Early Warning System

DFC-2023-OROMCROSSGRAP

Orom-Cross Graphite Project TA

Quick Facts

Countries	Uganda
Specific Location	Orom East, Kitgum
Financial Institutions	US International Development Finance Corporation (DFC)
Status	Active
Bank Risk Rating	U
Borrower	Blencowe Resources PLC
Sectors	Energy, Mining, Technical Cooperation
Potential Rights Impacts	Cultural Rights, Housing & Property, Marginalized Groups
Investment Type(s)	Grant
Investment Amount (USD)	$ 5.00 million
Grant Amount (USD)	$ 5.00 million
Project Cost (USD)	$ 11.00 million

Project Description

As stated by the DFC, technical assistance needed to support the development of a graphite mine in Uganda. The technical assistance will include completion of the Definitive Feasibility Study, and Environmental and Social Impact Assessments.

The Orom-Cross graphite project in northern Uganda, under development by Blencowe Resources via its Ugandan subsidiary, aims to produce battery-grade graphite from a sizable deposit in the Orom East / Kitgum area and is advancing through detailed feasibility studies and regulatory approvals. DFC has committed a US$5 million technical assistance grant to support the project's Definitive Feasibility Study (DFS), environmental and social studies, and other preparatory work. As of mid-2025, Blencowe has received several tranches of this grant (including US$0.75 million in July and US$0.5 million in May) with the final US$0.25 million tranche to be disbursed upon completion of the DFS.

Early Warning System Project Analysis

An investigation by Finance Uncovered indicates that the alleged violations and irregularities concerning the Orom-Cross graphite project center mainly on internal disputes and financial mismanagement within the Locomo Communal Land Association and complaints raised by the local district council. Regarding the community association, which manages the compensation funds from the private "surface rights agreement," there were allegations of mismanagement of funds, including that the association spent 240 million Ugandan shillings (£51,303) on two communal tractors, yet only UGX 1.6 million (£342) was banked in 2020, and none in 2021. Additionally, the association's chair held UGX 2.3 million (£491) for a year, contrary to official instructions and association admitted to delays in processing compensation payments to individual residents.

Separately, the Kitgum District Council moved to suspend operations in December 2023, alleging numerous irregularities primarily due to a lack of transparency, noting that no formal documents had been made publicly available to the council and complaining about the lack of clarity regarding how students would be selected for the scholarship scheme.

People Affected By This Project

The Orom-Cross graphite project in Kitgum District, northern Uganda, directly affects villages in Akuromor Parish, Orom East Sub-county—especially Locomo village and surrounding communities (about 293 households across ten villages). These are subsistence farming and grazing communities who see the land as both their livelihood and ancestral heritage. Their main concerns include delays and disputes over compensation for land rights, lack of transparency in benefit-sharing, inadequate consultation, potential loss of farmland and environmental damage, and fears that promised social and economic benefits may not materialize. They have also raised grievances on the cultural custodianship of the land.

The villages in Akuromor Parish (including Locomo and nearby agrarian settlements) are predominantly part of the Acholi cultural/ethnic area of northern Uganda — local people are mainly Acholi (a Luo/Nilotic group) and the district sits inside the Acholi sub-region. Within Orom Sub-county there are also locally distinct groups (often described as the Orom sub-group of Acholi and communities referred to as Ngokutio/Ngakutio in anthropological accounts) who are resident in Orom East, so those sub-identities/cultural groups are likely the traditional custodians of many of the affected villages.

Investment Description

- US International Development Finance Corporation (DFC)

Private Actors Description

As stated by Bloomberg, Blencowe Resources PLC operates as a natural resource company. The Company focuses on acquiring an exploration and production company in the natural resources sector. Blencowe Resources serves customers worldwide.

Blencowe Resources PLC is a London-based, London Stock Exchange-listed mineral exploration and development company, headquartered at Great Portland Street, UK.

Blencowe's primary focus is the Orom-Cross graphite project in northern Uganda, held by its local Ugandan subsidiary (or operating vehicle), which is Consolidated African Resources Limited, was known as Blencowe Resources Uganda Limited.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Blencowe Resources PLC	Client	Mining	owns	Consolidated African Resources Ltd	Subsidiary	Mining

Contact Information

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ACCESS TO INFORMATION

Unlike many other development finance institutions, DFC does not currently have an access to information policy.

Under the United States Freedom of Information Act (FOIA), DFC is obliged to respond to reasonably formulated requests for Agency records. However, DFC may apply exemptions from release to certain types of information and may charge fees in responding to requests. DFC has a designated FOIA officer who is trained in how to respond to requests and implement the law. You can learn more about filing a FOIA request at: https://www.dfc.gov/foia

ACCOUNTABILITY MECHANISM OF THE UNITED STATES INTERNATIONAL DEVELOPMENT FINANCE CORPORATION (DFC)

The Office of Accountability is an independent office that addresses complaints about environmental or social issues related to DFC-supported projects. The office provides communities an opportunity to have concerns independently reviewed and addressed. If you submit a complaint to the Office of Accountability, it may assist you by either seeking to address your problems by facilitating a problem solving dialogue between you and those implementing the project and/or investigating whether the DFC complied with its policies to prevent environmental, social, human rights, and labor harms.

You can find more information about the Office of Accountability at: https://www.dfc.gov/who-we-are/office-accountability

Bank Documents

- Project Disclosure [Original Source]

Media

- Blencow Secures Approval for Revised ESIA
- Blencowe Awarded New Exploration Licenses, Seeks To Succeed Where Sipa Failed
- Orom-Cross Graphite Project 21 year Mining License awarded in 2019
- Stuck between environment and mineral: The dilemma of The dilemma of Kitgum’s Orom graphite
- Ugandan graphite grab: A tiny village demands its fair share from potential mining boom
- UK firm acquires Orom graphite project, starts production 2024