THE MINING AND MINERAL BILL, 2019

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ENTITLED

THE MINING AND MINERAL BILL, 2019

An Act to consolidate and reform the law relating to minerals resources to give effect to article 244 of the Constitution; to strengthen the administrative structures for the effective management of minerals subsector; to provide for acquisition, management and dissemination of geological information; to regulate the licensing and participation of commercial entities in mining operations; to provide for Government participation in mining operations; to provide for value addition with a view of promoting local growth by reaping benefits across the whole value chain; to provide for an open, transparent and competitive process of licensing; to create a conducive environment for the promotion of exploitation of Uganda’s minerals potential; to provide for sustainable mineral marketing strategies by setting up buying and auctioning centers; to provide for commercial exploitation of non-mineral substances and define the role of local governments in their regulation; to provide for formalization of artisanal mining; to provide for national content in mining operations; to provide for efficient and safe mining operations; to provide for mine closure and decommissioning of mining infrastructure; to provide for the payment arising from mining operations; to repeal Mining Act, 2003; and for related matters.

BE IT ENACTED by Parliament as follows:

PART 1 - PRELIMINARY

1. Commencement.
This Act shall come into force on a day to be appointed by the Minister by statutory instrument.

2. Application.
This Act applies to all activities or transactions related to the prospecting, exploration, development, exploitation, research, mineral processing including smelting, refining, fabrication, mineral transportation and trading of mineral substances.

The purpose of this Act is-

(a) to ensure the rational, integrated and safe exploitation and use of mineral resources;

(b) to ensure the protection of mineral resources and environment;

(c) to strengthen the legal and regulatory framework for the regulation and conduct of mineral operations;
(d) to create an enabling environment that regulates the co-existence of mineral rights and other land use rights;

(e) to strengthen and provide set up of institutional structure for effective management of the mineral sector including through enhancing the capacity of the Directorate of Geological Surveys and Mines for effective governance of the mineral sector;

(f) to promote transparency of mining operations through a competitive and predictable licensing and efficient, equitable, accountable and transparent management of mineral revenue;

(g) to organise, licence, regulate and transform artisanal and small scale mining in Uganda;

(h) to promote value addition and beneficiation of minerals;

(i) to promote and facilitate mineral trade, marketing systems and utilisation of mineral products;

(j) to adopt products and services quality and standards in order to enhance competitiveness in international markets;

(k) to create an enabling environment for attracting investment in the conduct of mining operations;

(l) to promote state participation in the development of strategic minerals;

(m) to enforce and protect health, safety and environment in the mineral sector;

(n) to provide a framework for gender mainstreaming, equity and human rights and eradicate child labour in the mining industry;

(o) to promote local content in the mineral sector including the procurement of local goods and services of quality, optimal cost and in a timely manner;

(p) to establish restrictions and prohibitions on the use of mineral resources in order to ensure national security, public safety and environmental protection;

(q) to promote regional and international cooperation; and

(r) to promote and guide public private partnerships in mining, value addition and marketing.

4. Environmental principles.
All persons involved in mineral sector or any other person performing functions, duties or powers under this Act in relation to the management and exploitation of minerals resources or ensuring sustainability, shall take into account, and give effect to the principles of environment management prescribed under the National Environment Act, 2019 and other applicable laws.
5. Responsibility of the mineral rights holder.

(1) A holder of a mineral right and other parties participating in mining operations in Uganda is responsible for operating in accordance with this Act, Regulations made under this Act and any other applicable law.

(2) The mineral rights holder shall ensure that a person carrying out work for him or her, either personally or as an employee, contractor or sub-contractor, complies with this Act, Regulations made under this Act and any other applicable law and administrative decisions issued under the Act.

6. Compliance with other laws.

Where any act is prohibited or otherwise regulated by any written law other than this Act, nothing in this Act shall be construed as authorising the holder of a mineral right to do any such act, otherwise than in accordance with that written law.

7. Security for compliance.

(1) The Minister may, from time to time, make such arrangements as appear appropriate to him or her to ensure that the holder of a mineral right complies with this Act and in particular shall require guarantees in respect of that compliance.

(2) The Minister may suspend or cancel a mineral right in accordance with this Act where the holder of a mineral right fails to provide the guarantees required under subsection (1).

8. Interpretation.

In this Act, unless the context otherwise requires –

“affiliate” means an entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a company licensed under this Act; and for purposes of this definition “control” means ownership of greater than 5 percent of the share capital of a company and the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity, whether through the ability to exercise voting power, by contract or otherwise;

“artisanal mining operations” means mining operation that does not exceed 10 meters and undertaken in accordance with this Act and the artisanal mining permit;

“applicable law” means the law of Uganda;

“authorised officer” means a public officer designated under section 263;

“building mineral” means barite, rock, clay, dolomite, feldspar, granite, gravel, gypsum, laterite, limestone, mica, magnesite, marble, phosphate rock, sand, sandstone, slate and talc, which is commercially mined by a person for use in Uganda or industrially processed into finished or semi-finished products, and includes such other minerals as the Minister may from time to time declare by notice published in the gazette, to be building minerals;

"capital" means all cash contributions, plant, machinery, equipment, buildings, spare parts, raw materials and other business assets other than goodwill;
“consultation” means an open, inclusive, and non-coercive process, conducted in the local language of the participants, for exchange of information, ideas and viewpoints about the potential benefits and impacts of mining operations and shall strive to include, in socially and culturally acceptable forms, all social elements in the area affected by the subject matter under consideration, including both men and women, where indigenous or tribal populations are part of the consultation, the parties shall refer to international guidelines as to the appropriate ways to proceed and strive for full prior disclosure of relevant information in advance of any decisions to be taken as part of the consultation;

“Minister” means the Minister responsible for minerals;

“currency point” has the value of a currency point specified in the Schedule 1 to this Act;

“customs officer” has the meaning assigned to it under the Customs Management Act;

“building mineral” means a subset of minerals mined, beneficiated and consumed principally in domestic and regional markets as identified;

“environment” means-

(a) the physical factors of the surroundings of human beings, including land, water, air, atmosphere, climate, sound, odour and taste;

(b) the biological factors of animals and plants; and

(c) the social factors of aesthetics, health, safety and wellbeing of people,

and includes human interaction with both the natural and the built environment;

“environmental audit” means a systematic, documented, periodic evaluation used to determine how well specified projects or an organisation’s management system, facilities and equipment are performing in conserving the environment and its resources and conform to the requirements of this Act and any other applicable law;

“environmental and social impact assessment” means an analytical process that systematically examines the likely environmental and social impacts of a proposed project, evaluates alternatives and designs appropriate mitigation, management and monitoring measures, taking into account interrelated socio-economic, cultural and human health impacts, both beneficial and adverse;

“environmental management plan” means the plan required to be produced and submitted to the Minister by the licensee holder in accordance with the National Environment Act, 2019;

“equity” has the meaning assigned to that term in section 133;

“environmental and social impact statement” has the meaning assigned to it under the National Environment Act, 2019;

“excavation” means any trench, pit, shaft or other open working;

“exploration area” means the land covered by or acquired under an exploration licence;

“exploration licence” means an exploration licence issued under this Act;
"explore" means to define the extent and determine the economic value of a mineral deposit;

“good mining industry practice” means the exercise of that degree of skill, diligence, prudence and right which would reasonably and ordinarily be expected to be applied by a skilled and experienced person engaged in the international mining industry and includes but is not limited to the guidance provided, as applicable, by the International Council on Mining and Metals;

“Government” means the Government of the Republic of Uganda;

“holder” means a person to whom a licence is granted under this Act, and includes every person to whom that licence is lawfully transferred or assigned;

“in default” means in breach of any of the provisions of this Act, the regulations, any condition of a licence or any provision of a mineral agreement;

“Inspector of Mines” includes the Principal Inspector of Mines, Senior Inspector of Mines and any person authorised by the Minister to act in any of those capacities;

“land” includes land beneath any water, the seabed and sub-soil of such land;

“artisanal mining permit” means a permit issued under section 91 for artisanal mining operations;

“large scale mining” means the intentional mining of minerals in mechanized operations exceeding twenty meters in depth or involving the sinking of shafts, drilling of adits or other various underground opening exceeding twenty meters;

“large mining lease” means a large scale mining lease issued under section 62;

“large scale mining area” means an area subject to a large scale mining licence with depths not exceeding twenty meters;

“artisanal mining permit area” means land subject of an artisanal mining permit;

“medical officer” has the meaning assigned to it under the Public Health Act;

“mine” includes any place, excavation or working where any operation connected with mining is carried on, together with all buildings, premises, erections and appliances used for or in connection with such operation, and includes a quarry where non-mineral substances and industrial minerals are mined;

“mineral” means any substance, whether in solid, liquid or gaseous form occurring naturally in or on the earth, formed by or subject to a geological process; but does not include petroleum, as defined in the Petroleum (Exploration, Development and Production) Act, 2013 or substances excluded from the definition of minerals under article 244 (5);
“mineral agreement” means an agreement entered into by the Minister relating to the matters specified in section 18 of this Act;

"mineral deposit" means a mass of naturally occurring mineral material of economic value;
"mineral operations" means, subject to compliance with this Act and Regulations all work related to the various phases in the mineral development process, including planning, exploration, mineral deposit evaluation, mine construction, mine development, mining, the reclamation or rehabilitation of and remediation of land, the extraction, beneficiation, transportation, handling, storage and marketing of a mineral substance extracted, the processing of mine tailings and all other activities necessary or convenient to carry out the licensee holder’s rights and obligations under this Act and regulations made under this Act, but not including work performed for others;

“mineral right” means a right to prospect, explore or mine for minerals under a prospecting licence, an exploration licence, a retention licence, a large scale or small scale mining lease or artisanal mining permit;

“mineral processing” means procedures, such as dry and wet crushing and grinding of mineral or other products containing minerals, to raise concentration of the substance mined;

"mineral product" means a substance derived from a mineral by mining or processing; "mining area" means land subject to a mining lease;

“mining project” means-

(a) the development, production and reclamation of a mining operation under this this Act and any mineral agreement;

(b) all mining operations undertaken in the mining area; and

(c) all activities in connection with paragraphs (a) and (b), including all facilities and infrastructure that are reasonable and necessary for the project according to good mining industry practice;

"Minister" means the Minister responsible for mineral development;

"mineral" means a natural aggregate of one or more minerals, which may be mined and sold at a value or from which some part may be profitably extracted;

"mineral body " means a continuous well-defined mass of material of sufficient mineral content to make extraction economically feasible;

“passageway” means any highway, road, street, footpath, or installation of any railway, tramway, wire-line, cableway, chute, pipe, sewer, drain, tunnel, shaft, fluming or watercourse, and includes any right of way, easement or hereditament;

"person" includes an individual, a company or other corporate entity or an association or body
of persons whether incorporated or unincorporated;

"precious minerals" include –

(a) precious stones, namely agate, amber, amethyst, cat's eye, chrysolite, diamond, emerald, garnet, opal, ruby, sapphire, turquoise and all other substances of a similar nature to any of them; and

(b) precious metals, namely gold, silver, platinum, iridium, osmium, palladium, ruthenium, rhodium, or any other rare earth elements;

"programme of exploration operations" means a programme of exploration operations prepared by a holder and approved by the Minister on the granting of an exploration licence and includes any amendments to such programme made under this Act;

"programme of development and mining operations" means a programme of development and mining operations prepared by a holder and approved by the Minister on the granting of a mining lease and includes any amendments to such programme made in pursuance to this Act;

"prospect" means intentionally to search for minerals and mineral deposits and includes any operations to test the mineral bearing qualities of any land or mining area;

"prospecting licence" means a prospecting licence issued under section 38;

“public officer” has the meaning assigned to it under the Constitution;

“rehabilitation” means the restoration to the satisfaction of the minister, and National Environment Management Authority that licence area, exploration licence area or mining area in accordance with the National Environment Act;

“surrender” means the giving up of all or a portion of a mineral right;

“small scale mining licence area” means an area that is subject to a small scale mining lease;

"small-scale operations" means prospecting or mining operations undertaken under a small scale mining lease;

“registered holder”, in relation to a mineral right, means the person whose name is for the time being recorded as the holder of a mineral right pursuant to section 225;

"regulations" means regulations made under this Act;

“retention area” means land subject to a retention licence;

“retention licence” means a retention licence issued under section 56;

“termination” means the lapse of a mineral right by expiry of time, surrender or cancellation and where the surrender or cancellation is in respect of part only of an area covered by the mineral right, then the mineral right shall be deemed to have been surrendered or cancelled in respect of only that part;
“working for profit” means producing a mineral product for use or sale;

PART II- MINERAL RIGHTS

(1) In accordance with article 244 of the Constitution, the entire property in and control of all minerals in, on or under, any land or waters in Uganda are and shall be vested in the Government, notwithstanding any right of ownership of or by any person in relation to any land in, on or under which any such minerals are found.

