

MINUTES OF THE 13TH MEETING OF THE MULTI-STAKEHOLDER GROUP (MSG) OF THE UGANDA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (UGEITI) HELD ON THURSDAY, 9TH SEPTEMBER 2021 ONLINE.

Attendance List

No.	Name	Institution
GOVERNMENT		
1	Mr. Moses Kaggwa	Ministry of Finance, Planning & Economic Development (MSG Chairperson)
2	Mr. Philip Andrew Wabulya	Bank of Uganda
3	Mr. Robert Tugume	Ministry of Energy & Mineral Development
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. Sandra Kaitare	Uganda Revenue Authority
8	Mr. Clovice Bright Irumba	Petroleum Authority of Uganda
CIVIL SOCIETY ORGANISATIONS		
9	Mr. Siragi Magara Luyima	Oxfam International
10	Ms. Regina Navuga	Southern & Eastern Africa Trade Information and Negotiations Institute (SEATINI)
11	Mr. Henry Bazira	Water Governance Institute
12	Mr. Twebaze Paul	Pro-Biodiversity Conservationists in Uganda
13	Mr. Mucunguzi Sam	Citizens' Concern Africa
INDUSTRY		
14	Ms. Catherine Wabomba	Uganda Chamber of Mines and Petroleum
15	Mr. Faustine Mugisha	TotalEnergies
16	Ms. Emilly Nakamya	Uganda National Oil Company
17	Mr. Emmanuel Kibirige	Uganda Association of Artisanal & Small-Scale Miners Limited (UGAASM)
18	Mr. John Bosco Bukya	Uganda Association of Artisanal & Small-Scale Miners Limited (UGAASM)
19	Mr. Obad Noah	Oranto Petroleum Ltd
20	Ms. Sandra Mwesigye	CNOOC Uganda Ltd
21	Dr. Tom Buringuriza	Armour Energy Ltd
OBSERVERS		
22	Ms. Mina Horace	EITI Consultant
23	Mr. Kosia Kasibayo	Petroleum Authority of Uganda
24	Mr. Peter Rumanzi	Bank of Uganda
25	Mr. Joseph Hirya	Office of the Auditor General
26	Mr. Godwin Bob Monday	Office of the Auditor General
27	Mr. Robert Muhumuza	Office of the Auditor General
28	Ms. Magdalene Babirye	Office of the Auditor General
29	Mr. Ben Toorabally	Independent Administrator
30	Mr. Rached Maalej	Independent Administrator
31	Mr. Tim Woodward	Independent Administrator
UGEITI NATIONAL SECRETARIAT		
32	Mr. Saul Ongaria	National Coordinator (Secretary)
33	Ms. Vanessa Ihunde	Assistant National Coordinator
34	Mrs. Gloria Mugambe	Head of Secretariat, UGEITI Secretariat
35	Mr. Kanakulya Edwin Kavuma	Compliance Officer, UGEITI Secretariat
36	Mr. Edgar Mutungi	Finance Officer, UGEITI Secretariat

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37	Ms. Bronia Arinda	Secretary, UGEITI Secretariat
38	Mr. Dan Denis Agaba	Statistician, UGEITI Secretariat
39	Ms. Gertrude Angom	Administration Officer, UGEITI Secretariat
40	Mr. Abbey Gitta	Information Management Assistant, UGEITI
41	Ms. Acom Suzan Angela	Office Assistant, UGEITI Secretariat

AGENDA

- 1) Welcome, Introductions and Adoption of the draft Agenda.
- 2) Communication from the Chairperson.
- 3) Review and Adoption of the Minutes of the 12th MSG Meeting held on 28th June and 2nd July 2021.
- 4) Feedback from the MSG Committees.
- 5) Review of the Revised UGEITI Work Plan 2020-2022.
- 6) Independent Administrator Assignment.
- 7) Way Forward.

MIN 1.0: WELCOME, INTRODUCTIONS AND ADOPTION OF THE DRAFT AGENDA.

