

The Republic of Uganda

**THE MINERAL POLICY
OF UGANDA**

Ministry of Energy and Mineral Development

Ag. Director
September 2000

THE VISION

UGANDA: THE NEW DAWN IN MINING

TO ATTRACT INVESTMENT, BUILD CAPACITY FOR ACQUISITION AND UTILISATION OF GEODATA AND INCREASE MINERAL PRODUCTION FOR SOCIAL AND ECONOMIC DEVELOPMENT OF UGANDA.

THE MINERAL POLICY OF UGANDA

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FOREWORD

The mineral sector plays a central role in the socio-economic development of our country. It provides employment, raw materials for local industries, export earnings and opportunities for new investments.

Uganda's mineral potential is very high given the existence of a variety of geological formations, many of which have yielded exploitable mineral deposits. The mining history of the country also testifies to this potential considering the long list of minerals, which have been produced both metallic and nonmetallic.

Government is committed to provide a conducive legal, social and fiscal environment for the private sector to invest in the sector. While the private sector will be the player, Government will pay special attention to the provision of basic geologic information and extension services to the small scale and artisanal operator.

The Policy constitutes a formal framework upon which the mineral sector will develop within the national strategy for poverty eradication and development.

The Policy was developed through an extensive consultation process involving a broad spectrum of stakeholders. These included operators, private companies, academics, environmentalists, policy makers and development partners.

Through this Policy the Government intends to maximise the economic and social benefits of mineral exploitation, promote all technically feasible and environmentally sound exploitation alternatives and stimulate innovative approaches within operators focusing on private sector driven initiatives.

The Policy is designed to overcome the main barriers in the mineral sector by introducing new fiscal and technical incentives the mitigation of adverse social and environmental impacts, the removal of restrictive practices on women participation in the sector and the development of local capacities.

I pay tribute to all those who contributed to the formulation of this Policy. Special tribute go to our partners in development and to the task force composed of the following members:- Permanent Secretary, Mr. Fred A. Kabagambe-Kaliisa; the Director, Mr. Soul A. Mboijana; the Commissioner for Geological Survey and Mines Mr. Watuwa Bwobi; the Commissioners with the Parliamentary Counsel, Ms. Harriet Lwabi and Mr. Lawrence Kamugisha; the Assistant Commissioner in the Tax Policy Department, Mr. Moses Kaggwa; and the technical staff of the Ministry namely, Messrs Joshua T. Tuhumwire, Samson S. Byamugisha, Callist B. Wandera, Frank Tukwasibwe, Fred Kyakonye and John Odida for their unreserved efforts in the development of this Document.

It is my hope and belief that all of us will give the required support to make this Mineral Policy a success.

Hon. Syda N. M. Bbumba (Mrs)

MINISTER OF ENERGY AND MINERAL DEVELOPMENT.

THE VISION

UGANDA: The New Dawn in Mining.

To attract investment, build capacity for acquisition and utilisation of Geodata and increase mineral production for economic and social development of Uganda.

EXECUTIVE SUMMARY

The Constitution of the Republic of Uganda places important natural resources including minerals under the protection of Government, on behalf of the people of Uganda. Besides, minerals are a non-renewable resource, which if not properly managed, its sustainability is jeopardised.

Uganda's vision for the mineral sector is *“The new dawn in mining: to attract investment in, build capacity for acquisition and utilisation of geodata and increase mineral production for social and economic development of Uganda”* and its goal is *“to develop the mineral sector for it to contribute significantly to sustainable national social and economic growth”*.

The Government of Uganda accords a high priority to the establishment of an internationally competitive investment environment for the mineral sector in order to develop and maintain a strong, dynamic and profitable mining industry for the benefit of the people of Uganda. The Ugandan mineral policy sets out to provide conditions conducive to attract new investment for exploration and mining development, with the private sector providing the necessary management, technical and financial resources required.

The policy provides conducive, stable, predictable, legal and fiscal environments to attract foreign and local investment for exploration and mine development. It also encourages local entrepreneurs to develop small-scale mines so that they can gradually build-up capacity to offer employment and alleviate poverty among the rural population. It is envisaged that with this strategy, the mineral sector will increase substantially its contribution to serve as an engine of growth towards industrial development, employment creation, infrastructure development, increased revenue and foreign exchange earnings as well as socio-economic development.

