



Mineral Development Programme

Semi-Annual Budget Monitoring Report

Financial Year 2021/22

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ABBREVIATIONS AND ACRONYMS

ACEMP	Africa Center for Energy and Mineral Policy
ASM	Artisanal and Small Scale Miners
BGR	German Federal Institute for Geosciences and Natural Resources
BMAU	Budget Monitoring and Accountability Unit
DGSM	Directorate of Geological Surveys and Mines
DRMS	Domestic Revenue Mobilisation Strategy
EAGER	East African Geothermal Energy Resources
EIA	Environmental Impact Assessment
GASf	Geological Society of Africa
GIS	Geographical Information System
GMIS	Geological and Mineral Information System
GoU	Government of Uganda
HSE	Health Safety and Environment
ICGLR	International Conference on the Great Lakes Region
ICP - EOS	Inductively Coupled Plasma Optical Emission Spectrometry
IFMS	Integrated Financial Management System
ISO	International Organization for Standardisation
LMIS	Laboratory Management Information System
MCRS	Mineral Cadaster and Registry System
MDAs	Ministries, Departments and Agencies
MEMD	Ministry of Energy and Mineral Development
MoFPED	Ministry of Finance, Planning and Economic Development
MoJCA	Ministry of Justice and Constitutional Affairs
MLHUD	Ministry of Lands, Housing and Urban Development
MPS	Ministerial Policy Statement
MWAMID	Mineral Wealth and Mining Infrastructure Development
NEMA	National Environment Management Authority
NDP	National Development Plan
OSH	Occupational Safety and Health
PBS	Program Budgeting Software
PGM	Platinum Group Minerals
PIP	Public Investment Plan
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
SEAMIC	Southern and Eastern Africa Mineral Center
SDR	Special Drawing Rights
SMRF	Strategic Minerals Research Facility
TGH	Temperature Gradient Holes
UIA	Uganda Investment Authority
UNBS	Uganda National Bureau of Standards

FOREWORD

The Government is implementing programmatic planning and budgeting which harnesses synergies from a number of previously independent sectors and avoids duplication of resources, thus enabling us attain efficiency in our development investments.

The Budget Monitoring and Accountability Unit (BMAU) is now undertaking Programme-Based Monitoring to assess performance of the targets and outcomes set in the Programme Implementation Action Plans (PIAPs) of the third National Development Plan (NDPIII), Ministerial Policy Statements, plus the Programme and Sub-Programme work plans.

These BMAU findings are the first Programme assessments we have conducted and I urge you to embrace the findings therein, and fully adopt the recommendations as we strive to ensure compliance to Programme-Based Budgeting.

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the right.

Ramathan Ggoobi

Permanent Secretary/Secretary to the Treasury

EXECUTIVE SUMMARY

The Mineral Development Programme has one sub-programme - Mineral Exploration, Development and Value Addition, under which all its interventions are classified.

The performance of the Mineral Exploration, Development and Value Addition Sub-programme was fair at 61.9%. Under the sub-programme, a total of 10 interventions were under implementation, of which nine were monitored with 60% of them having fair performance, and the remaining showing good performance. The programme budget was revised upwards to Ug shs 50.83 billion (bn) from Ug shs 48.98bn, but the release was Ug shs 9.90bn and expenditure Ug shs 8.19bn. The programme was greatly affected by the low release of funds.

The sub-programme continued with mineral exploration in the country with phases 1 and 2 of geological and geophysical surveys in Karamoja region complete. On establishment of regional exploration units to aid in analysis of samples explored from the different regions, construction of the beneficiation centres in Ntungamo and Fort-Portal was almost complete.

The formalisation process for Artisanal Small Scale Miners (ASMs) commenced with the launch of the biometric registration exercise. By 31st December 2021, only 130 out of targeted 5,000 were registered, while 960 ASMs (760 males and 200 female) were sensitised on health and safety. In line with this, the Mining and Minerals Bill which aims at transforming the livelihood of ASMs was under Parliamentary consideration. Additionally, inspection of 94 mining rights of sites in 37 out of 50 districts was undertaken. The limited funding hindered progress of some activities.

