

An Analysis of the Policy Framework for the Mining Sector in Uganda

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Abstract—Uganda's geology is endowed with a wide variety of minerals and currently, the country produces a number of minerals valued at almost UGX.100 billion per annum. The sector is regulated by four main bodies which generally lack coordination thus affecting the entire mining sector, rendering the laws and policies unsustainable. The main purpose of the research is to provide a sustainable policy framework for the mining sector in Uganda. Provisions in the country's law for mining were examined and scrutinized for sustainability through analysis of appropriateness and enforcement. Level of appropriateness was measured against a set of sustainability indicators identified through literature. While setting up relevant laws for any process can be easily achieved, the level of enforcement and resulting adherence to these laws are necessary for achievement of positive results. The law enforcement agencies within the industry were examined to ascertain level of enforcement, while the mining agencies and companies were examined to ascertain level of adherence to the law. Close ended questionnaires and interviews were employed for data collection. Data was analyzed using content analysis and contingency table analysis. The major findings of the research are that the mining laws in Uganda are relevant for sustainable mining of Pozzolana. However, the enforcement of the laws is very poor especially due to lack of strong policies on enforcement. It was recommended that law enforcement strategies be improved and accountability within the mining sector encouraged. The government is also urged to increase funding to the authorities responsible for law enforcement and periodic training for personnel is also recommended.

Keywords— Mining, Policy, Pozzolana, Sustainability.

I. INTRODUCTION

IN Uganda, minerals including gold, tin, gemstones, limestone, clay, salt and stone aggregate are mined. Uganda lies within the African plate [1], which is a continental crust that contains Achaean cratons that date at least 2700 Ma (Ma is a geological symbol meaning millions of years before the present age). The mining industry in Uganda reached peak levels in the 1950's and 1960's when the sector accounted for up to 30% of Uganda's export earnings [12]. However, political and economic instability experienced in the country in the 1970's and the recent global economic slowdown led the sector to decline drastically. Uganda currently produces a number of minerals valued at almost UGX.100 billion [12]. However, other than limestone and vermiculite, licensed mining activities in Uganda account for less than 10% of

industrial minerals production. In terms of output value, the most produced minerals as of end of 2010 were: limestone, cobalt, Wolfram, Tin, Kaolin and Pozzolana.

A number of exploration and mining concessions have been granted, renewed or expired [1], [12], [10]. By the end of 2010 there were 611 mining licenses issued to companies. The Government of Uganda put in place a Mineral Policy in 2001 [2], [8]. The main goal of this policy is to develop the mineral sector to enable it contribute to sustainable economic and social growth by creating gainful employment and income, particularly to the rural population [2] [11].

The mineral policy mentioned above was later strengthened through introduction of a Mining Act in 2003, currently the major legislative instrument used to control mining in Uganda [8], [9]. Under section 121, Act No. 9 of the Mining Act 2003 are the Mining Regulations 2004 also added to strengthen the Mining legislation. All these documents can be easily accessed from the DOGSM website. The Mining Act 2003 clearly spells out the powers of administration of the law, how mineral agreements, the various licenses; prospecting, exploration, location, retention and mining lease. The policy indicates how to apply for each of these, why one may be granted or denied the license, duration of each license and the rights and obligations of a license holder. The policy also indicates the inspection of operations under the mineral rights, explains the buying, selling and dealing in minerals through the dealer's licenses. The restrictions on exercise of mineral rights compensation for disturbance of rights and option of compensation by landowners is also explained within this policy. Surrender, suspension and cancellation of mineral rights is also included in this Act. Lastly, the financial provisions, protection of the environment, records and registration are explained. Given the extent of information given in this Act, it seems relevant and adequate for sustainable mining.

Other important laws enacted by the Government of Uganda that affect mining and exploration besides the Mining Act 2003 and Mining Regulations 2004, include the National Environment Act 2003, the Land Act 1998 and the Land Regulations 2004 [3], [4], [5], [6], [7]. These laws are initiated by the executive, which refers them to the legislature for refining, debate and final enactment. The laws are then enforced by the mining authorities mainly; DOGSM and the ministry of lands and environment through NEMA. It can be noted that the laws complement each other and are relevant for

mining.

II. PROBLEM STATEMENT

The mining sector in Uganda is regulated by four main bodies which generally lack coordination thus affecting the entire mining sector, rendering the laws and policies unsustainable.

III. HYPOTHESIS

The absence of a relevant mining law/ policy is responsible for un-sustainable mining within Uganda.

IV. OVERALL OBJECTIVE

The main objective of the research is to provide a sustainable policy framework for the mining sector in Uganda

V. SPECIFIC OBJECTIVES

- To examine appropriateness of the country's law for sustainable mining
- To ascertain strategies and levels of enforcement of the law

VI. METHODOLOGY

Data was collected using interviews, close ended questionnaires and document analysis. It was then analyzed through content analysis and contingency table analysis. Results are presented in literature and graphs.

VII. RESULTS AND DISCUSSION

- The mining laws in the country are very good but not practical. The environment act has not been reviewed in a long time and yet it contains a number of loop holes. One such loophole is; the penalties stated in the Act are very low basing on the strength of the shilling today.
- The Act states the various licenses issued in mining, but does not indicate the processes to be used in mining, no restrictions on depth of mining or regeneration strategies.
- Reference is made in the mining law to the environmental Act, but the latter only talks about environment restoration without pronouncing itself on issues of how mining is done and yet it is the method of mining that will affect how much degradation is done, thus the restoration.
- Regulation and law enforcement is very weak especially because there is no link between the major regulatory bodies and field staff.

VIII. CONCLUSIONS AND RECOMMENDATIONS

- The current policies for mining in Uganda are not sustainable because they are not aiding proper mining in the present which will have adverse effects for the future.
- The relevant Acts (Mining Act and the Environmental Act) need to be reviewed regularly and updated so as to keep working/applicable laws.
- The government should increase on funding given to the

regulating bodies to ensure that their work of monitoring conformance is adequately done.

- Public awareness should be done by the relevant authority (NEMA) about the existence of minerals, their benefits and corresponding effects.
- The different mining regulatory bodies (Ministry of energy and Mineral development, NEMA, Ministry of lands, water and environment, UNBS e.t.c.) should form a platform of understanding and cooperation/coordination amongst themselves for better and smooth operation

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