveries in Uganda and Kenya breathed new life into some LAPSSET components, they have introduced new uncertainties for others. The original LAPSSET plans opted for Lamu over Isiolo as the location for a refinery capable of handling 120,000 barrels per day of South Sudan's Nile Blend to meet Kenyan and Ethiopian market

37 'All eyes on South Sudan as Kenya, Uganda push for Lapsset corridor project', *The East African*, 26 October 2013.

38 Tullow Oil plc, '2013 Annual Report & Accounts', London: Tullow Oil plc, 2014.

demands.[39] Officials admit that the capacity and location of a future refinery in Kenya are now subject to further studies.[40] The prospect of more oil finds elsewhere in the country and in Ethiopia adds to these uncertainties.

While the need to export oil provided a strong and clear imperative, this pipeline arrangement was by no means a done deal. Kampala did not appear to share Nairobi's dedication or its sense of urgency about the export project, much to the displeasure of Tullow and its partners.[41] The Ugandan government was preoccupied by negotiations with bidders on its own refinery project—infrastructure Kampala hopes will be ready to process the limited crude outputs expected in the early phases of production. In March 2014, a Kenyan energy official seemed to indicate that for the time being Kenya would be forging ahead alone with the Lokichar–Lamu pipeline section.[42] A couple of months later, however, the Ugandan and Kenyan governments signed an MoU, agreeing that the Hoima–Lamu pipeline would be developed as a single coordinated project, with each country responsible for sourcing finance and constructing its own sections.

On the surface, progress seemed to be being made on this and other LAPSSET components, albeit slowly. At the end of October 2014, Kenya Railways Corporation signed an MoU with CCCC for a study on the Kenyan section of the LAPSSET railway.[43] Towards the end of that year, Uganda, Kenya, and Rwanda commissioned Japan's Toyota Tsusho Corporation (TTC) to act as lead consultant on the project, including preparation of a feasibility study and preliminary designs for the whole

39 JPC, FS & MP, 29.2-1.

40 Interview with LAPSSET official, Nairobi, 29 April 2014.

41 Jeff Mbanga, 'Tullow Oil's Kenya problems mirror wider regional hiccup', *The Observer*, 6 November 2013.

42 Zeddy Sambu, 'Turkana oil pipeline set to be ready in Nov. 2016', *Daily Nation*, 15 March 2014; George Obulutsa, 'Kenya eyes initial work on oil pipeline plan', *Downstream Today*, 14 March 2014.

43 'Request for expression of interest Ref: LCDA/TAS/2014–15, LCDA website, circa January 2015.

Hoima–Lamu pipeline.[44] In January 2015, the African Union (AU) admitted the LAPSSET Corridor Program as a flagship project in the Presidential Infrastructure Champion Initiative (PICI), through which the project is to be promoted and monitored. At the same time, however, there were increasing signs that Kenya's and Toyota's single-mindedness about the Lamu route was not unequivocally shared by either the oil companies or Uganda.[45]

Global and local forces conspire: LAPSSET undone?

From about mid-2014, the LAPSSET vision and the regional oil export project that seemed to anchor it began to be severely undermined by both global and local conditions. Underlying apprehension over the security of the proposed LAPSSET corridor started to appear justified. Attacks in Kenya's Lamu and Garissa counties for which the militant group al-Shabaab claimed responsibility garnered worldwide attention. These events have raised important questions about the likelihood of attracting investors and the cost of securing and insuring the proposed vital infrastructure.[46]

These concerns have been intensified by a dramatic fall in crude oil prices—from USD 115 per barrel in June 2014 to below USD 50 in January 2015. This collapse has forced oil companies operating in the region to scale back or even suspend parts of their operations and adapt their business strategies to remain competitive in the new environment. In this radically different context the high costs involved in extracting and transporting eastern Africa's particular type of petroleum have taken on heightened significance,[47] making regional co-operation over the pipeline all the more important but increasingly difficult to achieve.

44 'Crude to be exported via Lamu', *Africa Energy Intelligence,* 8 July 2014.

45 Zeddy Sambu, 'Kenya amends conditions for pipeline tender following talks with Uganda', *Daily Nation*, 19 July 2014.

46 Jorgic Drazen, 'Kenya attacks undermine plans for east African trade hub', *Reuters*. 20 June 2014.

47 Kenya's crude is similar to that found in Uganda, where the export pipeline option was long resisted by the government on technical and economic grounds. This type of

During 2014, Kenya's partners grew wary about running the pipeline through the LAPSSET corridor to Lamu. Tullow became conspicuously reticent about this option and, more recently, the company and some of its partners have made no secret of the fact that they are advising both governments to opt for a different pipeline route—from Hoima via central Kenya to the existing port at Mombasa, also known as the southern route. Regardless of which route the governments choose, the oil companies would be forced to fall in line. 'Without the pipeline, we don't have a project,' as one Tullow spokesperson admitted.[48] At the time of writing, Tullow has not made its reasons for preferring the southern route explicit. Rather, the company has merely stated that both routes are viable and would come with a similar price tag.[49]

As the oil firms had hoped would happen following the fall in oil prices, the Ugandan government began to demonstrate a more active interest in the export pipeline proposals during 2014.[50] Uganda's interest, however, did not develop in quite the way that Kenya had wished. Often considered by the Ugandan government since oil discoveries were made almost a decade ago, the Mombasa export outlet option again began to gain traction.[51] Following completion of TTC's feasibility study in May 2015, Uganda's deliberations and demands that the Mombasa route also be taken into account delayed progress.[52]

crude oil is expensive to transport as it is waxy and 'solidifies at ambient temperature', and therefore requires a 'specialised heating system to keep the crude oil flowing'. The eastern African crude oil pipeline would be, by several hundred kilometres, 'the longest heated pipeline in the world', according to Tullow Oil plc, 'Special Feature Kenya', London: Tullow Oil plc, 2013, 11.

48 Edward Ssekika, 'Oil Firms, Govts Differ On Export Pipeline', *The Observer*, 27 May 2015.

49 '2015 Half Year Results Webcast', Tullow Oil plc, 29 July 2015.

50 Stuart Elliott, 'Total hopes oil price fall will incentivize Uganda, Kenya on pipeline', *Platts Commodity News*, 12 February 2015.

51 'The pipeline of discord', *The Indian Ocean Newsletter,* 10 July 2015.

52 Edmund Blair, 'Kenya, Uganda may decide on oil pipeline route by mid-July – official', *Reuters,* 18 June 2015.

Three months later, in early August, the Ugandan and Kenyan governments jointly announced they had agreed on the Lamu route. Seemingly keen to demonstrate the economic rationale behind this choice, officials from the Kenyan Ministry of Energy and Petroleum have shared a rather surprising level of detail about the feasibility studies for the two routes. Although both routes are some 200 km longer than previously suggested, with a length of 1,500 km, the proposed USD 4.7 billion Lamu route is 44 km shorter than the Mombasa alternative. The slightly longer but more expensive Mombasa route was costed at USD 5.4 billion because the hilly, densely populated terrain through which it would pass poses more challenges in terms of engineering and compulsory acquisition of land.[53] However, only two months later the Ugandan government—apparently under pressure from Tullow's partner in Uganda, Total—signed an MoU with Tanzania to assess the possibility of building a pipeline to Tanga Port.[54]

The Lamu route is perhaps more likely to prevail. First and foremost, Kenya ultimately has the final say on the route that any infrastructure in its own territory will take. Second, the Kenyan government also has already invested time and funds in land acquisition in Lamu and in its promotion of LAPSSET. Third, the government in Nairobi would be loath to appear to bow to the threat posed by al-Shabaab by dropping the Lamu route—a security stance the importance of which should not be underestimated. Fourth, notwithstanding its avowed commitment to regional integration, Kenya has long had a jealous and intensely competitive view of both Uganda and Tanzania, and is seeking to prevail with its own route preference. The grand vision of LAPSSET remains alluring, offering Kenya multiple benefits in terms of regional influence,

53 Christabel Ligami, 'Kenya, Uganda strike deal on oil route to export market', *The East African*, 15 August 2015; It had previously been widely assumed that constructing the pipeline and maintaining transmission through northern Kenya would be more challenging due to its more rugged terrain, particularly where the route passes through the Suguta Valley, e.g. see: JPC, FS & MP, 2.3.37.

54 'Museveni Plays a Wicked Poker Hand', *Africa Energy Intelligence*, No. 756, 27 October 2015.

economic opportunities, and lucrative contracts for the powerful. In short, LAPSSET 'holds high political importance for Kenya's government and will not easily be abandoned'.[55]

The path to regional integration in eastern Africa has never been straightforward and nothing suggests that arrangements over the pipeline will be an exception. The Ugandan government generally supports regional integration but is chronically suspicious of Kenyan dominance.[56] It does not wish to appear to have been railroaded by Kenya into participating in the Lamu export route that underpins their rival's LAPSSET corridor.[57] Divergences between—and among—the Ugandan and Kenyan versions of the joint communiqué released in August 2015 by the two governments, and the signing of a rival MoU between Uganda and Tanzania, suggest that Ugandan officials are hopeful they can force Kenya to make concessions on pipeline transit fees and take responsibility for covering most of the insurance costs.[58]

Much has to be decided before a definitive intergovernmental agreement is signed and host government agreements are reached between each country and the pipeline company—however the latter is constituted. Should such a point be reached, there are many other goals that would need to be achieved before construction of the infrastructure can commence. In early 2014, a then more optimistic Tullow sought to manage expectations by stressing nine key milestones relating to regulatory framework, environmental and social plans, and the final milestone, 'securing investors for pipeline construction'.[59]

At present, Tullow and its corporate partners are exhibiting far less urgency about reaching these milestones. Final investment decisions are

55 Luke Patey, *Kenya: An African Oil Upstart in Transition*, Oxford: OIES, University of Oxford, 2014, 16.

56 Rift Valley Institute, internal report, June 2014, 22.

57 'End of Museveni-Kenyatta honeymoon', *The Indian Ocean Newsletter*, 12 December 2014.

58 Frederic Musisi, 'Cracks emerge in Uganda-Kenya oil pipeline deal', *Daily Monitor*, 13 August 2015; Lilian Ochieng, 'Uganda Sets Tough Terms for Kenya On Oil Pipeline', *Daily Nation*, 17 August 2015.

59 Tullow Oil plc, 'Special Feature Kenya', 11.

being delayed as these increasingly cautious companies await signs of change in both northern Kenya's security situation and the rather bleak global oil market forecasts. In an effort to ease investor fears, the oil companies and regional governments remain upbeat—at least publicly. They describe how they are adapting their plans in accordance with the new oil price climate and are looking to cut costs wherever possible, which will require strict adherence to timelines. Should this low oil price environment persist, after some time and to some extent, the costs involved in the development of petroleum infrastructure, along with its operation and maintenance, are likely to decrease in line with crude oil prices. Languishing below USD 50 per barrel in mid-August 2015, the price of oil is barely sufficient to support the cost of production, at least according to some analysts.[60] This price is still higher, however, than the USD 25 per barrel that had long been typical when the vanguard of the most recent band of oil exploration companies first arrived in Uganda in the late 1990s and early 2000s.

The companies awaiting production licences for the Ugandan oilfields now expect that a decision on the commercial structure for the pipeline will be 'determined in 2015, allowing the regional project to be jointly sanctioned around the end of 2016'. [61] They anticipate that oil production will commence approximately three and a half years later—less optimistic estimates than Uganda and Kenyan governments have been publicising.[62] For its part, TTC reportedly estimates that the commencement of crude transportation via the pipeline will come even later—in the final quarter of 2022.[63] If eastern Africa's oil developments do go

60 Haggai Matsiko, 'Uganda Oil Now for 2020', *The Independent*, 8 February 2015; Edmund Blair, 'Oil and Gas: Kenya plan needs oil price rebound to advance', *The Africa Report*, 3 March 2015; 'A glimpse of Africa's future', *The Economist*, 11 July 2015.

61 Tullow Oil plc, '2014 Annual Report & Accounts', London: Tullow Oil plc, 2014, 35.

62 Valentine Obara, 'Tullow to start Kenya oil production by 2020', *Daily Nation*, 29 July 2015.

63 Lilian Ochieng, 'Kenya's First Oil Export Expected in October 2022', *Daily Nation*, 12 August 2015.

ahead, there remains the final question of who exactly would pay for the LAPSSET pipeline and how costs would be recouped.

The thorny problem of finance

For the Hoima–Lamu route mapped out in TTC's 2015 designs, the sum of USD 4.7 billion has been quoted, which is an increase of USD 700 million from previous estimates. Three finance models are available:

Government owned: Government borrows money, builds the infrastructure, and then operates it—either directly or through a parastatal entity. The costs of the loan would be recouped through charges for use of the infrastructure and, potentially, through increased tax revenues generated subsequent to the increased economic activity enabled by the investment.

