

MINUTES OF THE 12TH MEETING OF THE MULTI-STAKEHOLDER GROUP (MSG) OF THE UGANDA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (UGEITI) HELD ON MONDAY, 28TH JUNE 2021 AND FRIDAY, 2ND JULY 2021 VIA ZOOM.

Attendance List

No.	Name	Institution	28/6/2021	02/7/2021
GOVERNMENT				
1	Mr. Moses Kaggwa	Ministry of Finance, Planning & Economic Development (MSG Chairperson)	✓	✓
2	Ms. Allen Bucyana	Ministry of Justice and Constitutional Affairs	✓	✓
3	Mr. Robert Tugume	Ministry of Energy & Mineral Development	✓	✓
4	Mr. John Kennedy Okewling	Ministry of Energy & Mineral Development	✓	✓
5	Mr. Francis Elungat	Ministry of Energy & Mineral Development	✓	x
6	Mr. Jonan Kandwanaho	National Planning Authority	✓	x
7	Eng. Timothy Tibesigwa	Ministry of Works & Transport	✓	x
8	Ms. Gloria Akatuhurira	Uganda Revenue Authority	✓	x
9	Mr. Philip Andrew Wabulya	Bank of Uganda	✓	x
10	Dr. Elly Karuhanga	Uganda Chamber of Mining and Petroleum	x	✓
11	Mr. Kosia Kasibayo	Petroleum Authority of Uganda	✓	✓
12	Mr. Isaac Ntujju	National Environment Management Authority	✓	✓
13	Mr. Albert Orijabo	Ministry of Water and Environment	✓	x
14	Mr. Kosia Kasibayo	Petroleum Authority of Uganda	✓	✓
CIVIL SOCIETY ORGANISATIONS				
15	Mr. Gard Benda	World Voices Uganda	✓	✓
16	Ms. Winnie Ngabiirwe	Global Rights Alert	✓	✓
17	Mr. Mugenyi Onesmus	Advocates Coalition for Development & Environment	✓	✓
18	Ms. Lomonyang Margaret	Karamoja Women Umbrella Organisation	✓	✓
INDUSTRY				
19	Dr. Jennifer Hinton	Jervois Mining Limited	✓	✓
20	Mr. Faustine Mugisha	Total E&P	✓	✓
21	Ms. Emilly Nakamya	Uganda National Oil Company	✓	✓
22	Ms. Ingrid T. Muhanguzi	CNOOC Uganda Ltd.		
23	Mr. Emmanuel Kibirige	Uganda Association of Artisanal & Small-Scale Miners Limited (UGAASM)	✓	✓
24	Mr. John Bosco Bukya	Uganda Association of Artisanal & Small-Scale Miners Limited (UGAASM)	✓	✓

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25	Ms. Sandra Mwesigye	CNOOC Uganda Ltd	x	✓
26	Dr. Tom Buringuriza	Armour Energy	x	✓
OBSERVERS				
27	Ms. Mina Horace	EITI Consultant	✓	✓
28	Mr. Peter Rumanzi	Bank of Uganda	✓	✓
29	Mr. Domisiano Owor	Petroleum Authority of Uganda	✓	✓
30	Godwin Bob Monday	Office of the Auditor General	✓	x
UGEITI NATIONAL SECRETARIAT				
31	Mr. Saul Ongaria	National Coordinator (Secretary)	✓	✓
32	Ms. Vanessa Ihunde	Assistant National Coordinator	✓	x
33	Mrs. Gloria Mugambe	Head of Secretariat, UGEITI	✓	✓
34	Mr. Kanakulya Edwin Kavuma	Compliance Officer, UGEITI	✓	✓
35	Mr. Edgar Mutungi	Finance Officer, UGEITI	✓	✓
36	Ms. Bronia Arinda	Secretary, UGEITI	✓	✓
37	Mr. Dan Denis Agaba	Statistician, UGEITI	✓	✓
38	Ms. Gertrude Angom	Administration Officer, UGEITI	✓	✓
39	Mr. Abbey Gitta	Office Assistant, UGEITI	✓	✓
MSG MEMBERS ABSENT WITH APOLOGIES				
1	Eng. David Sebagala	Ministry of Energy & Mineral Development	x	x
2	Ms. Sandra Kaitare	Uganda Revenue Authority	x	x

AGENDA

1. Welcome and adoption of the agenda
2. Communication from the Chairperson
3. Status Update on EITI implementation (Head of Secretariat)
4. Review and Adoption of the Minutes of the 11th MSG Meeting.
5. Presentation by OAG on Cost Recovery Audits.
6. Status Update on the Independent Administrator (National Coordinator).
7. Update from newly formed MSG Committees.
 - Local Content
 - Environment
 - Contract Disclosure
 - Scope and Materiality of Revenue Streams
8. Feedback from field visits and retreat
9. Progress on Work-plan implementation (National Coordinator)
10. Any Other Business.