The **Mineral Policy Objectives** are:

- (a) To stimulate mining sector development by promoting private sector participation;
- (b) To ensure that mineral wealth supports national economic and social development;
- (c) To regularise and improve artisanal and small scale mining;
- (d) To minimise and mitigate the adverse social and environmental impacts of mineral exploitation;
- (e) To remove restrictive practices on women participation in the mineral sector and protect children against mining hazards;
- (f) To develop and strengthen local capacity for mineral development; and
- (g) To add value to mineral ores and increase mineral trade.

Under the policy framework, Government shall, carry out geological, geochemical and geophysical surveys of the entire country at various scales; process, analyse and interpret the geoscientific data; archive, package and disseminate the data to potential users through print and electronic media; oblige private operators in the sector to provide acquired geoscientific data at appropriate stages of exploration for enhancing the National Geoscientific Data Bank; and avail mineral prospects to investors.

The Government will encourage artisanal and small-scale miners to form associations and other organisations in order to improve capacity to produce and market their mineral commodities. Government will apply light-handed regulations in small-scale mining, maintain a continuous dialogue with miners' organisations to address matters of small-scale mining and carry out awareness campaigns targeting artisanal and small-scale miners.

In order to stimulate investment in the mineral sector, Government shall put in place an investor-friendly and competitive legal and fiscal frameworks, with well-defined parameters for the sector and shall involve stakeholders in the evolution of sector policy and legislation.

In an effort to minimise and mitigate the adverse social and environmental impacts of mineral exploitation, Government shall ensure compliance with the existing laws and regulations on environment, human health and safety. This will be achieved by:

- (a) strengthening the environment monitoring unit of the lead agency;
- (b) carrying out sensitisation of the society;
- (c) encouraging the application of environmentally friendly technologies in mineral exploitation;
- (d) drawing up and establishing health and safety regulations;
- (e) formulating preventive measures against accidents and other human health and safety hazards; and
- (f) promoting affirmative action in favour of women and prohibiting child labour in mining.

The overall strategy of the policy is to ensure that the country's mineral wealth supports sustainable national growth and development as well as the equitable sharing of the benefits from mineral resources amongst the people of Uganda.

CHAPTER 1

1 BACKGROUND INFORMATION

1.1 Preamble

Recognising the need to have in place a clear, well focused and people centred national Mineral Policy;

Recognising the important role the mineral sector can play in the modernisation of Uganda;

Bearing in mind the limited capacity of Government to develop the mineral sector; and

Desirous of the need to attract private investment in the mineral sector;

The Government of Uganda presents the **Objectives, Principles and Strategies** aimed at creating an internationally competitive investment environment for the mineral sector in order to have a strong and profitable private sector driven mining industry for the benefit of the people of Uganda. The Uganda Mineral Policy, therefore, is intended to provide conditions conducive to private investment for exploration and mining development with the private sector providing the necessary management, technical and financial resources. The policy is designed to provide an enabling political, legal and fiscal framework to attract foreign and local private investment for mining activities and to regularise as well as encourage small-scale mining. As a result local entrepreneurs will gradually increase mineral production and capital leading to more employment and alleviation of poverty among the rural population. With these measures, it is expected that the mineral sector will progressively contribute significantly towards industrial development, employment creation, infrastructure development, increased revenue and foreign exchange earnings and social and economic development.

1.2 Current Status as at Year 2000

1.2.1 Mineral endowment

Information from geological investigations carried out over a period of more than eighty years and available mineral production statistics, demonstrate that Uganda is endowed with favourable geological conditions associated with a rich and diverse mineral resource base and with substantial economic potential.

Uganda is underlain by extensive Precambrian (*4,500 – 600 million years*) rocks, which are host to a wide variety of mineral deposits. Younger Cenozoic (*65 million years – Present*) sediments and volcanics in the west and east of the country are also host to mineral deposits.