(2) For the avoidance of doubt, the Government of Uganda shall hold mineral rights on behalf of and for the benefit of the people of Uganda.

(1) Mining operations under Ugandan jurisdiction shall not be conducted without an authorisation, licence, lease, permit or approval in accordance with this Act.

(2) The Minister may prohibit mining operations in the interest of security, public safety, environmental protection or economic.

(3) A person who contravenes subsection (1) commits an offence and is liable on conviction-

(a) in case of an individual Ugandan citizen, to a fine not exceeding ten thousand currency points or imprisonment not exceeding three years or both;

(b) in case of an individual who is a non-citizen, to a fine not exceeding fifty thousand currency points or imprisonment not exceeding seven years or both; and

(c) in case of a body corporate, to a fine not exceeding one hundred thousand currency points.

(4) A mineral under this Act shall be granted subject to proof of acquisition of surface right over the land that is subject to the mineral right.

11. Acquisition of a mineral right.
(1) Subject to the provisions of this Act, a person may acquire the right to search for, retain, mine, process, refine, smelt, fabricate and dispose of any mineral in Uganda by acquiring such right under and in accordance with the provisions of this Act.

(2) Subject to Constitution and this Act, the right to explore for, retain, mine and market minerals may be acquired and held under and in accordance with a mineral right granted under this Act notwithstanding any right of ownership or otherwise which any person may possess over the land on which the mineral is granted.

(3) A person shall not explore or prospect for, retain, mine, process, refine, smelt, fabricate or dispose of any mineral in Uganda except under and in accordance with a licence issued under this Act.
(4) Any person who contravenes subsection (2) commits an offence and is liable on conviction -

(a) in case of an individual Ugandan citizen, to a fine not exceeding ten thousand currency points or imprisonment not exceeding three years or both;

(b) in case of an individual who is a non-citizen, to a fine not exceeding fifty thousand currency points or imprisonment not exceeding seven years or both; and

(c) if a body corporate, to a fine not exceeding one hundred thousand currency points.

(5) Where a person is convicted of an offence under subsection (3), the court before which such person is convicted may –

(a) order the forfeiture of all minerals unlawfully obtained by such person;

(b) and in the event that the minerals cannot for any reason be forfeited, order the forfeiture of such sums of money as the court shall assess as the reasonable value of the minerals; and any minerals or their value so forfeited shall become the property of the Government and shall be disposed of as the Minister may direct.

12. Restrictions on acquisition of mineral right.
(1) A mineral right other shall not be granted to or held by -

(a) an individual who -

(i) is not a citizen of Uganda;

(ii) is under the age of 18 years;

(iii) is or becomes an undischarged bankrupt, as a result of having been adjudged or otherwise declared bankrupt under any written law; or

(b) a company –

(i) which has not been registered or incorporated under the Companies Act, 2012; or

(ii) which is in liquidation, except where the liquidation is part of a scheme for the reconstruction or amalgamation of such company.

(2) For the avoidance of doubt, except for artisan mining licence, a mineral right under this Act shall only be granted to a company registered or incorporated under the Companies Act, 2012, a body corporate registered incorporated under the laws of Uganda or a Partnership under the Partnership Act, 2010.
13. Form and content of mineral right.
(1) A mineral right shall be granted by the Minister as provided for in this Act and shall be in such form as may be prescribed by regulations.

(2) A mineral right shall specify –

(a) the name and address of the holder of the mineral right;
(b) the date of the grant of the mineral right and the period for which it is granted;
(c) a description of the area over which it is granted;
(d) the mineral or minerals in respect of which it is granted; and
(e) the conditions on which it is granted.

14. Types of mineral right.
The following mineral rights may be granted under this Act-

(a) prospecting licence;
(b) exploration;
(c) retention licence; and
(d) large scale, small scale or artisanal mining lease; and
(e) licence for exploitation of building substances.

PART III- ADMINISTRATION.

15. Administration, management and development.
The administration, management and regulation of the minerals subsector under this Act shall be undertaken by the Directorate of Geological Surveys and Mines, subject to the overall policy guidance of the Minister.

The Minister

16. Functions of the Minister.
The Minister shall-

(a) be responsible for the formulation of policy and legislation relating to the mineral subsector;
(b) initiate, develop and submit legislation to Cabinet and Parliament;
(c) issue rules and regulations for the mineral sector;
(d) grant mineral rights and permits under this Act;
(e) oversee the implementation of the Mining and Mineral Policy for Uganda, 2018 and the enforcement of this Act;

(f) represent Uganda in its relationships with foreign countries in connection with minerals;

(g) mobilize financial and other resources for the management and development of the minerals subsector; and

(h) perform any other function incidental to the purposes of this Act.

17. **Powers of Minister.**

(1) The Minister may, at all reasonable times, enter upon any land, prospecting area, exploration area, mining area or mine, refinery or any factory or premises where minerals are being explored, mined, stored, refined or smelted for the purpose of ensuring compliance with this Act.

(2) The Minister may, with respect to the health and safety of persons employed by a holder of a mineral right, issue written directions to and impose restrictions on such holder or any person employed by the holder of a mineral right.

(3) In exercising his or her powers under subsection (1), the Minister shall ensure that as little damage and inconvenience as possible is caused to the owner or lawful occupier of the land on which the powers are exercised.

18. **Delegation of functions and powers of the Minister.**

(1) The Minister may, by instrument of delegation, delegate to an authorised officer any of the powers or functions of the Minister under this Act.

(2) The terms and conditions regulating the exercise of the powers delegated under this section shall be contained in the instrument of delegation.

(3) A person aggrieved by the decision of a person to whom functions and powers have been delegated under this section may appeal to the Minister.

(4) A person shall, in the exercise of a delegated power under this section, comply with any directions or guidelines as the Minister may, from time to time, communicate in writing.

_Directorate of Geological Surveys and Mines_

19. **Functions of the Directorate of Geological Surveys and Mines.**

(1) The Directorate of Geological Surveys and Mines shall-

(a) be responsible for the administration and regulation of mineral rights;

(b) undertake mineral exploration and mineral certification of designated minerals;

(c) inspect, monitor and audit mineral operations;

(d) promote mineral beneficiation and value addition;
(e) assess mineral royalty and other payments under this Act;

(f) mainstream and organize artisanal mining in Uganda;

(g) collect and manage geological data and information from mineral exploration and development operations;

(h) ensure the right national participation in mineral exploration, development and exploitation operations;

(i) manage the impact of mineral activities on the economy, environment and social-economic life;

(j) establish and promote the mineral potential of Uganda through reconnaissance, geological mapping, geochemical surveys, geophysical surveys and any other method;

(k) establish, maintain or accredit laboratories for analysing mineral samples; and

(l) compile, publish and disseminate data and information concerning the geology and mineral resources of Uganda.

(m) establish a transparent and competitive licensing regime and implement a well-developed mining cadaster and registry system;

(n) evaluate and monitor the implementation of feasibility reports, mining programs and plans, annual mining performance reports, certificate of approval of environmental and social impact assessment, environmental management plans and reports of mining companies;

(o) promote and conduct research and development in the mining sector;

(p) have sufficient information on the mineral wealth of Uganda to market Uganda;

(q) take soil samples or specimen of rocks, mineral concentrates, tailings or minerals situated upon such land or area, premises, workings or factory for the purpose of examination or assay;

(r) examine books of accounts, vouchers, documents or records of any kind required to be kept under this Act or the regulations made under this Act, or the terms and conditions of any mineral right, and taking copies of such books of account, vouchers, documents or records; or

(s) facilitate development of human capacity and technological development;

(t) encourage private sector participation in the exploitation of mineral resources;

(u) promote economic empowerment of the historically disadvantaged in the mining sector;
(v) improve the availability of public information to the private sector, member states and other countries;

(w) jointly develop and observe internationally accepted standards of health, mining safety and environmental protection;

(x) strengthen the health, safety and environment unit within the ministry responsible for minerals; and

(y) effectively coordinate with other ministries and agencies for execution of mineral sector policy measures and strategies.

(2) The Directorate may, for purposes of this Act, establish regional offices.

The Mining Cadastre Unit

20. The Mining Cadastre Unit.

(1) There is established the Mining Cadastre Unit in the Directorate of Geological Surveys and Mines to administer mineral rights and maintain the cadastral registers.

(2) The Mining Cadastre Unit shall consist of the following persons appointed by Public Service Commission-

(a) commissioner in charge of the Cadastre Unit;

(b) geologists;

(c) mining engineers;

(d) lawyers;

(e) economists;

(f) GIS specialists;

(g) metallurgists; and

(h) any other qualification that may be necessary for the functioning of the Unit.

(3) The Mining Cadastre Unit shall-

(a) receive, evaluate and process applications for mineral rights and other licences and permits under this Act including applications for renewal, extension, reduction, transfer, and abandonment; and make recommendations to the Minister on the applications;

(b) administer mineral rights and other licences and permits under this Act;

(c) manage the computerised mining cadaster and registry system; and

(d) maintain public cadastral maps and cadaster registers.

(4) The Cadastre Unit shall in the performance of its function be responsible to the Minister.
The Mineral Exploration Unit

(1) There is established within the Directorate of Geological Survey and Mines a Mineral Exploration Unit consisting of-

(a) geosciences;
(b) geophysics;
(c) geochemistry;
(d) drilling engineers;
(e) mineral economists;
(f) GIS experts;
(g) Geo statisticians;
(h) metallurgists;
(i) financial analysts;
(j) engineering geologists; and
(k) environmentalists.

(2) The Mineral Exploration Unit shall-

(a) undertake detailed exploration and evaluation of mineral deposits;
(b) package mineral deposits into bankable feasibility projects;
(c) carry out capacity building;
(d) undertake research and development for mineral exploration and evaluation.

Uganda National Mining Company

22. Establishment of the Uganda National Mining Company.
(1) There shall be incorporated, under the Companies Act, 2012 a Uganda National Mining Company which shall be wholly owned by the State to manage Uganda’s commercial holding and participating interests of the State in Mineral Agreements.

(2) The Uganda National Mining Company shall be subject to and managed in accordance with the Companies Act, 2012 and this Act.

(3) Where there is a conflict between this Act and the Companies Act, 2012 this Act shall prevail.

23. Functions of the National Mining Company.
The functions of the National Mining Company are-
(a) to handle the state’s commercial interests in the mining subsector;

(b) to manage state participation in mining operations;

(c) to manage the marketing of the country’s share of minerals received in kind;

(d) to develop in depth expertise in the mining industry;

(e) to optimise value to its shareholders;

(f) to participate in accordance with the terms of the Mineral Agreement, in joint ventures in which it holds an interest on behalf of the State;

(g) to participate in meetings of the operating committees in furtherance of its participation in the respective joint operating agreements; and

(h) to investigate and propose new mining ventures initially locally but later internationally.

24. Duties of the Board of Directors of the National Mining Company.

(1) The Board of Directors of the Uganda National Mining Company shall be appointed by the President with the approval of Parliament.

(2) The Board of Directors of the Uganda National Mining Company shall submit the following matters to the annual general meeting-

   (a) plans for the coming year, as well as outlook for the intermediate term and significant changes in any of these;

   (b) plans regarding projects of major significance to the State’s participation in mining operations according to this Act;

   (c) main features of the budget for the coming year;

   (d) principles relating to engagement of managers; and

   (e) annual report and annual accounts in respect of the participating interests of the State.

(3) The Board of Directors of the National Mining Company shall in addition submit to the annual general meeting of the company all matters that must be assumed to comprise principal or political aspects of significance or that may entail significant socio-economic or social effects.

(4) The Board of Directors shall inform the Minister of matters which are to be submitted to the annual general meeting.

25. Annual report and annual accounts of the Uganda National Mining Company.

(1) The Board of Directors Uganda National Mining Company’s shall submit to the annual
general meeting, audited accounts of revenues and expenditure in respect of the State’s participating interests.

(2) The Board of Directors shall also submit to the annual general meeting an annual report containing an overview of the participating interests managed by the company, including a resource account.

26. Instructions to the Uganda National Mining Company.
The Minister may issue instructions in respect of how the Uganda National Mining Company has executed its management task under this Act.

Mineral Protection Force

(1) There is established a Mineral Protection Force within the Directorate of Geological Surveys and Mines to protect minerals against malpractices, and generally to enforce the provisions of this Act and any other applicable law.

