ENGAGEMENT REPORT

ENGAGEMENT WITH UGANDA NATIONAL MINING COMPANY ON THEIR ROLE IN THE EITI REPORTING PROCESS

Thursday, 4th June 2026

1. Meeting Details

Date: Thursday, 4th June 2026

Venue: UGEITI Board Room, 1st Floor Crested Towers

Chairperson: Mr. Edwin Kanakulya (UGEITI Secretariat)

Secretary: Ms. Ensekiriyo Jackline (Research Officer, UGEITI Secretariat)

Purpose: To engage UNMC on their role and obligations under the EITI Standard 2023, including data collection and the EITI reporting process

2. Attendance

The following persons were in attendance:

Name	Organization	Designation / Role
Mr. Kanakulya Edwin Kavuma	UGEITI	Chairperson
Ms. Ensekiriyo Jackline	UGEITI	Research Officer (Secretary)
Ms. Enyaku Anita	UGEITI	Technical Assistant
Mr. Jordan Nagwala	Uganda Mining Company (UNMC)	Analyst
Ms Carolyne Faith Kirabo	Uganda Mining Company (UNMC)	Civil Engineer

3. Background

The UGEITI Secretariat met with the Uganda National Mining Company (UNMC) to support UNMC's understanding of the Extractive Industries Transparency Initiative (EITI) Standard 2023 and its implications for its operations. The engagement came at UNMC's request – the company had sought clarification on what is expected of them as a State-Owned Enterprise (SOE) in Uganda's extractive sector, particularly how they fit into the broader EITI reporting and data collection process.

UNMC qualifies as an SOE under the EITI Standard because it is a wholly or majority government-owned company engaged in extractive activities on behalf of the State. The

company is held by the Ministry of Energy and Mineral Development (MEMD) and the Ministry of Finance, Planning and Economic Development (MOFPED).

4. Key Discussion Points

4.1 Definition and Role of SOEs under the EITI Standard

The UGEITI team guided UNMC through the EITI Standard 2023 definition of an SOE broadly: a company that is wholly or majority government-owned and operates in the extractive sector on the State's behalf. The discussion also addressed UNMC's interest in participation, with the following points clarified:

- The law provides for State participation of up to 15% interest in mining operations.
- The State may negotiate additional equity participation, though total State participation generally may not exceed 35%.
- This participation framework primarily applies to medium- and large-scale mining licenses.

More broadly, SOEs carry significant national responsibility; they manage the State's interests in the extractive sector, generate revenue, and help oversee assets that are strategic to the country's development.

4.2 Key EITI Requirements Affecting SOEs

The UGEITI team then guided UNMC through the EITI Standard requirements that apply directly to SOEs. These include:

- Requirement 2.5 – State Participation: Disclosure of state equity and participation terms.
- Requirement 4.2 – Sale of the state share of production and other revenues received in kind.
- Requirement 4.4 – Transportation revenues attributable to the SOE.
- Requirement 4.5 – Transactions between the SOE and government or extractive companies.
- Requirement 6.2 – Quasi-fiscal expenditures undertaken by the SOE.

4.3 SOE Disclosure Obligations Under the EITI Standard

The discussion then covered the six core disclosure obligations that SOEs are expected to meet under the EITI Standard:

- Obligation 1 – Disclose State Ownership: UNMC is required to report ownership percentages, subsidiaries, joint ventures, and any changes in ownership structure.
- Obligation 2 – Financial Relationship with Government: Disclosure of dividends, taxes, subsidies, capital injections, guarantees, and retained earnings transferred to or from government.
- Obligation 3 – Transparency of State Participation: Reporting on equity and carried interests, and the terms of state participation in extractive operations.
- Obligation 4 – Disclosure of SOE Transactions: All material transactions between UNMC, the government, and extractive companies must be disclosed.
- Obligation 5 – Corporate Governance Disclosures: UNMC is expected to disclose its board structure, procurement rules, ethics frameworks, and anti-corruption measures.

- Obligation 6 – Financial Statements Disclosure: Publication of audited financial statements and annual reports is required.

It was also noted that UNMC will need to account for any quasi-fiscal expenditures, such as infrastructure projects, community support, and social spending, that fall outside the national budget framework.

4.4 Data Collection and Reporting Process

The Secretariat guided UNMC through the EITI data collection and reporting cycle, explaining what their participation will entail in practice:

- UNMC will be required to complete the EITI company reporting templates, providing data on payments made to the government as well as on revenues received.
- Once submitted, UNMC's data will be cross-checked against figures reported by the relevant government entities to identify and resolve any discrepancies.
- Submitting data on time and ensuring it is accurate and complete are important for Uganda's overall standing under the EITI process.
- The UGEITI Secretariat confirmed that staff will be on hand to offer guidance and technical support to UNMC throughout the data collection period.

4.5 Benefits of Compliance

The UGEITI team took the time to highlight the practical benefits of EITI compliance, particularly for an SOE in UNMC's position. These benefits include the following:

- Strengthened internal governance and clearer accountability within the organization.
- Enhanced credibility and investor confidence.
- Greater public visibility into how the State's interests in the extractive sector are managed.
- Contribution to Uganda's overall EITI compliance and international standing.

5. Action Points / Next Steps

Before closing, the meeting agreed on the following action items:

Action	Responsible Party	Timeline
UGEITI to share EITI reporting templates with UNMC	UGEITI Secretariat	Immediately
UNMC to begin collating relevant financial and operational data in line with EITI reporting requirements	Uganda Mining Company (UNMC)	Ongoing
UGEITI to provide follow-up technical assistance to UNMC as required	UGEITI Secretariat (Enyaku Anita / Ensekiriyo Jackline)	As needed

6. Conclusion

Overall, the meeting was productive. The UNMC representatives were engaged throughout and showed a genuine interest in understanding what EITI compliance entails for them. They committed to taking an active role in the reporting process. For its part, the UGEITI Secretariat reaffirmed its commitment to providing ongoing technical support as UNMC works through the data collection and reporting requirements.

The discussions were a reminder of why transparency and accountability in the management of Uganda's mineral resources matter and of the role SOEs like UNMC play in honoring Uganda's commitments under the 2023 EITI Standard.