



**Remarks for the Hon. Minister of State for Finance,
Planning and Economic Development at the Launch
of Uganda's Second EITI Report held at Sheraton
Hotel, on 15th September, 2023 at 9:00 a.m.**

Honorable Ministers,

Hon. Members of Parliament,

Your Excellences, Ambassadors and Commissioners,

Development Partners,

Permanent Secretaries Present,

Government Officials Present,

Private Sector Representatives,

Members of the Press,

Distinguished Ladies and Gentlemen.

Good morning to you all.

- 1.** Let me start by thanking you for taking the time to attend the launch of Uganda's Second Extractive Industries Transparency Initiative (EITI) Report. This event is an important milestone that has brought us together to discuss and share knowledge on the state of our extractive industries at a critical time when we are preparing for first oil production.
- 2.** In 2019, my Ministry was tasked by Cabinet to spearhead the EITI implementation process in Uganda. Following the Cabinet directive, we have been able to steer the process along with various stakeholders in Government, Civil Society and the Private Sector. I am happy to note that over the past three years since we joined, the EITI has proven to be an important forum for stakeholder engagement, accountability and policy dialogue.
- 3.** As you are all aware, Uganda aspires to become a middle-income country by 2040, through strengthening the competitiveness for business, employment, inclusive growth and domestic revenue generation. The current Domestic Revenue Mobilization Strategy of Uganda identifies the EITI as one of the tools that can be used to effectively promote transparency and accountability in the extractive sector.
- 4.** Ladies and Gentlemen, you well know that natural resources have enormous potential to drive growth, development and poverty reduction. The extractive

industries sector plays a strong economic role in many countries which face challenges such as resource dependency and under development.

- 5.** Experience from elsewhere has shown that countries that are rich with natural resources transform best if they put in place certain measures to ensure proper utilization and management of their natural resources.
- 6.** It is therefore important for the country to develop a robust legal and institutional framework for the extractive industries sector to thrive and have lasting impact for the current and future generations. Over the past few years, the Government of Uganda has developed various policies, legislations, institutions and mechanisms to ensure proper management of the country's extractive resources. These include among others, the Oil and Gas Revenue Management Policy, 2012, the Public Finance Management Act, 2015, and the Charter of Fiscal Responsibility and the Extractive Industries Transparency Initiative.
- 7.** The Public Finance Management Act is clear on how Government should manage and utilize revenues from oil and gas exploitation. It provides for the creation of a Petroleum Fund, which has been established under the Central Bank.
- 8.** The Charter of Fiscal Responsibility provides for a fiscal rule that Government should adhere to in the utilization

of the oil and gas revenues. The fiscal rule restricts the maximum amount of oil revenue that can be transferred from the Petroleum Fund to the Consolidated Fund for budget operations at 0.8 percent of the previous year's estimated non-oil GDP outturn.

9. These are all prudent measures by Government aimed at bolstering the management of oil revenues to ensure that we achieve sustainable development from the exploitation of our resources.

10. Regarding the mining sector, we have a new law, the Mining and Minerals Act, 2022 that provides for responsible management of the mineral revenues collected including the distribution criteria of royalty payments to the areas where the mining activities take place in order to benefit the mining communities.

11. To complement the good policies and laws in place, Government has adopted the EITI to enhance transparency, accountability and good governance. The EITI will help us to ensure that we avoid practices that undermine accountability, domestic revenue mobilization, business performance and policy making.

12. Last but not least, as we launch Uganda's Second EITI report today, we ought to keep in mind the recommendations of the report which aim to enable us identify the gaps and challenges that need to be

addressed in order to strengthen the management of our extractive industries sector.

13. As I conclude, I would like to assure the general public of Government's commitment to the EITI process, and that indeed Uganda will continue to adhere to the principles of transparency and accountability in the management of its extractive industries.

14. Once again allow me thank you for attending this important function. I wish you the very best of deliberations.

FOR GOD AND MY COUNTRY