(2) The Mineral Protection Force shall comprise persons appointed by the Public Service Commission and trained by the Uganda Police Force in paramilitary skills.

(3) The Minister may, in consultation with the Minister responsible for internal affairs, by statutory instrument make regulations providing for-

(a) the organisation and deployment of the Mineral Protection Force;

(b) the terms and conditions of service, grades, ranks and appointment and discipline of officers;

(c) the functions and duties of members of the Mineral Protection Force;

(d) the terms and conditions of service, grades, ranks and appointment and discipline of officers;

(e) the description and issue of arms, ammunition, accoutrements, uniforms, Authority cards and other necessary supplies to members of the Mineral Protection Force;

(f) will be in charge of regulations of matters relating to discipline in the Force; and

(g) matters relating generally to the good order and administration of the Mineral Protection Force.

The Mineral Protection Force shall-

(a) monitor, control and carry out surveillance, including enforcement, and compliance with this Act and any other legislations relating to activities falling within the scope of this Act;
(b) counteract minerals smuggling and royalty evasion;

(c) protect minerals and mining operations against mineral malpractices;

(d) undertake investigations and prepare submissions for prosecution; and

(e) generally, enforce the provisions of this Act relating to illegal mining activities.

(3) Members of the Protection Force shall have the same powers prescribed in Part XIX.

The Role of Local Governments

29. The role of local governments.
(1) For purposes of this Act, a local government shall-

(a) integrate mineral information generated by the Directorate on mineral deposits into their development plan and participate in the implementation of mining policies, laws and mineral related activities in collaboration with the Directorate;

(b) licence and regulate artisanal exploitation of building substances in collaboration with the Directorate;

(c) create awareness mining activities within their areas of jurisdiction in collaboration with the Directorate;

(d) facilitating dialogue between the local communities and mineral right holders; and

(e) participate in the resolution of disputes arising from mineral related operations in collaboration with the Directorate.

(2) Local authorities shall serve as facilitators, as far as is required, for reaching and complying with the community development agreements.

PART IV - MINERAL AGREEMENT AND APPLICATION OF MINERAL RIGHTS

30. Mineral Agreements.
(1) The Minister may enter into an agreement, in this section referred to as a “mineral agreement”, consistent with the provisions of this Act, with any person with respect to any matter relating to or connected with operations or activities under an exploration licence or a mining lease.

(2) A mineral agreement shall include the terms and conditions relating to -

(a) minimum exploration or mining operations to be carried out and the work plan determined for purposes of such operations;

(b) the minimum expenditure in respect of exploration or mining operations;
(c) financial obligations;
(d) production sharing arrangements;
(e) the manner in which exploration or mining operations shall be carried out;
(f) the processing, whether wholly or partly in Uganda, of any mineral or group of minerals found, obtained or mined by the holder of a mineral right in the course of exploration or mining operations;
(g) the basis on which the market value of any mineral or group of minerals in question may from time to time be determined;
(h) project financing and insurance arrangements;
(i) resolution of disputes through an international arbitration or a sole expert;
(j) any other matter incidental to or connected with the provisions of paragraphs (a) to (g) of this subsection.

(3) Any term or condition contained in a mineral agreement that is inconsistent with any provision of this Act or laws of Uganda shall, to the extent of the inconsistency, be void and of no legal effect.

(4) Nothing contained in a mineral agreement shall be construed as absolving any party to such agreement from any requirement prescribed by law.

31. Model Mining Agreement.
(1) The Minister shall develop or cause to be developed a model mining agreement or any other model agreement as may be entered into by Government under this section which shall be submitted to Cabinet for approval.

(2) The Minister shall lay before Parliament the model mining agreement or any other model agreement approved by Cabinet under subsection (2).

(3) A model agreement approved by Cabinet shall guide negotiations of any future agreements under this section.

32. Announcement of areas for exploration licence or mining lease.
(1) The Minister shall announce areas open for bidding for exploration licence or mining lease under this Act.

(2) The announcement referred to in subsection (1) shall be published in the Gazette and in newspapers of national and international circulation and in other electronic and print media.

(3) The announcement shall-
   (a) state the area opens for exploration or mining including size and boundary of the area;
   (b) stipulate a period of not less than three months for making applications;
(c) include a summary of matters required to be included in applications under this Act; and

(d) contain such information as the Minister may consider necessary.

(4) The Minister may, in the announcement, stipulate, as a condition for an exploration licence or a mining lease, that the applicant shall enter into agreements with the Uganda National Mining Company on terms specified by the Minister.

(5) The bidding process shall be carried out in accordance with this Act and regulations made under this Act.

(6) The Minister shall consider the competing bids and shall select the bid which is most likely to promote the expeditious and beneficial development of the mineral resources of the area having regard to-

(a) the programme of exploration or mining operations which the applicant proposes to carry out and the commitments as regards expenditure which the applicant is prepared to make;

(b) the financial and technical resources of the applicant; and

(c) the previous experience of the applicant in the conduct of exploration or mining operations.

33. Publication of notice of applications.

(1) The Minister shall, within fourteen days after receiving a direct application in response to announcement of areas for exploration licence or mining lease under section 32 cause a notice of the application to be published in the Gazette and in at least one national newspaper of wide circulation in Uganda.

(2) A notice published under subsection (1) shall-

(a) indicate the receipt of the application for an exploration licence;

(b) contain a description of the nature and location of the proposed undertaking;

(c) inform members of the public that the application may, within the limits of commercial confidentiality, be inspected at the offices of the Minister; and

(d) invite directly affected parties and local authorities in areas affected by the project who object to the granting of the licence, whether on personal, environmental or other grounds, to lodge with the Minister an objection within a specified time, being not less than thirty days from the date of notice.

34. Objection to proposed exploration or mining activity.

(1) A party affected by a proposed exploration or mining activity under section 32 may lodge with the Minister an objection to the grant of an exploration licence, setting out the grounds of the objection.

(2) The Minister shall consider the objection raised under subsection (1) and make a decision within fourteen days.
(3) Where the Minister upholds the objection, the exploration licence shall not be granted.

(4) Where the Minister dismisses the objection, the Minister may grant the exploration licence.

(5) A person aggrieved by the decision of the Minister under subsection (2), may appeal against the decision to the High Court within thirty days.

35. Grant of mineral right on a first come first serve basis.
(1) Notwithstanding section 32 the Minister may, in exceptional circumstances, receive applications for an exploration licence on a first come, first serve basis.

(2) For purposes of subsection (1), the exceptional circumstances are-

   (a) where there is limited geological data;

   (b) where invitations for bids have been sent out three times and no application has been received; or

   (c) enhancement of the participating interest of the State in the promotion of national interest.

Application of Mineral Rights

36. Mining Cadastre.
(1) There is established a Mining Cadastre known as the Cadastre for the management of application of all mineral rights and other licences and permits issued under this Act, such as, licensing, communication, reporting and assessment of payments.

(2) All applicants for mineral rights, other licences and permits issued under this act, are required to register in a manner prescribed by regulations.

(3) The Minister may, by regulations, prescribe additional provisions and procedures relating to the Mining Cadastre.

Prospecting Licence

37. Application for prospecting licence.
(1) An application for a prospecting licence shall be made to the Minister in a manner prescribed by regulations.

(2) An application for a prospecting licence shall -

   (a) contain the registered name and place of incorporation of the company including-

      (i) certified copy of it certificate of incorporation;

      (ii) certified copy of its memorandum and articles of association;

      (iii) the names and nationalities of its directors; and

      (iv) and the name of every shareholder who is the beneficial owner of five percent or more of the issued share capital;

   (b) contain the company profile and history of prospecting in Uganda and elsewhere;

   (c) be accompanied by a statement giving particulars of the technical and financial resources available to the applicant;
(d) give details of any mineral right held within Uganda by the applicant or by any person controlling, controlled by or under joint or common control with the applicant; and

(e) set out any other matter that the Minister may deem necessary.

38. Grant of a prospecting licence.
(1) Subject to the provisions of this Act, the Minister may grant a prospecting licence and, as appropriate, cancel the licence in accordance with this Act.

(2) The Minister shall, where he or she rejects an application for a prospecting licence, give the applicant a statement of his or her reasons for the rejection.

39. Duration of a prospecting licence.
A prospecting licence shall be for the duration of one year and is not renewable.

40. Rights of prospecting licence holder.
(1) Subject to this Act and the conditions of a prospecting licence granted under this Act, the holder of a prospecting licence, his or her employees, servants or agents shall have the non-exclusive right to carry on prospecting operations for any mineral.

(2) For the purpose of exercising the right conferred under subsection (1), the holder of a prospecting licence may-

(a) enter on or fly over any area not otherwise excluded from prospecting;

(b) erect camps and temporary buildings, including installations in any water forming part of the prospecting area provided that the erection of any camp or building in accordance with the applicable law;

(c) take and remove specimens and samples from the prospecting area not exceeding such limit as may be prescribed by regulations; and

(d) dispose of with the prior written permission of the Minister mineral specimens and samples obtained from prospecting operations.

(3) The erection of camps and buildings and the doing of any such other act or thing under subsection (1) shall not be construed as conferring any right or title to or interest in the land covered by such area.

41. Obligations of a prospecting licence holder.
(1) The holder of a prospecting licence shall -

(a) carry on prospecting operations in accordance with his or her licence;

(b) not engage in drilling or excavation;

(c) conduct prospecting activities in an environmentally and socially responsible manner in accordance with this Act, the National Environment Act, 2018 and any other applicable law;
(d) submit to the Minister quarterly, or at such other intervals as may be prescribed, geological and financial reports and such other information as may be prescribed by regulation;

(e) report any mineral discovery to the Minister;

(f) remove on or before the expiration of the prospecting operations, any camps, temporary buildings or installations which may have been erected;

(g) repair or make good any damage caused to the surface of the land to the satisfaction of the Minister and the National Environment Management Authority;

(h) compensate users of land for damage to land and property; and

(i) pay the fees prescribed by regulation.

(2) The Minister may by regulations prescribe additional obligations for a prospecting licence.

(3) A prospecting licence shall not authorise the holder of the licence to prospect over an area of land that is, or forms part of -

(a) an exploration area, a mining area, a retention area, an artisanal or small scale mining lease area; or

(b) a t reserve, game reserve, national park, or an urban centre, unless the holder of the prospecting licence has first given notice to and obtained permission from the relevant authorities and complies with any conditions imposed by the authorities.

42. Minerals obtained during prospecting.
(1) Minerals obtained in the course of prospecting under a prospecting licence shall be the property of the Government and, except such reasonable quantity as may be prescribed for the purpose of sampling, assay, analysis or other examination, shall not be disposed of by the holder of the licence or by any other person without the written consent of the Minister.

(2) Where the holder of a prospecting licence desires to retain or dispose of any minerals obtained in the course of prospecting, he or she shall make an application in writing to the Minister stating the kind and quantity of minerals in respect of which the application is made and the situation of the land from which the mineral was obtained.

(3) The Minister may where he or she is satisfied that it is reasonably necessary to enable the holder of a prospecting licence to test the mineral bearing qualities of the land on which the licence holder is prospecting, authorise the licence holder in writing to retain any such minerals or dispose of the minerals, upon payment of the prescribed royalties.

_Exploration Licence_

43. Application for exploration licence.
(1) An application for an exploration licence shall be made to the Minister in a manner
prescribed by regulations.

(2) An application for an exploration licence shall -

(a) be accompanied by a certified copy of the certificate of incorporation, memorandum and articles of association and a board resolution of the company;

(b) be accompanied by a plan of the area over which the licence is sought, drawn in such a manner and showing such particulars as may be prescribed;

(c) identify the minerals in respect of which the licence is sought;

(d) give -

(i) in respect of the person or, if there is more than one person, the name and nationality of each person, making the application;

(ii) in the case of a body corporate, its name and place of incorporation, the names and nationalities of the directors, managers and other officers of a similar rank, and if the body corporate has a share capital, the name of any person who is the beneficial owner of more than five per cent of the issued share capital;

(e) information on the financial status and the technical competence and experience of the applicant;

(f) state the period, not exceeding three years, for which the licence is sought;

(g) be accompanied by a proposed programme of exploration operations for the proposed period of the licence and the estimated cost of the operations;

(h) contain evidence in support of the existence of the minerals, which the licence will cover in the proposed exploration area;

(i) contain a statement giving particulars of the applicant's proposals with regard to the employment and training of Ugandan citizens;

(j) shall contain a statement on the procurement plan of goods and services available in Uganda; and

(k) contain any other matter or information, which the applicant wishes the Minister to consider.

44. Processing of application for an exploration licence.
The Minister shall process all applications for exploration licence expeditiously and in any case not later than thirty days after receipt of the application.