- 1.1 The Chairperson, Mr. Moses Kaggwa called the meeting to order at 9:10a.m. He welcomed everyone and thanked them for making time to attend the meeting.
- 1.2 The agenda of the meeting was adopted.
- 1.3 He reiterated the importance of adhering to the Standard Operating Procedures to control the spread of Covid-19 so as to stay safe and safeguard the lives of others.
- 1.4 The meeting took a moment of silence to pay respect to the deceased relatives of some colleagues from the MSG and Secretariat who had recently passed on.

MIN 2.0: COMMUNICATION FROM THE CHAIRPERSON

- 2.1 The MSG Chairperson presented the following updates to members:
 - a) Following the European Union Delegation support to Uganda, the consortium of DT Global and BDO had been procured as Independent Administrator (IA) to prepare the first UGEITI Report. The firm commenced with the assignment on 1st September 2021 and the contract would last for 5 months. The meeting was informed that the IA would join the meeting later to discuss Uganda's EITI report;
 - b) Cabinet had approved and sent the Mining and Mineral Bill 2020 to Parliament, however, it was yet to be tabled for discussion. UGEITI is expected to provide input into the Bill for purposes of supporting Uganda's EITI implementation process.
 - c) He had written to various Ministries, Departments and Agencies requesting them to nominate their representatives to the national Beneficial Ownership

(BO) Committee. The taskforce would draw the roadmap for Uganda's BO register and guide its implementation.

- d) Cabinet had approved the East African Crude Oil Pipeline (EACOP) Special Provisions Bill 2021 as the country moved towards construction of the pipeline between Uganda and Tanzania. The Bill was yet to be tabled before Parliament by the Minister of Energy and Mineral Development.
- e) The process of appointing an EITI Champion was ongoing and the MSG would soon be updated on the development as UGEITI had sought the advice of the Permanent Secretary/Secretary to the Treasury on the appointment of a suitable candidate to mobilise political will and support EITI implementation at the highest level of Government.
- f) The Chairperson urged members to support the IA and the Secretariat in the collection and compilation of data. He highlighted the next steps for both the IA and the MSG as follows:
 - A scoping study and reviewing of reporting templates;
 - Data collection and compilation;
 - Reconciliation of selected data;
 - Preparation of the draft report to the MSG; and
 - Publication of the final EITI report in February 2022.

2.2 Reactions to the Chairperson's Remarks.

- a) The Head of Secretariat noted the need to hold an awareness engagement on the Mining and Mineral Bill 2020 in order to sensitize the public and key stakeholders on its content and implications for the sector.
- b) She also noted the need to update the new leadership at the Ministry of Energy and Mineral Development (MEMD) on the EITI process and for MSG members to continually sensitise and update colleagues within their institutions on EITI developments. In response, the Chairperson requested that a report on the current status of EITI be prepared and submitted to him in preparation for a meeting with the new leadership at the Ministry of Energy and Mineral Development. He informed members that the new Permanent Secretary was appraised and up-to-date with EITI developments. He concurred that a sensitisation workshop should be organised to help stakeholders understand the Bill. Key stakeholders including the Uganda Chamber of Mines and Petroleum would be invited to participate.

Ms. Catherine Wabomba affirmed that the Uganda Chamber of Mines and Petroleum (UCPM) was ready to engage with UGEITI to support its sensitisation efforts on the Mining and Mineral Bill 2020. The Chairperson requested that DGSM and UCMP provide technical support to facilitate the planned workshop.

- c) A representative from the Civil Society Constituency (Mr. Henry Bazira) informed the meeting that civil society had made some comments on the draft Mining and Mineral Bill 2020 which they hoped would be considered.
- d) Another representative from the Civil Society Constituency requested that private sector and civil society be members of the Beneficial Ownership

Committee. He also requested that the draft Mining and Mineral Bill 2020 be shared with the members of the MSG. In response, the Chairperson advised that the private sector and civil society would be considered in the composition of the committee. He guided that it would be better to share a copy of the draft Bill after it had been gazetted.