MIN 1.0: WELCOME AND ADOPTION OF THE AGENDA

- 1.1 The Chairperson Mr. Moses Kaggwa called the meeting to order at 10:17am. He welcomed everyone and thanked them for making time to attend the meeting, and requested all the participants to introduce themselves. The draft agenda of the meeting was adopted.
- 1.2 He informed the meeting that Uganda was in its second wave of the Covid-19 pandemic and that the soaring situation had led to the untimely death of many Ugandans including friends, acquaintances and

loved ones. He affirmed the importance of adhering to the Presidential Guidelines to control the spread of Covid-19, as well as the need to follow the Standard Operating Procedures so as to stay safe and safeguard the lives of others.

1.3 **Communication from the Chairperson**

The communication from the MSG Chairperson is appended as Annex A. He stated that the purpose of the meeting was;

- a) To consider the status update on the Independent Administrator,
- b) To consider the status update from the various committees of the MSG; and
- c) To consider the presentation by the OAG on Cost Recovery Audits.

1.4 **Reactions to the Chairperson's Remarks.**

A representative from the Government Constituency informed the meeting that the Bank of Uganda had received a request for banking services from the Artisanal and Small-Scale Miners. In response, the Chairperson advised that this update should be submitted under agenda item number 8 - feedback from field visits and retreats.

MIN 2.0: STATUS UPDATE ON THE IMPLEMENTATION OF EITI – HEAD OF SECRETARIAT

- 2.1 The status update by the Head of Secretariat is attached to these minutes as Annex B. She updated the meeting about the various activities that had been accomplished since the last MSG meeting held on 29th April 2021.
- 2.2 She further informed the meeting that the members to the newly constituted committees of the MSG included:
 - a) The Environment Committee
 1. Mr. Sam Mucunguzi
 2. Mr. Isaac Ntujju (Chairperson)
 3. Mr. Domisiano Owor
 4. Mr. Jesse Musinguzi
 5. Ms. Sarah Aijuka
 6. Ms. Jennifer Hinton
 7. Mr. Obad Noah
 - b) The Local Content Committee
 1. Mr. Kosia Kasibayo (Chairperson)
 2. Mr. Jonan Kandwanaho
 3. Eng. Timothy Tibesigwa
 4. Mr. James Musherure
 5. Ms. Rosette Komugisha
 6. Mr. Mathew Kyaligonza
 7. Mr. Gard Benda

- 2.3 She welcomed the addition of two more representatives to the Local Content Committee from the Civil Society Constituency – Mr. Gard Benda, and a representative from the Ministry of Energy and Mineral Development (MEMD) – who was yet to be identified by MEMD.

2.4 Reaction from members

The members noted the status update by the Head of Secretariat and the Chairperson inquired on whether the Mining and Mineral Bill 2020 had been approved by cabinet as stated in the update. In response, the member from the Directorate of Geological Survey and Mines (DGSM) affirmed that cabinet had approved the Bill in April 2021, and that the Bill was due to be tabled in Parliament.

MIN 3.0: REVIEW OF THE MINUTES OF THE 11TH MSG MEETING AND MATTERS ARISING

- 3.1 The Head of Secretariat led the review of the Minutes of the previous meeting, and members made the following amendments:

- a) On Page 1, Mr. Peter Rumanzi requested to be removed from the “Attendance List” stating that he had not participated in the previous meeting.
- b) Minute 5.4.2 was corrected to read as follows, ‘The Local Content Committee was constituted and Mr. Kosia Kasibayo from the Petroleum Authority of Uganda (PAU) was appointed as the Chairperson.’
- c) Minute 6.2 a (i) was corrected to read as follows; ‘the cost of hiring an Independent Administrator, based on research undertaken could be between USD 100,000 to USD 150,000 for the entirety of the contract.’
- d) The Minutes were adopted as a true record of the proceedings of that day.