45. Grant of exploration licence.

(1) Subject to provisions of this Act, the Minister may grant an exploration licence.

(2) There shall be attached to an exploration licence a programme of exploration operations
approved by the Minister.

(3) The Minister shall, where he or she refuses to grant an exploration licence, give the applicant a statement of his or her reasons for the refusal.

(4) A person shall not directly or indirectly through beneficial ownership hold more than five exploration licences under this Act.

(5) For the purposes of this section, “beneficial ownership” means the control, possession, custody or enjoyment by any natural person, directly or indirectly, of a reasonably significant economic interest in a given legal entity or receives significant economic benefit from such a legal entity, even where formal ownership (title) may be in the name of another person or entity.

(6) In addition to any other qualifying criteria, a person is automatically considered to be a beneficial owner if such person owns 5% or more of the legal entity in question.

(7) A person granted an exploration licence shall be required to deposit a performance bond of 10% of the proposed exploration cost in an escrow account.

46. Content of exploration licence.

(1) An exploration licence shall state-

   (a) the date of grant of the licence;
   
   (b) the exploration area to which the licence relates;
   
   (c) the mineral to which the licence relates; and
   
   (d) the conditions on which the licence is granted.

(2) There may be included in an exploration licence, a provision with respect to the exercise by the Government, or the Uganda National Mining Company of an option to acquire on stipulated terms, or on terms to be agreed, an interest in any venture for the exploration which may be carried on in the exploration area.

47. Exploration area.

(1) The area of land in respect of which an exploration licence may be granted shall not be more than fifty square kilometres; except that a person may hold more than one exploration licence, in which case there shall be no amalgamation of the exploration licence areas for purposes of discharging obligations under this Act.

(2) Subject to subsection (4), the exploration area shall be reduced in size to eliminate from the area-

   (a) at the end of the initial term of the exploration licence, not less than half of the initial area;
   
   (b) at the end of each period of renewal, half of the remaining area, or such lower proportion as the Minister may determine; and
   
   (c) the area covered by any retention licence or mining licence granted thereon.
(3) The holder of an exploration licence shall designate, prior to the end of each of the periods referred to in subsection (2), the area or areas to be eliminated from the exploration area and, in default thereof, the designation shall be made by the Minister.

(4) Where a person holds two or more contiguous exploration licences covering the same period and the same mineral or minerals the Minister shall, for the purposes of the elimination, under subsection (2), of part of any of the areas, permit the areas covered thereby to be deemed to be one area, the subject of one such exploration licence.

(5) No compensation shall be payable to the holder of any exploration licence arising out of reductions in area effected in terms of subsection (2).

(1) No exploration licence shall be granted over an area of land which is the subject of a mining lease, a retention licence, an artisanal or a small scale mining lease.

(2) Where an area of land is subject to an exploration licence, no other exploration licence shall be granted in respect of that area.

(3) No exploration licence shall be granted to an applicant unless the Minister is satisfied that -

(a) the applicant has adequate financial resources, technical competence and experience to carry on effective exploration operations;

(b) the programme of proposed exploration operations is adequate for the period of the licence;

(c) the applicant’s proposal for exploration operations has provided for the employment and training of Ugandan citizens and purchase of goods and services available in Uganda;

(d) the applicant is able and willing to comply with the terms and conditions of the exploration licence;

(e) the minerals to which the proposed exploration licence relate exist in the proposed exploration area; and

(f) the applicant is not in default.

49. Duration of exploration licence.
Subject to the provisions of this Act, an exploration licence shall be valid for a period not exceeding three years from the date of grant of the exploration licence.

50. Renewal of exploration licence
(1) An exploration licence may be renewed for a period not exceeding two years, by filing an application for renewal during the final year of the licence.

(2) Subject to subsection (1), a holder of an exploration licence may, three months before the expiration of such licence apply for renewal of the licence in respect of an area of land,
which is not greater in extent than half of the exploration area as at the date of the grant or last renewal of the licence.

(3) An application for renewal shall be made in a manner prescribed by regulations, and shall be accompanied by the prescribed fee.

(4) A renewal under subsection (1) shall take effect immediately after the expiration of the exploration licence being renewed.

51. Rights of an exploration licence holder.
(1) Subject to the provisions of this Act and any other written law, an exploration licence confers on the holder of such licence the exclusive right to carry on exploration operations in the area of land and for the mineral to which the licence relates.

(2) For the purpose of exercising the right under subsection (1), the holder of an exploration licence may, subject to this Act, regulations made under this Act and the conditions of the licence, either himself or herself, or by or through his or her employees or agents, enter the exploration area and erect camps and temporary buildings, including installations in any waters forming part of the exploration area.

(3) The erection, camp or building under subsection (2) shall not be construed as conferring any right or title to or interest in the exploration area.

52. Obligations of exploration licence holder.
(1) The holder of an exploration licence shall-

(a) commence exploration not later than four months from the date of issue of such licence;

(b) pay the annual mineral rent, of such an amount as prescribed, for the whole area covered by the exploration licence, in accordance with this Act, prior to grant of the licence, and thereafter annually on the anniversary of the grant until the termination of the exploration licence;

(c) carry on exploration operations in accordance with the approved programme of exploration operations;

(d) notify the Minister of the discovery of any mineral other than that to which such licence relates within a period of thirty days of such discovery;

(e) unless the Minister otherwise stipulates, remove, within 60 days of the expiry of the exploration licence, any camps, temporary buildings or machinery erected or installed by him or her and repair or otherwise make good any damage to the surface of the land occasioned by such removal and other activities, to the satisfaction of the Minister;

(f) subject to the conditions of the exploration licence, expend on exploration not less than the amounts specified in the exploration programme to be expended;

(g) comply with the requirements of the National Environment Act, 2019, and any
other applicable law;

(h) submit to the Minister at such intervals as may be prescribed such reports and such information verified in such manner as may be prescribed;

(i) employ and train citizens of Uganda in accordance with the plan approved by the Minister; and

(j) keep and maintain in Uganda an address which shall be registered with the Minister, and to which all communications and notices shall be sent.

(2) The holder of an exploration licence shall keep, at the address referred to in subsection (1) (I), full and accurate records to the satisfaction of the Minister, of his or her exploration operations which shall show -

(a) boreholes drilled;

(b) formation penetrated, with detailed logs of such formation;

(c) minerals discovered;

(d) the result of any geochemical or geophysical analysis;

(e) the result of any analysis and identification of samples removed for such purposes;

(f) the geological interpretation of the records maintained under paragraphs (a) to (e) of this subsection;

(g) the number and particulars of persons employed;

(h) any other work done under the exploration licence; and

(I) such other matters as may be prescribed;

(3) The holder of an exploration licence shall submit to the Minister the records kept under subsection (1) at least once every six months or at such other intervals as may be prescribed, together with any reports prepared from or as a result of such records.

(4) A person who intentionally or negligently provides the Minister with false or misleading records under this subsection commits an offence and is liable, on conviction, to a fine not exceeding ten thousand currency points or to imprisonment for a term not exceeding five years, or both.

53. Amendment of exploration programme.
The holder of an exploration licence may, notify the Minister of amendments he or she wishes to make to his or her programme of exploration operations, and the amendments shall unless rejected by the Minister within two months after being notified, have effect after such a period.
54. Status of exploration licence pending grant of a mining lease.
(1) Where the holder of an exploration licence applies for a mining lease over his or her exploration area, and the application is not finally dealt with before the date of expiry of the exploration licence, the Minister shall grant an extension to the exploration licence pending the processing of an application for a mining lease.

(2) The Minister shall grant a mining lease to an applicant under subsection (1) only if at the time of the application the applicant’s exploration licence has not expired.

Retention Licence

55. Application for retention licence.
(1) The holder of an exploration licence may apply to the Minister for the grant of a retention licence on the grounds that -

(a) he or she has identified a mineral deposit within the exploration area which is potentially of commercial significance; and

(b) such mineral deposit cannot be developed immediately by reason of adverse market conditions, economic factors and other factors beyond their reasonable control, which are of a temporary nature.

(2) An application for a retention licence shall be made to the Minister in a manner prescribed by regulations.

(3) An application for a retention licence shall be accompanied by the prescribed fee and the following -

(a) a copy of the exploration licence, which must still be valid, and proof of payment for any taxes and fees due;

(b) a certified copy of the certificate of incorporation, memorandum and articles of association and a board resolution of the company;

(c) the period applied for;

(d) the minerals in respect of which the licence is sought;

(e) proof of payment of the annual mineral rent, of such an amount as prescribed, for the whole area covered by the retention licence, in accordance with this Act, prior to grant of the licence, and thereafter annually on the anniversary of the grant until the termination of the exploration licence;

(f) a full feasibility study and assessment by appropriate experts or consultants acceptable to the Minister on -

(i) the extent and prospect for recovery and the commercial and economic significance of the mineral deposit concerned;
(ii) the impact of mining operations on the environment and ways and means of eliminating or minimising any adverse effects; and

(g) such other information as the Minister may reasonably require regarding the proposals of the applicant for the retention and development of the deposit.

56. Grant of a retention licence.
(1) Where the Minister is satisfied that commercial development of a mineral deposit is not presently possible for reasons specified in an application for a retention licence, but may be possible within a period of three years from the date of the application, the Minister may grant a retention licence to the applicant over that part of the exploration area.

(2) Without limiting the power of the Minister to impose conditions on a mineral right, the conditions of a retention licence may include conditions for the preservation of a mineral deposit.

57. Duration of retention licence.
A retention licence may be granted for a period not exceeding three years.

58. Renewal of retention licence.
(1) Where the Minister remains satisfied that commercial development of a mineral deposit is or has not been possible at the expiry of a retention licence, that licence may, on the application of the holder, be renewed for a single period not exceeding two years.

(2) Before renewing a retention licence, the Minister shall require the holder of the licence to provide him or her with such updated studies and assessments of the prospects of the development and commercial exploitation of the mineral deposit concerned as may reasonably be required.

59. Rights and obligations under a retention licence.
(1) A retention licence confers on the holder of such licence an exclusive right to apply for a mining lease over the area in respect of which the retention licence has been granted.

(2) The holder of a retention licence shall continue to carry out studies referred to in section 58 (2) during the period of that licence.

60. Power to request retention licence holder to apply for mining lease.
Where the Minister is satisfied that commercial mineral development of an area that is subject to a retention licence has become possible during the currency of the licence, the Minister may by notice to the holder of the licence, require the holder to apply for a mining lease in respect of the area concerned and may, at any time thereafter, cancel the retention licence.

Large Scale Mining Lease

61. Application for mining lease.
(1) An application for a large scale mining lease shall be made to the Minister in a manner prescribed by regulations.
(2) An application for the grant of a large scale mining lease shall-

(a) contain a copy of the exploration licence, which must still be valid, and proof of payment of any taxes and fees due;

(b) contain in respect of the company-

(i) the registered name and place of incorporation of the company;

(ii) its certificate of incorporation and certified copy of its memorandum and articles of association;

(iii) board resolution; and

(iv) the names and nationalities of its directors and the name of every shareholder who is the beneficial owner of five percent or more of the issued share capital;

(c) where applicable, contain the company profile and history of mining operations in Uganda and elsewhere and details of any mineral rights held in Uganda, by the applicant or by any person controlling, controlled by or under joint or common control with the applicant

(d) and a board resolution of the company;

(e) state the period applied for, informed by a bankable feasibility study;

(f) state the minerals in respect of which the lease is sought;

(g) be accompanied by a plan of the area over which the lease is sought drawn in such manner as prescribed;

(h) identify the name and qualifications of the person responsible for supervising the proposed programme of mining operations;

(i) be accompanied by a statement giving details of the mineral deposits in the area of land over which the lease is sought, including details of all known minerals proved, estimated or inferred, reserves and mining conditions in a certified and recognized international mining standards;

(j) be accompanied by a statement giving particulars of expected infrastructure requirements;

(k) be accompanied by a full feasibility study and assessment by appropriate experts or consultants acceptable to the Minister on –

(i) the extent and prospect for recovery and the commercial and economic significance of the mineral deposit concerned;

(ii) the impact of mining operations on the environment and ways and means of
eliminating or minimising any adverse effects; and

(iii) an environmental and social impact assessment in accordance with the National Environment Act, 2019; and

(iv) a detailed timetable for the work which is to be carried out;

(l) be accompanied by a statement giving a detailed forecast of capital investment, operating costs and revenues and the anticipated type and source of financing;

(m) contain the identification of interested and affected parties including land owners and lawful occupiers of the proposed mining area and details of consultation with interested and affected parties and the results of the consultation;

(n) be accompanied by a report on the goods and services required for the mining operations which can be obtained within Uganda and the applicant’s proposals with respect to the procurement of those goods and services;

(o) give a statement giving particulars of the applicant’s proposals with respect to the employment and training of citizens of Uganda and technology transfer;

(p) be accompanied by details of the applicant’s proposals for insurance including life and health cover for its employees;

(q) be accompanied by the proposed marketing arrangements for the sale of the mineral production;

(r) give details of any mineral rights held in Uganda by the applicant or by any person controlling, controlled by or under joint or common control with the applicant;

(s) indicate financial and technical resources available to the applicant to carry out his or her obligations under such lease;

(t) be accompanied by a business plan giving a detailed forecast of capital investment, operating costs and revenues; and the anticipated type and source of financing including the year for the positive cash flow and financial plan and capital structure;

(u) contain a report on the results from the exploration, with regard to the type, quality, volume and geographic location of the mineral resource which was identified;

(v) contain a plan of the area over which the licence is sought drawn in a manner prescribed by regulations;

(w) contain a statement giving particulars of the proposed programme of mining operations, including a statement of-

(i) the estimated date by which the applicant intends to work for profit;

(ii) the estimated capacity of production and scale of operations;

(iii) the estimated overall recovery of mineral and mineral products;
(iv) the nature of the products;

(v) proposals for the progressive reclamation and rehabilitation of land disturbed by mining and for the minimisation of the effects of mining on surface water and ground water and on adjoining or neighbouring lands;

(vi) the effects of the mining operations on the environment and on the local population and proposals for mitigation, compensation and resettlement measures;

(vii) any particular health or other risks involved in mining the mineral, in particular a radioactive mineral, and proposals for their control or elimination;

(x) contain details of the applicant’s proposals for insurance including life and health cover for its employees; and

(y) contain any other information that maybe prescribed by regulations.