Public-private partnership (PPP): A contribution by government(s)—possibly through the provision of land, possibly in other forms—would combine with private sector investment to create the infrastructure, which would then be operated by a company in which government(s) has a share. In this case, government recoups its investment through a share in profits, as well as through increased tax revenues.

Build-own-operate-transfer (BOOT): Government(s) would simply facilitate the project, providing the right regulatory framework and security guarantees, as well as compulsory purchase arrangements for land. In such an arrangement, investors would recoup their costs through charges for infrastructure use. At an agreed point, the infrastructure would then become public property. In this approach, government investment in monetary terms is minimal—although it may require considerable political capital—but returns would only come through tax revenue until the infrastructure is handed over to the public domain.

Government actors in Kenya and Uganda have considered these three possible models, with assessments of their relative virtues shaped by a complex mix of national political and economic concerns combined with

personal business interests. LAPSSET officials have made clear that the pipeline, as with most of the other aspects of the corridor programme, will take the form of a PPP, which is perhaps the most viable mechanism for funding such projects.[64] In all likelihood, the World Bank and the oil companies would be on hand to facilitate private investment and to provide some funds themselves.

A PPP arrangement would be the most complicated to negotiate because it involves multiple and potentially conflicting interests. Analysts are increasingly doubtful of the ability of the Kenyan and Ugandan governments to borrow at favourable rates in order to meet such demanding financial commitments.[65] In terms of pipeline ownership, one possibility is that Kenya and Uganda would follow TTC's recommendation and jointly establish a company that would act as a vehicle for investment.

The development of eastern Africa's oil is still seen as the raison d'être for LAPSSET—as the anchor for the external financing essential for the maximal LAPSSET plan, beginning with the highway. Oil is even referred to in LCDA documents as a possible means by which a key part of the corridor—the standard gauge railway—could be funded.[66] Doubts have begun to creep in, however. Unwaveringly, LCDA claims that the contractor for the first three berths at Lamu, CCCC, has started the construction work. The Kenyan treasury seems far more hesitant, only having released a small fraction of the USD 480 million total cost of this initial phase.[67]

64 'Construction of inter-regional crude oil pipeline to begin in 2016', *Coastweek*, 26 May 2015.

65 John Gachiri, 'Fitch concerned over Kenya, Uganda aggressive borrowing', *The East African*, 17 June 2015.

66 LCDA, 'Expression of interest'.

67 Lilian Ochieng, 'Design of Lamu Port berths complete', *Daily Nation*, 7 July 2015.

5. Key state actors

Eastern African governments

There is some danger in representing any eastern African government as a singular actor with clearly defined interests. Rather, government can sometimes appear to be a site of competition between multiple sets of factional or personal interests. At the same time, some eastern African governments have more institutional coherence than others, due to a substantial and experienced civil service. There may also be a high level of consistency and consensus, even if there is rarely absolute clarity of policy or purpose.

LAPSSET would bring a significant government presence to parts of the affected countries that have been economically and politically marginalized, and where security for ordinary people, investors, and government employees has been poor and, in some cases, is deteriorating. LAPSSET would affect areas of Kenya, South Sudan, Ethiopia—and now Uganda—where historically the state has exercised its authority in a sporadic, predatory manner and transhumant pastoralism has enabled people to remain outside its control.

Some commentators perceive large-scale projects such as LAPSSET as both reflecting and constituting a new phase of state consolidation in eastern Africa.[68] They may also create a new kind of economy in areas that have largely operated outside the formal economy.[69]

Kenya

Central government

LAPSSET generally has strong political support in Kenya in almost any of its possible versions. Much of the case for developing LAPSSET rests on

68 Daniel Branch and Jason Mosley, 'Why East Africa's Borders Are Blowing Up', *Foreign Policy*, 6 August 2014.

69 RVI, internal report, 18.

an argument about Kenya's national political and economic interests, in particular confirming Kenya as the regional transport and trade hub. The personal political and economic interests of government officials are also a part of this equation. Financial gains through land speculation, contract awards, and involvement in companies with government contracts are familiar devices for turning public wealth into private gain in Kenya.

So far, the government appears to have resisted attempts to mortgage its future oil revenues despite approaches in 2013 by companies seeking to invest in return for control of a pipeline.[70] Although there are multiple reasons for government support of the project, Kenya lacks sufficient resources to go ahead with even the first phases of LAPSSET, let alone the maximal project. It had been hoped that announcements of government investment in Lamu Port would trigger an influx of private finance. The Kenyan government, however, has been slow to provide the actual funding, causing construction delays in the first phase of development.[71] The electoral transition in early 2013 slowed the promotion of LAPSSET but President Kenyatta's administration subsequently put significant effort into finding funds. Part of Kenya's first successful USD 2 billion Eurobond issue will reportedly go towards funding the project.[72] LAPSSET officials are still waiting. A June 2015 budget statement merely offered assurances that the government is 'firming up alternative sources of financing to speed up implementation of the Lamu Port' but revealed no concrete details in this regard.[73]

A difficulty facing Kenyatta's government is that LAPSSET is not the only megaproject that needs funding, and, as a consequence, Kenya is already

70 'Lamu corridor lags behind', *Africa-Asia Confidential* 6/12, 2 October 2013.

71 Bernard Sanga, 'Lamu port works run into cash trouble', *The Standard,* 5 November 2013.

72 'Kenya eyes funding from private investors for various mega projects', *The East African,* 22 March 2014.

73 Henry K. Rotich, 'Budget Statement for the fiscal year 2015/2016 (1st July - 30th June), 11 June 2015', Nairobi: Republic of Kenya.

facing rapid debt escalation.[74] Most prominent among non-LAPSSET initiatives—in terms of both scale and the attention it has garnered—is the construction of a USD 5 billion standard-gauge railway from Mombasa to Malaba on the Kenyan-Ugandan border, which is funded by a loan from China and a 1.5 per cent levy on all imports.[75] In part, current enthusiasm for regional integration schemes stems from political circumstance. It also reflects government reaction against what it sees as the neo-colonial pretensions of western powers and its preference for African—and Asian and Arab—partners. For want of alternatives, however, the Kenyan government now appears to be far from averse to investment by western companies in LAPSSET's infrastructural components.[76]

Relationships between and among government ministries and other agencies may be stalling progress. Within Kenya alone, LAPSSET requires an unprecedented degree of cooperation between more than a dozen ministries and other bodies established by central government. At the outset, LAPSSET was coordinated by an inter-ministerial committee under the Office of the President, with the Ministry of Transport and Infrastructure taking the lead. Disagreements between this ministry and other arms of government led then President Kibaki to transfer responsibility to the Office of the Prime Minister in late 2011.[77] LAPSSET is now again domiciled in the Office of the President, along with the Vision 2030 Secretariat, with the Cabinet Secretary for the Ministry of Transport and Infrastructure chairing the high-level steering committee of ministries relevant to LAPSSET. The programme is the direct responsibility of a state-owned corporation, the LCDA.

The LCDA has itself become a site of struggle between various government factions, regional actors, and ethnic communities affected by the

74 Javier Blas, 'Kenya has big plans for ports, power, rail and roads', *The Financial Times*, 25 November 2013.

75 'China to release initial funding for railway project', *Business Daily,* 9 December 2014.

76 'EA leaders to present Lapsset as single package to American investors', *The East African*, 2 August 2014.

77 'Threats to Lamu lifeline', *Africa Confidential* 5/7, 4 May 2012; 'The rush for land', *Africa Confidential,* 53/19, 21 September 2012.

project.[78] President Kenyatta's concerns about the delays caused by intra-governmental wrangles were perhaps a major factor in the decision to sign a deal with former British Prime Minister Tony Blair's African Governance Initiative (AGI) in early 2015. AGI advisers have been seconded to the newly created President's Delivery Unit (PDU), where they are reported to be attempting to fast track the implementation of LAPSSET and other key initiatives.[79]

Overlapping responsibilities within government may have complicated government relations with civil society. The legal petition filed by civil society organizations in Lamu in 2012 seems to have encouraged attempts at consultation. About a month before the 2012 LAPSSET launch, the Kenyan government announced it was forming a local steering committee mandated to liaise between the community in Lamu and officials in Nairobi. Tasked with facilitating consultations, dispute resolution, and sensitization, the committee did not officially form until a year later and only lasted for six months because it lacked the necessary resources to undertake its work.[80]

Some informants from affected communities expressed the view that the type of citizen engagement adopted when the government holds local consultation events is somewhat illusory. Others felt it was clear that they do not have the power to refuse the project or negotiate in any meaningful way, nor do they have input into planning and impact assessments. The potential for community dialogue has also been subverted by the stage-managed nature of these events, to which only select members of civil society are invited.[81]

78 Ngumbao Kithi, 'Sacked Lapsset chairman Shaukat Ali Abdulrazak speaks out', *The Standard,* 2 January 2014.

79 Peter Leftie, 'Blair lands big money deal to push key Jubilee projects', *Business Daily*, 9 March 2015.

80 Galgalo Bocha, 'Lamu Port team demands legal backing and training', *Business Daily,* 13 March 2012; Interview with Lamu Port steering committee member, Lamu, 15 April 2014.

81 Participant statement, Isiolo Community Land Watch Network meeting, Isiolo, 3 April 2014; Interview with activist, Isiolo, 3 April 2014; Interview with activist, Lamu, 15 April 2014; Interview with CBO officer, Lamu, 17 April 2014.

An Environmental and Social Impact Assessment (ESIA) for Lamu Port was conducted in 2012–2013, following local outcry about the absence of this statutory report before the LAPSSET launch. Since it has been made public, the ESIA has been heavily criticized by Lamu activists on the grounds that it is vague and lacks practical solutions to the problems the port poses.[82]

In an attempt to forestall further criticism, officials have launched a government-sponsored scholarship scheme to prepare youth in Lamu for employment at the port. Furthermore, in May 2015, after a lengthy delay of two to three years, the government compensated those it claimed to have been the genuine owners of land acquired for the initial phase of port development.[83] In August 2015, the LCDA publicized its search for a consultant to carry out a more holistic Strategic Environmental Assessment, over a five-month period, of LAPSSET's 500 metre-wide inner corridor—in line with National Environment Management Agency (NEMA) guidelines and as demanded by many activists.[84] The Kenyan government has suggested that it will be also contracting out responsibility for addressing community grievances that may arise during the construction of the pipeline. Announcements regarding the anticipated modalities of the contract refer to the successful bidder as being responsible for 'social investment programmes' and 'support to the various communities along the route'.[85]

Central government has increasingly made attempts to disseminate information but the intended audiences for this information are unclear. A continual problem also arises from the conflict between bullish pronouncements designed to encourage investment, which emphasize the scale and rapid potential progress of the project in general terms,

82 Save Lamu, Letter to The Director General of National Environment Management Authority, 15 April 2013.

83 Kalume Kazungu, '45 get Sh350m over Lamu port land', *Daily Nation*, 15 May 2015.

84 'Request for proposals for Provision of consultancy services in the strategic environment assessment for the LAPSSET Infrastructure Corridor', LCDA website, 13 August 2015.

85 Obulutsa, 'Kenya eyes initial work'.

and the lack of detailed information offered to the public. It was only as a result of activist efforts that, shortly after its completion, a 1,683-page electronic version of the 2011 feasibility study—replete with technical language and impenetrable schematics—was made freely available on the website of a local civil society organization, Save Lamu.

Since early 2014, the newly launched LCDA website has made a version of this English-language study available for download but its contents are difficult to reconcile with some of the subsequent changes and developments in LAPSSET plans. Confusingly, sections from the original feasibility study are also partly summarized on the main pages of the LCDA website without any attempt having been made to update them. The most comprehensive and up-to-date picture of the status of LAPSSET can only be found in the project tender documents published on the LCDA website. Appearing for limited periods, these documents are not primarily intended as a means by which to inform Kenyan citizens about LAPSSET.

Devolved government institutions

LAPSSET has been developing at a time of political flux in Kenya. The process of devolution was inaugurated in March 2013 when Kenyans voted for the first time since the promulgation of the new constitution in 2010. Under this constitution, specific government functions have been devolved to the 47 new county governments, each headed by an elected governor and with an elected assembly representing the wards into which counties are divided. There is also a new upper house of parliament, the Senate, charged with responsibility for overseeing county affairs. Gubernatorial elections in LAPSSET counties were marked by a number of promises about capitalizing on the resources the project would bring, while limiting the disruption caused by any project.[86] Thus far, these ambitions have been difficult to realize.

86 Interview with journalist, Lodwar, 8 April 2014; Hussein Salesa, 'We will help make Isiolo a resort city, Kuti pledges', *The Star*, 18 March 2013.