3.2 Matters Arising from the 11th MSG meeting

- i) The meeting was informed that a representative from the Office of the Auditor General was available to make the presentation on Cost Recovery Audits in the petroleum sector.

MIN 4.0: PRESENTATION BY THE OFFICE OF THE AUDITOR GENERAL (OAG) ON COST RECOVERY AUDITS.

- 4.1 The presentation made by Mr. Godwin Bob Monday, Deputy Director in charge of extractives at OAG, is attached as Annex C, highlighted the following issues:

1. The OAG has the mandate to review the financial statements and accounts of all government entities as contained in Article 163 of the Constitution of the Republic of Uganda. He explained that this mandate had recently extended to include even private entities where Government has a public interest.

2. Oil companies prepared cost statements which contained:

- i) Preliminary costs
- ii) Study costs from the Accumulated Earnings and Profits (E&P)
- iii) Well Drilling Costs
- iv) Time-writing costs
- v) General and Administrative expenses (G&A) or Personnel costs

4.2 The presentation was circulated to members for their information immediately after the meeting on 28th June.

4.3 **Reaction from members.**

- i) The Key Expert for EITI enquired how the OAG handled the issue of transfer pricing. In response, the presenter indicated that the OAG undertook research to understand the relationship between the oil companies (IOC) and the global world. In addition, recovery costs were considered when such expenses were incurred and were compliant with the PSAs, the laws of Uganda, and if they IOCs had supporting documents for the same.
- ii) A member from the National Environment Management Authority was concerned about the issue of OAG disallowing costs that had already been agreed upon in the PSAs. He also stated that there was a risk of abusing expenditures on waste management and that these could be avoided if the IOCs were implored to pay for their own waste management. In response, the OAG stated that production of waste is recoverable since it is a direct cost. He however indicated that such costs were disallowed if the OAG detected acts of financial indiscipline during audits.
- iii) A representative of the Industry Constituency raised a concern about the justification for OAG disallowing costs on Corporate Social Responsibility (CSR). In Response, the presenter affirmed that costs on CSR were catered for in allowable expenses under corporate tax. These expenses were allowed only if they were directly related to exploration and production.
- iv) The member from the NPA raised a concern about the technical capability of the OAG in auditing recoverable costs. In response, the presenter informed the meeting that more than twelve (12) members of staff have been trained in courses that apply to exploration of oil and gas to build their capacity in the sector. He added that more training was underway in the production value chain of the sector.
- v) A member from the civil society constituency enquired on how the OAG would align its reporting period of a calendar year with the timeline for producing UGEITI's report using the fiscal year 2019/2020. In response, the presenter stated that a hybrid or historical data could be compared with current data to expedite their reporting timeframe.
- vi) The Chairperson enquired about how the OAG would treat the pending recovery costs such as VAT payments. The presenter stated that the OAG was not in position to recover those costs as that would require retrospective application of the law. He however proposed the need for

URA to have a discussion with the Ministry of Finance (MOFPED) to agree on an alternative way of recovering those costs.

- vii) The presenter indicated that they were eager for the approval of the Petroleum Investment Policy which would provide a policy framework to guide the country on how to invest the proceeds from petroleum resources. In addition, the Chairperson hoped that Parliament would also consider and approve the publication of cost recovery audit reports to enhance accountability and transparency of public resources.

- 4.3 The Chairperson thanked the OAG representative for sparing time to present to the MSG especially at such a difficult time when OAG was mourning the loss of the Assistant Auditor General, Mr. Francis Masuba to Covid-19.

MIN 5.0: STATUS UPDATE ON PROCUREMENT OF THE INDEPENDENT ADMINISTRATOR (IA) – NATIONAL COORDINATOR.

- 5.1 The update to members on the status of the IA was delivered by the National Coordinator. He informed the meeting that their recommendations had been incorporated in the TORs for the IA which is attached as Annex D.
- 5.2 The meeting was informed that according to a letter dated 14th June 2021, the European Union (EU) had committed itself to procure a consultant to work as an IA to produce the 2019-2020 EITI report for Uganda. In addition, the EU agreed to have one MSG member appointed as an observer to the procurement process of the consultant.