62. Disposal of application for large scale mining lease.

(1) An application for a large scale mining lease shall be advertised in the Gazette, newspapers of wide circulation and other electronic media, and copies of the accompanying plan and maps shall be displayed at the relevant district, sub-county and parish headquarters and such other place as the Minister may specify.

(2) The applicant shall show written proof that he or she has obtained surface rights from the landowner of the area the applicant intends to mine.

(3) Upon receipt of the application in subsection (2), the Minister shall forward the application the accompanying documents to the Mineral Cadaster Unit for review and recommendation to verify that the application meets the requirements of this Act, regulations made under this Act and any other applicable law and that the applicant has secured the surface rights of the mining area applied for.

(4) The Mineral Cadaster Unit shall, after reviewing the application under subsection (3), make recommendations to the Minister whether to grant or reject an application.

(5) The Minister may, upon receipt of the recommendations of the Mineral Cadaster Unit under subsection (4)

(a) grant the large scale mining lease applied for on such terms and conditions as the Minister may determine; or

(b) refuse to grant the large scale mining lease.

(6) Where the Minister refuses to grant the large scale mining lease, he or she shall inform the applicant, in writing, reasons for the refusal.
63. **Restriction on grant of large scale mining lease.**

(1) Subject to section 72(7), no large scale mining lease shall be granted over an area of land in, or which is, a mining area, an exploration area, a retention licence area or a location area, unless the applicant is the holder of the mining lease, an exploration licence, a retention licence, an artisanal mining permit and a small scale mining lease, as the case may be, in respect of that land.

(3) A large scale mining lease shall not be granted to an applicant unless he or she satisfies the Minister that -

(a) the area of land over which the lease is sought is not in excess of the area reasonably required to carry out the applicant’s programme of proposed mining operations as may be prescribed by regulations;

(b) the programme of proposed mining operations takes proper account of the certificate of approval of environmental and social impact assessment issued by the National Environment Management Authority and health and safety factors;

(c) the feasibility study of the relevant mineral body indicates that the mineral deposit in question can be profitably mined;

(d) the applicant has adequate financial resources, technical competence and experience to carry on effective mining operations;

(e) the applicant's proposals for the employment and training of citizens of Uganda are adequate;

(f) the applicant's proposals with respect to the procurement of goods and services obtainable within Uganda are satisfactory;

(g) the applicant demonstrates a willingness and an ability to comply with the terms and conditions applicable to the large scale mining lease;

(h) the applicant has secured the surface rights of the land the subject of his or her application; and

(i) the applicant is not in default.

(4) The Minister shall not refuse an application for the grant of a large scale mining lease on any ground referred to in subsection (3) unless the Minister -

(a) has given notice to the applicant of his or her intention to refuse to grant the lease on that ground;

(b) specified in the notice a period within which the applicant may make appropriate proposals to correct or remedy the defect or omission which forms the basis of ground for intended refusal; and
(c) the applicant has not, before the expiration of that period, made the proposals.

64. Disposal and notice of decision on large scale mining lease applications.
(1) The Minister shall, within sixty days after receiving an application under section 61 of this Act, cause the applicant for the grant of a large scale mining lease to be notified of the Minister’s decision on his or her application, and if the application is granted, of the details of the proposed lease.

(2) If within thirty days after an applicant is notified pursuant to subsection (1) that the Minister is prepared to grant a large scale mining lease, such applicant fails to give notice of his or her willingness to accept the proposed lease, his or her application shall be taken to have lapsed.

(3) The grant of a large scale mining lease shall be published in the Gazette, a newspaper of national circulation or any other print or electronic media.

65. Contents of large scale mining lease.
(1) A large scale mining shall-

(a) specify the date of the grant of the lease and the period for which it is granted;

(b) specify the mineral for which it is granted;

(c) include a description and plan and maps of the area of land over which it is granted;

(d) specify the conditions on which it is granted;

(e) specify particulars of the applicant’s proposals for the employment and training of citizens of Uganda; and

(f) specify particulars of the applicant's proposals with respect to the procurement of goods and services obtainable within Uganda, which shall form part of the lease.

(2) There may be included in a large scale mining lease conditions with respect to the processing, disposal or sale of the mineral to be mined.

66. Area of large scale mining lease.
(1) The surface area covered by a large scale mining lease shall be demarcated by the shape of the mineral body not exceeding 20 sq kms.

(2) The area referred to under subsection (1) must be located entirely within the area for the exploration licence or retention licences or licences which belong to the same holder, from which it derives.

67. Duration of large scale mining lease.
The period for which a large scale mining lease is granted shall be specified in the lease and shall not exceed twenty one years or the estimated life of the mineral body proposed to be
mined, whichever is shorter.

68. Renewal of large scale mining lease.
(1) The holder of a large scale mining lease may apply to the Minister for the renewal of his or her lease in respect of all or part of the mining area at least one year before the expiry of the lease.

(2) An application under subsection (1) shall -

(a) state the period, not exceeding fifteen years or the life of the mineral body whichever is shorter, for which renewal is sought;

(b) be accompanied by a statement giving particulars of mining operations proposed to be carried out in the renewed period;

(c) be accompanied by a statement giving details of –

   (i) the latest proved probable and possible mineral reserves in accordance with international classification and reporting of mineral resources and reserves;

   (ii) the capital investments to be made and the production costs and revenue forecasts in respect of the renewed period;

   (iii) any expected changes in the method of mining, processing, marketing and disposal of mineral products;

   (iv) any likely effects on the environment and measures to be taken to mitigate such effects;

   (v) such further information as the Minister may require, and

   (d) if renewal of the lease is sought in respect of part only of the large scale mining lease area, be accompanied by a plan and maps and description identifying that part of the mining area.

(3) Subject to subsection (4), where an application is duly made under this section for the renewal of a large scale mining lease, the Minister shall renew such large scale mining lease for a period not exceeding fifteen years or the life of the mineral body, whichever is shorter, subject to such conditions as the Minister may determine.

(4) The Minister shall not renew a large scale mining lease, where –

   (a) the applicant is in default;

   (b) the development of the mining area has not proceeded in accordance with the approved mine development plan;

   (d) the programme of mining operations proposed to be carried out is not adequate or
satisfactory;

(e) the renewal will be contrary to national interest;

(e) the Minister has given to the applicant notice of his or her intention to refuse to renew the large scale mining lease -

(i) giving in the notice particulars of the ground for the intended refusal;

(ii) stating a date before which the applicant may take appropriate action or make representations with respect to the ground for the intended refusal; and

(iii) the applicant has not, before that date made appropriate amendments to his or her application or made representations, which, in the opinion of the Minister, remove the ground for the intended refusal.

69. Amendment of programme of operations of large scale mining lease.
(1) A holder of a large scale mining lease shall not amend a programme of development and mining operations without the approval of the Minister.

(2) Notwithstanding subsection (1) and the conditions of the large scale mining lease, the holder of a large scale mining lease may, from time to time, notify the Minister of amendments he or she wishes to make to his or her programme of development and mining operations; and such amendments shall, unless the Minister rejects them within three months after being so notified, have effect after such period.

70. Rights of the holder of a large scale mining lease.
Subject to the provisions of this Act, any other applicable law, regulations, and any condition of a large scale mining lease, the holder of a large scale mining lease shall have the exclusive right to carry on exploration and mining operations in his or her mining area and may -

(a) take all reasonable measures on and under the surface of his or her mining area to mine and process the minerals to which his or her large scale mining lease relates;

(b) erect the necessary equipment, plant, machinery and buildings for the purpose of mining, transporting, dressing, treating, smelting and refining the minerals or mineral products recovered by him or her during mining operations in accordance with the approved mine development plan;

(c) dispose of any mineral products recovered in accordance with this Act and regulations made under this Act; and

(d) stack or dump any mineral or waste product in accordance with the prescribed mining industry practice.

71. Obligations of the holder of a large scale mining lease.
(1) Subject to this Act, regulations made under this Act and any other applicable law, the holder of a large scale mining lease shall -

(a) develop and mine the mineral deposits covered by his or her lease in accordance with the approved programme of development and mining operations and the terms and conditions of his or her lease;

(b) commence production on or before the date specified in the approved programme of development and mining operations as the proposed date of such production;

(c) demarcate and keep demarcated his or her mining area in such a manner as may be prescribed;

(d) keep and maintain in Uganda an address which shall be registered with the cadaster, and to which all communications and notices shall be addressed;

(e) pay the surface area fees for the whole area covered by the large scale mining lease in a sequence of three years for the duration of the large scale mining lease in accordance with this Act prior to grant of the licence;

(f) submit a certificate of approval of environmental and social impact assessment in accordance with the National Environment Act, 2019;

(g) obtain a financial guarantee in accordance with the National Environment Act, 2019;

(h) carry out rehabilitation work on all or part of the Area, in accordance with mine closure or decommissioning plan approved by the National Environment Management Authority; and

(i) have a land use agreement with the land owners.

(2) The holder of a large scale mining lease shall -

(a) maintain at the address referred to in subsection (1) (d) and submit monthly to the Minister complete and accurate records of operations relating to his or her lease including -

(i) copies of all maps, geological reports, including interpretations, sample analyses, aerial photographs, core minerals, logs and tests and all other data obtained and compiled by the holder of such large scale mining lease;

(ii) systematic financial statements and such other books of account as the Minister may require, and where the holder is engaged in any activity not connected with his or her operations under the large scale mining
lease, he or she shall maintain separate books of account of his or her operations under the large scale mining lease; and

(iii) such other reports and information as the Minister may request;

(b) permit an authorised officer at any time to inspect the books and records maintained under paragraph (a); and shall deliver to the Minister, without charge, copies of any part of such books and records, upon request;

(c) within ninety days after the end of each financial year, furnish the Minister with a copy of his or her audited annual financial report, showing the profit or loss for the financial year and the state of financial affairs of the holder of the large scale mining lease for the year in question.

72. Minerals not under mineral right.

(1) Where in the course of exercising his or her rights the holder of a large scale mining, small scale mining lease or artisanal mining permit discovers any other mineral to which his or her mineral right does not relate, he or she shall-

(a) immediately, but in any case not later the forty eight hours after the discovery, notify the Minister in writing giving particulars of the deposits or the mineral discovered, and the site and circumstances of the discovery;

(b) secure the area where the mineral was discovered, not allowing third parties to access it without the permission of the Minister;

(c) mark the area in the way established by the governing agency, to identify the site; and

(d) immediately stop the exploitation of the mineral not covered by the license granted.

(2) The holder of a mineral right who discovers a mineral under subsection (1) may apply to the Minister to have the mining of such mineral included in his or her mineral right, giving in his or her application a proposed programme of mining operations in respect of the discovery.

(3) Where the Minister is satisfied with a proposed programme of mining operations submitted under subsection (3), the Minister may approve such programme on such terms and conditions as he or she thinks fit and may amend the mining lease accordingly.

