



MINISTRY OF FINANCE PLANNING AND ECONOMIC DEVELOPMENT

PRESS STATEMENT BY HON. MINISTER ON UGANDA JOINING EITI

I am pleased to announce that Uganda has been accepted as a candidate member country of the Extractive Industries Transparency Initiative (EITI). The decision was announced by the EITI Board Chair, the Right Honorable Helen Clark, in a statement issued on Wednesday 12th August 2020 by the EITI International Secretariat in Oslo, Norway.

EITI is the global standard for transparent management, accountability and good governance of petroleum and mineral resources. Our membership in EITI will boost investor confidence and strengthen revenue management in the country. As an EITI member country, Uganda will disclose information relating to contracts and licenses, production and revenue of and from extractives, as well as revenue allocation, and benefits accruing to Ugandans from their resource.

Uganda is not joining EITI as an end in itself. Implementing EITI is a framework that helps countries to identify and address challenges in the oil, gas and mining sectors. The EITI principles of transparency and accountability are already enshrined in the legal and regulatory framework governing oil, gas and minerals in Uganda, including the 2008 National Oil and Gas Policy, the 2012 Oil and Gas Revenue Management Policy, the 2015 Public Finance Management and Accountability Act, and the 2018 Mining and Minerals Policy for Uganda.

Uganda's membership comes at an opportune time for the country, when the Final Investment Decision (FID) for the oil project is expected within this financial year. This decision will unlock significant financing and opportunities for both local and international investment and participation. It is optimal that the extractives sector will have already signed up to EITI ways of working by the time the FID takes place. For the mining sector, improved transparency and streamlining of oversight will be key. Overall, we want to ensure that our people understand, appreciate and participate in the development compact that we have embarked on with our private sector partners in the extractives sector.

Next steps

EITI implementation will be overseen by a Multi Stakeholder Group (MSG), which is comprised of 23 members representing the three constituencies of government, industry and civil society. Under their stewardship, the first national EITI report will be prepared, following the framework and guidelines provided in the EITI Standard. This report will disclose information on all key aspects of Uganda's extractive sector, including a reconciliation of production and revenue figures as reported by the government and the companies operating in the extractive sector. Upon completion, the report will be validated by the EITI International Secretariat in Oslo, Norway. Once Uganda has been validated, we will then become a fully-fledged EITI member country, and will continue to champion the EITI Standard in order to retain our membership.

Conclusion

I look forward to participating in this exciting journey of EITI implementation in Uganda, and call upon all stakeholders to join hands and ensure that our natural resource benefits all Ugandans, and supports us in our journey to middle income status.


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