



MINUTES OF THE 31ST MEETING OF THE MULTI-STAKEHOLDER GROUP (MSG) OF THE UGANDA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (UGEITI) HELD ON THURSDAY, 7TH DECEMBER 2023 AT THE IMPERIAL ROYALE HOTEL, KAMPALA.

Attendance List

No.	Name	Institution
GOVERNMENT		
1.	Mr. Clovice Bright Irumba	Petroleum Authority of Uganda (PAU)
2.	Mr. Joseph Kyeyune	Uganda Revenue Authority (URA) <i>via zoom</i>
3.	Mr. Jonan Kandwanaho	National Planning Authority (NPA)
CIVIL SOCIETY ORGANISATIONS		
4.	Mr. Gard Benda	World Voices Uganda (Chair)
5.	Mr. Siragi Magara	Oxfam in Uganda
6.	Dr. Henry Bazira	Water Governance Institute
7.	Mr. Paul Mulindwa	Kitara Civil Society Organization Network (KCSON)
8.	Mr. Sam Mucunguzi	Citizens' Concern Africa <i>via zoom</i>
9.	Ms. Margaret Lomonyang	Karamoja Women's Umbrella Organisation
INDUSTRY		
10.	Mr. Noah Obad	Oranto Petroleum Limited
11.	Mr. Faustine Mugisha	TotalEnergies Uganda
12.	Ms. Ingrid Musinguzi	CNOOC Uganda Limited
13.	Mr. John Bosco Bukya	Uganda Artisanal and Small-scale Miners Association
14.	Ms. Emilly Nakamya	Uganda National Oil Company
OBSERVERS		
15.	Ms. Magdalene Nabirye	Office of the Auditor General (OAG)
16.	Ms. Emilyn Kemanzi	Office of the Auditor General (OAG)
17.	Ms. Patricia Opoka	Uganda Registration Services Bureau (URSB)
18.	Mr. Frank Byaruhanga	Office of the Auditor General (OAG)
UGEITI		
19.	Mr. Saul Ongaria	National Coordinator (Secretary)
20.	Ms. Gloria Mugambe	Head of Secretariat
21.	Mr. Kanakulya Edwin Kavuma	Compliance Officer
22.	Ms. Bronia Arinda	Data Management Assistant
23.	Mr. Dan Denis Agaba	Statistician <i>via Zoom</i>
24.	Mr. Edgar Mutungi	Finance Officer
25.	Mr. Abbey Gitta	Research Officer
26.	Mr. Ignatius Ariho	Information Technology Assistant
27.	Ms. Susan Acom	Office Assistant
28.	Ms. Betty Kisakye	Administrative Assistant
29.	Ms. Linda Stacy Nalumu	Communication Assistant
30.	Ms. Stellan Anyait	Secretary
31.	Mr. Bwoye Perez Ham	Procurement Assistant

32.	Ms. Gertrude Angom	Monitoring & Evaluation Officer
33.	Mr. Gordon Muhereza	Office Assistant
MEMBERS ABSENT WITH APOLOGY		
1.	Mr. Onesmus Mugenyi	Advocates Coalition for Development and Environment (ACODE)
2.	Ms. Winfred Ngabiirwe	Global Rights Alert (GRA)

AGENDA

1. Welcome and Introductions.
2. Communication from the Chairperson.
3. Review and adoption of Minutes of the 30th MSG meeting, and Matters Arising.
4. Discussion on the MSG statement on Civic Space.
5. Presentation of the Terms of Reference for the Independent Administrator for Uganda's Third EITI Report.
6. Session with the Validation Team:
 - a) Purpose of the Validation mission.
 - b) Capacity building on the EITI 2023 Standard
 - c) Validation consultation on EITI Requirements
7. Way forward.

MIN 1.0: WELCOME AND INTRODUCTIONS

- 1.1 The National Coordinator called the meeting to order at 10:37 a.m. He welcomed everyone to the meeting and requested each participant to introduce themselves. He informed the participants that the low attendance was attributed to a number of engagements which involved key Stakeholders in the extractive sector. He further informed the participants that the validation team and other members of the MSG were expected to join the meeting in due course.
- 1.2 Mr. Gard Benda, a Civil Society Representative, was nominated to chair the meeting because the MSG Chairperson was away on other official duties.