Mineralisation in Uganda falls into the following major geological groupings:

- (i) The Archaean greenstone belt and banded iron formations in the southeast of the country (part of the well known Lake Victoria goldfield extending from northern Tanzania and southwest Kenya into Uganda), the undifferentiated gneisses and meta-sediments in the north and northeastern regions, the Proterozoic Karagwe-Ankolean (*1400 – 1300 million years*) and the Buganda-Toro (*2000 – 1800 million years*) Systems in southwest and central-west Uganda are host to numerous gold occurrences.
- (ii) The undifferentiated gneisses and meta-sediments in the north and northeastern and the Buganda-Toro System in western Uganda are host to base metals such as copper, cobalt and nickel.
- (iii) The Karasuk group (*1300 million years*) of rocks in Northeastern region, are host to the chromite-nickel-platinum group of metals.
- (iv) The Karagwe-Ankolean System is the major host of tin, tungsten, beryl, lithium, columbite, tantalite and bismuth.
- (v) The Karagwe-Ankolean rock formations and the Carbonatite Ring Complexes in eastern Uganda are the main sources of iron ore.

- (vi) The Crater Lakes and Sediments in the Rift Valley in western Uganda host a number of evaporites such as salts.
- (vii) A variety of industrial minerals including limestone, phosphate, vermiculite, silica sand, granite, marble, clay, kaolin, diatomite, barite and rare earth-elements occur in different rock formations.

Due to its ancient geological history, Uganda has a number of prospective geological environments from which economic mineral deposits are yet to be discovered. Such environments include the undifferentiated gneissic terrain of Central and Northern Uganda, Archean greenstone belt of Lake Victoria, several carbonatite ring complexes of eastern Uganda and the Kibaran of Southwestern Uganda.

A world-class phosphate deposit is found at Sukulu, one of the seven identified carbonatite ring complexes, which complexes also have potential for a host of other minerals namely, base metals, vermiculite, pyrochlore, titanium and rare earth elements.

A large part of Central and Northern Uganda remains geologically little known due to its thick soil and vegetation cover that makes conventional geological mapping difficult and the mineral potential of this region is yet to be evaluated.

1.2.2 Institutional Framework

The Ministry

The Policy direction for the mineral sector is the responsibility of the Ministry of Energy and Mineral Development. The mission of the Ministry is: **To promote, develop, strategically manage and safeguard the rational and sustainable utilisation of energy and *mineral* resources for economic and social development.**

The Directorate

Its Directorate of Energy and Mineral Development oversees three Technical Departments responsible for energy resources, petroleum exploration and production and **mineral** resources.

The Department

The Geological Survey and Mines Department of the directorate is technically responsible for the administration and management of the mineral sector. The stated mission of the department is: **To promote and ensure rational development and utilisation, in a safe and sustainable environment, of mineral resources for the socioeconomic enhancement of the people of Uganda.**

Specifically, the Department has the mandate to:

- (i) collect, collate, process, analyse, archive and disseminate geoscience data;
- (ii) monitor operators and enforce regulations in the sector; and
- (iii) develop and retain professionals capable of generating and utilising the available geoscience data.

Others

District Local Administration Authorities are responsible for receiving and forwarding applications for various mineral rights, arbitrating in compensation, resolution of disputes and granting of licenses, for those minerals not administered under the Mining Act and goldsmith licenses.

The *National Environment Management Authority* is responsible for approving environmental impact assessments and reports for mining projects, in co-ordination with mineral agencies.

The recently formed *Uganda Chamber of Mines* and relevant miners associations or groupings that may come in place will constitute the main stakeholders of institutional framework for the development of the sector.

1.2.3 Key Issues

(i) Mineral Sector Policies

Hitherto the mineral policy direction has been expressed through the annual ministerial statements for budget purposes. The policy has also been expressed in the Five-year Development Plans. However, no all-embracing policy specifically covering or

addressing long-term goals had been formulated before. Therefore, Government intervention in the sector has remained insufficient to attract adequate investment.

(ii) Mining Act

The current Mining Act was last revised in 1964 and is therefore outdated in many respects. The Act was derived from the pre-Independence Mines Ordinance, which sought to implement the colonial policy. The law favoured the exploitation of minerals for export and little mention was made on building local utilisation capacity. The emerging issues in the sector such as environment, gender and labour conventions were hardly addressed.

(iii) Political Instability

The political environment for most of the 1970s and early 1980s was not conducive for mineral development. The infamous declaration of the economic war in 1972 led to the capital flight and desertion by professionals in the sector, thus affecting the production capacity. By 1986, the contribution of the sector to GDP had dropped to 1% from 6% during the 1960s, while the contribution to foreign exchange earnings had more or less disappeared.

(iv) Low Priority Ranking of the Sector

Despite the Government's policy of creating an independent, integrated and self-sustaining economy, the mineral sector was accorded low priority ranking in the National Development Plans.

