

**MINUTES OF THE 14TH MEETING OF THE MULTI-STAKEHOLDER GROUP (MSG) OF
THE UGANDA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (UGEITI)
HELD ON THURSDAY, 7TH OCTOBER 2021 ONLINE.**

Attendance List

No.	Name	Institution
GOVERNMENT		
1	Mr. Moses Kaggwa	Ministry of Finance, Planning & Economic Development (Chairperson)
2	Mr. Philip Andrew Wabulya	Bank of Uganda
3	Mr. Robert Tugume	Ministry of Energy & Mineral Development (MEMD)
4	Eng. Timothy Tibesigwa	Ministry of Works & Transport
5	Mr. Francis Elungat	Ministry of Energy & Mineral Development
6	Mr. Jonan Kandwanaho	National Planning Authority
7	Ms. Sarah Aijuka	National Environment Management Authority
8	Mr. John Kennedy Okewling	Ministry of Energy & Mineral Development
9	Mr. Clovice Bright Irumba	Petroleum Authority of Uganda (PAU)
CIVIL SOCIETY ORGANISATIONS		
10	Mr. Siragi Magara Luyima	Oxfam International
11	Ms. Winfred Ngabiirwe	Global Rights Alert
12	Mr. Onesmus Mugenyi	Advocates Coalition for Development and Environment
13	Ms. Margaret Lomonyang	Karamoja Women Umbrella Organization
INDUSTRY		
14	Mr. Faustine Mugisha	TotalEnergies
15	Ms. Emilly Nakamya	Uganda National Oil Company
16	Mr. Emmanuel Kibirige	Uganda Association of Artisanal & Small-Scale Miners Limited (UGAASM)
17	Mr. John Bosco Bukya	Uganda Association of Artisanal & Small-Scale Miners Limited (UGAASM)
18	Ms. Sandra Mwesigye	CNOOC Uganda Ltd
OBSERVERS		
19	Ms. Mina Horace	EITI Consultant
20	Mr. Kosia Kasibayo	Petroleum Authority of Uganda (PAU)
21	Mr. Peter Rumanzi	Bank of Uganda
22	Mr. Paul Mulindwa	Kitara Civil Society Organisations' Network
23	Mr. Mucunguzi Sam	Citizens' Concern Africa
24	Mr. Ben Toorabally	Independent Administrator (IA)
25	Mr. Rached Maalej	Independent Administrator (IA)
26	Mr. Achraf Kanoun	Independent Administrator (IA)
UGEITI NATIONAL SECRETARIAT		
27	Mr. Saul Ongaria	National Coordinator (Secretary)

28	Ms. Gloria Mugambe	Head of Secretariat, UGEITI Secretariat
29	Mr. Kanakulya Edwin Kavuma	Compliance Officer, UGEITI Secretariat
30	Mr. Edgar Mutungi	Finance Officer, UGEITI Secretariat
31	Ms. Bronia Arinda	Secretary, UGEITI Secretariat
32	Mr. Dan Denis Agaba	Statistician, UGEITI Secretariat
33	Ms. Gertrude Angom	Administration Officer, UGEITI Secretariat
34	Mr. Abbey Gitta	Information Management Assistant, UGEITI
35	Ms. Acom Suzan Angela	Office Assistant, UGEITI Secretariat
36	Mr. Francis Okello	Office Assistant, UGEITI Secretariat
ABSENT WITH APOLOGY		
1	Mr. Obad Noah	Oranto Petroleum Ltd

AGENDA

- a) Welcome, Opening Prayer and Adoption of the Agenda.
- b) Communication from the Chairperson.
- c) Review and Adoption of the Minutes of the 13th MSG Meeting held on 9th September 2021, and Matters Arising.
- d) Discuss the Methodology of EITI Reporting.
- e) Update on Data Request from Agencies.
- f) Feedback from Workshop of Contract Disclosure.
- g) A.O.B.