(4) Where the Minister has approved a proposed programme of mining operations under subsection (3), the holder of the relevant mining lease may apply to the Minister to have his or her mining area enlarged and the Minister may, subject to the provision of subsection (6), approve such application.

(5) A mining lease area shall not be enlarged so as to include any area over which the applicant could not by reason of this Act, be granted a mining lease.

(6) Where the holder of a large scale mining lease does not wish to develop a newly discovered mineral or minerals, and it is in the national interest to do so, the Minister may grant a mineral right under this Act to the National Mining Company subject to the reasonable
rights of the holder of the large scale mining lease.

*Small Scale Mining Lease.*

**73. Threshold for small scale mining lease**
(1) The Minister shall, by regulations prescribe the threshold for small scale mining lease under this Act.

(2) For purposes of this Part, “small scale mining lease” means a licence for prospecting and mining operations by methods which allows the use of specialised technology and the use of specialised technology and meets the threshold prescribed in subsection (1).

**74. Eligibility for small scale mining lease.**
(1) A person who wishes to carry out small scale mining operations shall apply for a small scale mining lease in a manner prescribed by regulations.

(2) A small scale mining lease shall be granted to-

(a) an individual who is a citizen of Uganda;

(b) a cooperative society or associations registered under the laws of Uganda comprising Ugandan citizens exclusively;

(c) a joint-venture or partnership registered in accordance with the Partnership Act, 2010 comprising of Ugandan citizens exclusively; or

(d) a company registered and incorporated under the Companies Act, 2012 and having one hundred percent of its shares held by Ugandan citizens.

**75. Persons ineligible for a small scale mining lease.**
(1) No small scale mining lease shall be granted to an individual who-

(a) is under the age of 18 years;

(b) is not a citizen of Uganda;

(c) is an un-discharged bankrupt, having been adjudged or otherwise declared bankrupt under any written law, or enters into any arrangement or scheme of composition with creditors; or

(d) has been convicted of an offence involving fraud or dishonesty.

(2) A small scale mining lease shall not be granted to a cooperative society which is not registered in accordance with the laws of Uganda.

(3) A small scale mining lease shall not be granted to a body corporate-

(a) which is not registered and incorporated under the Companies Act, 2012 or any other applicable law; or
(b) which is in liquidation other than a liquidation which forms part of a scheme for the reconstruction or amalgamation of such body corporate;

(c) in respect of which an order has been made by a court of competent jurisdiction for its winding up or dissolution;

(d) which has made a composition or arrangement with its creditors;

(e) which has among its shareholders any shareholder who holds at least a ten percent share of the company or a director, who would be disqualified in terms subsection (1) (a) or (d).

76. Application for small scale mining lease.

(1) A person who wishes to carry on small scale exploration and mining operations shall apply to the Minister for a small scale mining lease.

(2) An application for a small scale mining lease under subsection (1), shall be made to the Minister in a manner prescribed by regulations and shall be accompanied by the prescribed fee.

(3) An application for a small scale mining lease shall-

(a) state the full name of the applicant and, in the case of a partnership or other association of persons, the full names and nationalities of all such persons; and in the case of a body corporate, the registered name of such body corporate and particulars of its shareholders, if any;

(b) identify the mineral in respect of which the licence is sought;

(c) indicate the area in respect of which the licence is sought;

(d) be accompanied, in case of a body corporate by a certified certificate of incorporation, memorandum and articles of association and a board resolution;

(e) be accompanied by a statement giving particulars of the nature of the mining operations proposed to be carried out, the capital and experience available to the applicant to conduct prospecting and mining operations of the mineral efficiently and effectively;

(f) accompanied by a plan of the area over which the licence is sought drawn in a manner prescribed by regulations;

(g) accompanied by documentary evidence that consent to use the land for mining purposes has been given to the applicant by the lawful occupants or owners of the land for mining purposes;

(h) state the period applied for;

(i) give or be accompanied by a statement giving particulars of the programme of proposed mining operations, including a statement of-
(i) the likely effects of the proposed mining operations on the environment and on the local population and proposals for mitigation and compensation measures;

(ii) any particular health or other risks involved in the proposed mining the minerals, particularly radioactive minerals, and proposals for their control or elimination;

(iii) the proposed marketing arrangements for the sale of the mineral production; and

(iv) any other matter which the applicant wishes the Minister to consider.

(2) The applicant shall show written proof that he or she has obtained surface rights from the landowner of the area the applicant intends to mine.

**77. Grant of small scale mining lease.**

(1) Upon receipt of an application for a small scale mining lease under section 76, the Minister shall forward the application the accompanying documents to the Mineral Cadaster Unit for review and recommendation to verify that the application meets the requirements of this Act, regulations made under this Act and any other applicable law and that the applicant has secured the surface rights of the mining area applied for.

(2) The Mineral Cadaster Unit shall, after reviewing the application under subsection (3), make recommendations to the Minister whether to grant or reject an application.

(3) The Minister may, upon receipt of the recommendations of the Mineral Cadaster Unit under subsection (3)

(a) grant the small scale mining lease applied for on such terms and conditions as the Minister may determine; or

(b) refuse to grant the small scale mining lease.

(4) Where the Minister refuses to grant the small scale mining lease, he or she shall inform the applicant, in writing, reasons for the refusal.

(5) The Minister shall, before refusing to grant a small scale mining lease to an applicant -

(a) give to the applicant notice of the grounds of his or her intended refusal;

(b) in such notice, require the applicant to correct or remedy within a reasonable time any defect or omission which forms the basis of the grounds for the intended refusal; and

(c) shall only refuse to grant the licence if the applicant fails to correct or remedy such defect or omission within such reasonable time.

**78. Size of area covered by small scale mining lease.**

The area covered by a small scale mining lease shall not exceed such area as shall be
prescribed by regulations, and shall be demarcated by the applicant in a manner prescribed by regulations.

79. Duration, renewal and revocation of small scale mining lease.
(1) Subject to subsections (2) and (3), a small scale mining lease shall be valid for a period, not exceeding seven years, renewable on application made to the Minister for such further periods not exceeding five years at a time subject to this Act.

(2) The Minister shall not renew a small scale mining lease under subsection (1) if-

(a) the Minister is satisfied that the applicant has not carried on, in good faith, within the limits of his or her competence and resources, prospecting and mining in the licensed area and intends to continue doing so;

(b) if the small scale mining lease area has ceased to be an area declared for artisanal mining operations;

(c) in respect of any mineral which has ceased to be a mineral prescribed for artisanal mining operations;

(d) unless the Minister is satisfied that the applicant has carried on, in good faith, within the limits of its competence and resources, mining operations in the artisanal mining permit area and intends to continue doing so;

(e) if the applicant has not carried out effective rehabilitation and reclamation of the applicant’s mined out areas to the satisfaction of the Directorate and authorities responsible for the protection of the environment or paid the prescribed fee;

(f) if the applicant has not reported diligently on its mining operations; or

(g) if the applicant is in default and the Minister is not prepared to waive the default.

(h) the applicant has not carried out effective restoration of the surface areas to the satisfaction of the Minister; or

(i) the applicant is in default.

80. Cancellation of small scale mining lease.
The Minister may revoke a small scale mining lease where -

(a) the holder a is satisfied that the holder of such licence has entered into an arrangement with a person who is not a citizen of Uganda, the effect of which is to transfer to that person the benefit of such licence;

(b) within a period of six months from the date the licence was granted or renewed no mining operations have commenced under the licence; or

(c) if the mining lease is not being worked to the satisfaction of the Minister.
81. Rights and duties of small scale mining lease holder.

(1) The holder of a small scale mining lease has the right to enter his or her mining lease area and, subject to this Act, the regulations, and the conditions of the lease, has the exclusive right to prospect for and mine in that area, and to remove and dispose of the mineral in respect of which the licence was issued.

(2) The holder of a small scale mining lease shall –

   (a) carry on, in good faith, in the licensed area exploration and mining operations;

   (b) furnish the Minister with such information relating to the operations under the licence as the Minister may reasonably require;

   (c) carry out promptly any directives relating to his or her prospecting or mining operations which may be given to him or her by the Minister or an authorised officer for the purpose of ensuring safety or good mining practices;

   (d) before beginning or ceasing any exploration or mining operations, notify the appropriate local authority and an authorised officer of his or her intention to begin or cease any such exploration or mining operations;

   (e) carry out rehabilitation and reclamation of mined out areas in accordance with the Mines closure plan submitted under this Act and the National Environment Act, 2019;

   (f) submit to the Minister monthly returns of his or her operations not later than fourteen days after the preceding month;

   (g) if not personally supervising the exploration or mining operations under the licence, employ a Mines Manager approved by the Minister for the purpose of supervising its exploration or mining operations;

   (h) sell the minerals obtained in the small scale mining lease area in a manner prescribed by regulations;

   (i) keep accurate records of winnings from the small scale mining lease area and such records shall be produced for inspection on demand by authorised officers; and

   (j) submit reports prescribed by regulations.

(3) The relevant local government shall ensure that the small scale miners concerned abide by the measures for health, safety and environmental protection prescribed by regulations.

(4) A small scale mining lease relating to mining materials does not confer on the holder any particular right to obtain a subsequent mining title.

82. Operations of small scale miners.

(1) A holder of a small scale mining lease shall explore for, mine and produce minerals in an effective and efficient method.
(2) A holder of a small scale mining lease shall carry out their work in compliance with the National Environment Act, 2019, the Occupational Safety and Health Act, 2006 and any other applicable laws.

(3) The Minister may by regulations prescribe measures for the protection, health and safety of small scale mining operations.

83. Sale of minerals.
The sale of minerals won by a small scale miner shall be sold in a manner prescribed by regulations.

Artisanal Mining Permit.

84. Purpose of Subpart.
(1) The purpose of this subpart is to provide for the formalisation and regulation of artisanal mining-

(a) to ensure that the activities carried out, are in accordance with this Act and the Mining and Mineral Policy for Uganda, 2018;

(b) to establish a framework for licensing, regulation and monitoring of artisanal mining activities including defining the scope of artisanal mining;

(c) to curb human rights abuses including forced labour, child labour, gender discrimination;

(d) to eliminate or diminish unsafe or unhealthy practices by artisanal miners;

(e) to ameliorate artisanal practices with respect to safety, security and environmental protection and social relations with local communities;

(f) to eliminate or minimize clandestine trade in non-renewable mineral resources;

(g) to improve the collection of tax revenue from the subsector;

(h) to encourage, through the permitting process the collaboration and co-existence between existing bonafide artisanal and other mineral rights holders;

(i) to promote best practices in the artisanal subsector;

(j) to ensure that artisanal mining is a preserve for Ugandan citizens;

(k) to establish national programs that ensure occupational health, safety and environmental hazards associated with artisanal mining are reduced to the barest minimum;

(l) to inspect, guide and provide extension services and training in mineral production, processing and value addition;
(m) to encourage establishment of buying centres for mineral commodities for artisanal mining operations;

(n) to facilitate and encourage artisanal miners to participate in supply chain initiatives;

(o) to establish mechanisms for artisanal miners to access financing;

(p) to continuously and accurately map out areas for bona fide artisanal miners prior to granting of corresponding mining licenses;

(q) to keep an updated register of artisanal miners;

(r) to encourage artisanal miners to form associations for their operations; and

(s) to collaborate with mining companies to develop the skills of local artisans and small scale miners.

85. Artisanal mining.
(1) The Government shall promote, protect, and defend the rights of exploration and utilisation of designated minerals of artisanal miners.

(2) Without limiting the general effect of subsection (1), the Government shall-

(a) facilitate and encourage the creation of associations of artisanal miners and shall grant leases or licences to associations or entities formed by artisanal miners on terms and conditions that are favourable to the development and sustainable operation of such associations or entities but which shall ensure that such cooperatives comply with minimum conditions necessary to fulfil the objectives of this Act; and

(b) takes measures to support the progressive professionalisation and formalisation of the artisanal mining sector through the establishment of cooperatives, associations or other membership structures as well as improve women’s conditions in artisanal mining communities through gender and empowerment programmes.

86. Establishment of areas for artisanal mining.
(1) When, due to the features of certain deposits of gold, diamonds or any other mineral substance, technical and economic factors do not allow for industrial or semi-industrial operations, but do allow for artisanal operations, such deposits shall be established as an artisanal mining area, within the limits of a set geographic area.

(2) The establishment of an artisanal exploitation zone shall be carried out by the Directorate in consultation with the relevant local government.

(3) A mining perimeter with a valid mineral right shall not be converted into an artisanal mining area and shall be expressly excluded from artisanal zones established in accordance with subsection (1).