5.3 Reaction from members

- a) The Chairperson expressed concern over the EU's method of procuring the consultant to do the work of the IA. He enquired from the Key Expert for EITI, who said that she was not in position to provide an answer to the question at that particular moment. She however stated that the MSG could write to the EU office to seek clarification on the procurement process.
- b) A member from the Bank of Uganda and another representative from the industry constituency advised that the MSG could seek guidance from the International EITI Secretariat regarding EU's initiative to procure a consultant. They further stated that the UGEITI Secretariat could also enquire on whether UGEITI could proceed and procure the IA on their own.
- c) The MSG members also enquired whether the consultant that the EU intended to procure was an individual or an accounting firm. In response, the EITI Expert advised that the MSG could seek guidance from the EU to elaborate on the kind of consultant they intended to engage for the 2019-2020 Report.
- d) A member from the civil society constituency urged that the EU should base their procurement on the TORs that the MSG had approved to procure the IA. He also wondered whether the MSG had no latitude to proceed with their procurement for the IA.

- e) The National Coordinator informed the meeting that according to the EITI Standard 2019, the MSG had the mandate to approve the process and procure an experienced firm to engage as the Independent Administrator to produce the Report. According to the Standard, the MSG is also required to oversee and support the entire process of producing the Report. The EITI Expert affirmed that the MSG had the leverage to decide the way forward on the matter.

5.4 **Way Forward.**

The meeting agreed as follows;

- a) The UGEITI Secretariat would write to the EU Office indicating that the MSG would like to participate in the evaluations for the IA for the 2019-2020 Report. The communication letter should affirm that the Government representative should participate fully in the procurement process of their consultant – and not act as an observer.
- b) The UGEITI Secretariat write to the International EITI Secretariat to seek guidance on the procurement of the IA – indicating EU's proposal to engage a consultant to do the work.
- c) The MSG deferred the decision on procuring the IA pending the response from the EU Office and the International EITI Secretariat.

At this juncture, the MSG members agreed to adjourn the meeting to Friday, 2nd July 2021.

On Friday, 2nd July 2021, the meeting began at 9:28am.

- 5.5 The meeting was informed that the UGEITI Secretariat had written to the EU Office and a response had been provided as follows:
 - a) A representative from Government would be invited to participate in the evaluation of the procurement proposals. The evaluation panel would consist of three persons including 2 reps from the EU and 1 rep from GOU.
 - b) In addition, a rep of the MSG would be invited to observe the procurement process during evaluation. The MSG rep would be allowed to advise the evaluation panel.
 - c) The EU Office informed the MSG the TORs would be followed in the procurement process. However, in order to avoid disappointment, it was important for the MSG to clarify on the qualifications required of the Experts under the consultancy firm that would be procured. immediately after meeting on Monday, 28th June 2021 and were delighted at the EU's positive response towards the concerns of the MSG as stated in Minute 5.0 above. The MSG then approved the procurement of the IA with the following considerations:

- a) The EU would use its framework contract to invite bids from various consultancy firms which would be subjected to evaluation. EU to proceed with the procurement of a consultant firm to produce Uganda's first EITI report.
- b) The MSG approved TORs for the IA to be considered as part of the EU strategy to recruit the consultancy firm.
- c) An official from the Government of Uganda would be invited to the evaluation panel for the IA.
- d) The MSG to appoint one other member to act as an observer whose advice would be considered at the evaluation.

MIN 6.0: UPDATE FROM NEWLY FORMED MSG COMMITTEES.

6.1 Local Content Committee

- 6.1.1 The presentation, which was made by the Head of Secretariat is attached as Annex E. She informed the meeting that the Local Content Committee was charged with overseeing and reporting on activities under Requirement 6 - Social and Economic Expenditures of the EITI Standard 2019.
- 6.1.2 The Local Content Committee was tasked to report on the status of local content, social expenditures and other related aspects in line with the following guidelines;
 - a) An overview of the legal and regulatory framework governing local content in Uganda, including a breakdown of the key elements of the Local Content Bill 2019, that informs the MSG whether social expenditures are mandatory or discretionary.
 - b) A summary of the social expenditures that were undertaken by extractive companies during the reporting period of 2019/2020.
 - c) An assessment of whether or not the committee considers these expenditures material or not. This assessment would form the basis for the mechanism used by the MSG to report on social expenditures, and other forms of local content.