The formation of county assemblies has created numerous challenges, partly because of a lack of familiarity with their structures and procedures. There are disputes over resources and power between the two houses of parliament, as well as between parliament and the county governors. Tensions are common between county commissioners—appointed by central government—and governors, and between national-level politicians and governors, as the former have come to realize that the latter now control resources at the county level. Governors have also come under attack in county assemblies. Accusations of tribalism, clanism, and misappropriation of funds have been freely traded as part of this struggle for control.[87]

County governments want to ensure the best possible terms for their agreement to LAPSSET and are eager to share in any revenue the project may generate.[88] Yet there are disagreements between central government and the counties on revenue sharing from earnings from national infrastructure projects such as LAPSSET. There are also concerns that specific features of LAPSSET—e.g. the proposed Lamu special economic zone tax exemptions—would reduce the local benefits of the scheme.[89] County government officials frequently complain that they are being sidelined in LAPSSET's development, although central government may in fact have little real information to share.[90] Within and between the counties, efforts are being made to participate in central government management of the project.[91] Where revenues are anticipated and/or infrastructure has been placed on the boundaries between counties—e.g.

87 Gabrielle Lynch, 'Why devolution is drawing more heat than light', *Daily Nation,* 25 April 2014.

88 'Investment opportunities in Lamu County', *The Standard,* 20 September 2013.

89 Interview with Lamu County executive officer, Lamu, 17 April 2014.

90 Interview with Lodwar County official, Lodwar, 10 April 2014; Interview with Lamu County executive officer, Lamu, 17 April 2014.

91 David Nduro, 'Counties Demand Maximum Profit from LAPSSET', *Kenya News Agency*, 13 March 2014.

the airport straddling the disputed boundary between Isiolo and Meru—LAPSSET has been associated with increasing friction between county governments.[92]

New land laws also are being formulated in this transitional context. This is by no means an easy undertaking, not least because land in Kenya is 'a very big nightmare'.[93] Land is an area of contestation between and within national and county levels. Nationally, significant powers have been given to the new National Land Commission (NLC), a body that exists uneasily alongside the Ministry of Land, Housing and Urban Development.[94] County governments have unclearly defined but potentially significant rights over some of the land the LAPSSET corridor would cross. Article 62 (2) of the constitution declares that public land 'shall vest in and be held by' county governments and be administered on their behalf by the NLC, which may allocate this to national or county governments, or to other bodies.[95]

At present, land that is not public and is not held under private tenure is defined as community land. Many local people assert that this is the rightful status of nearly all the land along the LAPSSET corridor. Because legislation to further define this category of land tenure has not yet been passed, there are uncertainties. It seems that group ranches—a form of collective ownership devised under a previous legal regime—will fall into the community land category. Other lands claimed by communities may also fall into this category. The term 'community' has a wide definition, leaving space for overlap and duplication—e.g. people might belong to more than one community and might be claimed by more than one community.

92 Ali Abdi, 'Isiolo's plans to deal with roadblocks that impede the county's growth', *The Standard*, 6 September 2014.

93 Interview with CBO officer, Lamu, 17 April 2014.

94 Harold Ayodo, 'Eviction agony as two keys land Bills delayed', *The Standard,* 10 April 2014.

95 Article 62 relates to public land. The 2012 Land Act elaborates the role of the NLC but does not say anything further about county roles. See: Government of the Republic of Kenya, 'The Constitution of Kenya, revised edition 2010', Nairobi: National Council for Law Reporting, 2010.

According to Article 63 (4) of the new constitution, community land 'shall not be disposed of or otherwise used except in terms of legislation specifying the nature and extent of the rights of members of each community individually and collectively' and unregistered community land is held in trust by county governments.[96] It is widely thought that money is still changing hands for such land in arrangements that 'will be formalized later'.[97] The constitution requires the enactment of the Community Land Bill by 2015, giving customary land rights equal status with other statutory rights. 'There is much at stake' and 'powerful interests are involved'.[98]

Generally, the new county governments and the NLC grapple with long legacies of mismanagement in land administration. This has often been seen in terms of corruption. Consequently, several audits have been announced to identify malpractice and return land to its rightful owners. In practice, such audits have had little success. Confusion and malpractice have abounded at multiple levels, with poor squatters or community groups, along with powerful politicians and wealthy landowners, taking advantage of this situation to lay claims to land.

Commonly articulated suspicions that government officials and elites have been taking advantage of the insecure land tenure system in northern Kenya seem to be well founded.[99] But, on the coast in particular, identifying legitimate land owners—whether in terms of law or natural justice—is far from straightforward. The political challenges involved in meeting multiple incompatible expectations are immense, as has been demonstrated in the delays, difficulties, and numerous complaints over compensation for those whose land has been taken for the port construction.[100]

96 'The Constitution of Kenya, revised edition 2010'.

97 Interview with NEMA official, Lodwar, 8 April 2014.

98 Interview with county lands minister, Lodwar, 8 April 2014.

99 Interview with CBO worker, Lodwar, 8 April 2014; interview with CBO co-ordinator, Turkana, 10 April 2014; interview with CBO officer, Lamu, 17 April 2014.

100 Paul Gitau, 'Squatters block Lamu Port Southern Sudan-Ethiopia Transport launch', *The Standard*, 16 May 2015; Galgalo Bocha, 'Judge freezes bank accounts over fake Lapsset payments', *Daily Nation*, 2 March 2015.

South Sudan

South Sudan's position on the pipeline was uncertain even before the outbreak of conflict in December 2013. State interests are particularly difficult to separate from internal political and economic rivalries. Internal government disputes have now left power in the hands of a small group surrounding President Salva Kiir and they appear to have decided not to push for further confrontation with Khartoum at present. The priority of this group seems to be to keep revenue coming in from oil exports using the two north-bound cross-border pipelines. There is no reason to believe that the government intends to be involved in a new pipeline project, at least at this juncture.[101] When Juba does refer to LAPSSET, it seems that this is merely a bargaining chip of diminishing value in relation to Khartoum.[102]

To a large extent, the Kenyan government had envisaged the burden of sourcing LAPSSET finance falling on South Sudan.[103] But, even in the more peaceful period of 2011–2012, for South Sudan to have made such a gigantic investment would have been 'financial insanity'.[104] Based on known reserves and existing technology, South Sudanese oil production is projected to decline substantially over the next five years. In part, this is due to lack of investment in the oilfields, which is a result of both continuing uncertainty over possible conflicts with Sudan and internal political instability and conflict in South Sudan. The existing fields, located in the north of the country near the existing pipelines but a considerable distance from the Kenyan border, are the only ones likely to be in production for some years to come. No major oilfields are scheduled to come into production. Moreover, since the birth of the country

101 George Wachira, 'Juba, Khartoum oil export deal calls for reassessment of Lapsset options', *Business Daily,* 10 September 2013.

102 RVI, internal report, 3.

103 'LAPSSET', Embassy of the Republic of Kenya Juba-South Sudan website.

104 Luke Patey, 'Pipe-dreaming over oil in South Sudan', *African Arguments,* 6 February 2012.

in January 2011, there have been severe doubts about South Sudan's capacities to guarantee the security of a LAPSSET-linked pipeline.

South Sudan's exploration area Block B, which is closer to Kenya, may yet bear oil. Talks between French oil company Total and Juba were continuing in 2013, with the latter set on carving up that vast exploration area into three parts each of which would be operated by different companies to speed up exploration in a part of South Sudan that remains underexplored because of conflict.[105] Even before conflict broke out in December 2013, chances were slim that oil companies would resume exploration in Jonglei State, because of insecurity and it now seems an even more distant prospect. As one veteran of Kenya's oil industry has posited, 'only when crude oil is discovered [in Block B]…can we expect South Sudanese crude oil to flow through LAPSSET'.[106] If South Sudan were eventually to tie into a Uganda–Kenya pipeline route to export crude, a separate pipeline might be required because of the specific characteristics of Nile blend, which makes it incompatible for simultaneous transfer with the oil that has been discovered in Kenya and Uganda. The latter, of a waxy consistency, would need to be heated to flow freely. A LAPSSET official has maintained, however, that the same pipeline would be used to convey all of the different crude blends because they would be released in batches.[107]

Regardless of the immediate financial and technical challenges, there has always been an emotional political argument as well as some economic logic for a southward pipeline. Not only would this end Juba's effective subsidy to Khartoum, it would significantly reduce South Sudan's vulnerability and enhance its sense of sovereignty.[108] For many South Sudanese, Kenya has also been 'a cultural and human conduit to the outside world'

105 'Total in talks to regain acreage in South Sudan block', *Yahoo News*, 25 November 2013.

106 Wachira, 'Juba, Khartoum oil'.

107 Interview with LAPSSET official, Nairobi, 29 April 2014.

108 RVI, internal report, 1.

for a long time.[109] There are also high hopes of integration with the East African Community. Just a month before conflict broke out in Juba, the Finance Minister explicitly linked South Sudan's application to this regional body with aims to secure funding for a southward pipeline.[110]

At the same time, South Sudan's relationship with Kenya is not straightforward. There has long been resentment about what is perceived to be Kenyan economic sub-imperialism, which has intensified since independence.[111] At an intergovernmental level, one possible underlying source of tension relates to the Ilemi Triangle, on the Kenya–South Sudan border.[112] This could become a bigger issue if oil is found in this area, where Kenya has licensed exploration activities.

Sudan

While the government in Khartoum is characterized by high levels of factionalism and closely involved with private business interests, its position on LAPSSET is clear. Khartoum stands to lose lucrative transit fees and thus has every reason to be opposed to the project. Some members of the Sudanese government view it as in their interests to keep South Sudan weak and vulnerable, if only to discourage Juba supporting rebels in the north.

Sudan's perspective on oil from new fields in South Sudan might be somewhat different. With oil from existing fields still flowing north, this would not pose an immediate threat to Khartoum's revenue. Although it is highly unlikely that Sudan would actively support a southern pipeline linked to LAPSSET in South Sudan—even from new oilfields—it might be tolerated.

109 Gérard Prunier, 'Sudan's regional relations', in *The Sudan Handbook*, eds. John Ryle et al., London: Rift Valley Institute/James Currey, 2011, 265–267.

110 'South Sudan needs to join East African Community, says finance minister', *Platts Commodity News*, 5 November 2013.

111 Prunier, 'Sudan's regional relations', 265–7.

112 Immo Eulenberger, 'Pastoralists, conflicts and politics: aspects of South Sudan's Kenyan frontier', in *The Borderlands of South Sudan*, eds. Christopher Vaughan, Mareike Schomerus and Lotje de Vries, New York: Palgrave Macmillan, 2013, 69.

Uganda

Uganda has a relatively effective civil service, a coherent political class, and a strong president with close control of decisions and processes, features some have seen as providing a basis to manage oil 'in the national interest'.[113] This has been much to the frustration of the international oil companies operating in Uganda. While President Yoweri Museveni is remarkably bellicose in his language toward 'the West',[114] his government has been heavily dependent on multiple forms of financial support from the United States, the UK, and other western governments. It has also benefitted enormously from the capital and technical capacity that companies such as Tullow Oil have brought to its oil sector. And Uganda's willingness to cooperate on regional security has ensured that western support continues despite Museveni's rhetoric.

Significant rivalries within government and distrust of outsiders—including regional neighbours—have made decision-making more complex in Uganda than in Kenya, notwithstanding the impact of devolution on the latter. Uganda has demonstrated a propensity for wrong-footing its neighbours.[115] Deep-rooted competition over ascendancy in regional energy markets is barely concealed by current rhetoric about integration and co-operation on the Hoima–Lokichar–Lamu pipeline by both the Ugandan and Kenyan presidents. If anything, LAPSSET has appeared to be a source of rivalry between the two countries.[116] Even now, Kenya's plans for a railway to South Sudan compete with Uganda's and whichever comes first is likely to defer the development of the other.[117]

113 Sam Hickey, 'The political settlement and oil in Uganda', ESID Working Paper 48, 2015.

114 Martin Ssebuyira and Risdel Kasasira, 'I'll work with Russians, Museveni tells Obama', *Daily Nation,* 23 February 2014.

115 Eric Kabeera, 'Kampala-Kigali railway project derails', *The Independent*, 19 July 2015.

116 Allan Odhiambo, 'Museveni hits back at Kenya with new transport corridor', *Business Daily*, 6 October 2011.

117 Michael Wakabi, 'Uganda and Kenya in race to connect Juba to SGR', *The East African*, 8 August 2015.

Museveni has seen oil as a means for landlocked Uganda to free itself from the long-term hold Kenya has had on the Ugandan economy. Uganda depends on costly fuel imported via the pipeline from Mombasa to Eldoret, which is then conveyed by road along the congested Northern Corridor for the remainder of the journey. The precarious nature of this arrangement was thrown into sharp relief when Ugandan fuel prices spiked during the 2007–2008 post-election violence in Kenya.