(4) The establishment of an artisanal mining area shall be recommended by the Exploration Unit.
(5) The Exploration Unit may at any time carry out prospecting and research in artisanal areas.

(6) In locations where associations or entities of artisanal miners have been formed and are operational, artisanal mining by individuals who are not members of an association or entity are prohibited.

(7) The Minister may, by regulations prescribe procedures and conditions for establishment of areas for artisanal mining under this section.

87. Application of Act to artisanal mining permit.
(1) The Minister may, with the approval of the Cabinet, by statutory instrument, exclude or modify any of the provisions of this Act, which would otherwise apply to the granting of an artisanal mining permit.

(2) For the purposes of subsection (1) -

(a) “artisanal mining” means rudimentary mineral extraction and processing that is-

(i) continuous or seasonal;

(ii) carried out by individuals or groups of individuals;

(iii) conducted using primarily or exclusively manual labour and manual tools;

(iv) carried out at a single site or multiple sites; and

(v) focused on producing mineral products that are primarily delivered or sold to-

(aa) traders in those mineral products; 

(bb) local artists and craftsmen; or

(cc) builders acting within the national economy.

(b) "artisanal mining permit" means a licence for prospecting and mining operations by methods which do not involve substantial expenditure and the use of specialised technology; and for the purposes of this subsection; and

(c) "substantial expenditure" means expenditure in excess of the amount prescribed by regulations necessary to bring the mine into production or such other amount as may be prescribed.

88. Eligibility for artisanal mining permits.
The following are eligible to apply for an artisanal mining permit under this Act-

(a) an individual who is a citizen of Uganda;

(b) a cooperative society or associations registered under the laws of Uganda comprising Ugandan citizens exclusively;
(c) a joint-venture or partnership registered in accordance with the Partnership Act, 2010 comprising of Ugandan citizens exclusively; or

(d) a company registered or incorporated under the Companies Act, 2012 and having

(e) one hundred of its shares held by Ugandan citizens.

89. Persons ineligible for artisanal mining permit.
(1) An artisanal mining permit shall not be granted to an individual who-

(a) is under the age of 18 years;

(b) is not a citizen of Uganda;

(c) is an un-discharged bankrupt, having been adjudged or otherwise declared bankrupt under any written law, or enters into any arrangement or scheme of composition with creditors; or

(d) has been convicted of an offence involving fraud or dishonesty.

(2) An artisanal mining permit shall not be granted to a cooperative society which is not registered in accordance with the laws of Uganda.

(3) An artisanal mining permit shall not be granted to a body corporate-

(a) which is not registered or incorporated under the Companies Act, 2012; or

(b) which is in liquidation other than a liquidation which forms part of a scheme for the reconstruction or amalgamation of such body corporate;

(c) in respect of which an order has been made by a court of competent jurisdiction for its winding up or dissolution;

(d) which has made a composition or arrangement with its creditors;

(e) which has among its shareholders any shareholder who holds at least a ten percent share of the company or a director, who would be disqualified in terms subsection (1) (a) or (d).

90. Application for artisanal mining permit.
(1) A person who wishes to carry on artisanal mining activities shall apply to the Minister for an artisanal mining permit in a manner prescribed by regulations.

(2) An application for artisanal mining permit shall be made to the Minister in a manner prescribed by regulations and shall be accompanied by the prescribed fee.

(3) An application for an artisanal mining permit or a small scale mining lease shall-

(a) state the full name of the applicant and, in the case of a partnership or other
association of persons, the full names and nationalities of all such persons; and in
the case of a body corporate, the registered name of the body corporate and
particulars of its shareholders, if any;

(b) be accompanied, in case of a body corporate, by a certified copy of registration or
incorporation, memorandum and articles of association and board resolution, as
applicable;

(c) identify the mineral in respect of which the mining lease is sought;

(d) indicate the area in respect of which the mining lease is sought;

(e) be accompanied by a statement giving particulars of the nature of the mining
operations proposed to be carried out, the capital and technical experience available
to the applicant to conduct exploration and mining operations of the mineral
efficiently and effectively;

(f) be accompanied by a plan of the area over which the licence is sought drawn in a
manner prescribed by regulations;

(g) be accompanied by documentary evidence that consent to use the land for mining
purposes has been given to the applicant lawful occupants or owners of the land for
mining purposes;

(h) state the period applied for;

(i) give or be accompanied by a statement giving particulars of the programme of
proposed mining operations, including a statement of-

   (i) the likely effects of the proposed mining operations on the environment
   and on the local population and proposals for mitigation and compensation measures;

   (ii) any particular health and other risks that are likely to be involved in
   mining the minerals, particularly radioactive minerals, and proposals for
   their control or elimination;

   (iii) the proposed marketing arrangements for the sale of the mineral
   production; and

   (iv) set out any other matter which the applicant wishes the Minister to
   consider.

91. Grant of artisanal mining permit.
(1) Upon receipt of an application for an artisanal mining permit under section 90, the
Minister shall forward the application the accompanying documents to the Mineral Cadaster
Unit for review to verify that the application meets the requirements of this Act, regulations
made under this Act and any other applicable law and that the applicant has secured the
surface rights of the mining area applied for and make recommendations to the [Minister.
(2) The Mineral Cadaster Unit shall, after reviewing the application under subsection (1), make recommendations to the Minister whether to grant or reject an application.

(3) The Minister may, upon receipt of the recommendations of the Mineral Cadaster Unit under subsection (2)

(a) grant the artisanal mining permit applied for on such terms and conditions as the Minister may determine; or

(b) refuse to grant the artisanal mining lease.

(4) Where the Minister refuses to grant the artisanal mining permit under subsection (3) b), he or she shall inform the applicant, in writing, reasons for the refusal.

92. Size of area covered by artisanal mining permit.  
The area covered by an artisanal mining permit shall not exceed such area as shall be prescribed, and shall be demarcated by the applicant in such a manner as may be prescribed or as an authorised officer may, in the circumstances, consider appropriate.

93. Duration, renewal and revocation of artisanal mining permit.  
(1) Subject to subsections (2) and (3), an artisanal mining permit shall be valid for a period, not exceeding two years, renewable on application made to the Minister for such further periods not exceeding two years at a time subject to this Act.

(3) The Minister shall not renew an artisanal mining permit under subsection (1), where-

(a) the Minister is satisfied that the applicant has not carried on, in good faith, prospecting and mining in the licensed area and intends to continue doing so;

(b) the artisanal mining permit area has ceased to be an area declared for artisanal mining operations;

(c) in respect of any mineral which has ceased to be a mineral prescribed for artisanal mining operations;

(d) the applicant has not carried out effective rehabilitation and reclamation of the applicant’s mined out areas to the satisfaction of the Minister and the National Environment Management Authority or paid the prescribed fee;

(e) the applicant has not reported diligently on its mining operations; or

(f) the applicant is in default.

94. Cancellation of artisanal mining permit.  
(2) The Minister may revoke an artisanal mining permit if -

(a) the Minister is satisfied that, in the case of an individual, the holder of an artisanal mining permit has entered into an arrangement with a person who is not a citizen of Uganda, the effect of which is to transfer to that person the benefit of such permit;
(b) within a period of six months from the date the licence was granted or renewed no mining operations have commenced under the licence; or

(c) if the artisanal mining permit is not being worked to the satisfaction of the Minister.

95. Rights and duties of holder of an artisanal mining permit.
(1) Subject to this Act, any other applicable law and any condition an artisanal mining permit, the holder of an artisanal mining permit shall have the exclusive right to carry on exploration and mining operations in the area that is subject of the permit.

(2) The holder of an artisanal mining permit may, in the exercise of the right conferred under subsection (1), enter the licensed area and remove minerals from the area and dispose of the mineral in respect of which the licence was issued.

(3) The holder of an artisanal mining permit shall -

(a) carry on, in good faith, in the licensed area prospecting, exploration and mining operations;

(b) before beginning any prospecting, exploration or mining operations, subject to the provisions of any law relating to the acquisition of land titles obtain a land lease or other rights to use the land upon such as may be agreed upon by the artisanal permit holder and the land owner or lawful occupant;

(c) furnish the Minister with such information relating to the operations under the permit as the Minister may reasonably require;

(d) carry out promptly any directives relating to his or her prospecting, exploration or mining operations which may be given to him or her by the Minister or an authorised officer for the purpose of ensuring safety or good mining practices;

(e) before beginning or ceasing any prospecting, exploration or mining operations, notify the appropriate local authority and an authorised officer of his or her intention to begin or cease any such prospecting or mining operations;

(f) carry out rehabilitation and reclamation of mined out areas;

(g) submit to the Minister monthly returns of his or her operations not later than fourteen days after the preceding month;

(h) sell the minerals obtained in the artisanal mining permit area in a manner prescribed by regulations;

(i) carry out rehabilitation and reclamation of mined out areas;

(j) keep accurate records of winnings from the artisanal mining permit area and such records shall be produced for inspection on demand by authorised officers; and
(k) submit reports prescribed by regulations.

(3) The relevant local government shall ensure that the artisanal miners concerned abide by the measures for health, safety and environmental protection prescribed by regulations.

(4) The Directorate shall provide technical assistance and training to artisanal miners as regards artisanal mining and prospecting for precious and semi-precious materials, health and safety measures for mines, environmental protection, as well as on procedures to be followed in order to obtain artisanal mining permits.

(5) The Directorate shall carry out any operation which is for the purpose of collecting the required information to control artisanal mining activities.

(6) An artisanal mining permit relating to mining materials does not confer on the holder any particular right to obtain a subsequent mineral right.

96. Operations of holder of an artisanal mining permit.
(1) A holder of an artisanal mining permit shall explore for, mine and produce minerals in an effective and efficient method.

(2) Every holder of an artisanal mining permit shall carry out their work in compliance with the National Environment Act, 2019, the Occupational Safety and Health Act, 2006 and any other applicable laws.

(3) The Minister may by regulations prescribe measures for the protection, health and safety of artisanal mining operations.

97. Sale of minerals.
The sale of minerals won by an artisanal miner shall be sold to a holder of a mineral dealer’s licence or subject to provisions under this Act.

PART V - LICENSING OF BUILDING SUBSTANCES EXPLOITED FOR COMMERCIAL PURPOSES

98. Purpose of Part.
(1) The purpose of this Part is to provide for regulation, in accordance with article 244 (6) of the Constitution, of substances excluded from the definition of minerals under article 244(4) exploited for commercial purposes, herein after referred to as building substances.

(2) For purposes of this Part, “building substance” means non-metallic or non-fuel mineral that may be mined, beneficiated and utilized or consumed principally in Uganda and includes clay, murram, sand or any stone commonly used for construction or similar purposes or such other substances as the Minister may declare, by notice in the Gazette, to be a building substance.

(1) The entire property in and control of building substances exploited for commercial purposes, on or under, any land or waters in Uganda are and shall be vested in the Government, notwithstanding any right of ownership of or by any person in relation to any land in, on or under which any such building substances are found.
(2) For the avoidance of doubt, the Government of Uganda shall hold building substances exploited for commercial purposes on behalf of and for the benefit of the people of Uganda.

100. Acquisition of right to exploit building substances for commercial purposes.
(1) Subject to the provisions of this Act, a person may acquire the right to prospect, explore, mine, retain, process and dispose of any building substance for commercial purposes in Uganda by acquiring such right under and in accordance with the provisions of this Act.

(2) A person shall not prospect, explore, mine, retain, processor dispose of any building substance for commercial purposes in Uganda without a licence issued by the Minister.

(3) Any person who contravenes subsection (2) commits an offence and is liable on conviction -

(a) in case of an individual Ugandan citizen, to a fine not exceeding ten thousand currency points or imprisonment not exceeding three years or both;

(b) in case of an individual who is a non-citizen, to a fine not exceeding fifty thousand currency points or imprisonment not exceeding seven years or both; and

(c) if a body corporate, to a fine not exceeding one hundred thousand currency points.

(4) Where a person is convicted of an offence under subsection (3), the court before which such person is convicted may –

(a) order the forfeiture of all building substances unlawfully obtained by such person;

(b) and in the event that the building substances cannot for any reason be forfeited, order the forfeiture of such sums of money as the court shall assess as the reasonable value of the building substances; and any building substances or their value so forfeited shall become the property of the Government and shall be disposed of as the Minister may direct.

101. Restriction on acquisition of licence for building substance.
(1) No rights to prospect, explore or mine building substances shall be granted to or held by -

(a) an individual who -

(i) is not a citizen of Uganda;

(ii) is under the age of 18 years;

(iii) is or becomes an undischarged bankrupt, as a result of having been adjudged or otherwise declared bankrupt under any written law; or

(b) a company –

(i) which has not been incorporated under the Companies Act, 2012; or
(ii) which is in liquidation, except where the liquidation is part of a scheme for the reconstruction or amalgamation of such company.