MIN 1.0: WELCOME, OPENING PRAYER AND ADOPTION OF THE AGENDA.

- 1.1 The Chairperson, Mr. Moses Kaggwa called the meeting to order at 9:33 a.m. followed by an opening prayer led by Mr. Philip Andrew Wabulya. The Chair welcomed everyone and thanked them for making time to attend the meeting.
- 1.2 The agenda of the meeting was adopted following inclusion of the review and adoption of the minutes of the 13th MSG meeting.

MIN 2.0: COMMUNICATION FROM THE CHAIRPERSON

- 2.1 The MSG Chairperson presented the following updates to members:
 - a) Uganda is expected to produce its first EITI report by February 2022. Preparation of the report was in the scoping phase and significant progress had been made in the collection of data. The Chair, however noted that a few government entities had not yet submitted the required data against the deadline given by the Secretariat. He encouraged members to be mindful of the timelines issued, as implementing countries face penalties for missing the reporting deadlines.
 - b) The Chair reminded members that the MSG was yet to agree on the type of report to produce and hoped that the final decision would be taken during the meeting.

- c) Regarding the recent developments, Government had presented a number of Bills to Parliament for consideration that were intended to guide the activities of the extractive sector. These include:
 - i. The East African Crude Oil Pipeline (EACOP) Special Provisions Bill 2021;
 - ii. The Public Finance Amendment Bill 2021; and
 - iii. The Income Tax Amendment No. 2 Bill.
- d) He informed members that the IA would join the meeting during the deliberations on the reporting methodology.

MIN 3.0: REVIEW OF THE MINUTES OF THE 13TH MSG MEETING HELD ON 9TH SEPTEMBER 2021 AND MATTERS ARISING.

- 3.1 The Chairperson led the review of the Minutes of the previous meeting, and the following amendments were made:
 - a) Total Energies was changed to TotalEnergies.
 - b) The name Mr. Clovice Irumba was changed to Mr. Clovice Bright Irumba.
 - c) The date of the workshop on Contracts Disclosure was changed from 29th September – 1st October 2021 to read 30th September 2021 – 1st October 2021.
- 3.2 With the above amendments, the Minutes were adopted as a true record of the proceedings of that day.
- 3.3 **Matters Arising from the 13th MSG meeting.**
 - a) The report on the status of EITI implementation had been submitted to the MSG Chair, pending the planned meeting with the new MEMD leadership.
 - b) The submission of comments on the draft Mining and Minerals Bill 2020 and the disaggregated local content information by the civil society constituency was still pending. The Chairperson urged the CSOs to follow up on their commitments.
 - c) The inclusion of representatives from the private sector and civil society on the Beneficial Ownership (BO) committee would be taken into consideration.
 - d) In response to Armour Energy's proposal that PAU should provide the Secretariat with their information on social expenditures, a representative from PAU advised as follows:
 - i. As a matter of principle, all the oil companies should provide the Secretariat with information as required by EITI Standard.
 - ii. The quarterly reports submitted to PAU were for regulatory purposes and it is likely that they would not be packaged in the same way as the information required by the EITI Standard. Information such as Corporate Social Responsibility was voluntary in nature and, therefore, not a requirement in the quarterly reports submitted by oil companies. There may be other social expenditures done under different statutory instruments that PAU may not be privy to.
 - e) PAU should follow-up on the Secretariat's request for quarterly reports on local content by the oil companies.