On acquisition of equipment for sample analysis, the mineral jig was installed but operation was pending training from the manufacturer. The newly acquired weigh bridges were yet to be installed. Procurement of other laboratory equipment planned for this FY was also yet to be done pending availability of funds. There is urgent need to complete installation of the newly acquired equipment for mineral sample analysis since this will lead to faster ascertaining of the country's mineral potential.

The programme performance was hampered by inadequate funding which affected activities like registration and sensitisation of the ASMs, and others required for mineral exploration. The budget release was less than 20% for Quarter 1 and 2.

The Ministry of Energy and Mineral Development (MEMD) should prioritise funding to the programme, since the potential for the country to generate more revenue from minerals is very high.

CHAPTER 1: BACKGROUND

1.1 Background

The mission of the Ministry of Finance, Planning and Economic Development (MFPED) is, *“To formulate sound economic policies, maximise revenue mobilisation, and ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development.”*

The MFPED through its Budget Monitoring and Accountability Unit (BMAU) tracks implementation of programmes/projects by observing how values of different financial and physical indicators change over time against stated goals, indicators and targets (how things are working). The BMAU work is aligned to budget execution, accountability, service delivery, and implementation of the Domestic Revenue Mobilisation Strategy (DRMS).

Starting FY 2021/22, the BMAU is undertaking Programme-Based Monitoring to assess performance against targets and outcomes in the Programme Implementation Action Plans (PIAPs) of the third National Development Plan (NDPIII). Semi-Annual and Annual field monitoring of government programmes and projects is undertaken to verify receipt and application of funds by the user entities and beneficiaries, the outputs and intermediate outcomes achieved, and level of gender and equity compliance in the budget execution processes. The monitoring also reviews the coherency in implementing the PIAP interventions; the level of cohesion between sub-programmes; and challenges of implementation.

The monitoring covered the following Programmes: Agro-Industrialisation; Community Mobilisation and Mindset Change; Digital Transformation; Human Capital Development; Innovation, Technology Development and Transfer; Integrated Transport Infrastructure and Services; Manufacturing; Mineral Development; Natural Resources, Environment, Climate Change, Land and Water Management; Public Sector Transformation; Sustainable Development of Petroleum Resources; and Sustainable Energy Development.

This report presents findings from monitoring the Mineral Development Programme for the budget execution period 1st July to 31st December 2021.

1.2 Programme Goal and objectives

The Mineral Development Programme falls under the first objective of the National Development plan (NDP III) which is to “Enhance Value Addition in Key Growth Opportunities”. The goal of this programme, therefore, is to increase the exploitation and value addition to selected resources for job rich industrialisation. Its key objectives are to:

1. Increase exploration and quantification of priority minerals and geothermal resources across the country;
2. Increase adoption and use of appropriate and affordable technology along the value chain;
3. Increase investment in mining and value addition; and
4. Expand mineral based processing and marketing.
5. Strengthen the legal and regulatory framework as well as the human and institutional capacity

1.3 Programme Sub-programme

The Mineral Development Programmes is comprised of one sub-programme - Mineral Exploration, Development and Value Addition.

The lead institution for implementation of this programme is the Ministry of Energy and Mineral Development (MEMD), others include National Environmental Management Authority (NEMA), Ministry of Trade, Industry and Cooperatives (MoTIC), Ministry of Works and Transport (MoWT), and Uganda Investment Authority (UIA).

1.4 Programme Outcomes

The programme contributes to the following outcomes:

- Increased investment in the sector
- Increased contribution of the mineral sector to gross domestic product (GDP)
- Competitive mining sector

CHAPTER 2: METHODOLOGY

2.1 Scope

This report is based on selected interventions for the Mineral Exploration, Development and Value Addition Sub-programme that were allocated funds under the Mineral Development Programme. A total of 10 out of 34 interventions in the Programme Implementation Action Plans (PIAPs) were allocated funds in the FY2021/22. A total of nine interventions were reviewed and monitored for the FY2021/22 and were implemented by the Ministry of Energy and Mineral Development (MEMD).