MIN 2.0: COMMUNICATION FROM THE CHAIR

- 2.1 The Chair made the opening remarks as appended in *Annex A*. Expressing gratitude, he thanked the MSG members for taking the time to attend the meeting. The following are the highlights:
 - a) The country was undergoing validation by the team from the EITI International Secretariat, who were on a mission in the country from 4th to 8th December 2023. Members were encouraged to take advantage of this opportunity to learn and address any issues that could be affecting the successful implementation of EITI in Uganda.
 - b) A number of engagements had been held with the public and key stakeholders since the last MSG Meeting including:

- The Annual Business and Human Rights Symposium,
- The Citizens Convention on Mining organized by Global Rights Alert, UGEITI, and other partners,
- The Oil and Gas Petroleum Conference,
- The Annual Mineral Wealth Conference,
- The launch of Planet Gold project by IMPACT and Ministry of Energy and Mineral Development.
- The 4th National Content Conference and Awards organized by the Petroleum Authority of Uganda and the Uganda Chamber of Mines and Petroleum,
- The COP28 conference in Dubai where some MSG members were participating,
- The Energy Transition symposium organised by Advocates Coalition for Development and Environment (ACODE) and Natural Resource Governance Institute (NRGI).

MIN 3.0: REVIEW OF MINUTES OF THE PREVIOUS MEETING

3.1 The Minutes of the 30th MSG meeting that was held on Thursday, 9th November 2023 were reviewed and adopted (with amendments) as a true record of the proceedings of that meeting.

3.2 Matters Arising:

- a) Under Minute 2.2 d), the MSG directed the Secretariat to investigate the rationale behind the Cabinet directive to review all international reports. A representative from the Petroleum Authority of Uganda (PAU) clarified that matters such as international frameworks on climate change, government loans, and financial issues necessitated Cabinet approval, unlike EITI reports.
- b) Under Minute 2.2 e) and 2.2 f), the MSG agreed to prepare a summary version of the EITI report to inform a brief cabinet paper for all subsequent EITI Reports. They instructed the Secretariat to include Cabinet as one of the key stakeholders for dissemination after the publication of each report. It was the responsibility of each government institution to apprise the Cabinet of key milestones and significant issues.
- c) Under Minute 3.2 c), the MSG was informed of a meeting that had taken place with members of top management of Ministry of Energy and Mineral Development to discuss the status of contract disclosure. During this meeting, it was resolved to incorporate the matter of contract disclosure in the cabinet memo to facilitate Cabinet guidance on the issue.

MIN 4.0: DISCUSSION ON THE MSG STATEMENT ON CIVIC SPACE.

- 4.1 A member of the Committee that had been tasked to provide a brief on the civic space issues from 2021 shared a document attached as *Annex B*.
- 4.2 The statement was adopted with the following amendment:
Change the statement; *“There has been perceived and actual human rights violations in the oil and gas sector”*. To read; *“There have been arrests of human rights activists and protesters by the Government claiming that they contravene the law”*.

MIN 5.0: PRESENTATION OF THE TERMS OF REFERENCE FOR THE INDEPENDENT ADMINISTRATOR FOR UGANDA’S THIRD EITI REPORT.

- 5.1 The presentation attached as *Annex C* was made by the National Coordinator. The Terms of Reference (TORs) had been prepared for UGEITI to acquire a competent and credible firm for the production of Uganda’s 3rd EITI report for the Fiscal Year 2021/2022. He shared the following highlights:
- a) It was important for the third UGEITI report to address the gaps identified in the previous two EITI reports i.e., 2019/2020 and 2020/2021
 - b) The specific objectives for the Independent Administrator included;
 - Produce a scoping study to inform the MSG’s decision on the scope of the 2021-2022 EITI report;
 - Produce an EITI Report and associated data files for 2021-2022 according to EITI Standard, and section 3, below.
 - Produce a summary UGEITI report (monograph) of not more than 10 pages and containing infographics.
 - Produce a summary data template for the UGEITI report FY 2021/2022.
 - Conduct a one-day training for the Office of the Auditor General (OAG) and Secretariat, involve the OAG in the process of producing the EITI report and give recommendations for further capacity building of the OAG in production of EITI Reports.
 - Prepare power point presentations to the MSG on the 3rd EITI report and scoping report
 - Participate in the launch of the UGEITI report to the extent agreed with the UGEITI Secretariat.
 - Work with the MSG to populate the transparency validation template.
 - Produce an Addendum to the report to address any gaps that may be identified in the UGEITI report.