- f) Oranto Petroleum Ltd reported that no social expenditures were made in FY2019/20.
- g) Mr. Patience Singo from the Uganda Chamber of Mines and Petroleum was nominated as the mining industry representative on the Local Content Committee.
- h) The MSG member from CNOOC (U) Ltd acknowledged receipt of the letter requesting for information on Social and Environmental Expenditures. She asserted that the company had compiled the information and was in the process of getting the necessary approvals before the information could be shared with the Secretariat.
- i) A member from TotalEnergies reiterated that his company was also in the final stages of acquiring the necessary approvals from its leadership team. He affirmed that the information would be availed to the Secretariat by the end of October 2021.
- j) The meeting was informed that CSO proxies were not assigned to particular members of their constituency because both the full members and the proxies originated from different organisations with different skills and areas of expertise i.e., taxation, human rights, environment etc. With the exception of MSG proxies who are actively involved in MSG committees, the meeting agreed that:
 - i. CSO proxies attend MSG meetings as observers so that the meeting could benefit from their different areas of expertise.
 - ii. The Secretariat share all information availed to MSG members with the CSO proxies to keep them well informed of all MSG activities.
 - iii. Voting rights would be limited to the full CSO representatives; and their proxy if a full member was unable to attend a meeting.

MIN 4.0: DISCUSS THE METHODOLOGY FOR EITI REPORTING.

- 4.1 The National Coordinator presented the different EITI reporting methodologies in a presentation attached as Annex A. These included the Full Reporting method, which was the conventional or traditional method of reporting in which the revenues and payments reported by government and companies are reconciled. Secondly, the Flexible reporting method which was based on unilateral disclosures by government and/or companies in accordance with EITI Requirement 2,3,4,5 with the exception of provisions relating to data quality and assurance (Req 4.9). Thirdly, the Hybrid Reporting method which was a combination of a conventional and flexible reporting style. The reporting method required partial reconciliation and in this case the MSG would decide on the sector and revenue streams to reconcile. In addition, key information on current developments and industry outlook would be included in the reporting process. The information presented was aimed to enable the MSG members to make a decision on the type of reporting that should be adopted for purposes of UGEITI's first report.

4.2 On the issue of time, the National Coordinator informed members that a country could apply for an extension of its reporting deadline for reports that were due after March 2021. The Chair then invited reactions from members.

4.3 **Reaction from members.**

- a) The IA pointed out that it was for the MSG to decide on the type of reporting methodology to adopt. The IA's role was to support whatever decision the MSG agreed on.
- b) The IA advised the MSG to consider the constraints involved in data collection before deciding on the type of report to produce. He advised that full reporting was time consuming, and delays in data collection could lead to significant gaps in the report. These gaps would attract concerns over the comprehensiveness of the information provided.
- c) Conversely, flexible reporting provided options for the IA in obtaining the data, as they would be able to pursue either the Government or companies to ensure comprehensive reporting. Hybrid reporting involved partial reconciliation of the information received by sector i.e., either petroleum or mining.
- d) A representative from the civil society asserted that it was in the public's interest for Uganda's first report to be prepared following the conventional or full reporting method in order to meet its objectives of joining EITI. He concluded that if the MSG was to adopt a hybrid methodology, the report should include critical information of public interest.
- e) The Secretariat indicated that the hybrid report would be the best option because the petroleum sector was better organized compared to the mining sector. There were five (5) oil companies compared to over two hundred (200) mining companies. Attempts to collect and reconcile their payments would be challenging and could lead to significant gaps in the data. Furthermore, a hybrid report would allow for the inclusion and discussion of key issues in the extractive sector.
- f) The Chairperson noted that a full report would have been the best option for Uganda's first EITI Report. However, owing to the limited time and resources, adopting the hybrid or flexible form of reporting would enable the country to satisfy the minimum requirements of the EITI Standard.
- g) The EITI Consultant reminded members that the EITI was a useful tool for strengthening government and corporate systems, therefore, the decision to reconcile some of the data would give UGEITI the opportunity to identify and address the weaknesses in both the Government and company systems through the IA's recommendations.
- h) The IA assured the MSG that the report would be produced within the required timeframe however, in case of unforeseen challenges that would lead to delays, the MSG would have to request the International Secretariat to extend the reporting deadline.

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4.4 Way Forward

The MSG adopted the hybrid reporting method for Uganda's first EITI Report. Using this method, full reconciliation would be undertaken for the oil and gas sector and unilateral reporting for the mining sector.