Oil discoveries near Lake Albert offered the Ugandan government an opportunity to alter the geopolitics of the region—to wrest from Kenya its role as eastern Africa's energy hub. Museveni initially insisted that most, if not all, of Uganda's crude oil would be refined domestically to serve local and regional markets. The government claimed that this position was supported by an independent feasibility study completed in 2010, which concluded that piping Uganda's viscous, waxy crude to the coast was a far more expensive option. Tullow Oil disagreed and instead supported export to the Indian Ocean, where global crude prices could be obtained.[118] A stalemate ensued. Tullow sold part of its stake to France's Total and the China National Offshore Oil Company (CNOOC). Ugandan petroleum remained in the ground, while the companies grew increasingly impatient.

In terms of leverage on the pipeline issue, Tullow and its partners appeared to have made a breakthrough in 2012, when the company started to make sizeable discoveries in Kenya. Though rankled, Museveni seemed willing to abandon some of his earlier expectations in pursuit of the oil revenues. In mid-2013, news from Kampala indicated the government had opted for a smaller refinery—30,000 barrels per day—ostensibly leaving the bulk of crude oil, somewhere in the region of 150,000 barrels, to be exported through a pipeline shared with Kenya.[119]

Ugandan government commitment to the export pipeline project seems more certain now, owing to the combined pressure applied by

118 David M. Anderson and Adrian J. Browne, 'The politics of oil in eastern Africa', *Journal of Eastern African Studies* 5/2 (2011): 389–392.

119 Tullow Oil plc, '2013 Half-Yearly Results', London: Tullow Oil plc, 31 July 2013.

the oil companies, Kenyan officials and the oil price drop. Doubts still linger, however, over Museveni's enthusiasm for this infrastructure. The prospect of having to pay transit fees to Kenya, for example, is one that Uganda's president probably does not relish. As recently as February 2014, in an MoU between the foreign oil companies and the government, the latter committed to almost nothing on the pipeline, leaving the companies to pursue this alone.[120] Significantly, the domestic refinery, the construction of which the government is attempting to expedite, will have the right of first call on production volumes from the licensed areas. Should the refinery take longer than expected to come on line, the MoU also sees the companies agreeing to supply crude oil and both associated and non-associated gas for use in domestic power generation.

Ethiopia

Ethiopia publicly expresses support for LAPSSET.[121] At the same time, the country has been forging ahead with its own infrastructure initiatives, which are largely funded and built by China. The late Prime Minister, Meles Zenawi, demonstrated solidarity with LAPSSET by attending the March 2012 launch. During that same visit, he also signed bilateral agreements on the development and management of the Lamu–Addis Ababa railway.

However, Ethiopian government commitment to Kenya's grand vision was questioned later that year when Ethiopia signed an MoU with Djibouti and South Sudan for a crude oil export pipeline from the latter to the former, via Ethiopia, cutting Kenya and therefore the LAPSSET pipeline out of the equation. South Sudan's involvement in this project is probably even less likely to materialize than its role in LAPSSET pipeline. Nonetheless, the Ethiopian government would presumably welcome

120 Irene Muloni, 'Government signs Memorandum of Understanding with the Licensed Oil Companies', State House: Republic of Uganda, 6 February 2014.

121 'A Week in the Horn of Africa', Ministry of Foreign Affairs, Federal Democratic Republic of Ethiopia, 12 June 2015.

construction of such a pipeline and any associated roads—provided it did not have to pay for it.[122]

Although diplomatic and military ties between Kenya and Ethiopia are strong, trade is relatively low, with Kenya regarding Ethiopia as an untapped market for its goods and services. In part, this situation is related to the latter's closed economy, which Kenya is attempting to access via a special status agreement.[123] Trade is also restricted by poor cross-border transport infrastructure. LAPSSET is intended to address these issues and provide a seaport and pipeline from the proposed Lamu refinery for landlocked Ethiopia.

At the time of writing, Ethiopia is awaiting the results of Tullow-led petroleum exploration in the South Omo Valley. If oil is found, Ethiopia could opt to tie-in to the Lokichar–Lamu—or Mombasa—pipeline. Because developments in Ethiopia lag behind those in Kenya, this may provide a quicker and cheaper export route for Ethiopian crude oil—or the country could decide to refine its crude domestically.[124]

Given severe doubts about South Sudan's participation in LAPSSET, Kenya has redoubled efforts to ensure Ethiopian commitment to the project. While the highway between Addis Ababa and Kenya, through Moyale, is nearly complete, it remains to be seen how ready Ethiopia is to commit to the proposed railway alongside the highway. Among other large-scale initiatives underway and nearing completion in the country is a USD 3 billion railway project that will run from Addis Ababa to the Port of Djibouti. That port has long been viewed by LAPSSET planners as potentially 'serious competition to Lamu Port since they share the same hinterland'.[125]

122 RVI, internal report, 20.

123 Fred Oluoch, 'Eyes on Ethiopia: Kenyan investors want Addis to ease market restrictions', *The East African,* 22 March 2014.

124 RVI, internal report, 20.

125 JPC, FS & MP, 2.2-14.

6. Key non-state actors in Kenya

Entrepreneurs

An established culture of private benefit pushes in the same direction as the national interests that define Kenyan government support for LAPSSET. Large contracts have long been seen as a source of wealth, ranging from outright corruption in the award of contracts and permits to the involvement of politicians and civil servants in companies supplying services. Kenyan companies have already profited from opportunities associated with LAPSSET in the form of feasibility studies, ESIAs, government consultancies and the construction of port management buildings and other facilities in Lamu. Kenyan firms have expressed discontent when contracts have gone to their foreign competitors.[126] The tendering process for the proposed USD 1 billion coal-fired 981 MW power plant at Lamu has also come under scrutiny over irregularities. The winning bid, which was awarded to Amu Power—a joint venture between two Kenyan companies and a Chinese partner—is being contested by a rival Sino-Kenyan consortium.[127]

It is widely rumoured that some powerful individuals have—or have previously held—a vested interest in LAPSSET because they possess—or have already sold—land along the corridor, where land values have irrevocably changed. Since the early days of ROOLA in mid-2008, one financial intermediary company in Isiolo, Kenyan-led Santiza International, has sought to acquire land and source investment for a resort city to the west of the town.[128] For several years Kenyan-registered companies have been claiming to sell legally titled plots near the proposed infrastructure

126 Allan Odhiambo, 'Local firms lose claim for stake in oil pipeline study', *Business Daily*, 22 July 2014.

127 Brian Wasuna, 'Chinese company renews battle for Sh164bn Lamu power plant project', *Business Daily*, 16 June 2015.

128 'Our Story', Santiza International website; Ali Abdi, 'Isolated Isiolo on the brink of major revival', *The Standard*, 14 August 2008.

in Lamu. In late July 2014, for example, the Ministry of Land, Housing and Urban Development published a list of 22 private entities that had allegedly illegally acquired about 2,200 km2 of public land in 2011–2012 in Lamu. The plots in question, mainly found within the LAPSSET corridor, include 13 out of the 21 planned berths for the Lamu Port and accompanying special economic zone. The president ordered irregularly issued title deeds to be revoked and instructed authorities to launch a criminal investigation into the matter.[129]

Many in northern Kenya are quick to link land speculation to issues of ethnicity but the reality is far from clear-cut, as others readily admit.[130] 'Kenya is a society of entrepreneurs,' as somebody in Lodwar put it.[131] Speculation in land is also difficult to disentangle from investments closely tied to devolution itself, which has encouraged the return of relatively well-paid professionals to their home counties.[132]

Civil society organizations (CSOs)

Over the last five years or so, local civil society organizations and community based groups have engaged—albeit unevenly—on LAPSSET-related issues along its proposed route. CSOs have variously demanded transparency, affirmative action in workforce recruitment, environmental sensitivity, redress for historical and continuing injustices over land, ESIAs, and community consultation and participation.

Activism has been most pronounced in Lamu, including protests, transnational mobilization, and the development of Bio-cultural Community Protocols (BCPs).[133] Lamu communities have organized

129 Alphonce Shiundu, 'Storm as MPs discuss alleged Lamu land grab', *The Standard*, 6 August 2014.

130 Interview with CBO worker, Lamu, 13 April 2014.

131 Interview with NGO worker, Lodwar, 9 April 2014.

132 Interview with representative from the Catholic Church, Lodwar, 6 April 2014.

133 Bio-cultural Community Protocols document traditional land tenure systems, resources, and way of life. They are an advocacy tool designed to help local communities manage their own interests, in particular by providing a framework for adequate compensation when land is appropriated by the state or private corporations.

around LAPSSET-related issues since about 2009, spurred on by visits from national government officials. Activism has coalesced under the banner of Save Lamu, which has about 35 CSO members. Wary of being cast as anti-development by government, most CSOs have stressed that they are not opposed to LAPSSET. They are, in the words of one scholar, 'not working to undo structures of power by breaking out of them, but by breaking into them, getting inside them and sharing their spoils'.[134]

In early 2012, after years of unsuccessful letters of appeal, Save Lamu filed a legal petition arguing that the manner in which the Kenyan government is implementing LAPSSET is in breach of the constitution because of failures to provide information, consult affected communities, and carry out an ESIA. At the time of writing, the case was yet to be heard in court. Meanwhile, the promise of compensation has exposed the asymmetrical power relations between the government and local actors, as well as the differing aims of Save Lamu members. Some have accepted government compensation plans and are distancing themselves from the coalition.[135]

LAPSSET is not considered as pressing an issue in some areas as in others. In Turkana, for example, one county official expressed the view that many residents there consider themselves to be at the tail end of LAPSSET—in both geographical and temporal terms—which was seen to be mainly a Lamu issue.[136] In contrast, locally based NGO Friends of Lake Turkana has been organizing dialogues on LAPSSET and related issues with local stakeholders. In Isiolo, the Waso Trust Land Project, an NGO focused on land rights, has undertaken similar work.

Along the LAPSSET corridor, there are also isolated communities not well represented by CSOs, e.g. in areas between the urban centres of Lodwar and Isiolo, and Isiolo and Lamu. To remedy this, local and national organizations have made efforts to join forces. In early 2013,

134 Lindsay Bremner, 'Towards a minor global architecture at Lamu, Kenya', *Social Dynamics* 39/3 (2013): 398.

135 Interview with activist, Lamu, 15 April 2014; Interview with activist, Lamu, 17 April 2014.

136 Interview with Turkana County government official, Lodwar, 10 April 2014.

CSOs convened in Nairobi for the first national dialogue between community groups along the entire LAPSSET corridor.[137] This led to the formation of the LAPSSET Community Forum (LCF), with representatives chosen from organizations from each of the affected counties. In November 2014, LCF members convened in Lamu to discuss a common strategy.

LAPSSET has provided a basis for local CSOs to forge partnerships with external organizations. A number of national and international human rights and environmental groups provide support to CSOs in terms of funds, research expertise, and support for their advocacy efforts. Save Lamu, for example, emerged as a result of CSOs and Lamu District indigenous communities working in partnership with Natural Justice, a South African-based NGO. The German Heinrich Böll Foundation and the American Jewish World Service also provide assistance to the LCF in various ways. In addition, a number of conservation groups inside and outside the region keep tabs on LAPSSET, e.g. the International Union for the Conservation of Nature.[138] These organizations, along with local communities, are alert to the fact that while Vision 2030's stated aims include the development and promotion of a northern safari tourism circuit, LAPSSET would cut across wildlife corridors and could—if implemented without due diligence—undermine this aim. Similarly, Lamu's Old Town, a UNESCO World Heritage Site since 2002, could also come under threat by the construction of infrastructure and the anticipated influx of people triggered by LAPSSET. Consequently, UNESCO also monitors development of the port.

CSO advocacy has been vital to public debate but this is not unproblematic. On the one hand, such advocacy efforts serve to defend the rights and livelihoods of marginalized segments of society. On the other, they can be motivated by a degree of institutional or personal self-interest or rely on hearsay and rhetoric rather than on concrete research. Although

137 'Northern Corridor Community Groups form National Network to Call Government to Task on LAPSSET', Press Release, Save Lamu website, 15 February 2013.

138 Jane Gitau, 'LAPSSET needs better realignment to Vision 2030', *Sustainable Livestock Digest*, International Livestock Research Institute, 8 May 2012.

there are many Kenyan CSOs claiming to represent local interests, their claims are by no means straightforward. The loudness of their advocacy efforts may simply reflect a comparative advantage in resources and language skills, for example, rather than the size of their constituency or the real extent of its grievances. Even if the Kenyan government were willing to engage constructively with CSOs, this would not necessarily be an easy task.