Following the UNDP sponsored Mineral Development Project, which ended in 1996, there was a growth in interest by the private sector, that resulted in increased exploration area and exports of minerals especially gold. Subsequently, the Government has accorded the sector high priority status starting during with 2000/2001 Financial Year.

(v) Underfunding of the Sector

In light of the low priority status assigned to the sector by the Government over a long time, the Government was allocating sufficient funds for mineral development. This

underfunding led to the deterioration of the institutional infrastructure (building, transport, laboratory services etc.) at the Geological Survey and Mines Department. This was followed by a continuous desertion of professionals to “*greener pastures*” thus undermining further the Government capacity to develop the sector. This was made worse by the prevailing low levels of remuneration to earthscientists and technicians.

(vi) Mineral Markets

A significant amount of tin, wolfram, beryl, bismuth and columbite/tantalite ores was produced by artisanal and small-scale miners. This significant production was triggered the availability of a local marketing arrangement for the minerals. The facility was constituted by the Itama Mines, which succeeded British Metal Corporation and closed in 1976. There has not been such a facility since then. This situation significantly affected the production of these minerals and the development of the sector. The existence of such a marketing arrangement had provided the miners with ores upgrading facilities, the availability of inputs on hire purchase, loans and fair prices.

(vii) Private Associations in the Sector

In the past the mineral sector lacked organised private associations. Lack of such associations resulted in absence of pressure groups to lobby Government for improved services to the sector. This vacuum has been filled by the recently formed Uganda Chamber of Mines, an umbrella association for all stakeholders in the mineral sector.

(viii) Geoscientific Data

An important basis for investment in the mineral sector is the availability of basic and reliable data. Todate there is a lack of adequate, modern, comprehensive and detailed geological, geophysical, geochemical and remote sensing information covering the entire country. Limited funding has constrained the Geological Survey and Mines Department from acquiring the basic data to guide potential investors in the sector.

1.3 Policy Context and Justification

1.3.1 International

Since mid-1980s the global mining industry has undergone dramatic changes, which may have far-reaching implications for Uganda. Many countries, particularly in the developing world, have embarked on wide ranging structural reforms aimed at opening up their economies to foreign trade and investment. This has led to a world wide competition for investment.

Similarly technological advances in various stages of mining development have greatly extended the resource base by enhancing the viability of low-grade deposits that were considered uneconomical in the past and by enabling the discovery of deep seated and new deposits. This development has proved a challenge to many developing nations.

On the other hand, the globalisation of finance and investment and the improvement of financial mechanisms have opened up new frontiers, leading to an increase in the pool of risk capital available for exploration and mining development.

1.3.2 Regional

With these trend setting developments, and in order to take advantage of the opportunities offered by renewed interest in mining in Africa, the mineral sector of Uganda will adjust and make a smooth and rapid transition towards a modern and viable mining industry.

1.3.3 National (Constitutional, Decentralisation, etc.)

Following the promulgation of the New Constitution in 1995, there was need to revise a number of laws, including the mining law, to conform to the constitutional provisions. Before advancing further and finalising the enactment of a new mining law, it is necessary to develop an appropriate national policy on minerals. The mandate to manage the mineral resource is derived from the following constitutional provisions:

- (i) Objective XIII: Protection of Natural Resources: The State shall protect important natural resources, including land, water, wetlands, minerals, oil, fauna and flora on behalf of the people of Uganda.

- (ii) Article 244: Parliament shall make laws regulating:
 - (a) the exploitation of minerals;
 - (b) the sharing of royalties arising from mineral exploitation;
 - (c) the conditions for payment of indemnities arising out of exploitation of minerals;
 - (d) conditions regarding the restoration of derelict lands;
 - (e) minerals and mineral ores shall be exploited taking into account the interest of the individual land owners, local governments and the Government; and
 - (f) for purposes of this article “minerals” does not include clay, murrum, sand or any stone commonly used for building or similar purposes.

- (iii) Sixth Schedule, Item 7: Land, mines, minerals and water resources and the environment.

- (iv) Sixth Schedule, Item 20: National standards (*related to mineral resources*).
- (v) Sixth Scheduled, Item 22: National surveys and mapping (*including geological, geophysical, geochemical and seismological*).

- (vi) Sixth Schedule, Item 26: Control and management of epidemics and disasters (*caused by or associated with geotectonic/mineral resources*).