- c) The assignment for production of the 2021/22 UGEITI report was expected to commence on 2nd January 2024, culminating in the approval of the EITI Report by beginning of June 2024.

5.2 Reactions from members

- a) A member of the Civil Society Constituency stressed the need to identify and address emerging issues in the Terms of Reference that were not previously addressed in the Independent Administrator's past assignments. The MSG could capitalize on those areas for the upcoming assignment.
- b) A member from TotalEnergies raised a question regarding the sustainability of procuring the services of the Independent Administrator annually. He suggested that a timeline should be established for when the Office of the Auditor General would assume the assignment. Implementing this approach would not only enhance local capacity but also result in a reduction of procurement costs.
- c) A member of the Civil Society Constituency inquired about the possibility of procuring the services of the Independent Administrator for a three-year period to mitigate the costs associated with annual procurement processes. In response, a representative from the Government Constituency guided that EITI procurements, initiated by the Ministry of Finance, could not extend beyond a financial year without parliamentary appropriation. Each year had its unique requirements and UGEITI was guided by the annual budget allocation by Government.
- d) A member of the Government Constituency expressed his reservation about expecting the Office of the Auditor General to assume the responsibilities of the Independent Administrator (IA) due to the relatively low wages for government officers. The EITI report required significant time dedication with good compensation. The representative suggested the possibility of training another local firm to undertake the assignment. However, the MSG clarified that their position on the Office of the Auditor General handling the task had already been communicated, and therefore any proposed changes needed to be presented to the MSG for further consideration.

5.3 The MSG resolved as follows:

5.3.1 Under Page 9 of the Terms of Reference concerning non-revenue information:

- a) Tasks related to "Any information requested by the MSG on contracts in accordance with EITI Requirement 2.4" should be reformulated or rephrased to avoid the Independent Administrator from replicating content from previous reports, as the MSG observed that certain

tasks that appeared in the Terms of Reference had already been addressed in prior IA assignments.

- b) In the section concerning "Any information requested by the MSG on beneficial ownership in accordance with EITI Requirement 2.5," the MSG directed the Secretariat to evaluate and limit the request for Beneficial Ownership information from companies to the first level of contractors. This entailed requiring only Licensees and first-level contractors to disclose their beneficial owners.

5.3.2 The MSG approved the Terms of Reference for the Independent Administrator subject to the above amendments and feedback from the oil and gas companies regarding section b) above by Tuesday, 12th December 2023. Representatives from TotalEnergies and CNOOC Uganda mentioned the necessity to consult with their superiors to confirm their agreement with section b).

At this juncture, members of the EITI Validation team joined the meeting.

MIN 6.0: SESSION WITH THE VALIDATION TEAM:

- a) The Chair extended a warm welcome to the EITI in-country validation team, consisting of Mr. Francisco Paris, Ms. Jessica Sanchez, and Mr. Edwin Wuadom Warden from the EITI International Secretariat. He requested members to introduce themselves, and subsequently, he extended an invitation to Mr. Francisco Paris, the leader of the Validation team, to give his remarks.
- b) Mr. Francisco Paris commended the MSG meeting room, highlighting its spaciousness as indicative of ample room for observers to actively participate in the meetings. He informed the MSG that they had already engaged with all the different stakeholders, with the exception of the oil and gas companies. A meeting with the oil and gas companies was scheduled for the following day on Friday, 8th December 2023, at TotalEnergies Offices.

6.1 Purpose of the Validation mission.

6.1.1 Mr. Francisco Paris clarified that the EITI Validation mission aimed to evaluate and validate Uganda's compliance with the EITI Standard. The key objectives of the mission included:

- a) Evaluate the extent to which UGEITI had implemented the EITI Standard, including the completeness and accuracy of the information disclosed on extractive industry revenues, payments, and other relevant information.
- b) Examine the EITI stakeholder engagement process in Uganda, among the different constituencies.
- c) Identify the country's shortfalls in meeting EITI requirements and provide recommendations for improvement i.e., on issues related to transparency, accountability, or inclusivity in the extractive sector, etc.