6.1.3 Reactions from members

- a) A member from the civil society constituency stated that the issue of gender be considered under local content. In response the Secretariat stated that gender would be considered across the board by all the committees of the MSG. A member from the National Environment Management Authority (NEMA) advised that the TORs for each committee could be revised to consider gender issues in their reporting. The committees were further advised to consider the global reporting standards and indicators on gender and local content as a yardstick.

- b) The Chairperson informed the meeting that the Local Content Bill 2020 could not be referred to as the official legislation on Local Content because it had not yet been assented to by the President.
- c) The committee was also advised not to limit itself to social payments only but also consider economic expenditures by companies on procurements and employment.
- d) A concern was raised on the similarity of activities on concepts like CSR that could lead to an overlap in reporting of activities in the Local Content and Environment Committees.

6.2 Environment Committee

- 6.2.1 The presentation, which was made by Mr. Isaac Ntuzzi is attached as Annex F. He informed the meeting that the Committee would consider both environment and social expenditures as guided under Requirement 6.1 and the National Environment Act 2020.

6.2.2 Reaction from members

The meeting advised that the local content and environment committees would have to share synergies on areas that are overlapping like social payments.

6.3 Contract Disclosure Committee

The Chairperson of this committee, Mr. Robert Tugume informed the meeting that his team had not been able to meet but that they intended to hold a zoom meeting in the first week of July 2021 to discuss the following;

- a) The presentation from DGSM on the mining sector.
- b) The need to engage a consultant for a Cost Benefit Analysis (CBA) for contract disclosure.
- c) Source of the budget for the consultant on CBA for both the petroleum and mining sector.
- d) Meet with the Heads of Departments (HODs) of Ministries, Departments and Agencies (MDAs) to discuss contract disclosure.

Reaction from members

The Chairperson advised the committee to expedite their engagements so that the MSG would have a definite roadmap to the disclosure of contracts.

6.4 Scope and Materiality of Revenue Streams Committee

- 6.4.1 The presentation, which was made by Ms. Emily Nakamya is attached as Annex G. She informed the meeting that one of the committee members, Mr. Francis Elungat had left the Revenue Streams Committee and joined the Contract Disclosure Committee for optimal submission. He had been replaced with Ms. Jennifer Hinton. Additionally, Mr. John Kennedy Okewling had been nominated Vice Chairperson of the Committee to promote gender balance and the balance of representation for both the petroleum and mining sectors of Uganda.

6.4.2 She reminded the meeting that the committee had been tasked to present proposals for the MSG to consider and approve relating to scope of revenue streams and materiality for the oil and gas and mining industry in Uganda for EITI reporting. The committee made the following recommendations for approval by the MSG:

For the oil and gas sector;

- a) The need to adopt the definition of the petroleum revenues in the PFMA
- b) The need to disclose PAYE in the report as revenue received by Government but NOT reconcile or disaggregate
- c) The need to report on all payments made by oil companies that have PSA's
- d) The need to include payments by major sub-contractors who are directly involved in the value chain.

For the mining sector;

- e) The need to consider the payments made against the Mining License to define revenues.
- f) The need to consider Materiality threshold approved at Ugx 50m which is 91% of the payments made by 25 companies.

6.4.3 Reaction from members

There was a concern raised on the disparity of revenues reported in the Petroleum Fund vis-a-vis what is reported by companies. Ms. Nakamya explained that the inconsistency was because URA had a broader scope of coverage than the Petroleum Fund.

6.4.4 Way Forward

The MSG approved the recommendations of the Committee as pointed out under Minute 6.4.2 above.

MIN 7.0: FEEDBACK FROM FIELD VISITS AND RETREAT.

7.1 Training on Beneficial Ownership (BO)

The presentation, which was made by the Compliance Officer of the Secretariat is attached as Annex H. He reported that the training on Beneficial Ownership transparency was held on 19th and 20th May 2021, at the Speke Resort Munyonyo in Kampala. The major highlights from this training included;

- a) UGEITI would benefit from the ongoing efforts by Uganda Registration Services Bureau (URBS) to strengthen Beneficial Ownership transparency.
- b) There was a need to fast track the legal and institutional reforms required for UGEITI to start implementing Beneficial Ownership disclosure

- c) UGEITI to engage and make use of the technical resources and support from the International Secretariat and other countries that are already implementing beneficial ownership disclosure.