- (vii) Objective XXVII: Promotion of rational use and development of natural resources.

- (viii) Objective XI: Stimulation of agricultural, industrial, technological and scientific development.

1.4 Policy Formulation Process

To ensure a modern, investor-friendly and acceptable Mineral Policy for Uganda, the Ministry of Energy and Mineral Development constituted an Inter-Ministerial Task Force to spearhead the policy formulation. The Task Force was headed by the Minister of State in the Ministry. Other members included representatives of the Ministry of Finance, Planning and Economic Development, Ministry of Justice and Constitutional Affairs and Geological Survey and Mines Department. The Task Force put in place a timetable and work- program for completion of the policy formulation process. The process involved a series of consultative technical and political meetings with stakeholders in Uganda. For comparative reasons, consultations were also made in a number of countries in the sub-region (including Botswana, Namibia, South Africa, Tanzania), as well as with the multi-national institutions such as the Commonwealth Secretariat and the World Bank. The Draft Policy document was presented and discussed at a national consultative forum in September 2000.

CHAPTER 2

2. THE MINERAL POLICY

2.1 The Goal

To develop the mineral sector, for it to contribute significantly to sustainable national economic and social growth by creating gainful employment and providing alternative source of income particularly for the rural population in Uganda.

2.2 Policy Objectives

In order to address the key issues in the mineral sector, Government has put in place a Mineral Policy with a view to attract and enable the private sector take lead in exploration, mine development, mineral beneficiation and marketing. The role of the Government is to stimulate and guide private mining investment by providing adequate basic geological and other data, administering, regulating and promoting sustainable growth of the sector.

Accordingly, the Government policy objectives for the mineral sector are:

- (i) To stimulate investment in the mineral sector by promoting private participation;
- (ii) To ensure that mineral wealth supports national economic and social development;
- (iii) To regularise and improve artisanal and small scale mining;
- (iv) To minimise and mitigate the adverse social and environmental impacts of mineral exploitation;
- (v) To remove restrictive practices on women participation in the mineral sector and protect children against mining hazards;
- (vi) To develop and strengthen local capacity for mineral development; and
- (vii) To add value to mineral ores and increase mineral trade.

2.3 Policy Principles and Strategies

In order to achieve the goal, the Government has formulated principles and strategies as follows:

2.3.1 Objective 1: To stimulate investment in the mineral sector by promoting Private participation

Principles:

Government shall:

- (i) acquire basic geoscientific data and disseminate it; and
- (ii) put in place a stable, predictable and competitive fiscal and legal environments for the Sector.

Strategies:

Government shall:

- (a) review and put in place an investor-friendly legal framework;
- (b) institute and maintain a progressive and predictable tax regime with well-defined parameters;
- (c) involve stakeholders in the formulation of the mineral policy and its legislation;
- (d) carry out geological, geochemical and geophysical surveys of the entire country at various scales;
- (e) encourage private operators in the sector to provide acquired geoscientific data at appropriate stages of their operations for the enhancement the national databank;
- (f) process, analyse and interpret geoscientific data;
- (g) archive, package and disseminate data through publications and electronic media;
- (h) avail mineral prospects to investors; and
- (i) facilitate access to land for mineral development.

2.3.2 Objective 2: To ensure that mineral wealth supports national economic and social development

Principle:

Government shall ensure equitable sharing of revenue from the mineral resources.

Strategies:

- (a) Government shall levy and collect royalties and fees for services rendered
- (b) Royalties shall be shared between Government and Local Governments from where minerals are produced.

2.3.3 Objective 3: To regularise and improve artisanal and small-scale mining

Principle:

Government shall promote the formation of small-scale miners' associations in order to improve their competitiveness.

Strategies:

Government shall:

- (a) apply light-handed regulation in small-scale mining;
- (b) provide information on available production and marketing facilities;
- (c) provide extension services to the small-scale miners through their associations; and
- (d) carry out awareness campaigns targeting the artisanal and small-scale miners.

2.3.4 Objective 4: To minimise and mitigate the adverse social and environmental impacts of mineral exploitation

Principles:

Government shall ensure:

- (i) that there is compliance with the existing laws and regulations on the environment; and
- (ii) the protection of human health and safety.