- d) To provide mutual learning between the country undergoing validation and the EITI International Secretariat. This included capacity building on key areas for EITI implementation.

6.2 Validation consultation on EITI Requirements

Mr. Francisco Paris stated that the Validation team sought feedback on the following areas:

- a) Decision-making processes within the MSG.
- b) The functioning and operational methods of the MSG.
- c) Work planning procedures.
- d) Representation within the MSG.
- e) Measures and protocols for managing conflicts of interest.

6.2.1 Responses from MSG Members.

a) Decision-making processes within the MSG

The National Coordinator stated that decision-making within the MSG was made through extensive discussions, with the objective of reaching a consensus among all members.

b) The functioning and work or operational methods of the MSG

- i. The National Coordinator highlighted that the MSG operated through consultations within constituencies and actively encouraged wider stakeholder engagement in various processes. He further explained that when faced with technical matters, the MSG appointed committees comprising technical experts to address the tasks at hand. Several committees were established for this purpose, including the Contract Disclosure and Legal Affairs Committee, Work Plan Committee, the Environment Committee, the Revenues and Materiality Committee, etc. These committees played a crucial role in providing recommendations for the MSG to consider on a range of tasks.
- ii. The representative from PAU added that each committee included a representative from the Secretariat responsible for research coordination and meeting organization. He clarified that all discussions within the committee were presented to the plenary for consensus.
- iii. The representative from Uganda National Oil Company (UNOC) provided additional information to the validation team, stating that she chaired the Revenues and Materiality Committee for Uganda's inaugural EITI Report. This committee included members from all three constituencies within the MSG. She elaborated that the committee conducted a thorough evaluation of the revenues paid by companies, leading to the determination of a materiality threshold.

The thorough assessment significantly facilitated the committee's work during the production of the second EITI report.

- iv. Ms. Jessica Sanchez inquired with the representative from UNOC about potential measures to enhance quality assurance, especially in cases where certain companies did not provide audited financial statements. In response, the representative from UNOC clarified that each company had its own distinct characteristics and, therefore required individualized communication to address their specific circumstances. She noted that UNOC found it relatively straightforward to provide their audited financial statements since they were audited by the Office of the Auditor General.
- v. The representative from the Petroleum Authority of Uganda clarified that certain tasks were accomplished through online communication platforms. He explained that UGEITI maintained a dynamic Secretariat that utilized their MSG database for effective communication via email, WhatsApp, and direct telephone calls. This approach enabled the review and agreement on certain matters online. In cases where opinions diverged, the issue was deferred for discussion and resolution during MSG meetings.
He went on to elaborate that voting was not a common practice within the MSG, except when it came to translating the EITI report into other languages. The MSG had collectively decided to translate the report into languages predominant in the extractive areas.
- vi. He also clarified that the MSG members did not receive remuneration for their work on EITI. The only compensation they received was a minimal transport allowance reimbursement, as per the Government of Uganda framework.
- vii. Mr. Edwin Warden noted that during various interactions, he observed full attendance and active participation of stakeholders. He expressed curiosity about how the MSG effectively engaged all stakeholders in EITI processes. In response, a representative from the civil society constituency explained that there was no information gap. The flow of information was deemed adequate, ensuring the continuous involvement and engagement of all stakeholders. The member also mentioned that upon initially joining the MSG, he anticipated a contentious and heated environment. However, he experienced mutual respect among members and a consensus on various aspects.

c) Work planning procedures

- i. The National Coordinator explained that the process of work planning for the Uganda EITI was a consultative one. To facilitate this, a Work Plan Committee was formed for the last three work plans, featuring representation from all three constituencies within the MSG. The committee was tasked with coordinating wider stakeholder

