

URA TAX REFORMS TO TAILOR OBLIGATIONS FOR SMALL MINERAL OPERATORS

UGANDA SCORES 60% IN AFRICA MINING VISION ASSESSMENT

PHOTO BY JOHN ODYEK



Nakanwagi (right), Tabaro (centre) and Ncube (left) holding a copy of the report during the launch at the Sheraton Kampala Hotel, recently

POTENTIAL
 The study notes that Uganda's mining sector which hosts significant deposits of gold, iron ore, phosphates, rare earth elements, copper and graphite presents strong growth opportunities, despite governance challenges.

said. According to Uganda Bureau of Statistics, the mineral sector contributes 2.2% (about \$1.1b) to GDP. Authorities project the economy could expand tenfold from \$50b in FY2023/24 to \$500b by 2040 partly driven by mineral value addition.

Artisanal miners raised concerns over limited access to affordable financing. Their association chief executive Kenneth Asimwe said they are exploring the creation of a miners' bank to improve access to credit, noting that traditional financial institutions often lack understanding of mining operations.

Rachel Mbabazi Sendagire, the head of Natural Resources Management at Uganda Revenue Authority, said tax reforms are underway to tailor obligations for small operators.

"Minerals are finite; the environment must be restored long after extraction ends," National Environment Management Authority inspector Hajara Nakiberu said.

Andrew Byaruhanga, the executive director of Resource Rights Africa, emphasised that mining projects must respect community rights, citing land conflicts in Karamoja linked to concession allocations.

The assessment was conducted by AMDC with support from International and Ibero-American Foundation for Administration and Public Policies.

to happen here. Advanced countries achieved growth by developing their mineral resources," Morris Tabaro, the inspector of mines at the energy ministry, said.

OFFICIALS SPEAK OUT

Uganda was urged to ratify the statutes of the African Minerals Development Centre (AMDC), in order to unlock mineral-led industrialisation and aligning national policy with AMV goals. Currently, Guinea, Mali, Zambia and Nigeria have ratified the statute.

"Uganda can become the fifth member as we work toward the 15 countries needed," Mkhululi Ncube, a programmes officer at AMDC,

mechanisms, illicit financial flows and limited social safeguards.

The key recommendations include operationalising local content regulations aligned with Africa Continental Free Trade Area value chains, investing in infrastructure and skills development to support beneficiation and adopting open data policies to improve investor and public

access to geological information.

Other proposals include improving revenue auditing systems, enforcing environmental impact assessments and mine closure requirements, enhancing occupational health, safety and community compensation mechanisms.

"If we want to take everyone out of poverty, we need manufacturing

By John Odyek

Uganda has achieved a score of 60% in an assessment measuring how well her mining governance aligns with the Africa Mining Vision (AMV), highlighting both progress and persistent gaps in the sustainable management of mineral resources. The AMV, an African Union policy framework adopted in 2009, seeks to ensure Africa's mineral wealth drives inclusive and sustainable socio-economic development.

Dr Susan Nakanwagi, the lead consultant for the study, while presenting the findings at the Sheraton Hotel Kampala recently, recommended several reforms. These included adopting a model mining agreement to standardise contracts, strengthening enforcement and transparency in licensing, updating geological databases and increasing funding for the department of geological survey and mines.

FINDINGS

The report observes that Uganda's mineral sector has weak linkages to manufacturing, education and infrastructure. Fragmented decision-making structures contribute to delays, while the sector faces financing constraints, capacity gaps, gender barriers, weak enforcement

BANK OF UGANDA