Strategies:

Government shall:

- (a) strengthen the environmental monitoring unit of the Ministry;
- (b) carry out sensitisation of the society on the impact of mining on environment;
- (c) promote the application of environmentally friendly technologies and methods in mineral exploitation;
- (d) ensure health and safety regulations in all stages of mineral development through regulations and education; and
- (e) undertake responsibility for the clean up operations of past negative mining environmental impacts.

2.3.5 Objective 5: To remove restrictive practices on women participation in the mineral sector and protect children against mining hazards**Principle:**

Government shall repeal the restrictive practices, which prohibit women from working underground and prohibit children from entering mining facilities and participating in mining activities.

Strategies:

Government shall:

- (a) encourage employment and involvement of women in mining;
- (b) encourage the formation of women mining associations or groups; and
- (c) put in place and enforce regulations against child exposure to mining activities.

2.3.6 Objective 6: To develop and strengthen local capacity for mineral development**Principle:**

Government shall develop human and infrastructure resources in the mineral sector.

Strategies:

Government shall:

- (a) put in place a functional structure of the Geological Survey and Mines Department (GSMD);
- (b) provide continuous training and maintain staff in the GSMD;
- (c) promote employment and training of Ugandans by the private sector; and
- (d) set up registration board for earth scientists in Uganda.

2.3.7 Objective 7: To add value to mineral ores and increase mineral trade

Principle:

Government shall promote and facilitate trade in minerals.

Strategies:

Government shall:

- (a) license mineral dealers;
- (b) avail market information;
- (c) assist in the determination of the mineral values; and
- (d) conduct awareness campaigns for stakeholders and other law enforcement agencies.

CHAPTER 3

3 INSTITUTIONAL FRAMEWORK

To ensure effective administration, management and monitoring of the mineral sector, the Government shall:

- (i) establish, maintain and facilitate an efficient, well organised and transparent institutional framework;
- (ii) ensure the availability of relevant competent professional and technical staff; and
- (iii) allocate sufficient resources for the effective and efficient execution of duties as well as responsibilities by the relevant staff.

The following Government institutions will be responsible for the development of the mineral sector towards the identified goal.

3.1 Ministry of Energy and Mineral Development (MEMD)

The over all responsibility for the Mineral Sector will lie with the Ministry of Energy and Mineral Development (MEMD) or the Ministry responsible for minerals. The Minister will be responsible for the policy direction and accountable for the sector performance.

3.2 The Directorate of Energy and Mineral Development (DEMD)

The Director for Energy and Mineral Development will provide leadership of a technical body to advise on the implementation of the mineral policy. The office shall be the technical link between MEMD and the policy implementation Department.

3.3 The Geological Survey and Mines Department (GSMD)

The GSMD will be the technical arm of MEMD and directly responsible for the implementation of the mineral policy. The duties will include inter alia carrying out administration, supervising, regulating, monitoring, enforcing, training, providing extension services and promoting other sectoral activities.

3.4 Other Institutions

The implementation of the Mineral Policy will no doubt impact on other sectors of the national programmes. It is the intention of Government to call on the participation of other institutions such as District Authorities, miners associations and other stakeholders during the policy implementation.

CHAPTER 4

4 POLICY IMPLEMENTATION

Government is determined to ensure that minerals contribute significantly to the overall development of the country. It is the intention of Government to see to it that this policy is implemented fully as resources become available. The identified policy objectives, principles and strategies have been prioritised for implementation in the Short Term Action – STA, (0-2 years) and Medium Term Action - MTA (3-5 years). The time scales mark the planned beginning of the action. It must be borne in mind that some actions are continuous while others terminate with a specific, once and for all output.

The implementation schedule is as outlined in the table below.