- engagements and offering feedback and proposals from each constituency for the implementation of EITI in Uganda.
- ii. The representative from the National Planning Authority clarified that UGEITI followed a meticulous process when formulating the work plan, ensuring alignment with Uganda's Vision 2040 and National Development Plan (NDP III) for the period 2020/21 - 2024/25. Additionally, he explained that EITI would be incorporated into the NDP IV as a significant government intervention.
- d) Representation within the MSG
- i. The representative from the Petroleum Authority of Uganda explained that the EITI oversight mandate was delegated to the Ministry of Finance, Planning, and Economic Development. He further elaborated that the Hon. Minister of Finance sent letters to various stakeholder institutions, requesting nominations for MSG members, who were subsequently appointed through official letters. Upon the conclusion of their initial three-year term, the Hon. Minister wrote to the respective institutions, urging them to reappoint the MSG members. This action was in accordance with the MSG Terms of Reference, which provides for renewal of the first term of MSG members once. Proxy members were actively involved in all MSG engagements to ensure sustainability and continuity after the completion of the second term.
 - ii. Additionally, a representative from civil society clarified that the decision to renew the MSG term was driven by the understanding that the initial members were still in a learning phase. Introducing a new group to lead the MSG would potentially hinder the growth process of EITI implementation in Uganda. The representative further explained that once the two terms had concluded, capable proxy members would be nominated to assume leadership roles.

6.2.2 Closing remarks on the Validation Process

- a) In her closing remarks, Ms. Jessica Sanchez clarified that the in-Validation team had conducted a preliminary assessment of EITI implementation in Uganda, and the findings would undergo a quality assurance process by the end of January 2024. She mentioned that the MSG would receive a draft report and have four weeks to provide feedback. The final validation decision would be communicated by the EITI Board.
- b) Mr. Francisco Paris substantiated that the EITI Board would receive a report that had been filtered by a technical committee. He stated that their evaluation would be based on Uganda's compliance with the EITI Standard, incorporating consultations with stakeholders and inputs from the validation templates. The position presented would be a

consensual view from the International Secretariat team. UGEITI was encouraged to furnish their feedback through a commentary on the draft validation report within a four-week timeframe.

- c) He clarified that the purpose of MSG commentary was to rectify errors identified during the assessment. He emphasized that the validation process was specifically crafted to collect feedback intended to improve EITI implementation in the future.

6.3 Capacity building on the EITI 2023 Standard and Work Planning

6.3.1 The presentation attached as *Annex C* was delivered by Mr. Edwin Warden. The MSG requested training from Mr. Edwin Warden on the new requirements and other critical areas outlined in the EITI 2023 Standard. They indicated that they possessed a fair understanding of the other areas covered by the Standard.

6.3.2 Mr. Edwin Warden highlighted that the new requirements collectively reflected an evolving commitment within the EITI framework to address emerging challenges, enhance transparency, and promote responsible practices in the extractive industries. The key changes under the EITI 2023 included:

- a) Anti-corruption

The EITI 2023 Standard introduced a requirement for governments and companies to disclose their efforts in combating corruption. This emphasizes transparency and accountability in addressing corruption within the extractive industries including beneficial ownership disclosure.

- b) Energy transition.

The new Standard recognised the global shift towards sustainable energy practices, so it highlights the importance of fast-tracking efforts and enhancing comprehension in energy transition. This involves a focus on sustainable and environmentally friendly energy sources.

- c) Gender Balance, Social and Environmental Protection.

The EITI 2023 Standard emphasizes the disclosure of policies and initiatives aimed at promoting gender balance, as well as efforts related to social and environmental protection. This underscored a commitment to responsible and inclusive resource governance.

- d) Revenue collection

The new Standard required increased disclosure of information related to revenue collection. This includes a specific focus on shedding light on companies' cost recovery processes. The goal was to provide a comprehensive understanding of financial flows within the extractive sector.

e) Impact and stakeholder engagements

The 2023 Standard expands reporting requirements to include the impact of extractive activities. It also emphasizes the need to report on stakeholder engagements, promoting a more inclusive approach. Additionally, there was a specific focus on monitoring and documenting civic space activities, emphasizing the importance of civil society involvement and open dialogue in the extractive sector.