- e) On the role of the IA in producing Uganda's first EITI report, Mr. Godwin Monday from the Office of the Auditor General (OAG) emphasized the importance of following up and implementing the recommendations from the report. The Chairperson acknowledged the importance of the OAG's comment and stated that this would be monitored closely.
- f) Mr. Joseph Hirya from the Office of the Auditor General congratulated UGEITI on the appointment of the IA to produce the first EITI Report. He stated that as the IA took on their role, they would need to consider the following issues:
 - The need to share the reporting template for members to comment and acquaint themselves with the information required;
 - The need to profile and categorise the information required from the companies and government entities;
 - The need to sensitise the MSG members and other stakeholders on online submission process of the data and information required.

In that regard, the Chairperson advised that the above comments would be shared with the IA when they joined the meeting at 12:30 p.m.

MIN 3.0: REVIEW OF THE MINUTES OF THE 12TH MSG MEETING AND MATTERS ARISING.

3.1 The Chairperson led the review of the Minutes of the previous meeting, and members made the following amendments:

- a) A semi-colon was added to Minute 5:4 to read as follows:

“The meeting agreed as follows:

The UGEITI Secretariat would write to the EU Office indicating that the MSG would like to participate in the evaluations for the IA for the 2019-2020 Report. The communication letter should affirm that the Government representative should participate fully in the procurement process of the consultant – and not act as an observer.”

- b) The Minutes were adopted as a true record of the proceedings of that day.

3.2 Matters Arising from the 12th MSG meeting

- i) The Secretariat was advised to improve on the Action Matrix format of reporting by comprehensively providing the status of activities on the recommendations of the previous MSG meeting. A proper assessment and timeframe should also be provided.
- ii) The meeting requested that the Local Content and Environment Committees be guided on how to share synergies under social expenditures to avoid overlapping of activities.

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- iii) The meeting noted that the Secretariat had experienced challenges in collecting data from oil companies. The meeting agreed on the need to write to the oil companies to request them to provide the data and information required to enable the MSG embark on its mandate of implementing EITI in Uganda. The Chairperson also advised the Secretariat to seek his guidance whenever they were confronted with data and information related challenges to prevent delays in EITI implementation in Uganda.
- iv) The EITI Consultant advised that it was important for the companies and government entities to be informed that in addition to the data request from UGEITI, the IA would submit to them another template that would be used to collect the data required for the EITI Report. In response the Chairperson stated that a discussion on how to manage the issue of templates would be held later when the IA joined the meeting.
- v) A representative from the Industry Constituency stated that since the oil companies submit quarterly reports to PAU, the regulator of the petroleum industry, it would be simpler for UGEITI to acquire the information required for EITI reporting purposes from PAU.
- vi) The MSG member from CNOOC (U) Ltd affirmed the company's commitment to EITI implementation. She assured the meeting that she would follow-up the issue of data requirements for EITI reporting with the leadership of her organization.

MIN 4.0: FEEDBACK FROM THE MSG COMMITTEES

4.1 The Local Content Committee

The presentation on social expenditures is attached as Annex A. It was delivered by the Chairperson of the Local Content Committee, Mr. Kosia Kasibayo. It highlighted the following:

1. An overview of the steps that the committee would follow in the correlation of data on social expenditures.
2. Reporting Templates that the Committee had shared with companies and government entities for the collection of data for EITI reporting.
3. The legal framework governing local content in the extractive sector as provided for in the Mining Act, 2003 and under the Upstream and Midstream laws of the Petroleum Sector, 2013.
4. The status of local content and Corporate Social Responsibility (CSR) in the oil and gas sector.
5. The challenges that the Committee faced included:
 - a) Difficulty in collecting of data from oil companies i.e., Armour Energy Limited, Oranto Petroleum Limited, CNOOC Uganda Limited and Total E&P.
 - b) No data on social expenditures from mining companies due to lack of representation on the Committee.
 - c) Gender context was not included in the data that was submitted on social expenditures.