7.1.1 Reaction from members

The EITI Expert advised the meeting that it was important to set up a committee to guide the implementation of beneficial ownership in Uganda. She reiterated that the concept of BO had a wide scope and would be necessary to develop a roadmap that will include related activities and timelines for timely BO implementation. The roadmap would include the review of the legal and institutional framework, defining BO, agreeing on Materiality thresholds for reporting and more. This process would also involve engagement with some stakeholders who are not directly on the MSG like Uganda Investment Authority (UIA), URBS, and Financial Intelligence Authority (FIA).

7.1.2 Way forward on Beneficial Ownership

The meeting resolved as follows;

- a) That there was need for legal and institutional reform to support the process of BO transparency.
- b) There was need to set up a BO Committee to prepare a road map for BO. Institutions to be considered for the committee include Ministry of Finance, Planning & Economic Development, Uganda Investment Authority, Financial Intelligence Authority, Ministry of Justice, Uganda Revenue Authority, Uganda Registration Services Bureau etc.
- c) Write to the above Ministries, Departments and Agencies (MDAs) on the same.
- d) Source funding for BO activities.

7.2 Training on the Communications Strategy

7.2.1 The presentation, which is attached as Annex I was made by Ms. Bronia Arinda. She stated that the strategy aimed at achieving Requirement 7 of the EITI Standard 2019 on outcomes and impact which states that, *“Regular disclosure of extractive industry data is of little practical use without public awareness, understanding of what the figures mean, and public debate about how resource revenues can be used effectively”* and Activity 1.12 in the UGEITI work plan. She further highlighted the following;

- a) That a committee had been set up for the Communications Strategy with the following members;
 - Mr. Gard Benda – Civil Society representative
 - Mr. Siraji Magara – Civil Society representative
 - Mr. Peter Rumanzi – Government representative

- Mr. Francis Elungat – Government representative
 - Mr. Jesse Musinguzi – Government representative
 - Mr. Obad Noah – Industry representative
 - Mr. George Lugalambi – EU Communications Consultant.
- b) The consultant would submit the draft Communications Strategy to the Secretariat by 16th July 2021.
- c) UGEITI website would be reviewed by the Communications Strategy Committee before submission to the MSG.

7.2.2 Reaction from members

The Chairperson requested the presenter to provide the MSG with more information regarding the EITI countries that they had benchmarked for the Communication Strategy.

7.3 Field Engagement with Artisanal and Small-Scale Miners in Mubende and Kassanda Districts

7.3.1 The presentation, which was made by the Finance Officer, Mr. Edgar Mutungi of the Secretariat is attached as Annex J.

7.3.2 Reaction from members

- a) A member from the Industry Constituency, Mr. Bukya John Bosco informed the MSG that Uganda Association of Artisanal and Small-scale Miners (UGAASM) had written to Bank of Uganda to request for support in accessing banking services tailored to the mining sector.
- b) He was advised to include the submissions by the different presenters to the feedback report.

MIN 8.0: PROGRESS ON WORK-PLAN IMPLEMENTATION – NATIONAL COORDINATOR.

- a) The National Coordinator informed the meeting that the EITI International Secretariat had introduced a new flexible method of EITI reporting – commonly referred to as a hybrid reporting which put into consideration the challenges that EITI Countries were facing amidst the Covid-19 pandemic.
- b) Consequently, UGEITI would consider this flexible reporting approach by making some adjustments to the work plan. The updated work-plan would reflect changes in some activities, the costs and the timelines of affected activities.
- c) The updated work plan would be shared with the MSG members for approval before the next meeting. MSG to review these adjustments and approve the revised work plan.

MIN 9.0: ANY OTHER BUSINESS.

9.1 The meeting welcomed the following two representatives of Artisanal and Small-scale Miners to the MSG;

- a) Mr. Bukya John Bosco, the Chairperson of Uganda Association of Artisanal and Small-Scale Miners (UGAASM)
- b) Mr. Emmanuel Kibirige, the National Coordinator and Secretary of UGAASM.