The selection of areas to monitor was based on several criteria:

- Significance of the budget allocations to the interventions within the programme budgets, with the focus being on large expenditure interventions. Preference is given to development expenditure, although some recurrent costs are tracked.
- The programmes that had submitted Quarter two (Q2) progress reports for FY2021/22 were followed up for verification as they had specified output achievements.
- Multi-year sub-programmes that were having major implementation issues were also visited.

2.2 Approach and Sampling Methods

The physical performance of the interventions was assessed through monitoring a range of outputs and linking the progress to reported expenditure. Across the sub-programme monitored, the key variables assessed included inputs and outputs. Gender and equity commitments were also assessed.

2.2.1 Sampling

A combination of random and purposive sampling methods was used in selecting projects from the Ministerial Policy Statements and progress reports of the respective departments¹. Priority was given to physically verifiable outputs. In some instances, multi-stage sampling was undertaken at two levels: i) Interventions and ii) Project beneficiaries.

Outputs to be monitored are selected so that as much of the Government of Uganda (GoU) development expenditure as possible is monitored during the field visits. Districts are selected so that as many regions of Uganda as possible are sampled throughout the year for effective representation.

2.2.2 Data Collection

Data was collected from various sources through a combination of approaches:

- Review of secondary data sources including Ministerial Policy Statements for FY2021/22; National and Sector Budget Framework Papers; Sector project documents and performance reports in the Program Budgeting System (PBS), Sector Quarterly

Directorate of Geological Survey and Mines, Geological Survey, Geothermal Survey Resources and Mines departments.

Progress Reports and work plans, Public Investment Plans, Approved Estimates of Revenue and Expenditure, and data from the Budget Website.

2.2.3 Data Analysis

The programme performance was rated based on the criterion below in table 2.1

Table 2.1: Assessment Guide for Monitored Interventions for Semi-Annual FY2021/22

Score	Comment
90% and above	Very Good (Achieved at least 90% of both outputs and outcomes)
70%-89%	Good (Achieved at least 70% of both outputs and outcomes)
50%- 69%	Fair (Achieved at least 50% of both outputs and outcomes)
49% and below	Poor (Achieved below 50% of both outputs and outcomes)

Source: Author's Compilation

2.3 Limitation of the report

The preparation of the report was constrained by lack of disaggregated financial information for some programme interventions hence they could not be scored.

CHAPTER 3: PROGRAMME PERFORMANCE

3.1 Overall Programme Performance

Financial Performance

The budget for FY 2021/22 for the Mineral Development Programme is Ug shs 50.83bn, of which Ug shs 9.90bn (19.5%) was released. The absorption of released funds was good at 82.8%. The low release of funds hindered implementation of programme outputs. Table 3.1 gives details of the programme half year budget performance.

Table 3.1: Financial Performance of the Mineral Development Programme by 31st December 2021

Sub-Programme	Budget (Ug shs Bn)	Release (Ug shs Bn)	Expenditure (Ug shs Bn)	Release as a proportion of the budget (%)	Expenditure as a proportion of the release (%)
Mineral exploration, development and value addition	50.830	9.90	8.194	19.4	82.8
Overall Performance	50.830	9.90	8.194	19.4	82.8

Source: Approved Budget Estimates and MEMD Q2 Reports FY2021/22

Overall Performance

The overall programme performance was fair at 61.9%. The Mineral Beneficiation Centres in Ntungamo and Fort-Portal were nearing completion. Exploration and analysis of mineral samples and training and registration of Artisanal Small Scale Miners (ASMSs) was being undertaken. However, installation of weighbridges in the Eastern region for quantification of minerals had not been done. On policy formulation, the Mining and Minerals Bill was developed but awaiting Parliament consideration. Inspection and monitoring of mining sites was also underway in the different regions. A total of 94 mineral rights were inspected whereas formalisation of artisanal miners continued and biometric registration had commenced. Some of the key activities such as registration of ASMs, acquisition and maintenance of key equipment was affected by limited funding hence procurements could not progress. Most sub-programme activities were negatively affected by the low release of funds. The table 3.2 highlights the performance of the Mineral Development Programme.