Kenyan CSOs are likewise in complex positions. Alongside logistical, coordination, resource, and capacity challenges, some local CSOs face dilemmas about the type of information they should disseminate. This is not only a question about how to sensitize scattered communities with low literacy rates. Information about LAPSSET is highly sought after, not only by those affected by it but also by those seeking to capitalize on the flows of national and international capital they believe are destined for the corridor. Consequently, individuals with access to such information find themselves in a bind. 'Locals are looking for the LAPSSET map in order to acquire land. They're asking me and are willing to pay premier dollar…By sharing information, who are we helping?'[139]

Local communities

While informants in LAPSSET counties expressed a degree of scepticism about the project timeframe, most believe it will happen—at least in some version. LAPSSET means very different things to those who will be affected by the project in a variety of ways at different points in the future. Multiple perspectives on LAPSSET notwithstanding, it is possible to discern shared discourses and narratives about its potential cultural, political and socio-economic impacts across these diverse communities.

Historically, northern Kenyans have had an adversarial attitude to the state. In the current national political context, however, local responses to LAPSSET are not entirely negative. 'Hope over the new Constitution…

139 Interview with a member of an NGO in Turkana, Lodwar Town, 7 April 2014.

is the main factor preventing an explosion of Coastal anger.'[140] Local resistance is also curbed by hopes that LAPSSET will be a socio-economic panacea. Now that its alluring possibilities have been expounded by the Kenyan state, few wish LAPSSET gone. Youths in Lamu, for example, have turned out in huge numbers to apply for training courses relevant to work in the proposed port.[141]

At the same time, LAPSSET is generating anxiety in local communities. This is not helped by the chronic lack of clear information about the project. The current information vacuum around LAPSSET has allowed distrust and misapprehension to gain currency: 'When someone wants to be corrupt, the first thing they will do is deny you access to information…Do we have people who were privy to this information before the rest? Who rushed to acquire land and get title deeds so that they can be compensated?'[142]

The prospect of LAPSSET is also encouraging local claims to entitlements based on ethnic or other forms of collective self-identification. Worries are frequently expressed about the effects on local society of the projected influx of outsiders, ranging from increased levels of HIV/AIDS and higher numbers of sex workers,[143] to concerns about the potential loss of influence within county government to people from other communities.[144] These feelings are particularly heightened in Lamu, the population of which is projected to boom due to the many projects planned for the county, including development of a metropolitan centre.

These fears have historical precedents, too. Landless ethnic Kikuyu who arrived at Mpeketoni under a government settlement scheme in

140 Paul Goldsmith, 'How grandiose Lamu port project is alienating coastal communities from country', *The East African,* 19 September 2011.

141 Cheti Praxides, 'Thousands turn up for Lapsset Lamu courses', *The Star*, 8 May 2015.

142 Participant statement, Isiolo Community Land Watch Network meeting, Isiolo, 3 April 2014.

143 Interview with CBO officer, Lamu, 17 April 2014; Interview with elder, Isiolo, 3 April 2014.

144 Participant statement, Isiolo Community Land Watch Network meeting, Isiolo, 3 April 2014.

the 1970s have emerged as a coherent political force.[145] Although the attacks on Mpeketoni in July 2014 were claimed by al-Shabaab, they can also be partially attributed to an intensifying local politics of belonging. Secessionist sentiments on the coast, driven by narratives of historical and contemporary injustice, have been expressed in statements by the Mombasa Republican Council (MRC), which may evolve into a more serious threat to the Kenyan state in future.[146]

Even those who do not live on land that would be acquired by the Kenyan state for LAPSSET fear for their livelihoods. People living in close proximity to land or water for which LAPSSET components are planned, or whose lives and livelihoods depend on movement around or across these areas, will be affected socially and economically.[147] It is expected that compensation for economic displacement will be elaborated in the Resettlement Action Plans (RAPs) that are required in ESIAs. Many think that people in their counties are ill-equipped to capitalize on the alternative economic and employment opportunities accompanying LAPSSET, fearing that outsiders will benefit most.[148] As mentioned, there are also concerns that the displacement of wildlife[149]—a main source of income through tourism in northern Kenya—will affect residents.

In contrast to these concerns, many other stakeholders see the prospect of socio-economic deliverance and an appealing modernity in LAPSSET:

145 Justin Willis and Ngala Chome, 'Marginalization and political participation on the Kenya coast: the 2013 elections', *Journal of eastern African Studies* 8/1 (2013): 126–7.

146 Justin Willis and George Gona, 'Pwani C Kenya? Memory, documents and secessionist politics in coastal Kenya', *African Affairs* 112/446 (2013): 48–71.

147 According to interviews with a CBO officer in Lamu (17 April 2014) and a Lamu activist (15 October 2014), residents in Lamu County have also commented on potential social displacements. Lamu Port will have an impact on movement in the Mkanda channel, which serves as a major maritime highway between the mainland and the islands of the Lamu Archipelago. The port may restrict visits to families and friends, travel to schools and hospitals, and reduce tourism. Alternatives suggested in the ESIA thus far have been deemed unsatisfactory, impracticable, or even ridiculous by many in Lamu.

148 Interview with elder, Lamu, 14 April 2014; Interview with imam, Lamu, 16 April 2014.

149 As one journalist who was interviewed (Isiolo, 31 March 2014) whimsically put it, 'Who consulted the elephants?'

'Why are UNESCO declaring everywhere a heritage site?!' asked one interviewee, 'Let people come out of the heritage!'[150] Similarly, an elder in Isiolo declared, 'The time is gone for pastoralism…We are living in darkness but will come into the light.'[151] While for some LAPSSET threatens social and economic disconnection, the connectivity the project promises is a major incentive for others.[152]

Pastoralists

Kenya's pastoralist communities contribute tens of millions of dollars to the national treasury and provide the vast majority of beef consumed in Nairobi.[153] Some hope the improved transport infrastructure that LAPSSET would bring will boost business by minimizing distance to local livestock markets. 'Taking livestock to Nairobi is like throwing them away because you cannot take them back to Isiolo,' complained one community representative, 'you have to sell them even if it is at a throw away price.'[154] The improved road infrastructure proposed under LAPSSET could mitigate these problems. However, in the LAPSSET construction phase alone, the development of access roads could significantly disrupt access to markets as well as grazing of cattle.

The government has acknowledged that there are reasons for pastoralists to be worried and some of these risks already have been publicly identified.[155] In response, opportunities for investment in livestock production in the conservancies located in LAPSSET areas are currently being promoted. Nonetheless, the intrusion of some core LAPSSET infra-

150 Interview with activist, Isiolo, 1 April 2014.

151 Interview with elder, Isiolo, 4 April 2014.

152 Interview with CBO officer, Lamu, 17 April 2014.

153 Hussein Abdullahi Mahmoud, 'Pastoralists' Innovative Responses to New Camel Export Market Opportunities on the Kenya/Ethiopia borderlands', in *Pastoralism and Development in Africa: Dynamic Change at the Margins*, eds. Andy Catley, Jeremy Lind and Ian Scoones, London: Routledge, 2013, 98–107.

154 Participant statement, Isiolo Community Land Watch Network meeting, Isiolo, 3 April 2014.

155 Hussein Salesa, 'Lapsset "not good for all"', *The Star,* 16 September 2013.

structural components on the physical landscape could work against these government investments and, crucially, pastoralist interests.

LAPSSET would cross lands inhabited by communities whose livelihoods depend on moving their livestock seasonally in pursuit of grazing lands and water. If built, this infrastructure may reduce access to these necessary resources and fragment rangelands through barrier effects. Even if only the pipeline were built, in some areas it may not be buried underground.[156] Although the RAPs will probably elaborate mitigation measures designed to compensate pastoralists, the scant attention devoted to this issue in early planning documents does not augur well for these communities.

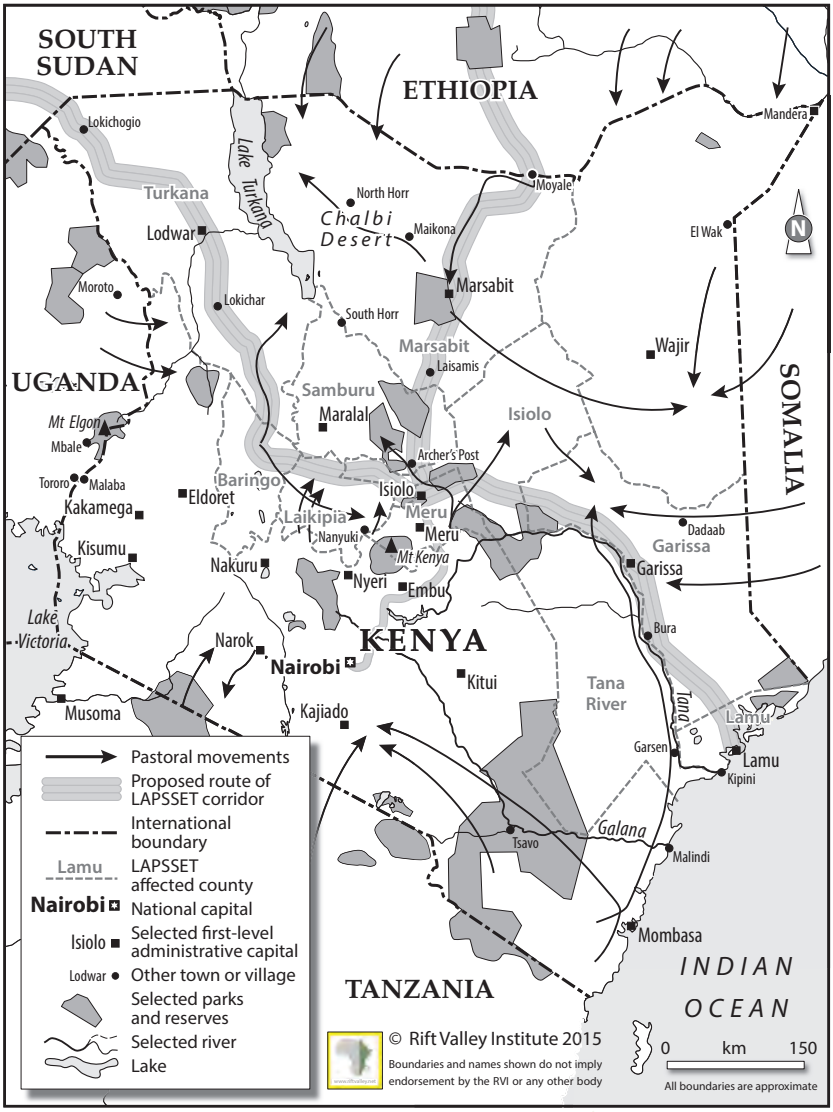
The 2011 feasibility study makes passing reference to the need to 'construct culverts and/or other appropriate passages across the corridor' as 'measures against the impacts on wildlife and livestock'.[157] As one LAPSSET official explained, 'We are not creating corridors like the Berlin Wall!…Where you need an underpass there will be an underpass. Where you need an overpass there will be an overpass.'[158] Even with the provision of tunnels or bridges, however, there is little doubt the LAPSSET corridor would impose significant constraints on the movement of both people and animals, cutting off seasonal migration routes or dividing shared lands. In addition to potential constraints on mobility, recent years have seen this livelihood system severely undermined by a succession of droughts, the migration of groups away from congested areas of high rainfall, and the removal of grazing areas from communal use because of other government schemes and conservation efforts.[159] In short, LAPSSET may exacerbate the vulnerability of these communities. Despite its potential benefits, pastoralists 'fear the influx of foreign

156 Tullow Oil plc, 'Special Feature Kenya', 11.

157 JPC, FS & MP, 3.20.

158 Interview with LAPSSET official, Nairobi, 29 April 2014.

159 For example, Vision 2030 includes a set of large-scale irrigation projects (some within the LAPSSET framework), targeting vast tracts of land in the ASALs, some of which are currently feeding grounds for livestock.



Map 2. *Pastoral movements in Kenya*

capital and infrastructural development will be the Trojan horse that dooms their identity and way of life'.[160]

Available documents do not map the possible route of the LAPSSET corridor with great precision. The routes of specific infrastructural components are also subject to change. Nonetheless, it is clear that LAPSSET would pass through a series of pastoralist areas in which mobility is both essential and contested. Should the changes brought by LAPSSET restrict access to water and grazing, as seems likely, this may encourage resentment among a population whose attitude to the government is ambivalent at best. Should these changes be perceived to benefit one group of pastoralists at the expense of another, this may lead to conflict.

Pastoralists in Isiolo, for example, are already acutely concerned about plans for one dry season grazing reserve, especially in the likely event of drought.[161] LAPSSET planners have identified Kipsing Gap, a corridor between two hills west of Isiolo Town that has been a long-term fallback area for herders, as the proposed site for the resort city. The local council set aside approximately 25 km^2 of land for lease to investors early in 2012. This has already stirred local tensions between the Borana, Somali and Turkana communities over access to resources. Preceding the local council decision, there were reports of politicians and business people enclosing large pieces of land and funding militias to drive out communities who backed their opponents, leading to violent clashes and fatalities.[162]

Agriculturalists

For the agriculturalists living along the corridor—mainly in Lamu, Meru, Isiolo and Tana River—LAPSSET also presents both opportunities and threats to their livelihoods. Some farmers value the marketing

160 Usama Abu Jamal, 'Lamu Port and the Lapsset project: regional integration or cultural extinction', *Chonjo* 11 (2011): 19.