MIN 5.0: UPDATE ON DATA REQUESTS FROM AGENCIES.

- 5.1 The update on data requests from agencies was delivered to members by the National Coordinator. He informed the meeting that various government agencies had been contacted to provide the Secretariat with information to support the scoping study that the Independent Administrator intended to undertake for Uganda's first EITI Report 2019/2020.
- 5.2 The deadline for data submission was 20th October 2021.
- 5.3 The Government agencies that had submitted information for the IA's consideration are listed in the presentation which is attached as Annex B.
- 5.4 The government agencies that had not yet submitted the required information include:
 - a) Directorate of Geological Survey and Mines (DGSM)
 - b) Uganda National Oil Company (UNOC)
 - c) Ministry of Internal Affairs
 - d) Ministry of Works & Transport
 - e) Ministry of Water & Environment
 - f) Ministry of Lands
- 5.5 **Reaction from members**
 - a) The Government representative from the Ministry of Works and Transport informed the meeting that the required information would be submitted to the Secretariat by 15th October 2021.
 - b) The representative from the Uganda National Oil Company (UNOC) informed the meeting that UNOC's information would be submitted by the end of the day.

5.6 Way Forward

The Chairperson urged the National Coordinator to follow-up with all the government entities that had not yet submitted information to the Secretariat. He expressed concern about the time that remained for submitting this information, noting that according to the IA's ToRs, the scoping study was supposed to be submitted by 5th October 2021.

MIN 6.0: FEEDBACK FROM THE WORKSHOP OF CONTRACT DISCLOSURE

- 6.1 The feedback from the workshop was made in a presentation attached as Annex C.
- 6.2 The International Secretariat provided step-by-step guidance for developing a roadmap for contract disclosure as follows;
 - a) Discuss the objectives for Contract Disclosure
 - b) Engage Key Stakeholders and Build Capacity

- c) Secure and Publish a List of All Active Contracts in the Country
- d) Understand the Current State of Contract Disclosure and Develop a Plan to Address Barriers
- e) Actual Disclosure of Contracts

6.3 With the above background, the Committee developed the following objectives for the disclosure of contracts;

- a) To enhance public trust in Government as the custodian of the country's natural resources.
- b) To manage public expectations of the exploitation of the country's natural resources.
- c) To ensure understanding of the roles and responsibilities of the parties to the contracts.
- d) To ensure efficient monitoring of the sector based on the publicly available information.
- e) To inform and promote public debate and awareness on the extractives sector.

6.4 The key takeaways from the workshop training included;

- a) A member from the Ministry of Justice and Constitutional Affairs informed the meeting that there is a cabinet directive that all reports to be submitted to international bodies require the approval of cabinet before final submission.
- b) There was need to appoint a champion for contracts disclosure.
- c) There is a need to engage with the custodians of the contracts (MEMD) to appraise them about EITI developments and specifically Contract Disclosure.
- d) MSG Members advised to act as ambassadors of UGEITI in their respective institutions by regularly sharing information about the activities of UGEITI to their colleagues especially to technical officers and the top management.
- e) The idea of developing a Cost Benefit Analysis for contract disclosure was shelved and priority be put to writing the first UGEITI report.

6.5 **Reactions from members**

- a) The meeting was informed that the International Secretariat had pledged further support to help UGEITI with her roadmap to contracts disclosure.
- b) A representative from the civil society stated that the roadmap should contain a clear timeframe for contracts disclosure, that states which contracts would be disclosed in Uganda's first EITI report and when the remaining contracts would be ready for publication.
- c) A member from MEMD stated that according to Article 41 (1) of the Uganda Constitution provided that "Every citizen has a right to access to information in the possession of the state or any other organ or agency of the state except where the release of the information is likely to prejudice the security or sovereignty of the state or interfere with the right to the privacy of any other person." He emphasized that there was need for a broader level of engagement with government for a consensus on contracts disclosure.
- d) The Chairperson reminded the meeting that the oil companies had already committed to the disclosure of contracts.
- e) Another member from the civil society constituency noted that even though consultations had been held with the oil companies and heads of various

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MDAs, UGEITI had not yet achieved her objective to disclose contracts in the petroleum sector. He also proposed the need for further engagement with the new leadership at MEMD and the Ministry of Justice and Constitutional Affairs for proper interpretation of the law since the Solicitor General had recently advised against the disclosure of the EACOP contracts.