6. Reaction from Members

- a) A member from the Civil Society Constituency enquired whether the Committee had shared the reporting template with companies in the mining sector. In response, the Secretariat clarified that the Directorate of Geological Survey and Mines (DGSM) had shared the template with mining companies, requesting them to provide UGEITI with the status of their social expenditures for the period 2019/2020.
- b) Another member from the Civil Society Constituency stated that unlike local content, there was no definition of social expenditures in the laws governing the extractive sector in Uganda. In response, Mr. Kosia Kasibayo informed the meeting that the Local Content Committee derived the definition, context and steps required for reporting on social expenditures from the EITI Guidance Note 17¹.
- c) Mr. Sam Mucunguzi informed the meeting that civil society had prepared structured information on local content which was disaggregated according to gender, employment, training and procurement for the Albertine region. This information could be useful towards fulfillment of EITI Requirement 6.1. He also stated that the IA should be engaged in the development of reporting templates to avoid any gaps that could arise in the collection of data. Mr. Mucunguzi further advised that UGEITI could emulate government by providing a Chart of accounts which various stakeholders could use to acquire information on the extractive sector.
- d) The EITI Consultant informed members that the IA's scoping work would inform drafting of the reporting templates for MSG approval and that the review of the scoping report and the above templates would serve to address any gaps during data collection.

7. Way Forward

The MSG adopted the following recommendations by the committee:

- a) A formal letter would be written to the oil companies to provide the Secretariat with the information required to enable the Local Content Committee deliver on its mandate to collect and submit information to the MSG under Requirement 6 of the EITI Standard.
- b) A formal letter would be written to Armour Energy Ltd and Oranto Petroleum Ltd to appoint representatives to the Local Content Committee.
- c) A formal letter would be written to mining companies to appoint a representative from the Industry Constituency to collect data from their sector on their social expenditures for the FY 2019/2020.
- d) A formal letter would be written to the Petroleum Authority of Uganda to begin providing the Secretariat with a copy of the quarterly local content reports that they received from the oil companies.
- e) All stakeholders were advised to include the gender context in their submissions.

¹

https://eiti.org/files/documents/guidance_note_17_social_expenditure_en_2016_0.pdf

4.2 **The Revenue Streams and Materiality Committee.**

The presentation was delivered by the committee Chairperson Ms. Emily Nakamya. She provided the meeting with a summary of their various submissions attached as Annex B – all of which had been adopted at the 12th MSG meeting held on 2nd July 2021. The MSG re-affirmed the adoption of the committee's submission which had been tabled at the 12th MSG meeting.

4.3 **The Contract Disclosure and Legal Affairs Committee.**

1. The status update which is attached to these minutes as Annex C was delivered to the MSG by Mr. Kanakulya Edwin, the Compliance Officer at the UGEITI Secretariat.
2. He informed the meeting that following the 12th MSG meeting, the Contracts Disclosure and Legal Affairs Committees had been merged to form the Contracts Disclosure and Legal Affairs Committee, which comprised of the following members:
 - a) Industry Constituency: Dr. Tom Buringurinza, Ms. Yupiny Song and Ms. Sandra Mwesigye.
 - b) Civil Society Constituency: Ms. Winfred Ngabirwe and Mr. Onesmus Mugenyi.
 - c) Government Constituency: Ms. Gloria T. Akatuhurira, Mr. Clovice Irumba, Ms. Allen Bucyana, Mr. David Sebagala, Mr. Francis Elungat and Mr. Robert Tugume.
3. The Compliance Officer highlighted the following:
 - a) Since 1991 the Government has awarded 23 licenses which fall under 14 Production-Sharing Agreements (PSAs) of which:
 - Eight (8) Production-Sharing Agreements (PSAs) have since expired;
 - Three (3) active Production-Sharing Agreements (PSAs) were signed in 2017 (before January 2021);
 - Three (3) PSAs were amended during 2021.
 - b) Out of the over 50 EITI member states; more than 30 countries had disclosed all or some mining, oil and gas contracts. In addition, 16 leading companies have made public commitments to support contract transparency internationally.
 - c) According to EITI Requirement 2.4, implementing countries were required to:
 - Disclose any contracts and licenses that are granted, entered into or amended after 1 January 2021.
 - Document the government's policy on disclosure of contracts and licenses that govern the exploration and exploitation of oil, gas and minerals. This includes providing a description of whether legislation or government policy requires or prohibits disclosure of contracts and licenses
 - d) As a way forward, the Committee proposed the need to hold a workshop so as develop a roadmap on contracts disclosure.