161 Interview with CBO officer, Isiolo, 1 April 2014.

162 Interview with activist, Isiolo, 31 March 2014; Interview with journalist, Isiolo, 31 March 2014; Interview with activist, Isiolo, 1 April 2014.

opportunities presented by the transport infrastructure, as well as the prospect of three export processing zones for agricultural products in Isiolo-Meru-Archer's Post, Lamu, and Garissa-Bura. In Meru, one of the northernmost arable counties, farmers hope to exploit their strategic geographical position near Isiolo Airport to export *khat*.[163] Despite its potential advantages, LAPSSET presents a challenge to the relatively small number of agriculturalists who work the land upon which the project's core infrastructural elements are planned.

To date, these concerns about LAPSSET have been justified. Farmers have already have been displaced from land earmarked for the first phase of the port at Lamu. This is a county with a long history of land dispossession, as is reflected in the oft-expressed grievance: 'We are squatters on our own lands'.[164] With marginal land acquiring new value because of LAPSSET, latent problems over land titles have become manifest: claim and counter-claim between individuals and communities; grievances among those who feel that land is theirs for ancestral reasons, though they cannot prove title; and complications around indebtedness and unpaid charges on group ranch land.

These problems have resulted in long, complex disputes over compensation claims. Although some farmers have been compensated for land taken for the port, suspicion and dissatisfaction remain.[165] As land values along the LAPSSET corridor continue to increase, the intensity and frequency of conflict may grow, especially where agriculturalists and pastoralists come into contact. Violent clashes in other parts of Lamu

163 *Khat* is a small tree and cash crop grown in highland areas of Ethiopia, Kenya and Yemen, mostly for Somali and Yemeni markets, where demand for it is high. Chewed fresh, its leaves contain a relatively mild stimulant.

164 For more on this issue, see Paul Goldsmith, 'Constitutional reform and minority exclusion', in *Indigenous People in Africa: Contestations, Empowerment and Group Rights*, eds. Ridwan Laher and Korir Sing'Oei, Pretoria: Africa Institute of South Africa, 2014, 91–96.

165 Interview with civil servant, Lamu, 15 April 2014; Interview with CBO worker, Lamu, 16 April 2014. For more information on compensation-related legal proceedings, see the Kenya Law website (www.kenyalaw.org).

County and in Tana River County reportedly have been triggered by farmers' attempts to demarcate and register land.[166]

LAPSSET envisions large-scale agricultural irrigation schemes that are generating further worry over compensation and conflict. These plans have also created hope, especially in terms of employment opportunities in the agricultural sector. To harness the potential benefits of LAPSSET transport links, the government is promoting two agricultural schemes in the Garissa-Bura growth zone along the Tana River. One is an Ngowe mango farm with seven nucleus farms and smallholder outgrower schemes and the other is a sugarcane plantation, including cultivation, processing and outgrower schemes.[167] How local farmers respond to these projects may vary. Studies of similar projects indicate that local communities with 'strong customary claims and links to wider opposition' can stall top-down large-scale land acquisition, or they can accept it because it is perceived as an opportunity 'to safeguard access to resources and to support their development expectations'.[168]

Fisherfolk

Most fisherfolk along the LAPSSET corridor live on Lake Turkana or the Lamu Archipelago. In Lamu, many expect to be physically and/or economically displaced, given the size of the port zone, i.e. about 186 km2.[169] Artisanal fishing would be greatly affected by the new port. Shallow inland channels will be dredged and the mangrove forests stabilizing the shoreline and providing hatchery and nursery areas will probably be felled. There are fears for fish populations because dredging and construction degrades water quality. To mitigate these environmental

166 Cheti Praxides, 'Six Hurt As Farmers, Herders Fight in Lamu', *The Star,* 28 February 2014.

167 Silvester Kasuku, 'Economic Growth and Development, for a Just and Prosperous Kenya', LAPSSET presentation to the Architectural Association of Kenya Annual Convention, Sarova Whitesands, Mombasa, Kenya, 22 August 2014.

168 Rebecca Smalley and Esteve Corbera, 'Large-scale land deals from the inside out: findings from Kenya's Tana Delta', *Journal of Peasant Studies* 39/3-4 (2012): 1039–1075.

169 JPC, FS & MP, 4.1–8.

impacts, the ESIA conducted for Lamu suggests replanting mangroves but questions remain over the adequacy of such measures.

The ESIA's RAP also proposes compensation for economically displaced fisherfolk, including modern fishing equipment and vessels that would enable them to venture into more distant deep-water fishing grounds. Compensation plans also refer to building landing sites with electricity, access roads, and cold storage facilities.[170] While these plans may appeal in principle to some fisherfolk, the exact compensation methods have yet to be made public by the government. LAPSSET officials also make reference to plans for a berth devoted to fish handling and an accompanying fish-processing plant. As with many of the value addition projects linked to LAPSSET, however, the expectation is that this plant will be established through private sector investment—which may or may not materialize—in a special economic zone.[171] Crucially, these plans imply a different lifestyle and business model to current ones. The interests of Lamu's fisherfolk, unlike that of the county's farmers, are not represented by any associations.[172] This may pose problems if the need for collective bargaining or negotiation arises.

On Lake Turkana, there are manifest contradictions pertaining to the Kenyan government's stated aims for LAPSSET. Lake Turkana hosts fisheries that are a source of local livelihoods. The government has identified these fisheries for investment as part of the LAPSSET's Lake Turkana growth zone, which will also involve boat making. However, according to independent studies, this ecosystem will be severely affected by the reduced water levels resulting from the construction of hydroelectric dams on the Omo River and accompanying irrigation schemes over the border in Ethiopia. Lack of resistance on the part of the Kenyan government has been attributed to the fact that power generated by the

170 Heztech Engineering Services/Republic of Kenya, 'Environmental and social impact assessment study report for construction of the first three berths of the proposed Lamu Port and associated infrastructure', Nairobi: Republic of Kenya, 2013, iii.

171 Brian Otieno, 'Lamu fishermen to benefit from processing plants – Kasuku', *The Star,* 6 March 2015.

172 Interview with Lamu County executive officer, Lamu, 17 April 2014.

dams will be sold to Kenya at a preferential rate. An ESIA for the impact of the dams on Lake Turkana has not been released.[173] Although the planned resort city in Turkana at Eliye Springs presently seems a remote possibility, there are fears that it would block public access to the lake if it comes to fruition. Many people in Turkana, however, would eagerly welcome the job opportunities that may come with this development.[174]

Hunter-gatherers

The small Aweer, or Boni, and Sanye, or Waata, hunter-gatherer communities are among the least well positioned to benefit from LAPSSET opportunities and the most threatened by the project's demands for land. The Aweer mainly occupy parts of the Lamu mainland, while small pockets of Sanye are in both Lamu and Tana River. Even by northern Kenya's standards, these communities are not well endowed with educated elites nor are they well represented by civil society organizations.[175] Due to their numerical insignificance, geographic fragmentation, traditional livelihood system, and low levels of education, these minority groups exist largely at the margins of social, political, and economic space in Kenya.[176]

In addition to relying on forest resources, many have adopted farming practices. Passing through areas that these hunter-gather communities inhabit, LAPSSET poses a threat both to their livelihood systems and customary land rights due to increased deforestation rates and

173 Sean Avery, *The impacts of hydropower and irrigation development on the world's largest desert lake: what future Lake Turkana?,* Oxford: African Studies Centre, University of Oxford, 2013.

174 Interview with journalist, Lodwar, 8 April 2014; Interview with CBO worker, Lodwar, 8 April 2014.

175 Kanyinke Sena, 'Lamu Port-South Sudan-Ethiopia Transport Corridor (LAPSSET) and indigenous peoples in Kenya', report on Expert Mission by a Member of the UN permanent Forum on Indigenous Issues, International Working Group on Indigenous Affairs (no date).

176 Abdirizak Arale Nunow, *The displacement and dispossession of the Aweer (Boni) Community,* Land Deals Politics Initiative, Ithaca: Cornell University, 2012.

land expropriation.[177] In addition to this, in September 2015 Kenyan security forces launched a security operation in Boni Forest, suspecting al-Shabaab fighters had sought refuge there. The Kenyan government has ordered everyone residing in the forest to vacate the area.[178]

Militia groups

In what often seems like a veiled threat to the Kenyan government and multinationals, the spectre of the Niger Delta lurks in much of the local discourse about LAPSSET.[179] Pipeline installations in that oil-rich part of Nigeria regularly suffer acts of sabotage, vandalism, and theft despite government efforts to acquire land and bury pipes.[180] If the current insecurity in Kenya is not effectively addressed, there is definite potential for attacks on the pipeline and other infrastructure, both during construction and once LAPSSET is operational.

The most serious threat to LAPSSET is from al-Qaeda affiliate al-Shabaab. Some argue that the intrusion of the Kenya Defence Force into Somalia in October 2011 was partly in preparation for LAPSSET—an effort to shore up security around Lamu. This followed a series of kidnappings for which al-Shabaab is thought to have been responsible.[181] The Kenyan intervention in Somalia, however, has been followed by increased Islamic militant activity within Kenya, particularly in Lamu, Tana River, and Garissa counties.[182] Since 2011, the situation has deteriorated significantly in all these counties. Al-Shabaab's attack on Garissa

177 Interview with member of county assembly from Aweer community, Lamu, 16 April 2014.

178 Mohammed Yusuf, 'Kenyan to Clear Al-Shabab Fighters From Forest Near Somalia', *Voice of America*, 15 September 2015.

179 The Niger Delta is a classic example of the oil curse. Although the region has some of the richest oil deposits in the world, the Nigerians living there are poorer than ever, violence is rampant, and the land and water are highly polluted.

180 Freedom C. Onuoha, 'Oil pipeline sabotage in Nigeria: Dimensions, actors and implications for national security', *African Security Review* 17/3 (2008): 104.

181 Lamont, 'The road to Sudan', 160.

182 David M. Anderson and Jacob McKnight, 'Kenya at War: Al-Shabaab and its enemies in eastern Africa', *African Affairs* 114/454 (2015): 1–27.

University College on 2 April 2015 left 147 dead. Kenyan security forces have only had limited success in containing these activities. The response by security agencies, for instance the seemingly indiscriminate arrests under Operation Usalama Watch in 2014, heavily criticised by human rights agencies,[183] has alienated Somalis. This, some argue, is providing fertile ground for radicalization.

Mobilization of community militias in northern Kenya to launch attacks on LAPSSET infrastructure and personnel is also a risk. The vast majority of the estimated 530,000–680,000 firearms held by civilians in Kenya are found in these rangelands.[184] Conflict between pastoralist communities has intensified in recent years, giving rise to what some now call land-rustling, whereby communities raid others to force them off border grazing areas. Here, as in Garissa and Lamu, state security personnel have been unable to contain the violence or even to defend themselves.

Unless Kenyan security agencies manage these situations with skill, and government officials tread carefully in relationships with communities in the LAPSSET counties,[185] attracting investment to the corridor will face security-related difficulties. If LAPSSET is realized, it will create problems both in securing the corridor and managing borders, since movement and traffic are liable to increase exponentially. Previous experience suggests that such instability, in either Ethiopia or Kenya, would be manageable and would not prevent the construction of the pipeline. If managed through a combination of coercive force and compensation channelled through powerful local brokers, however, it would not be just or equitable.[186] This could increase the long-term disaffection of the

183 Human Rights Watch, 'Kenya: Counterterrorism Operations Undermine Rights: No Justice for Security Force Abuses', 29 January 2015.

184 Manasseh Wepundi et al., 'Availability of Small Arms and Perceptions of Security in Kenya: An Assessment', Geneva: Small Arms Survey and Nairobi: Kenya National Focal Point on Small Arms and Light Weapons, 2012, 35, 88.

185 Paul Goldsmith, 'The future of pastoralist conflict in the horn of Africa', in *Pastoralism and Development in Africa: Dynamic Change at the Margins*, eds. Andy Catley, Jeremy Lind and Ian Scoones, London: Routledge, 2013, 136–137.

186 RVI, internal report, 22.

populace of northern Kenya and south-western Ethiopia, with much the same effect in northern Uganda. Rising levels of al-Shabaab violence and the related challenge of controlling domestic radicalization suggest that it is more important than ever to constructively engage with, and not alienate, the Muslim and Somali communities in Kenya.