Table 3.2: Overall Performance of the Mineral Development Programme by 31st December 2021

	Sub-programme	Overall Performance (%)
1	Mineral Exploration, Development and Value Addition	61.9
Overall Programme Performance		61.9

Source: Author's Compilation

3.2 Mineral Exploration, Development and Value Addition Sub-programme

3.2.1 Introduction

The sub-programme is responsible for the mineral exploration and investment promotion functions. The sub-programme contributes to four programme objectives: Explore and quantify priority mineral and geothermal resources across the country; Increase adoption and use of appropriate and affordable technology along the value chain; Increase investment in mining and value addition; and expand mineral processing and marketing.

The sub-programme has 34 Programme Implementation Action Plan (PIAP) interventions for the five year NDP III period, of which 10 were planned for this FY. Nine of the planned interventions were reviewed and monitored.

The planned interventions for FY 2021/22 under the sub-programme that were monitored under the sub-programme were:

- Establishment and equip a dedicated exploration unit, with access to functional laboratories.
- Undertake a detailed exploration and quantification of minerals and geothermal resources in the country.
- Organise, formalise and regulate the artisanal and small-scale miners.
- Review of the Mining Act 2003 and develop other relevant laws and regulations.
- Domesticate appropriate regional and international treaties, conventions, agreements, protocols which support good governance in the mining industry.
- Strengthen the capacity to undertake mineral certification, trading, testing, inspection, regulation and enforcement.
- Strengthen capacity to monitor, inspect and enforce health, safety and environmental provisions.
- Strengthen monitoring and inspection of mining operations to minimise negative social and environmental impacts.
- Establish and strengthen earthquake, landslides and other geohazard monitoring systems.

Performance

The sub-programme performance was fair at 61.9%. Construction of the mineral beneficiation centers in Ntungamo and Fort-Portal was at 98% and 90% respectively. Training and the biometric registration of ASMSs had commenced. On policy formulation, the Mining and Minerals Bill was developed but awaiting Parliamentary consideration. However, the limited funding constrained progress of activities to achieve key outputs under the interventions. Annex 1 gives the detailed performance per intervention under the sub-programme.

Performance of the Interventions

3.2.2 Establishment and equip a dedicated exploration unit, with access to functional laboratories

The intervention aims at establishment of functional exploration units in all the regions of the country to quicken the process of analysis of mineral samples explored in the various regions countrywide. The intervention also aims at equipping the mineral laboratories with key equipment to aid in sample analysis.

The output for FY 2021/22 is establishment of operational mineral beneficiation centers in Ntungamo and Fort-Portal, and procurement of laboratory equipment for the Geological Survey and Mines Directorate (GSMD).

The performance was fair. Construction of the mineral beneficiation centres in Ntungamo and Fort-Portal was ongoing with progress of works at 98% and 90% respectively, but behind schedule and completion of the works was expected in Q3 of FY 2021/22. Although the centres are about to be completed, the MEMD should fast track equipping of the facilities with staff and equipment so as to operationalise these exploration units.

On equipping of the mineral laboratory at the GSMD, the newly procured Mineral Jig was installed pending manufacturer training before it could start. Installation of the dust extract and chemical venting system installation was ongoing at 70%, while testing of the mineral jig was successfully completed in December 2021. The sites for the weighbridges for quantification of minerals were identified in Bulambuli, Katakwi and Napak districts, but installation had not begun. Installation of assorted new equipment such as shaking table, new rock lab pulverisers, laboratory dry, drum magnetic separator, density balance and the particle size analyser were also still not yet done. There is need to complete installation of the newly acquired equipment for mineral sample analysis since this will lead to faster ascertaining of the country's mineral potential. However, the procurement of other laboratory equipment planned for this FY was yet to be done pending availability of funds.

In order to modernise the laboratory facilities at the Directorate of Geological Survey and Mines (DGSM), the second draft design of the Strategic Minerals Research Facility (SMRF) was undertaken and reviewed by MEMD. The DGSM also continued with preparation of documentation for ISO/IEC 17025:2017 accreditation of the Mineral laboratories.