- f) The Secretariat emphasised the need for an EITI Champion to promote EITI across the different arms of government since most MDAs were cautious about the disclosure of contracts. Some members proposed the need to seek Cabinet approval on contract disclosure since they may not have appreciated its full implications. In response, the Chairperson guided that this was not necessary since Cabinet had approved Uganda's EITI implementation and all its attendant requirements including contract disclosure.
- g) The MSG agreed that a letter be written to request for a meeting with MEMD and the Attorney General to appraise them of the EITI implementation requirements, including contract disclosure.
- h) The Chair requested the National Coordinator to follow-up with the appointment of the Honorable Minister of State for Finance, Planning and Economic Development (in-charge of Planning) as the EITI Champion. A member from PAU advised that UGEITI could identify more than one EITI Champion to promote the EITI agenda in Uganda. He proposed that the Minister of State for Mineral Development could also be engaged to play the same role.
- i) The Independent Administrator referred the meeting to the guidance notes for contracts disclosure by the EITI International Secretariat. He noted that even if contract disclosure was a sensitive matter, it was a requirement for an implementing country to provide an overview of the policy on contract disclosure. Subsequently, the member country can highlight the obstacles and practical issues. He, however, reiterated that all contracts that had been entered into after 1st January 2021 were to be fully disclosed in the EITI report. He stated that Uganda, as a new EITI member, could append a roadmap to contract disclosure to her first report.

6.9 Way Forward

- a) Request for a meeting with MEMD and the Attorney General to appraise them of the requirements for EITI implementation including the contract disclosure.
- b) Engage with Parliamentarians to seek their support and update them on the progress of EITI implementation.
- c) Follow up on the appointment of Hon. Minister of State of Planning at the MoFPED as the EITI Champion.
- d) Write to the Minister of MEMD to appoint the State Minister of Mineral Development as the second EITI Champion.

MIN 7.0: ANY OTHER BUSINESS

- 7.1 Members were invited by a Civil Society representative to the 5th Citizens' Convention on Mining which was scheduled for 28th of October 2021.
- 7.2 There being no other business, the Chairperson thanked members for making time to attend the meeting which ended at 1:07 p.m.

ACTION MATRIX

Min No.	Action Point	Resp. Inst.	Timeline	Action Update
3.3 b)	Matters Arising from the 13th MSG meeting			
i)	Follow-up on the Secretariat's request for quarterly local content reports from the oil companies.	PAU	Before Meeting	Done.
5.0	Update on data requests from MDA's			
5.6	Follow-up with all the government entities that had not yet submitted information to the Secretariat.	National Coordinator	Before Meeting	Done.
6.0	Feedback from Workshop on Contract Disclosure			
a)	Request for a meeting with MEMD and the Attorney General to seek guidance and appraise them of the requirements for EITI implementation including contract disclosure.	Secretariat	During EITI Report preparations	Process ongoing
c)	Follow up on the appointment of Hon. Amos Lugolobi, the State Minister of Planning at the MOPED as the EITI Champion.	National Coordinator	Before Meeting	Done.
d)	Write to the Minister of MEMD to appoint the State Minister of Mineral Development as the second EITI Champion.	Secretariat	Before Meeting	Done.

Signed:

MSG Chairperson: Mayanja Date: 17/12/21

Secretary/National Coordinator: [Signature] Date: 17/12/2021