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4. Reactions from members

- a) The EITI Consultant advised that the Committee should provide timelines for their activities. She also stated that the Committee should expedite the workshop on contracts disclosure so as to bring all the stakeholders to show progress on the disclosure.
- b) The decision on whether or not to conduct a Cost Benefit Analysis should not delay the Committee from developing the roadmap on contracts disclosure in time for Uganda's EITI report.

5. Way Forward

The MSG adopted the following recommendations:

- a) The Contracts Disclosure committee would need to come up with objectives for contract disclosure for Uganda.
- b) The Committee would need to hold a workshop to initiate the development of the Roadmap for Contract Disclosure in accordance with the EITI Requirements.
- c) UGEITI would write to the various government institutions indicating what is required of them in the process of implementing EITI.
- d) The Contracts Disclosure Committee would conduct a final review of the decision of the Cost Benefit Analysis for contracts disclosure to discern if it is still relevant.

MIN 5.0: REVIEW OF THE REVISED UGEITI WORK PLAN 2020-2022.

5.1 The revised UGEITI Work Plan 2020-2022 attached as Annex D was delivered to members by the National Coordinator. He informed the meeting of the various activities that had been accomplished between July 2020 to date as follows:

- a) Uganda's EITI Candidature Application had been submitted and approved by the EITI Board;
- b) Two induction meetings had been held on key EITI implementation issues i.e., the Secretariat induction which was held in November 2019 and the MSG induction which was held in November 2020;
- c) Two high-level meetings had been held between Heads of government institutions and the oil companies to seek a consensus on the disclosure of contracts and licenses. The Ministry of Energy and Mineral Development was in the process of developing a plan for the disclosure of contracts and licenses;
- d) A Communications Strategy and workplan had been developed for dissemination of information on EITI;
- e) A UGEITI website had also been developed to enable mainstreaming of data for EITI implementation as well as the dissemination of information on EITI to the general public;
- f) Strategic engagements had been held with top management of key institutions to attain their buy-in for EITI implementation in Uganda.

- g) Two field visits had been conducted by the MSG and the Secretariat to gold mines and petroleum exploration areas in Kassanda District and the Bunyoro-Kitara region respectively;
 - h) Two trainings had been conducted for the MSG and the Secretariat on Beneficial Ownership and the Communication's Strategy.
- 5.2 Going forward, the critical activities included the following;
- a) Preparation of Uganda's first EITI Report supported by the Independent Administrator;
 - b) Development of the next work plan;
 - c) Beneficial Ownership disclosure;
 - d) Data mainstreaming and systematic disclosure;
 - e) Launch of the EITI Report;
 - f) Outreach and sensitization activities.
- 5.3 The National Coordinator indicated that the Covid-19 pandemic had affected some activities which had been deferred to FY 2021/2022 especially outreach and stakeholder engagements. He also stated that a number of activities like Beneficial Ownership Disclosure, Data Mainstreaming and Capacity Building required technical and funding support.
- 5.4 **Reactions from members and Way forward.**
- a) The Chairperson expressed concern about the timeframe that remained for Uganda to produce the EITI Report. He emphasized the need to fast track the pending preparatory activities in order to meet the deadline of February 2022.
 - b) A member from the Industry Constituency highlighted that the roadmap to the disclosure of contracts had been omitted from the key activities to be undertaken in FY 2021/2022. The Chairperson advised the Secretariat to include contracts disclosure among the key focus areas in the revised work plan FY 2021/2022.
 - c) With the addition of b) above, the revised UGEITI work plan was adopted by the MSG.

MIN 6.0: INDEPENDENT ADMINISTRATOR ASSIGNMENT.