Finishing works on the Minerals Beneficiation Centre at Boma, Fort-Portal City, Kabarole District

3.2.3 Undertake a detailed exploration and quantification of minerals and geothermal resources in the country

The intervention undertakes mineral exploration through collecting, collating, processing and analysis of mineral samples in the different regions of the country. The intervention also explores the geothermal potential in the country through geological, geophysical and geochemical surveys. The output planned for FY is establishment of mineral and geothermal reserves.

The performance was fair. Under mineral exploration, the Geophysical Airborne Survey of Karamoja and Lamwo regions progressed well during the first half of the FY2021/22 with 100% gravity data acquired under phase 1 and 2. Also 82% of Magnetic and Radiometric data was acquired over Karamoja. The department staff also participated in an online course on

Introduction to Geophysical Interpretation Course conducted and facilitated by Xcalibur Geophysics SL, Spain from 8th to 12th November 2021 who are undertaking the airborne survey.

Under exploration of geothermal potential, a Reconnaissance Survey around Kanangorok in Karamoja was undertaken as recommended by the East African Geothermal Energy Resources (EAGER). Analysis of geological data for Ihimbo, Rukungiri geothermal prospect was also undertaken in preparation for detailed geological and structural analysis. Additionally, preparations for Temperature Gradient Hole (TGH) drilling for Panyimur, Nebbi were ongoing but behind schedule with drilling planned to start in Q3 of the FY 2021/22. The geothermal exploration activities were being constrained by limited funding.

3.2.4 Organise, formalise and regulate the artisanal and small-scale miners

The goal of the intervention is to improve the livelihood of more than 26.5% of the population which is employed directly and indirectly in the mineral sub-sector more especially Artisanal Small Scale Miners (ASM) who mostly work under poor conditions. For the FY 2021/22, the output is to formalise artisanal miner groups through sensitisation and registration.

The performance was poor. The biometric registration of ASMs was launched by the Ministry in partnership with the Africa Center for Energy and Mineral Policy (ACEMP) in Gulu in December, 2021 after long delays. Only 130 miners were registered against the half year target of 2,500. On sensitisation of ASMs, a total of 960 out of 1,000 artisanal miners were trained on Occupational Safety and Health (OSH), legal and regulatory framework as well as social-economic transformation. Of the trained miners 760 were male and 200 females. Other activities such as identifying and gazetting mining areas for ASMs had not progressed pending funds. More therefore needs to be done to sensitise and train ASMs so they can and transform their working conditions.

3.2.5 Review of the Mining Act 2003 and develop other relevant laws and regulations

The intervention addressing the gaps in the Mining Act 2003 by enacting a bill seeking to promote transparency of mining operations aimed at transforming artisanal small scale mining in Uganda to create an enabling environment for attracting investments among others.

The outputs for this FY were: enact Mining and Minerals Bill and gazette new mining regulations. The performance was good and the revised Mining and Minerals Bill approved by Cabinet with amendments in April 2021, and was tabled before Parliament for debate. The bill was expected to be passed before the end of February 2022.

3.2.7 Strengthen the capacity to undertake mineral certification, trading, testing, inspection, regulation and enforcement

The intervention aims at maintenance of specialised mineral testing machinery, mineral information systems and building capacity of directorate staff to undertake effective monitoring of mining sites to promote mineral inspection, regulation and enforcement.

The output for the FY 2021/22 is equipping the Mineral Sub-sector with human resource and tools and the performance by half year was good. On maintenance of mineral testing equipment, calibration, and servicing of three fume hoods were undertaken while the procurement for gas supply, chemicals, reagents, apparatus and re-installation of the Savaata Atomic Absorption Spectrophotometer were pending contract signing due to insufficient funds.

To better manage Mineral Geo data, the Geological and Mineral Information System (GMIS), Mineral Cadastre and Registry System (MCRS) and Laboratory Management Information System (LMIS) were maintained and kept fully operational. An inspection and data cleaning exercise was also undertaken in Entebbe to clean and maintain an up-to date MCRS for effective management of mineral rights.

