



## **Remarks for the Hon. Minister of State for Microfinance and Small-scale Enterprises & Champion of the Uganda Extractive Industries Transparency Initiative, 26<sup>th</sup> July 2023, Skyz Hotel.**

MSG Members

Ladies and Gentlemen

Allow me welcome you to this training that is aimed at preparing for the Validation process that is scheduled to commence in October, 2023.

I understand that Validation is an assessment of whether Uganda is effectively implementing the Extractive Industries Transparency Initiative (EITI).

The EITI holds all implementing countries to the same global standard and through Validation, the EITI's quality assurance mechanism, EITI implementing countries are assessed on their ability to meet the provisions of the EITI Standard.

Validation aims to promote dialogue and learning at a country level, providing countries with an opportunity to communicate

progress and to identify and address challenges in EITI implementation. It captures stakeholder views and allows countries to highlight their perspectives on the effectiveness and sustainability of EITI implementation. It acknowledges that countries have starting different points and face diverse challenges in implementing the EITI, and that they will use the EITI to address their most pressing priorities for improving extractives governance.

Validation therefore is a very serious matter and we ought to do our best to prepare adequately for it because we cannot risk scoring poorly or, worse, being suspended from the EITI as a country.

I would like to thank you for sparing the time to attend this training. This demonstrates the level of commitment and interest you hold in developing Uganda's extractive industries and ensuring that Uganda implements EITI effectively for the benefit of the country.

Let me congratulate you all for having successfully prepared and published Uganda's second EITI report on 30<sup>th</sup> June, 2023. The two EITI reports that Uganda has produced have increasingly generated useful information on the status and developments in the extractive sector. The reports highlight issues and shortcomings related to natural resource governance and provides recommendations on how to improve the governance of Uganda's extractive sectors.

Natural resources are useful in the industrial and economic development of the country. Proper development of these resources

can generate revenue, drive industrialisation and to create direct and indirect employment for Ugandans.

On the 5<sup>th</sup> of April this year, I met a Committee of the MSG and they informed me of the work the msg is doing and I must commend you all for your commitment towards the smooth implementation of EITI.

The Committee members also raised to me the challenge of lack of sufficient funding of the UGEITI. I informed the Committee members that I will take up this matter and work towards securing more funding for UGEITI. At this point the budgeting cycle was in its advanced stages and so there was not sufficient time to ensure that the funding challenge could be addressed in the budget for this financial year. However, I understand that there has been an increment of funding to the initiative in this financial year.

I recently met your Chairperson and we further discussed this matter and we agreed to work together to ensure that sufficient funding is secured for UGEITI in the next budget.

I would like to point out that it is important to keep Cabinet updated about the progress of EITI implementation. This Cabinet paper should highlight the milestones that the UGEITI has achieved relating them to how transparency and good governance of the extractives sector fosters domestic revenue mobilization as stated by the policies that recommended joining EITI. This will ensure that Cabinet remains aware of the commitment that the

country made to implement the EITI. I am ready and willing to present an information paper to cabinet about UGEITI.

I wish you all fruitful discussions and deliberations.

I thank you all.

For God and my country.