9.2 As stipulated under Requirement 1 b) of the Standard, the EITI Expert advised the MSG to consider the appointment of a high-level Government Official as a champion to spearhead the EITI implementation process in Uganda. The Champion would need to have the confidence of all stakeholders and should be able to ensure that the EITI process gains full political support particularly at the high level. The EITI champion would be tasked with the following responsibilities;

- a) Mobilization of resources for implementation of EITI,
- b) Have the freedom and authority to coordinate action for UGEITI across the different MDAs and other stakeholders.

9.3 There being no other business, the Chairperson thanked members for making time to attend this meeting which was closed at 12:23pm.

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ACTION MATRIX

Min No.	Action Point	Resp. Inst.	Timeline	Action Update
Status update on the Independent Administrator for the production of the UGETI Report 2019/2020				
5.5 d)	The MSG appoint one member to act as an observer whose advice would be considered at the evaluation.	MSG	Before evaluation of IA bids	Done. Mr. Onesmus Mugenyi was appointed to act as an Observer at the evaluation for the IA
6.1.2 The Local Content Committee (LCC)				
b)	Prepare a summary of the social expenditures that were undertaken by extractive companies during the reporting period of 2019/2020.	LCC	30/08/2021	On-going; pending receipt of information on social expenditures from the companies. A presentation on the status of this action is to be made in the 13 th MSG meeting.
c)	Provide an assessment of whether or not the committee considers these expenditures material or not – which will then form the basis for how the MSG intends to report on social expenditures, and other forms of local content.	LCC	30/08/2021	On hold; pending receipt of information in (b) above
6.2.2	The Local Content and Environment Committees share synergies on areas that are overlapping under social payments.	LCC and Environment Committee	30/08/2021	Partially done; a member of the LC committee has written to mining companies requesting for both social and environmental expenditure information
6.3 Contract Disclosure Committee (CDC)				
a)	Presentation from DGSM on the mining sector	CDC	Next CDC meeting (First week of July 2021)	A presentation was made at the 3 rd meeting of the Committee held on 9 th July 2021 by Mr. David Sebagala
b)	Consider engaging a consultant for a Cost Benefit Analysis (CBA) for contract disclosure	CDC	Next CDC meeting (First week of July 2021)	This has been put on hold by the Committee, pending guidance from the MSG during the 13 th MSG meeting.
d)	Consider whether to hold a meeting with the Heads of Departments (HODs) of Ministries, Departments and Agencies (MDAs) to discuss contract disclosure	CDC	Next CDC meeting (First week of July 2021)	The Chairperson guided that since a similar meeting had earlier taken place, the next step was to write to the HODs to inform them of the requirements under contract disclosure.
6.4 Scope and Materiality of Revenue Streams Committee				
For the Mining Sector				

e)	Consider the payments made against the Mining License to define revenues.	Revenues Committee	Approved at 12 th MSG meeting	Done.
f)	Materiality threshold approved at UGX 50m which is 91% of the payments made by 25 companies.	Revenues Committee	Approved at 12 th MSG meeting	Done. Materiality threshold set.
7.1.2 Beneficial Ownership (BO)				
b)	There was need to set up a national BO Committee to prepare a road map for BO. Institutions to consider for this committee include Ministry of Finance, Planning & Economic Development, Uganda Investment Authority, Financial Intelligence Authority, Ministry of Justice and Constitutional Affairs, Uganda Revenue Authority, Uganda Registration Services Bureau etc.	Secretariat	Before next MSG meeting.	Letters have been written to the relevant institutions requesting them to nominate members to the national BO committee.
7.2.2	Provide the MSG with more information regarding the EITI countries that they had benchmarked for the Communication Strategy.	Secretariat	At the next available opportunity during an MSG meeting	The information is available and will be shared before the 14 th MSG meeting.
8.0 b)	Update the revised work plan and share with the MSG for approval	Secretariat	At the next available opportunity during an MSG meeting	Done. Work plan updated and to be shared with MSG members immediately after MSG meeting.
9.2	Discuss the appointment of the EITI Champion	MSG Chairperson, EITI Consultant & Secretariat	Before next MSG meeting.	Done. The discussion was held and the Chairperson guided that the Secretariat should write to the PS/ST explaining the rationale and request for the appointment of a Champion from the Cabinet.

Signed:

MSG Chairperson:

Muruganya Date: 15/9/21

Secretary/National Coordinator:

Opul Date: 13/09/2021

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