



Uganda Extractive Industries Transparency Initiative

MINUTES OF MEETING BETWEEN MSG COMMITTEE ON CONTRACT DISCLOSURE AND HEADS OF EXTRACTIVE COMPANIES

Date: 27th April 2021 **Time:** 10:00 a.m. **Location:** Ministry of Finance Planning and Economic Development.

Attendance List

	NAMES	DESIGNATION
1.	Mr. Moses Kaggwa	MSG Chairperson
2.	Mr. Pierre Jessua	General Manager- Total E&P Uganda.
3.	Mr. Faustine Mugisha	MSG Member- Total E&P Uganda.
4.	Mr. Obad Noah	Country Representative- Oranto Petroleum Uganda.
4.	Ms. Yuping Song	Head Legal- CNOOC Uganda Ltd.
5.	Ms. Sandra Mwesigye	MSG Member- CNOOC Uganda Ltd.
6.	Mr. Clovice Bright Irumba	MSG Member- Petroleum Authority Uganda.
7.	Mr. Onesmus Mugenyi	MSG Member (Civil Society)
8.	Mr. Francis Elungat	MSG Member- Ministry of Energy and Mineral Development.

Absent with Apologies

1. Mr. Robert Tugume- MSG Member- Ministry of Energy and Mineral Development.
2. Dr. Tom Buringuriza- MSG Member- Country Director- Amour Energy
3. Ms. Winfred Ngabirwe- MSG Member (Civil Society)

UGEITI Secretariat

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| 1. Mr. Saul Ongaria | National Coordinator |
| 2. Ms. Ihunde Vanessa | Assistant National Coordinator |
| 3. Ms. Gloria Mugambe | Head of Secretariat (Secretary) |
| 4. Mr. Kanakulya Edwin Kavuma | Compliance officer |
| 5. Mr. Mutungi Edgar | Finance Officer. |

The agenda was adopted as follows;

1. Welcome and introductions
2. Opening remarks by Chairperson, MSG
3. Views from the Companies on Contract Disclosure

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- i. TOTAL E&P Uganda
- ii. Oranto Petroleum Uganda
- iii. Armour Energy
- iv. CNOOC Uganda Ltd.

4. Discussion and Way forward.

The Chairperson called the meeting to order at 10.30 a.m. He welcomed members and noted that since the last meeting of the Industry Constituency (27th February 2020), Uganda had attained EITI membership status as a candidate country. He informed them that the main purpose of this meeting was to seek the constituency's views on the issue of contract disclosure, which was a requirement under the EITI Standard.

Under Requirement 2 of the EITI Standard, countries are required to disclose all contracts and licenses that are granted, amended or entered into after January 2021. They are also required to agree and publish a plan or roadmap for disclosing contracts with a clear time frame for implementation and addressing any barriers to comprehensive disclosure.

The Chairperson then went on to invite the industry constituency members to give the meeting their views on contract disclosure.

Total opened the discussion by affirming their position in favour of full disclosure. However, they stressed the importance of managing public expectations and ensuring that there was a comprehensive information campaign that educated the public on the contents and technical definitions contained in the PSA. This exercise could be undertaken jointly by the Ministry of Energy, Ministry of Finance and the IOCs.

Oranto was also present, and confirmed their support for transparency and disclosure. It further indicated that it would support the position adopted by the MSG on disclosure.

CNOOC also stated its support for disclosure, but noted that it was important to be clear on the definition of what was to be disclosed.

The representative from the Ministry of Energy indicated that a strategy for contract disclosure was under development, and that its main objective was to define the parameters guiding the disclosure process.

The MSG member on the Contract disclosure committee from PAU noted that it was important to disclose information that was relevant for public consumption, and that there were certain clauses within the PSA that were not considered relevant for public disclosure e.g. work programmes and budgets, and Force Majeure.

In response the representative of Civil Society noted that it was important to first agree on the principle of disclosure, and where a justifiable reason existed.

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(e.g. disclosure would be to the detriment of one party), decide on the level of disclosure.

The General Manager of Total noted that the challenge with partial disclosure was that it would raise public anxiety on the sections of the PSA that had been withheld. It was preferable to go for full disclosure with comprehensive education and sensitization, while emphasizing the sections of interest for the public e.g. the revenue sharing details.

The Chairman then summarized the discussion, noting that in principle, all members were agreed on the issue of disclosure. However, it was important to be clear on:

- 1) what to disclose, and whether disclosure also applied to mid-stream operations.
- 2) How to disclose
- 3) How to handle the confidentiality clauses within the PSA.

The Secretariat noted that whereas all parties were in principle agreed to the notion of disclosure, there was a challenge when it came to the actual implementation of the disclosure process, with each party indicating willingness but neither taking the first step.


The General Manager of Total indicated that his company was willing to provide a letter of comfort to the Government stating that they had no objection to the publication of the PSA between Total and the Government of Uganda.

The meeting concluded with the following agreed way forward:

- 1) All the companies present – Total, Oranto and CNOOC had no objection to the public disclosure of their PSAs.
- 2) Disclosure would commence with agreements linked to upstream operations, i.e. the PSAs.
- 3) Total was ready to write a letter of comfort to the Government providing their no objection to their PSA's disclosure.
- 4) The Contract disclosure committee of the MSG needed to agree on the modality of disclosure, and how to ensure that the disclosure process was accompanied by a comprehensive information and education strategy, given the complexity of some of the technical terms in the PSAs.
- 5) The Secretariat would consult with the International Secretariat to clarify on the definition of 'contract' in Section 2.4 (d) of the EITI Standard; and to confirm whether disclosure was limited to the upstream, or included mid-stream operations as well.

There being no other business, the Chairman thanked members for attending the meeting, and declared it closed.

Signed:



Uwayanga
MSG Chairperson

Date: 29/4/2021

G. Mugambe
(Head of Secretariat) Secretary

Date: 29/04/2021