- 6.1 The meeting welcomed the Independent Administrator (IA) team. The team that would be working alongside BDO Tunisia and the Office of the Auditor General comprised of the following members:
- a) Mr. Ben Toorabally (Team Leader)
 - b) Mr. Rached Maalej
 - c) Mr. Tim Woodward
- 6.2 The IA noted that in some countries they had faced challenges regarding confidentiality issues and this had implications for the comprehensiveness of the report. The IA advised that basing on their experience in some EITI member countries the parties concerned, as well as the MSG members, had to sign confidentiality agreements among themselves to prevent disclosure of

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- any information prior to the production of the EITI report. They also stated that in some countries, governments were reluctant to release certain contracts.
- 6.4 The IA advised that the international EITI Secretariat had listed ten (10) steps aimed at attaining contract disclosure. This could help to guide the MSG in charting a way forward on contract disclosure.
- 6.5 Regarding the methodology for Uganda's first EITI report, the IA proposed the need for the MSG to consider adopting flexible reporting since full reporting could result into significant information gaps in the report given the current Covid-19 situation.
- In addition, they stated that the International Secretariat had allowed the flexible method of EITI reporting because of the numerous challenges that EITI Countries were facing amid the covid-19 pandemic like social distancing and travel restrictions. In response, the Chairperson guided that the MSG would discuss the issue for a decision to be made on the methodology of reporting.
- 6.6 The IA noted the inclusion of the element of capacity building for the OAG in the Terms of Reference and stated that there could be a potential conflict of interest should the MSG adopt full reconciliation, since the OAG was responsible for certifying government accounts.
- The Chairperson stated that the involvement of the OAG was against the backdrop of the International Secretariat's advice that Uganda should consider engaging the OAG to undertake the role of the IA to save on costs and build the country's capacity in EITI Reporting. This notwithstanding, even though an IA has been procured, the OAG would understudy the role with a view to future greater participation in the exercise.
- 6.7 The Chairperson informed the IA that the MSG would have a discussion on the above issues and revert to them with a position. He also instructed the Secretariat to share with the IA all the minutes of previous MSG meetings as well as information that had been gathered by the different committees for the IA's input and guidance.

MIN 7.0: ANY OTHER BUSINESS

- 7.1 There being no other business, the chairperson thanked members for making time to attend this meeting which was closed at 1:01p.m.

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ACTION MATRIX

Min No.	Action Point	Resp. Inst.	Timeline	Action Update
2.2a)	Provide a report to the Chairperson on the status of EITI for submission to the new leadership of the Ministry of Energy and Mineral Development.	Secretariat	Before next MSG meeting	Submitted. Meeting planned for 2 nd week of October.
2.2 c)	Provide comments from CSOs on the draft Mining and Minerals Bill 2020	CSO representative - Henry Bazira	30 th September 2021	Still awaiting response from CSO rep
2.2 d)	Include representatives of the private sector and civil society in composition of the National Beneficial Ownership Committee	MSG	Before the next MSG meeting	They will be included at the constitution of the BO committee
4.1 (6a)	Provide structured information collected by CSOs on local content which is disaggregated according to gender, employment, training and procurement for the Albertine region.	CSO representative - Mr. Sam Mucunguzi	30 th September 2021	Still awaiting response from CSO rep
7 a)	Write to the oil companies to request for information on social expenditures for the Local Content Committee work	Secretariat	15 th September 2021	Done. Letter sent on 14 th September 2021.
b)	Write to Armour Energy Ltd and Oranto Petroleum Ltd to appoint representatives to the Local Content Committee.	Secretariat	15 th September 2021	Done.
c)	Provide a representative of the mining industry to support the Local Content Committee	UCMP/Mining Industry	15 th September 2021	Done. UCMP nominated Mr. Patience Singo as the mining representative on the Local Content committee.
5 a)	Hold workshop to come up with objectives for contract disclosure, develop roadmap for contract disclosure and finalize discussion on the Cost Benefit Analysis for contract disclosure.	Contracts and Disclosure & Legal Affairs Committee	Before 30 th September 2021	Done. Workshop organized and held from the 30 th of Sep to the 1 st of October 2021.
6.7	Share with the IA all the Minutes of the MSG meetings as well as information gathered by the different committees	Secretariat	Before 30 th September 2021	Underway. Information sharing of all relevant documents

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Signed:

MSG Chairperson: Purmyanya Date: 14/10/21

Secretary/National Coordinator: [Signature] Date: 14/10/2021