6.3.3 Reaction from members.

- a) The representative from Uganda National Oil Company sought clarification on the effective date of the new Standard. In response, Mr. Warden explained that, technically, the implementation of the new 2023 Standard commenced in June 2023. However, the Validation against the new Standard would be effective in 2025. This allowed implementing countries a reasonable timeframe to gradually integrate the new changes into their work planning processes.
- b) The member also requested Mr. Warden to allocate time to present the same information to the MSG online in the near future. He expressed availability to conduct a more comprehensive training session on the new Standard, indicating a commitment to ensuring that the MSG members possessed a thorough understanding of the changes introduced in the 2023 Standard.
- c) The National Coordinator sought guidance on the process of UGEITI producing both a separate commentary to the draft validation report and an addendum to the gaps analysis from previous EITI reports simultaneously. In response, Mr. Warden suggested that the addendum could be generated earlier and submitted to complement the assessment of the validation process. This proactive approach could potentially reduce gaps for commentary in the draft validation report from the International Secretariat.

MIN 7.0 WAY FORWARD

7.1 The MSG resolved as follows:

- a) Inquire into the rationale behind the Cabinet directive to review all international reports
- b) Incorporate the matter of contract disclosure in the cabinet memo to facilitate a Cabinet decision and pronouncement on the issue.
- c) Representatives from TotalEnergies and CNOOC Uganda to revert with their comments on the IA TORs regarding BO disclosures

7.2 The Chair adjourned the meeting at 3:15 p.m.

ACTION MATRIX

Min No.	Action Point	Resp. Inst./Individual	Timeline	Action Update
3.2 a)	Investigate the rationale behind the Cabinet directive to review all international reports.	Secretariat		
3.2 C)	Incorporate the matter of contract disclosure in the cabinet memo to facilitate a Cabinet decision and pronouncement on the issue.	Secretariat		
5.3.2	Representatives from TotalEnergies and CNOOC Uganda to revert with their comments on the IA TORs regarding BO disclosures	TotalEnergies and CNOOC		

Signed:

Chair:

Secretary




Date: 02/02/2024

Date: 02/02/2024



**REMARKS OF THE MSG CHAIRPERSON AT THE 31ST EITI
MULTISTAKEHOLDER GROUP MEETING HELD ON 9TH
SEPTEMBER 2023, AT IMPERIAL ROYALE HOTEL KAMPALA**

The Representatives of Government

The Representatives of Civil society

The Representatives of the Industry

Ladies and Gentlemen

Good morning,

- 1.** It is a pleasure for me to welcome everyone who has spared time to be part of this very important meeting. This meeting is important in that, the country is at the stage of undergoing validation from the team at the EITI International Secretariat that are on a mission in the country.
- 2.** As you aware, the aim of the validation exercise is to assess Uganda's adherence to the EITI Standard but it also offers an opportunity to us as the MSG Members to learn and be able to use this opportunity to address some of the issues that may be impeding successful implementation of (EITI) Report. I therefore

welcome the validation team to Uganda and encourage all the stakeholders to provide the necessary support to the validation team that includes:

- a) Mr. Francisco Paris - The Team Leader
- b) Ms. Jessica Sanchez
- c) Mr. Edwin Warden

3. The team commenced work on Monday 4th December 2023, and they will complete the mission on Friday 8th December 2023. So far, the team has met and held discussions with various stakeholders including the Ministry of energy and mineral development, Financial Intelligence Authority, Directorate of Geological Surveys and Mines, Accountant Generals Office, Office of the Auditor General, Petroleum Authority of Uganda, Uganda Registration Services Bureau among others.

4. Ladies and Gentlemen, since our last MSG meeting, a number of engagements and dialogues on extractives have been conducted where the MSG members have actively participated in the discussions and used such platforms to disseminate the EITI information to the public. Notably, these include: the Annual Business and Human Rights Symposium, the citizens convention on mining organized by GRA and partners, Oil and gas petroleum conference, the launch of Planet Gold project by IMPACT and MEMD, the 4th National Content Conference and Awards that are organized by the Petroleum Authority of Uganda and the Uganda

Chamber of Mines and Petroleum, the COP28 where most of our members are participating, the Energy Transition symposium. The different engagements and activities demonstrate the high level of engagement that is happening in the extractive sector today.