7. Other key state and non-state actors

China

While some have seen the Chinese government as one of LAPSSET's key supporters,[187] its position is ambiguous. China is not a unified actor. Its business interests in eastern Africa are represented by a variety of state-owned engineering and energy firms, each with their own specific agendas. Although these entities receive relatively high levels of state assistance, they are hybrid corporations competing with one another. Increasingly they make decisions based on financial rationales rather than China's geo-strategic interests.[188]

Active in Ugandan oilfields, the state-owned China National Offshore Oil Company (CNOOC) appears to have preferred the Mombasa crude oil export route, the development of which would have undermined the LAPSSET corridor. If the Hoima–Lamu option prevails, Chinese funds and firms may play roles in this project. It seems improbable, however, that China will fund any future South Sudan–Lokichar pipeline spur. Although China has increased aid to South Sudan since independence, there are limits to this assistance.[189] In particular, in 2012 Juba failed to persuade Beijing to support a southern pipeline. According to one analysis, 'China's rejection of [South Sudanese President] Kiir's financing requests is likely based on its diplomatic balancing act and the outstanding debt repayments owed on Sudan's pipeline and refinery infrastructure.'[190]

State-owned China National Petroleum Corporation (CNPC), which holds production licences in both Sudan and South Sudan, is the biggest

187 See Lamont, 'The road to Sudan', 162.

188 Ross Anthony, 'Infrastructure and influence: China's presence on the coast of East Africa', *Journal of the Indian Ocean Region* 9/2 (2013): 142.

189 RVI, internal report, 13–14.

190 Scott Hickie, 'Intelligence brief: the likelihood and potential impacts of alternative South Sudan oil pipelines', *Open briefing*, 5 June 2013.

buyer of oil from both countries. Although the Chinese government has a major stake in future oil prospects in both countries, its interests are not simply narrow economic ones but now involve a broader set of allied political, reputational, and security factors.[191] Beijing treads a fine line in its relations with Juba and Khartoum and there are also limits to its political influence. For example, China failed to avert the oil shutdown in South Sudan in January 2012, demonstrating that events between Sudan and South Sudan are driven by a combination of intra and inter-state politics, with external actors often having little influence. Increased violence and instability in South Sudan since 2013 have only served to make China more cautious and unwilling to make any further serious investments—oil-related or otherwise—before an end to fighting in the country.

China may also be reluctant to fund LAPSSET's railway and port elements due to its extensive financial commitments to similar projects in the region and the severe drop in oil prices.[192] Although the state-owned China Communications Construction Company (CCCC) won the construction tender for the first three berths at Lamu Port, and for the studies and plans for project's railway component, there is no evidence to suggest that Chinese finance is involved. Chinese government interest in Lamu may also be weakened because it is already heavily committed to a greenfield port development in Tanzania at Bagamoyo, costing around USD 11 billion, and the expansion of the Port of Djibouti—and its railway link to Addis Ababa—which would compete with Lamu Port for import-export traffic from Ethiopia and South Sudan.[193] Only one Chinese company, the Hong Kong-based private enterprise JS Neoplant, has expressed serious interest in financing LAPSSET. Made in 2011, this offer was reportedly declined as it entailed a sovereign guarantee.[194]

191 RVI, internal report, 14.

192 'From East to East', *Africa Confidential.* Vol. 56 No. 16, 6 August 2015.

193 Steve Mbogo, 'Major projects on course as countries fight for sea transport business', *Daily Nation,* 28 December 2012.

194 'Longing for Lamu', *Africa-Asia Confidential.* Vol. 5 No. 2, 13 December 2011.

Japan

Japan is looking to strengthen trade and investment ties with Africa as a whole, a strategy that some perceive as a reflection of Sino-Japanese rivalry.[195] Japanese involvement in LAPSSET has been notable for its persistence. Japan is a major importer of South Sudanese oil because of its suitability for its thermal power plants.[196] Crucially, however, Japan is not involved in oil exploration or production in the country and is therefore less concerned than China about the risk of alienating Khartoum by supporting the LAPSSET pipeline. A private company, Japanese Port Consultants (JPC), has been involved in LAPSSET since 2010, when, in a joint venture with a Kenyan company, it was engaged by the Kibaki administration to produce a LAPSSSET feasibility study master plan. Controversially, after scrutiny from parliament and civil society about inflated costs, the contract resulted in the Kenyan treasury forcing the company to renegotiate fees.[197]

Toyota Tsusho Corporation (TTC), the trading and logistics arm of Toyota Group, has demonstrated the most interest of any state or private company in developing the LAPSSET corridor. The company first offered to build the pipeline to South Sudan in 2010 on the condition that it would be allowed to run it for 20 years to recoup costs. The company completed a feasibility study for the South Sudan–Kenya route in April 2012,[198] and about 18 months later, after Kenyan and Ugandan petroleum became a factor, stated its intention to work with all three governments in a public-private partnership.[199] TTC's enduring interest in LAPSSET

195 Allan Odhiambo and Lydia Namono, 'Japan faces off with China over mega infrastructure deals', *Business Daily,* 14 August 2011.

196 Jeremy Taylor, 'Oil politics, Asian suitors, and alternative pipelines in South Sudan', *Think Africa Press,* 26 June 2013.

197 'Who is benefiting from the millions paid for Lamu Port corridor project?', *Daily Nation,* 21 May 2011; Alphonce Shiundu, 'Kenya: MPs Threaten to Blacklist Japan Firm Over Lamu Port', *allAfrica,* 15 December 2011.

198 Barney Jopson, 'Japan group eyes oil pipeline plan', *Financial Times,* 3 March 2010; 'S. Sudan: Japan firm completes Kenya pipeline study', *Reuters Newswires,* 13 April 2012.

199 'Toyota Tsusho to lead pipeline project for S. Sudan, Uganda, Kenya', *Global Post,* 12 September 2013.

was recently evidenced by its successful push for a contract to undertake the feasibility study and initial design on the Hoima–Lamu pipeline. In the completed plans TTC has made provision for future involvement by South Sudan.

The Gulf States

Investors from the Gulf States were interested in LAPSSET's earlier iteration, ROOLA, for most of the mid-to-late 2000s. Project proposals were put forward by the international arm of Al-Bader, Al-Bader International Development Construction Co., founded in Sudan in 2005.[200] Only Al-Bader is said to have responded to Kenyan government efforts to promote the project at an investors' meeting in South Sudan in April 2006.[201] At the time, state-owned Kuwait Foreign Petroleum Exploration Company (Kufpec) had a stake in the vast Block B oil exploration concession in Southern Sudan, which is where the pipeline would have begun.

Al-Bader's bid to develop the project on a build-own-operate-transfer (BOOT) basis was under negotiation for a couple of years but concerns were raised about the 'manifestly lopsided arrangement' that was being proposed.[202] During this time, the Kenyan government also considered a bid by the Qatari government in exchange for land in Tana Delta.[203] In the guise of state-owned Qatar Petroleum, this Gulf State also appeared to be interested in Block B.[204] More recently, the Gulf States' interest in LAPSSET seems to have cooled, although there have been reports that the Qatari government is considering financing a small section of the road between Lamu and Isiolo.[205]

200 'Al-Bader International Development Construction Co', Al-Bader website.

201 Patrick Mayoyo and Zeddy Sambu, 'Foreign firm seeks rights to start grand project in Lamu', *allAfrica,* 4 September 2006.

202 'Kenya: Kuwaiti tycoon set to clinch multi-million dollar deal for grandiose Lamu projects', *allAfrica,* 14 August 2006.

203 Paul Redfern, 'Lamu port deal: Kenya to sell Tana Delta land', *The East African,* 20 December 2008.

204 'Qatar to Hook Up with Total', *Africa Energy Intelligence* 641, 8 December 2010.

205 Macharia Kamau, 'Qatar to fund Sh12.9 billion Isiolo road', *The Standard,* 25 April 2014.

Western states

Some European and American governments are watching LAPSSET with interest. Kenyan government relations with many of their western counterparts have been troubled because of International Criminal Court charges against President Uhuru Kenyatta and Deputy President William Ruto. Charges against Kenyatta were dropped on 5 December 2014 and a similar decision is likely for Ruto at the time of writing, so relations between Kenya and the West are once again normalizing. Moreover, both the Kenyan and western governments have strongly inter-linked political, economic, humanitarian and security interests.

Of all the western actors engaged with LAPSSET, the relationship with the United States is perhaps the most complex. US concerns over the project are reflected in a recent report conducted with the cooperation of the Combined Joint Task Force Horn of Africa (CJTF-HOA), which is part of US Africa Command (AFRICOM). Since shortly after the attack on the World Trade Center on 11 September 2001, CJTF-HOA has had a presence in Lamu at Kenya's Manda Bay Naval Base where the LAPSSET deep-water port is planned. The study enumerates four primary potential LAPSSET impacts that could affect the US-Kenyan security partnership, including concerns that the project would 'force the exit of military units from the Kenyan Naval Base at Manda Bay'; 'harm local communities and exacerbate latent social tensions'; 'embolden extremists with new targets and disaffected youth to recruit'; and 'expand the Sino-Kenyan economic bond'.[206]

Evidence from the LAPSSET feasibility study suggests that US fears about a forced closure of the naval base are well founded, although it seems likely that relocation would not be necessary for about a decade.[207] The US government plans to counter LAPSSET's potential detrimental social and security impacts through both the CJTF-HOA's humanitarian and civic assistance campaigns and its foreign aid arm, the United States Agency

206 Nicholas Birger, 'Assessing the impact of the LAPSSET Corridor: Implications for the U.S.-Kenya security partnership', MA thesis, Harvard University, Cambridge, 2013.

207 JPC, FS & MP, 4.1–28 to 4.1–31.

for International Development (USAID). USAID is heavily involved in funding development programmes in northern Kenya, including a model for identifying and registering community land that is currently being piloted in Lamu County among the Bajuni and Aweer communities.[208]

While western actors perceive various challenges, they also recognize that LAPSSET could create opportunities—e.g. to balance the 'Sino-Kenyan economic bond' and to help develop northern Kenya's pastoral economy. USAID has earmarked USD 19.4 million over the next five years for the livestock sectors in Isiolo and Marsabit, counties LAPSSET would traverse.[209] And, in 2014, it was mainly western firms—the majority UK or US-based—that submitted bids for the crude oil pipeline feasibility study and initial design tender, which was ultimately awarded to Japan's TTC, and then sub-contracted to Germany's ILF Consulting Engineers.[210] In addition, a number of US and European businesses, including San Francisco-based Bechtel Corporation, the largest American construction and civil engineering firm, are reportedly discussing their potential involvement in the development of some of LAPSSET's main elements.[211]

According to the Kenyan media, US firms were being actively encouraged to participate in LAPSSET during their government's trade mission to Kenya in June 2015.[212] This preceded the July signing of wide-ranging MoUs between the United States and Kenya regarding future assistance from the former's Overseas Private Investment Corporation, Export-Import Bank, Trade and Development Agency, and the Department of Commerce in the development of priority strategic infrastructure.

208 USAID Program Brief, 'Land Tenure & Property Rights: Kenya SECURE Project', Washington, DC: US Agency for International Development, March 2011.

209 Ali Abdi, 'USAid gives Sh1.7 billion to Isiolo and Marsabit counties', *The Standard,* 16 February 2014.

210 '17 firms bid to design crude oil pipeline from Uganda', *Daily Nation,* 11 August 2014.

211 Edwin Mutai, 'State House hands dealmakers control of Lamu projects', *Business Daily,* 13 March 2014; Immaculate Karambu, 'Ministries study Sh215bn plan for key Lamu port projects', *Daily Nation,* 29 April 2014; David Malingha Doya, 'Kenya, U.S. Companies in Talks on Multibillion-Dollar Port Deal', *Bloomberg*, 26 July 2015.

212 Lilian Ochieng, 'US investors scout for opportunities in Kenya', *Daily Nation*, 26 June 2015.

Reports in the Kenyan media asserting that the US government has committed USD 9.5 billion specifically to LAPSSET are, however, difficult to reconcile with more circumspect, vague references to infrastructure in White House press releases.[213] Any funds would be tied to projects involving American companies.

Oil companies

Closely linked to the interests of some of these extra-regional state actors are those of the oil companies active in eastern Africa. Tullow, Total, and CNOOC have joined together to develop oilfields in western Uganda, where billions of dollars have been invested over the past 10 to 15 years. Tullow is also exploring in Kenya and southern Ethiopia with its Canadian partner, Africa Oil Corp, and recent Danish arrival Maersk Oil & Gas. Although each company has its own specific agenda, they are united in their goal to transport crude oil to the Indian Ocean for export to international markets.