On skills development to enhance capacity of staff under the intervention, a total of 35 staff were internally trained on mineral certification mechanisms while more seven (6 males, and 1 female) undertook long term trainings in the different specialised areas of the Mineral Sub-sector to boost their knowledge and efficiency in the mineral field. Additionally, eight staff continued with Masters Studies in both local and international studies in mineral skills. The laboratory technical team from the analytical section also had a training on the newly acquired Inductively Coupled Plasma-Optical Emission Spectroscopy (ICP-OES) in November 2021.

3.2.8 Strengthen capacity to monitor, inspect and enforce health, safety and environmental provisions

The intervention aims at issuing mining licenses and inspecting and monitoring of mining areas to ensure that they are operated under safe working conditions. The planned output for FY 2021/22 is streamlining the administrative functions of the Mineral Sub-sector through inspections and issuing of licenses.

The performance was good. The Mines Inspection Manual and template were developed and updated to streamline monitoring of compliance during inspection and 10 staff from the GSMD were trained on usage of the inspection template. An inspection and data cleaning exercise was also undertaken in Entebbe to clean and maintain an up-to date Mineral Cadaster and Registry System (MCRS) for effective management of mineral rights.

To promote enforcement and compliance to ensure safe working conditions of miners, inspection and awareness campaigns on new regulatory requirements were conducted in a total of thirty seven (37)² out of fifty (50) targeted districts. These included: Logori, Arua District, Atiak Gulu District, Kisiita and Kitende in Mudende District. Additionally, mining operations were monitored for compliance by the Police Minerals Protection Unit. The Police Minerals Protection Unit also undertook enforcement in Kasanda with the eviction of illegal miners from Kisiita and control of the gold rush in Kitanda, Mubende District.

Although the intervention had good performance, the release was low (23.2%) and the half year target for different outputs areas could not be achieved. However, the MEMD achieved the targets for activities undertaken under the funding availed with absorption at 94%.

²Adjumani, Amudat, Arua, Bugiri, Buhweju, Bukedea, Buliisa, Bushenyi, Busia, Gulu, Ibanda, Iganga, Isingiro, Kabale, Kabarole, Kanungu, Kasanda, Kasese, Kisoro, Kyenjojo, Lyantonde, Manafwa, Masaka, Masindi, Mitooma, Mityana, Moroto, Mubende, Mukono, Nakapiripiriti, Nebbi, Ntungamo, Rwampara, Sembabule, Sheema, Tororo and Zombo

3.2.9 Strengthen monitoring and inspection of mining operations to minimise negative social and environmental impacts

The intervention develops standards on Health, Safety and Environment (HSE) to ensure that the mining activities in the different areas minimise degradation of environment and ensure safety of miners.

The output for FY 2021/22 is developing a standard on HSE for miners and the performance was fair. The technical guidelines for the standard on HSE to minimise social impacts and degradation of environment by mining activities and ensure safety of miners were developed and reviewed, with benchmarking on HSE standards ongoing.

Sensitisation and consultations with miners on issues related to Environment, Health and Safety and Gender Mainstreaming in selected mining sites in Kabarole District were also undertaken. The MEMD should therefore fast track the development of the HSE standard to improve the safety of the mining areas.

3.2.10 Establish and strengthen earthquake, landslides and other geohazard monitoring systems

The intervention aims at developing and putting in place measures to avoid destruction of life and property due to geo hazards. The target for FY 2021/22 is measures to avoid destruction of life and property due to geo hazards put in place through monitoring seismological stations establishing an infrasound station in Entebbe.

The Geology Directorate continued with data collection, analysis and interpretation of earthquake data from local stations (Entebbe, Kilembe, Kyahi, Hoima and Nakawuka). Also 20 sites were identified and surveyed to host temporary stations for monitoring seismic events in the Western Arm of the Rift Valley. However, installation of the infrasound system in Entebbe for early warning of geo-hazards was not implemented due to delayed procurement.

Challenges

- Low release of funds affected most planned activities under the programme such as formalisation of ASMs.
- The slow pace of procurement hampered acquisition of equipment.

Recommendations

- The MEMD should prioritise funding to the key sub-programme activities for example acquisition of laboratory equipment.
- The MEMD should fast track procurement of pending mineral equipment.