5. These kinds of activities enhance consensus and help us to build trust between the Government, private sector and civil society as well as other relevant stakeholders. This will help to promote investor confidence and create a favorable environment to discuss and address the any identified gaps and challenges.
6. With those few remarks, I wish to commend all of you as well as the International Secretariat for tirelessly supporting and steering the EITI implementation process to date.
7. I wish you all fruitful deliberations.

Thank you.

MSG STATEMENT ON CIVIC SPACE OF CSOs REGARDING EITI IMPLEMENTATION IN UGANDA FY 2020 - 2021

The NGO Act, 2016 and the attendant Regulations of 2017 provide the main legal framework for regulation of Civil Society Organizations (CSOs) in Uganda. Besides that, there are multiple requirements for CSOs to comply with in other legislation in the Country.

The operating environment for Civil Society Organisations in Uganda has faced some challenges in the recent past. In 2021, the Government enhanced the enforcement of the regulatory framework by subjecting CSOs to registration, licensing, and reporting obligations. As a result, in August 2021, the operations of 54 NGOs in Uganda were suspended by the NGO Bureau, most of these were working on governance areas, while some of them were working on the extractive sector. There have been arrests of human rights activists and protesters by the Government claiming that they contravene the law. In addition, there have also been arrests of civil society activists and human rights defenders, including arrests of EACOP protesters with the Government declaring that their activities contravene the law.

The suspension of Democratic Governance Facility (DGF) in 2021 which was later lifted, and subsequently led to the end of the facility in Uganda rendered many NGOs to witness a reduction in funding. This mainly affected CSOs that were working on areas related to governance and human rights, and quite a few that were working on extractives (accountability). Many NGOs have been left without funding and some had to lay off staff who were supported by the DGF.

Nevertheless, many Civil Society Organizations remain active in Uganda and have complied with the country's legal framework. It should be noted that the CSOs that have complied with the statutory requirements have not faced challenges operating in the country. This is attested to by the vibrant participation of Civil Society at the UGEITI MSG engagements and other fora regarding EITI Implementation.



Terms of Reference for Independent Administrator

UGEITI Report FY 2021/2022

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31st MSG Meeting



Introduction

Uganda has produced two EITI reports since joining EITI in August 2020. The last report was published in June 2023.

The EITI requires an assessment of whether the payments and revenues are subject to credible, independent audit, applying international auditing standards (Requirement 4 of the EITI Standard).

Consequently, TORs have been prepared for UGEITI to acquire a competent and credible firm to produce Uganda's 3rd EITI report for publication by June 2024.

It is important for the 3rd UGEITI report to address the gaps identified in the previous two EITI reports.

The **overall objective** of the assignment is for the procured firm to perform the role of Independent Administrator for the production of Uganda’s 3rd EITI report for the Fiscal Year 2021/2022.

The specific objectives for the Independent Administrator are to:

- ❖ Produce a **scoping study** to inform the MSG’s decision on the scope of the 2021-2022 EITI report;
- ❖ Produce **an EITI Report** and associated data files for 2021-2022 according to EITI Standard, and section 3, below.
- ❖ Produce a **summary UGEITI report (monograph)** of not more than 10 pages and containing infographics.
- ❖ Produce a **summary data template** for the UGEITI report FY 2021/2022.
- ❖ Deliver a one-day training for the OAG and Secretariat, involve the OAG in the process of producing the EITI report and give recommendations for further capacity building of the OAG in production of EITI Reports.
- ❖ **Participate in the launch of the UGEITI report** to the extent agreed with the UGEITI Secretariat.
- ❖ Work with the MSG to **populate the transparency validation template**.
- ❖ **Produce an Addendum to the report to address any gaps** that may be identified in the UGEITI report.

Scope of Services and schedule of the assignment



The assignment for production of the 2021/22 UGEITI report is expected to commence on 2nd January 2024, culminating in the approval of the EITI Report by beginning of June 2024. The desired outputs and proposed schedule is set out below.

