

MINISTRY UNDERTAKES BIOMETRIC REGISTRATION OF MINERS

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“We appeal to be granted several licences and transform the co-operative,” he said.
Alaba said the law allows them

to grant multiple licences, adding that they are currently undertaking biometric registration of all the miners to ascertain the actual number of miners under the co-operative and that it is only then that

they will be able to demarcate the specific areas to different groups. “We will see which group can occupy which area. But not everyone can be in mining. We also want to screen and ensure that the people

who are going to be mining know what to do. Otherwise, if you take somebody who is supposed to be digging to the mine, it may collapse on them.
“We have done this already for the

other groups and we expect to do this once the mining operation starts and we know exactly the number and which surface area they can fit in. For now, we are starting with the 15ha,” she said.

By Aloysious Kasoma

Uganda’s extractive sector revenues rose by 25.1% to sh663.24b in the financial year 2023/24. However, stakeholders have urged the Government to strengthen accountability and value addition to ensure the country’s growing mineral and petroleum wealth translates into sustainable economic development.

The increment is contained in Uganda’s Fifth Extractive Industries Transparency Initiative (EITI) report, which shows that revenues rose from sh530.17b in 2022/23, as mining, oil and gas continued to provide an increasing source of public revenue.

Direct government revenues rose from sh481.3b to sh606.4b during the period, while oil and gas revenues increased by 41.7% from sh230.2b to sh326.3b. Mining revenues also increased from sh299.6b to sh337b.

The report was launched last week at the Extractive Industries Transparency Initiative and Extractives Awareness Conference in Kampala amid growing attention to how Uganda will manage its natural resources as the country moves closer to oil production.

The planning state minister and Uganda’s EITI champion, Amos Lugoloobi, said the resources generated today must be invested in ways that create lasting benefits for future generations.

“Whatever we do, we need to learn to mobilise resources. The extractive sector has a particular role to play because, if properly managed, it can generate revenue that can help us put in place the necessary infrastructure to stimulate investment, foreign exchange earnings and value addition,” he said.

The minister said transparency would be critical in ensuring that revenues from natural resources are converted into infrastructure and other investments capable of supporting long-term economic transformation.

MINING PRODUCTION SURGES

The report shows that Uganda’s mineral production value increased by 87%,

Uganda’s extractive revenues rise by 25% – report



Lugoloobi (second-left) and European Union Ambassador to Uganda Jan Sadek (third-right) launching Uganda’s Fifth Extractive Industries Transparency Initiative report in Kampala last week



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from sh248.5b in 2022/23 to sh464.7b in 2023/24.

Iron ore was a major driver of the increase, with its production value rising by 218% to sh289.3b.

The mining and quarrying sector contributed sh2.59 trillion, equivalent to 1.28% of Uganda’s gross domestic product, while the extractive sector contributed about sh606.35b in direct government revenues.

ENVOY SEEKS CONCRETE REFORMS

European Union Ambassador to Uganda Jan Sadek said increased transparency must result in concrete reforms rather than periodic publication of figures.

“Transparency is not an end in itself,” he said.

Sadek argued that transparency matters when communities understand revenues paid, local governments know what they should receive, Parliament can exercise informed oversight and investors operate in a predictable, rules-based environment.

He urged Uganda to move from periodic reporting to more systematic and timely disclosure of information on licences, mineral production and exports.

Humphrey Asiimwe, the Uganda Chamber of Energy and Minerals chief executive officer, said the report provides critical information for the Government, investors, civil society and communities in mining areas.

He said communities need information on what resources are being extracted, payments made by companies and how revenues are managed.

“The EITI report is a document that the Government, stakeholders

and civil society can look at. Communities also want to know what is happening in their backyard. The Government needs data to make policies, while citizens want to know whether the money generated from these resources is being put to proper use,” Asiimwe said.

ACCOUNTABILITY AHEAD OF OIL
EITI independent administrator Maalej Reached said Uganda had made progress in the quality

and comprehensiveness of extractive sector data. Reached, however, urged the country to strengthen reporting on environmental issues and establish a stronger legal and institutional framework for EITI transparency.

The report recommends stronger beneficial ownership disclosures, improved financial reporting, better disclosure of project-level costs and increased reporting on greenhouse gas emissions and environmental and social expenditure.

It also calls for EITI reporting to become more systematic, with information integrated into government systems and databases rather than relying mainly on periodic reports.

Saul Ongaria, the Uganda EITI national co-ordinator, urged citizens to follow how extractive revenues are generated and spent as the country approaches oil production.

“Very soon, oil production will start, so revenues will increase. We have to be keen

on what is happening and what the money will be used for,” Ongaria said.

The report notes that Uganda had not yet recorded oil or gas production or exports during 2023/24.

Under the Mining and Minerals Act 2022, mining royalties are shared, with 70% going to central government, 15% to local governments, 10% to sub-county or town councils and 5% to landowners or lawful occupants.

Despite rising revenues, the extractive sector directly employed only about 6,100 people in 2023/24.

Stakeholders, therefore, want Uganda to move beyond extracting minerals towards processing, manufacturing, local content, employment creation and stronger environmental protection.

The EITI report places transparency and accountability at the centre of Uganda’s challenge to convert growing natural-resource revenues into lasting national wealth.