While the oil companies have reached agreement with the Ugandan government on some fiscal matters, they remain locked in negotiations with petroleum technocrats over the recovery rates from different oilfields, an issue that has long been a sticking point in their quest for production licences.[214] Applications for these licences were submitted about 18 months ago but only one permit has been issued thus far—to CNOOC, for an oilfield that on its own is insufficient to support investment in infrastructure development.[215] In principle, Uganda is committed to exporting most of its oil via a pipeline to the coast. In practice, the government's hard bargaining and relative lack of urgency over this continues to present obstacles. Perhaps oil company-community relations

213 Andrew Teyie, 'Sh1.2 trillion deal struck but not all are winners after US President visit', *Daily Nation*, 2 August 2015; 'Fact sheet: Deepening the U.S.-Africa Trade Relationship', The White House website, 26 July 2015.

214 David Mugabe, 'Govt, oil companies disagree on production', *New Vision*, 11 February 2015.

215 'CNOOC holds ministry's feet to fire: no crude without Tullow and Total', *Africa Energy Intelligence*, 14 July 2015.

have been marginally less fraught in Uganda but on the whole Kenya has proven an easier environment in which to operate, until recently.[216]

Debate over the route of the crucial pipeline in the second half of 2014 may have changed oil company perceptions of the Kenyan government. As the economic and political terrain shifted, Tullow became less inclined than in the past to state the 'obvious synergies between LAPSSET and any Kenya–Uganda pipeline from the oilfields'.[217] These developments may have also led to tensions between the firms that only hold licences in Uganda, on the one hand, and those active in just Kenya or in both countries, on the other. All these companies had seemed firmly in support of the Mombasa route by the start of 2015. But over the course of the second half of the year, Total reportedly began pushing Uganda to consider the Tanga route—circumventing Kenya altogether—precluding the possibility of a cost-saving tie-in for Tullow and its partners there. But if Uganda discards either of these preferences, the oil companies may be forced to take a stake in the LAPSSET pipeline to expedite the export of petroleum and start seeing some investment returns. Following the crash in oil prices in 2015, however, such decisions are likely to be some way off.

Non-state concessionary lenders

Until late 2014, none of the international or Africa-focused financial institutions had made significant contributions to key LAPSSET infrastructure. They had, however, supported construction of the highways that are now considered part of the project.[218] The A2 road between Isiolo and Moyale, on the border with Ethiopia, was funded by the African Development Bank (AfDB), the World Bank (WB), and the European Union. The AfDB has provided approximately USD 12 million for the ESIA, detailed design work, and technical assistance for three other

216 Tullow Oil plc, chief operating officer Paul McDade, quoted in 'Tullow Oil 2013 Full Year results', paper presented at the 2013 Full Year Results Conference, London, England, 12 February 2014.

217 Head of Media Relations, Tullow Oil plc, e-mail message to author, 22 April 2014.

218 Begun in 2010, construction of this highway was not, strictly speaking, linked to LAPSSET.

sections of the LAPSSET road network: Lamu–Garissa; Garissa–Isiolo; and Isiolo–Nyingang.[219] The WB has also funded feasibility and design studies for upgrading the road link from western Kenya to Juba, which includes LAPSSET's Lokichar–Juba stretch but this began in 2009, prior to LAPSSET's crystallization.

In October 2014, the WB announced its interest in backing a regional pipeline but seems to be waiting to see if regional government intentions can be brought into alignment and if oil prices recover. As part of the WB's new USD 1.8 billion development initiative in the Horn of Africa over approximately a two-year period, the bank plans to commit USD 600 million to support financial services, agribusiness, and extractive industries through its private lending arm, the International Finance Corporation (IFC). Included in the IFC's indicative list of projects for special targeting are regional pipeline and roads projects linking Uganda, Kenya and South Sudan. The exact relation of these plans to LAPSSET remains vague, as publicly available documents contain no direct references to the megaproject.

Attempts to attract private sector investors and lenders to these infrastructure projects could also benefit from the USD 200 million earmarked by the WB's Multilateral Guarantee Investment Agency for political risk insurance guarantees to promote foreign direct investment into developing countries. Another part of the WB Group, the International Development Association, plans to provide interest free loans of approximately USD 300 million to complete the aforementioned highway between South Sudan and Kenya, while setting aside a further USD 35 million to support the extractive sector, including regional pipeline development. As it has already attempted to do in agreements in other countries, the WB has indicated that it could support ESIAs, the establishment of a pipeline consortium and principles for transit fees and tariffs.[220]

219 'Tenders floated for assessment of Lapsset impact', *Daily Nation,* 6 June 2012.

220 World Bank, 'Regional initiative in support of the Horn of Africa', Washington, DC: World Bank Group, 2014.

8. Conclusions and policy considerations

The LAPSSET vision demonstrates the enduring power of ideas of modernity to drive planning for large-scale infrastructure projects. Thus far however, LAPSSET has failed to realize the developmentalist 'Africa rising' narrative of its promoters. The project's fragility has been repeatedly exposed. Its first iteration, with South Sudan at the core, was initially severely undermined by this country's apparent lack of commitment to the project and later by its descent into conflict. And LAPSSET's most recent incarnation has been cast into severe doubt by the combined effects of the spill-over of an Islamist militia movement from Somalia into Kenya and from the fall in global oil prices. Persistent regional rivalries have also thwarted progress on a regular basis.

Perhaps the most important questions LAPSSET raises in its current context concern the historical, contemporary and future dynamics of regional integration in eastern Africa. Questions concerning what drives and what inhibits these complex and shifting dynamics, who will benefit and who will not, and what the long-term implications are likely to be, remain unresolved. It is necessary to critically examine and reflect on the converging and diverging agendas of regional and extra-regional actors.

Fears about security and oil prices have rendered regional cooperation and economies of scale all the more important. At the same time, these very fears have created tensions among those governments and companies seeking to export eastern Africa's oil. Neither Kenyan government rhetoric nor African Union endorsement of LAPSSET conceals this reality. In eastern Africa, oil discoveries have been 'an important driver for the current regionalisation'.[221] The corporations holding licences to the oilfields can be seen to have influenced this process by forcing an export project on Uganda. But what has been overlooked is the possibility

221 Svein Sørlie Lund, 'Political Regionalisation and Oil Production in Africa: the case of the LAPSSET Corridor', MA thesis, Stellenbosch University, 2015, 69.

that they have stoked extant regional rivalries in pursuit of their own goals.

The politics of oil and the large-scale regional infrastructural visions in eastern Africa cannot be understood in isolation from the broader social, political, and economic forces that are obscured in joint communiqués and MoUs. The stakes between governments have been raised since petrodollars and highly capitalized energy companies have entered the equation. This has intensified the contradictions and antagonisms already inherent within and between these east African states. While large-scale infrastructure projects may beget a stabilizing mutual dependence, the path to economic integration may also refuel old enmities and misgivings between these governments. Such problems are likely if the crude oil pipeline at the core of these initiatives feels the force of continued volatility in oil prices once it has been constructed. Transit troubles could lie ahead.[222]

Whether LAPSSET comes to pass, the very promotion and planning of this project has 'set in motion a range of anticipatory and speculative responses'.[223] Plans, even those far less ambitious than LAPSSET and even if they do not come to fruition, can have very real consequences. LAPSSET is generating a combustible mix of hope, fear and anxiety across the communities it would and has already affected. It is driving land speculation and heightening inter and intra-communal tensions in a variety of ways—some predictable, some unforeseen. It has provoked new local debates about what modernity should and could mean.[224]

On the domestic level in Kenya, the LAPSSET story raises yet more questions. How can a government plan and promote a project like LAPSSET both to its citizens and potential investors in a manner that

222 Paul Stevens, *Transit Troubles: Pipelines as a Source of Conflict*, London: Chatham House, 2009.

223 Ken Menkhaus, *Conflict Assessment: Northern Kenya and Somaliland 2014*, Copenhagen: Danish Demining Group, 2015, 35–36.

224 Elliott Hannah, 'Plots and Progress: The Coming of Town and an Economy of Anticipation at the Gateway to Kenya's "New Frontier"', paper presented at the European Conference on African Studies 2015, Paris, France, 8 July 2015.

does not risk causing untold damage to the very societies and people the project purports to benefit? It should be possible to achieve this, at least to some extent, but continued uncertainty over the route and nature of the project, while useful for speculators, creates space for rumour and fear. Above all, it militates against proper consultation and planning.

In 2014, a Kenyan member of parliament told the LCDA director general, 'you need to tell Kenyans whether this project is dead or alive.'[225] The problem is that LAPSSET officials do not know the answer. In their eyes, the relentless search for private capital necessitates bluster and optimism. This is juxtaposed with a pressing need for more extensive information sharing and transparency. Kenyan citizens, especially those who would be affected by this megaproject, want to know the realities of LAPSSET—however changing and uncertain its status may be. Potential investors also might be discouraged because these realities are unclear.

Advocacy efforts by civil society organizations have played an essential role in stimulating public debate about LAPSSET, even as this has not been altogether unproblematic. Such organizations can be seen as opponents of the exploitative forces operating in Kenya's unequal society. Their motives, however, are not always clear, nor their connections to wider social and political forces at work inside and outside Kenya. This raises questions about the extent to which civil society organizations both reflect and represent the nature of local grievances. To better understand this, the politics of civil society activism require further analysis. What are its strengths and weaknesses, tensions and contradictions, participatory practices, exclusions and hierarchies?[226]

Although the fall in oil prices and regional dynamics have checked LAPSSET progress, it is feasible that the current slowdown will give way to a rush to build a pipeline and roads, particularly if and when global oil prices undergo a sustained rise. Such haste would be entirely inimical to the potential benefits LAPSSET offers to a large number of

225 John Ngirachu, 'Why Lapsset project could fail', *Daily Nation*, 28 August 2014.

226 See Miles Larmer, 'Social movement struggles in Africa', *Review of African Political Economy* 37/125 (2010): 251–265.

diverse interests, local, national, regional and international. In particular, a rushed approach would risk undermining the need for a broader participatory process that gives proper attention to social, economic, political and environmental considerations. How to achieve such a process is perhaps the most immediate question LAPSSET poses.

Glossary of acronyms, words and phrases

AfDB	African Development Bank
AFRICOM	United States Africa Command
AGI	African Governance Initiative
ASALs	arid and semi-arid lands
AU	African Union
BCP	Bio-cultural Community Protocol
BOOT	build-own-operate-transfer
CCCC	China Communications Construction Company
CJTF-HOA	Combined Joint Task Force Horn of Africa
CNOOC	China National Offshore Oil Company
CNPC	China National Petroleum Corporation
CPA	Comprehensive Peace Agreement
CSO	Community Based Organization
dhow	(*Arabic*) traditional sailing boat
ESIA	Environmental and Social Impact Assessment
IFC	International Finance Corporation
JPC	Japanese Port Consultants
khat	mildly narcotic plant grown in Kenya
Kufpec	Kuwait Foreign Petroleum Exploration Company
LAPSSET	Lamu Port–South Sudan–Ethiopia Transport
LCDA	LAPSSET Corridor Development Authority
LCF	LAPPSET Community Forum
MoU	Memorandum of Understanding
MRC	Mombasa Republican Council
NEMA	National Environment Management Agency
NLC	National Land Commission
PDU	President's Delivery Unit
PPP	public-private partnership
PICI	Presidential Infrastructure Champion Initiative
RAP	Resettlement Action Plan
SPLA	Sudan People's Liberation Movement
TTC	Toyota Tsusho Corporation

USAID	United States Agency for International Development
USD	US Dollars
WB	World Bank

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Map 3. *Kenya, showing the proposed LAPSSET corridor and associated infrastructure*

'This study is in-depth, up-to-date and the first of its kind on a massive infrastructure development project in the region, examining its history, politics, evolution, the emergence of actors and interests and effects on the poor and marginalized. It presents the ambitions and ambiguities of a megaproject never seen in the development history of the region. The report is a comprehensive analysis of the hopes and fears emanating from a megaproject in the region and provides invaluable data on which future studies will certainly have to rely.'

—HUSSEIN A. MAHMOUD,
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The Lamu Port–South Sudan–Ethiopia Transport (LAPSSET) corridor is a megaproject which, is in its most ambitious form, would link a major new port development on Kenya's Indian Ocean coast to South Sudan and Ethiopia. However, the path to regional integration in eastern Africa has never been straightforward, while delays in project implementation and a perceived lack of local consultation and transparency have left many concerns unaddressed. Optimism regarding the project's potential social and economic benefits is mixed with public anxiety over land grabbing, livelihoods and the environment, and inter and intra-communal tensions. *LAPSSET: The history and politics of an eastern African megaproject* analyses the events and developments relevant to the project's emergence, highlighting the changing rationale behind the project since the 1970s, as well as the interests of key local, international and multinational players. The project raises the issue of the historical, contemporary and future dynamics of regional integration in eastern Africa. The report argues that achieving a broader and more participatory process that gives proper attention to social, economic, political and environmental considerations is perhaps the most immediate challenge LAPSSET presents.

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