The Scope of Services and schedule for the Independent Administrator is broken down into the following 5 phases:

Phase	Task	Timeline/Schedule
Phase 0	<p>Scoping and scoping study:</p> <p>Purpose - The scoping work aims to identify what EITI reporting should cover based on available data and in order to meet the requirements of the EITI Standard.</p>	(5 weeks after project start date)

Phase	Task	Timeline/Schedule
Phase 1	Preliminary analysis and inception report: Purpose - the inception phase is to confirm the scope of the EITI reporting process	
	Draft Inception report submitted to Secretariat and MSG	(6 weeks & 4 days after project start date)
	MSG validation of inception report, materiality and reporting templates	(7 weeks & 5 days after project start date)
	Training for reporting companies and government agencies and issuing of reporting templates for collecting payment and receipt data for 2021/22.	(2 months after project start date) (This is a one-day event/ workshop that will launch the reporting exercise)
Phase 2	Data compilation and collection – return of completed templates by the reporting entities (entities will be given six weeks to fill in and return templates to the IA)	(3 months after project start date)

Phase	Task	Timeline/Schedule
Phase 3	Initial analysis and reconciliation: Purpose - to analyze collected data, and compile and reconcile contextual info and revenue data.	3 months and two weeks after project start date
Phase 4	Investigation of discrepancies and draft EITI Report ❖ Presentation of Draft report to MSG and Secretariat 30th April, 2024). ❖ Presentation of Draft final report to stakeholders including, Cabinet, participating companies and government agencies 1st May 2024.	❖ 4 months and one week after project start date ❖ 4 months and three weeks after project start date

Phase	Task	Timeline/Schedule
Phase 5:	MSG validation and approval of the Final report 30th June, 2024.	(5 months after project start date)
	MSG validation and approval of the monograph summary, and abridged version of the report	(2 weeks after MSG validation and approval of final report. The monograph can be published separately following publication of final report)
	Publication of Final Report- 30 th June, 2024.	(5 months and 20 days after project start)

Summary of the Schedule of Activities



Start Date: January 2, 2024

End Date (Publication): June 30, 2024

The assignment is scheduled to commence from January 2 to June 30, which is a span of 5 months and 28 days.

Key Milestones:

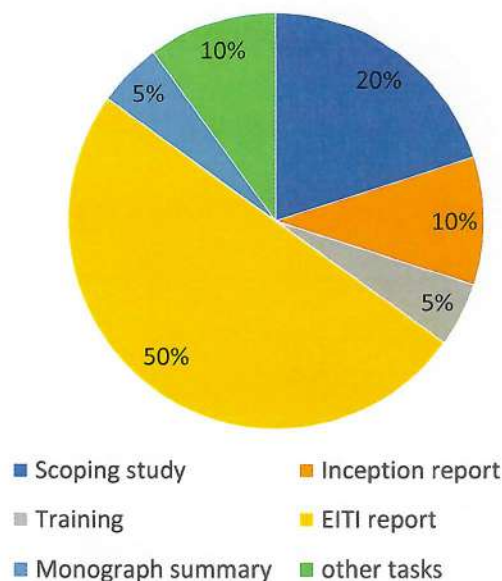
- ❖ Scoping and scoping study (5 weeks)
- ❖ Preliminary analysis and inception report (7 weeks)
- ❖ Data compilation and collection (3 months)
- ❖ Initial analysis and reconciliation (3 months, 2 weeks)
- ❖ Draft EITI Report (4 months, 1 week)
- ❖ Final Report (5 months)

Qualifications of the Firm

The KEY Requirements for the IA include:

- ❖ Minimum 10 years of experience.
- ❖ Possess IT systems implementation in the public sector.
- ❖ Experience in preparing EITI reports.
- ❖ Proof of preparing an EITI report for an African country.
- ❖ Wide experience and in-depth knowledge of the EITI Standard.

Outputs / Evaluation weightings %



Key Components

The preparation of the Third Uganda EITI Report is based on the decision of the MSG on the following key components:

- ❖ The definition of materiality;
- ❖ The setting of a threshold amount from which will be determined;
- ❖ Oil & Gas/Mining companies and Government entities that will participate in the EITI reporting process;
- ❖ The financial flows that will be taken into account for the EITI Reporting;
- ❖ Guidance for the preparation of the Uganda 2021/22 EITI Report

Way Forward

The MSG to provide their comments and input on the IA TORs for Uganda's third EITI Report

THANK YOU