Conclusion

The Mineral Exploration, Development and Value Addition Sub-programme performance was fair at 61.9%. The Mining and Minerals Bill awaited Parliamentary consideration, whereas a total of 94 licenses were inspected. Developing additional health and safety standards for ASMs was ongoing. The sub-programme also continued with the exploration of mineral and geothermal potential in the country. Phase 1 and phase 2 geophysical airborne survey of Karamoja and Lamwo were completed with phase 3 ongoing. Profiling and training of ASMs continued during the FY, and the biometric registration commenced. Performance was affected

by low release of funds which led to hindered maintenance of laboratory equipment coupled with delayed procurement. This has left the installation of an infrasound station to ascertain lightning risk pending.

CHAPTER 4: CONCLUSION AND RECOMMENDATIONS

4.1 Programme Conclusion

The overall performance of the programme was at 61.9%. The programme continued to engage in activities to ascertain and establish the mineral potential in the different regions in the country, while undertaking capacity building in mineral skills management. Exploration of some minerals such as gold especially by ASMs was undertaken. Although the programme performance was fair, the interventions implemented were more of mineral exploration and not geared towards mineral processing with no investments for value addition realised. Thus the programme is not meeting the objectives of expanding mineral processing and marketing, and increasing investment in mining. There should be more effort geared towards mineral value addition which will in turn lead to more employment in the sub-sector and increased mineral production.

4.2 Recommendation

The MEMD should prioritise funding of interventions under the Mineral Sub-programme so that the potential of the minerals sector can be fully harnessed.

REFERENCES

1. Ministry of Energy and Mineral Development (2021), Ministerial Policy Statement, Vote; 017 and 312
2. Ministry of Energy and Mineral Development (2021), Quarter 1 and 2 FY 2021/22 Reports
3. National Planning Authority, Third National Development Plan (NDPIII) 2020/21 – 2024/25

ANNEXES

Annex 1: Performance of Mineral Exploration, Development and Value Addition Sub-programme as at 31st December 2021

Intervention	Output	Annual Budget (billion)	% of budget received	% of budget spent	Annual Target	Cum. Achieved Quantity	Physical Performance Score (%)	Remark
Establishment and equip a dedicated exploration unit, with access to functional laboratories	Functional Exploration Unit established	8.650	59.7	79.5	138	56.000	11.61	Fair performance
Undertake a detailed exploration and quantification of minerals and geothermal resources in the country	Mineral reserves established and geological and minerals information system developed	35.008	8.1	85.2	100	4.500	38.33	Fair performance
Organize, formalise and regulate the artisanal and small-scale miners	Artisanal miners groups formalised	0.424	33.5	68.3	100	15.000	0.37	Poor performance
Review of the Mining Act 2003 and develop other relevant laws and regulations	Laws enacted. Regulations gazetted	1.002	30.0	94.0	100	24.000	1.58	Good performance
Domesticate appropriate regional and international treaties, conventions, agreements, protocols which support good governance in the mining industry	Good governance and best practices applied in the mining industry							

Intervention	Output	Annual Budget (billion)	% of budget received	% of budget spent	Annual Target	Cum. Achieved Quantity	Physical Performance Score (%)	Remark
Strengthen capacity to monitor, inspect and enforce health, safety and environmental provisions.	Safe working conditions in the mining industry and a protected environment	3.091	23.2	87.3	100	30.000	6.10	Good performance
Strengthen the capacity to undertake mineral certification, trading, testing, inspection, regulation and enforcement	Institutions equipped with tools and human resource	1.975	26.0	88.1	100	22.000	3.30	Good performance
Establish and strengthen earthquake, landslides and other geo-hazard monitoring systems	Measures to avoid destruction of life and property due to geo hazards put in place							
Strengthen monitoring and inspection of mining operations to minimize negative social and environmental impacts	Technical standards on HSE developed to minimise degradation of environment by mining activities and ensure safety of miners	0.500	34.2	98.2	100	20.000	0.58	Fair performance
	Total	50.650	19.4	82.7			61.87	Fair performance