Table 1 Policy Implementation Schedule

Objective / Principle	Strategy	STA	MTA
<p>Objective 1: To stimulate investment in the mineral sector by promoting private participation.</p> <p>Principles: Government shall: - Acquire basic geoscientific data and disseminate it. - Put in place a stable, predictable, and competitive fiscal and legal environment for the sector.</p>	Review and put in place an investor-friendly legal framework.	■	
	Institute and maintain a progressive and predictable tax regime with well-defined parameters.	■	
	Involve stakeholders in the formulation of the mineral policy and its legislation.	■	
	Carryout geological, geochemical and geophysical surveys of the entire country at various scales.		■
	Encourage private operators in the sector to provide acquired geoscientific data at appropriate stages for enhancing national databank.	■	
	Process, analyse and interpret geoscientific data.	■	
	Archive, package and disseminate data through publications and electronic media.	■	
	Avail mineral prospects to investors.	■	
	Facilitate access to land for mineral development.		■
<p>Objective 2: To ensure that mineral wealth supports national economic and social development.</p> <p>Principle: Government shall ensure equitable sharing of revenue from mineral resources.</p>	Levy and collect royalties on minerals and fees for services rendered.	■	
	Royalties shall be shared between Central Government and Local Government from where minerals are produced.	■	
<p>Objective 3: To regularise and improve artisanal and small-scale mining.</p> <p>Principle: Government shall encourage artisanal and small-scale miners to form associations and other organisations in order to improve their production and marketing capacity.</p>	Apply light-handed regulation in small-scale mining.	■	
	Provide information on available production and marketing facilities.	■	
	Provide extension services to the small-scale and artisanal miners through their associations.	■	

<p>Objective 4: To minimise and mitigate adverse social and environmental impacts of mineral exploitation.</p> <p>Principles: Government shall ensure:</p> <ul style="list-style-type: none"> - That there is compliance with existing laws and regulations on environment. - The protection of human health and safety. 	Strengthen the environmental monitoring unit of the Ministry.	■	
	Carryout sensitisation of the society on the impact of mining on environment.	■	
	Promote the application of environmentally friendly technologies and methods in mineral exploitation.	■	
	Ensure health and safety standards in all stages of mineral development through regulations and education.	■	
	Undertake responsibility for clean up operations of past negative mining environmental impacts.	■	
<p>Objective 5: To remove restrictive practices on women participation in the mineral sector and protect children against mining hazards.</p> <p>Principle: Government shall promote affirmative action in favour of women and prohibit child labour in mining.</p>	Encourage employment and involvement of women in mineral development activities.	■	
	Encourage the formation of women mining associations or groups.		■
	Put in place and enforce regulations against child labour and exposure in mining.	■	
<p>Objective 6: To develop and strengthen the local capacity for mineral development.</p> <p>Principle: Government shall develop human and infrastructure resources in the mineral sector.</p>	Put in place a functional structure of the GSMD.	■	
	Provide continuous training and maintain staff in the GSMD.	■	
	Set up a Registration Board for Earth Scientists in Uganda.	■	
	Promote the employment and training of the people of Uganda by the private sector.	■	

Objective 7: To add value to mineral ores and increase mineral trade. Principle: Government shall promote and facilitate trade in minerals.	Avail marketing information.	■	
	Assist in the determination of the mineral values.	■	
	License mineral dealers.	■	
	Conduct awareness campaigns for stakeholders and other law enforcement agencies.	■	

CHAPTER 5

CONCLUSION

Uganda has a favourable geological environment for hosting a variety of mineral resources both metallic and non-metallic. The significance of the mineral sector to the economy is reflected in the contribution of up to a third of the foreign exchange earnings in the 1960's and early 70's. In order to revive the sector, the geological endowment needs to be complemented with good Government policies covering infrastructure, land tenure regulations, foreign exchange controls, and others. While most of the above policies have been put in place, Government has also recognised the need for a mineral policy to guide the long-term development of the mining sector.

Government has, for this reason, drawn up a mineral policy that is internationally competitive and investor-friendly in order to create a viable private sector-led mining industry for the benefit of the people of Uganda. The policy provides the right legal and fiscal environment to attract foreign and private investment in the sector, and encourages local entrepreneurs to develop small-scale mines, so that they can gradually build up production capacity to supply the domestic and export markets.

Government's role is that of promoting, regulating, monitoring and facilitating investment in the sector. The Government also acts as a service provider in the case of extension services for artisan and small-scale mining. For the Government to play her role, she needs to acquire the basic geo-scientific data, manage it and make it available to the private sector. Government shall also fund Research and Development programs to demonstrate the diverse utility of various mineral commodities and to broaden opportunities for private sector participation. It is anticipated that private investment will be the main engine to move the mineral sector forward.

The implementation of the policy strategies requires good partnerships with stakeholders, namely: the Government, the private sector, the civil society and international organisations. The strategy options in this document should be translated into specific programs and activities for which resource inputs must be found. It is then hoped that the implementation of the policy strategies will result into real benefits from the national mineral wealth and will bring a new dawn in mining for Uganda.