(2) For avoidance of doubt, except for an artisan mining licence, the prospecting, exploration and mining of building substances for commercial purposes, under this Act shall only be granted to a company incorporated under the Companies Act, 2012.

102. Minimum investment threshold.
(1) The Minister shall, by regulations prescribe the minimum threshold for large scale, small scale and artisanal investment in building.

(2) The “minimum investment threshold” for small scale and artisanal investment in building substances shall be as prescribed under subsection (1).

Large Scale Investment in Exploitation of Building Substances

103. Application for a licence to prospect, explore or mine building substances in large scale operations.
(1) An application for a prospecting, exploration or mining licence for building substances exploited for commercial purposes shall be made to the Minister in manner prescribed by regulations.

(2) An application for a licence under subsection (1), shall contain particulars under sections 37, 43, 61, 76 or 87, as applicable.

(3) Subject to subsection (1), the Minister shall consider the competing bids and shall select the bid which is most likely to promote the expeditious and beneficial development of the building substances resources of the area, having regard to-

(a) the program of exploration or mining operations which the applicant proposes to carry out and the commitments as regards expenditure which the applicant is prepared to make;

(b) the financial and technical resources of the applicant;

(c) the investment commitment for the program of exploration or mining, as applicable; and

(d) the previous experience of the applicant in the conduct of exploration or mining operations.

104. General rules for large scale investment of building substances
No person shall prospect for or remove, mine, conduct, technical co-operation operations, prospecting operations, explore for and produce any building substance exploited for commercial purposes or commence with any work incidental thereto on any area without –

(a) a certificate of environmental and social assessment certificate issued under the National Environment Act, 2019;
(b) a mining lease, prospecting licence or an exploration licence, as the case may be; and
(c) obtaining surface rights from the land owner, after due compensation.

105. Obligations of holder a licence for large scale investment of building substances.
A holder of a licence for building substances in large scale operations shall-

(a) commence work within three months of the date on which the licence was issued;

(b) pay the annual surface area fees per square relating to their title in accordance with this Act;

(c) commence with exploration or mining activities within three months from the date on which the licence becomes effective or such an extended period as the Minister may authorize;

(a) continuously and actively conduct exploration or mining operations in accordance with the exploration or mining work program;

(b) comply with the terms and conditions of the exploration licence or mining lease, relevant provisions of this Act and any other relevant law;

(c) comply with the requirements of the approved environmental management programme;

(d) pay the prescribed exploration fees; and

(e) pay the state royalties in respect of any building substance removed and disposed of during the course of exploration or mining operations in accordance with this Act.

106. Permission to remove and dispose of building substances for analysis.
(1) Subject to subsection (2), the holder of an exploration licence may remove and dispose for his or her own account any building substance found by such holder in the course of exploration operations conducted subject to such exploration licence in such quantities as may be required to conduct tests on it or to identify or analyse it.

(2) The holder of an exploration licence shall obtain the written permission of the to remove and dispose samples of any other building substance under subsection (2).

Small Scale Licence for Building Substances

107. Small scale licence for building substances.
(1) A small scale licence for building substances, shall be granted under the system “first come, first served” in accordance with this Act.

(2) An application for a small scale licence for building substances shall be made to the Minister in a manner prescribed by regulations.

(3) An application under subsection (1) and (2) shall contain-
(a) identification of the applicant and its shareholders, if the applicant is an entity, including final beneficiaries of the entity;

(b) description of the area applied for including a map and coordinates;

(c) building substance for which the licence is requested;

(d) the period for which the licence is requested, which shall be no more than three years; and

(e) the proposed programs of work, including –

   (i) details of the building substance deposit;
   
   (ii) estimated date by which applicant intends to start the exploration and exploitation phases;
   
   (iii) estimated capacity of production and scale of operations;
   
   (iv) characteristics of substance; and
   
   (v) envisaged marketing arrangements for sale of substance.

(4) An application for a licence relating to-

(a) any area in respect of which consent is required under any written law shall be accompanied by evidence that such consent has been obtained;

(b) land of which the applicant is not the owner shall be accompanied by evidence that the consent of the owner, or, in the case of tribal territory, the consent of the appropriate body, has been obtained;

(c) a prospecting licence, retention licence or mining lease or part thereof, shall be accompanied by evidence that the consent of the holder of the prospecting licence, retention licence or mining licence has been given, unless such holder will not be prejudiced by the issue of a licence under this section.

(5) The Minister shall not grant a licence under this section where-

(a) the applicant is or was in default in respect of any other acquired licence and has failed to rectify such default;

(b) the area for which application has been made or part of it covers or includes an area which is-

   (i) subject to another mineral right, licence or permit;

   (ii) an area which the Minister has approved in writing as a source of building materials for the construction of tunnels, roads, dams, aerodromes and similar public works;
(iii) an area designated by the Minister as an area in respect of which applications for the grant of the building substance right have been, or will be invited by tender;

(iv) the area requested overlaps totally or partially with an environment protected area.

108. Area of small scale licence for building substance.
(1) A small scale licence building substances project shall cover an area of no more than 0,5 km2, as determined by the Minister for small scale licence for artisanal mining permit.

(2) The holder of a small scale licence for building substances shall, within three months from the date of issue of the licence, secure the area covered by such licence.

109. Obligations of holders of small scale licence for building substances.
(1) The holder of a small scale licence for building substances shall—

(a) carry on in good faith, in the licensed area, exploration or mining operations;

(b) furnish the Minister government with such information relating to its exploration or mining operations in a manner prescribed by regulations;

(c) carry out promptly any directives relating to its exploration or mining operations which may be given to the holder by the relevant local government for the purposes of ensuring safety or good mining practices;

(d) before beginning or ceasing any exploration or mining operations notify the appropriate local government authority or local authority and an authorized officer, of the intention to begin or cease exploration or mining, as the case may be;

(e) sell the building substance obtained in the mining area in a manner prescribed by regulations;

(f) keep accurate records of winnings from the mining area and such records shall be produced for inspection on demand by the Minister or an authorised officer;

(g) carry out rehabilitation and reclamation of mined areas in accordance with the National Environment Act, 2019;

(h) perform the operations applying health and safety standards for its workers; and

(i) report to the government—

   (i) annual production;

   (ii) annual income.
Artisanal permit for Building Substances

110. Artisanal permit for building substances.
(1) A artisanal permit for building substances, shall be granted under the system “first come, first served” in accordance with this Act.

(2) An application for an artisanal permit for building substances shall be made to the relevant local government in a manner prescribed by regulations.

(3) An application under subsection (1) and (2) shall contain-

(f) identification of the applicant and its shareholders, if the applicant is an entity, including final beneficiaries of the entity;

(g) description of the area applied for including a map and coordinates;

(h) building substance for which the permit is requested;

(i) the period for which the permit is requested, which shall be no more than three years; and

(j) the proposed programs of work, including –

(vi) details of the building substance deposit;

(vii) estimated date by which applicant intends to start the exploration and exploitation phases;

(viii) estimated capacity of production and scale of operations;

(ix) characteristics of substance; and

(x) envisaged marketing arrangements for sale of substance.

(4) An application for a permit relating to-

(d) any area in respect of which consent is required under any written law shall be accompanied by evidence that such consent has been obtained;

(e) land of which the applicant is not the owner shall be accompanied by evidence that the consent of the owner, or, in the case of tribal territory, the consent of the appropriate body, has been obtained;

(f) a prospecting permit, retention permit or mining lease or part thereof, shall be accompanied by evidence that the consent of the holder of the prospecting permit, retention permit or mining permit has been given, unless such holder will not be prejudiced by the issue of a permit under this section.

(5) The local government shall not grant a permit under this section where-

(c) the applicant is or was in default in respect of any other acquired permit and has failed to rectify such default;
(d) the area for which application has been made or part of it covers or includes an area which is-

(i) subject to another mineral right, permit or permit;

(ii) an area which the local government has approved in writing as a source of building materials for the construction of tunnels, roads, dams, aerodromes and similar public works;

(iii) an area designated by the local government as an area in respect of which applications for the grant of the building substance right have been, or will be invited by tender;

(iv) the area requested overlaps totally or partially with an environment protected area.

111. Area of artisanal permit for building substance.
(1) A artisanal permit building substances project shall cover an area of no more than 0.5 km², as determined by the local government for artisanal permit for artisanal mining permit.

(2) The holder of an artisanal permit for building substances shall, within three months from the date of issue of the permit, secure the area covered by such permit.

112. Obligations of holders of artisanal permit for building substances.
(1) The holder of an artisanal permit for building substances shall—

(j) carry on in good faith, in the licensed area, exploration or mining operations;

(k) furnish the local government with such information relating to its exploration or mining operations in a manner prescribed by regulations;

(l) carry out promptly any directives relating to its exploration or mining operations which may be given to the holder by the relevant local government for the purposes of ensuring safety or good mining practices;

(m) before beginning or ceasing any exploration or mining operations notify the appropriate local government authority or local authority and an authorized officer, of the intention to begin or cease exploration or mining, as the case may be;

(n) sell the building substance obtained in the mining area in a manner prescribed by regulations;

(o) keep accurate records of winnings from the mining area and such records shall be produced for inspection on demand by the Local government or an authorised officer;

(p) carry out rehabilitation and reclamation of mined areas in accordance with the National Environment Act, 2019;
(q) perform the operations applying health and safety standards for its workers; and

(r) report to the government-
   (iii) annual production;
   (iv) annual income.

General Provisions Relating to Building Substances.

113. Information and data in respect operations relating to building substances.
(1) The holder licence or permit under this Part shall-

   (a) keep proper records, at the registered office or place of business, of exploration operations and the results and expenditure connected therewith, as well as borehole data and core-log data, where appropriate; and

   (b) submit progress reports and data, in the prescribed manner and at the prescribed intervals, to the Minister or relevant local government regarding the exploration operations.

(2) No person may dispose of or destroy any record, borehole data or core-log data contemplated in subsection (1)(a) except in accordance with written approval and directions of the Minister.

114. Operations of licence holders under this Part.
A person licensed under this Part shall observe good mining practices, health and safety rules and pay due regard to the protection of the environment during mining operations.

115. Rights of holder of for building substances.
(1) A holder of any licence or permit for building substance, regardless of the size of the operation, shall have the following rights-

   (a) to enter the area of licence or permit;

   (b) to hold the exclusive right to explore for building substances, as specified in its licence;

   (c) to be protected from disturbance generated from third parties;

   (d) to explore the building substance, it finds in accordance with this Act, regulations made under this Act and any other applicable law;

   (e) to freely dispose the building substance obtained during the exploration phase, with the purpose of geological essays;

   (f) to transfer, mortgage or pledge the licence in accordance with this Act.
116. Renewal of licence for building substances.

(1) Subject to subsection (2), a holder of a licence or permit for building substances shall be valid for a period not exceeding three years, renewable for further periods not exceeding two years at a time.

(2) An application for renewal of a licence or permit under subsection (1) shall be in a manner prescribed by regulations.

(3) The application for renewal shall contain-

(a) a description of the area applied for including a map and coordinates;

(b) particulars of the minerals for which the permit is sought;

(c) the period for which the licence or permit is sought;

(d) the proposed programs of work, including –

(i) details of the building substance deposit;

(ii) estimated date by which applicant intends to work for profit;

(iii) estimated capacity of production and scale of operations, nature of product;

(iv) envisaged marketing arrangements for sale of the building substance;

(v) brief environmental impact and social impact assessment study; and

(vi) brief mine closure plan.

(4) Subject to subsection (1), a licence for building substance shall not be renewed -

(a) if the licence or permit area has ceased to be an area declared for building substance mining operations;

(b) if in respect of any building substance which has ceased to be a building substance prescribed in the licence or permit;

(c) unless the local authority is satisfied that the applicant has carried on, in good faith, mining operations in the artisanal mining permit area and intends to continue doing so;

(d) if the applicant has not carried out effective rehabilitation and reclamation of the applicant’s mined out areas to the satisfaction of the Minister and the National Environment Management Authority;

(e) if the applicant has not reported diligently on its mining operations; or

(f) if the applicant is in default and the Minister has not prepared waived the default.
117. Suspension or termination of licence or permit for building substances.
(1) Subject to this Act, the Minister or local government, as applicable may suspend or terminate a licence or permit for building substances if the holder-

(a) fails to submit the reports required under this Act;

(b) submits inaccurate reports;

(c) at any time does not meet local shareholding requirement;

(d) at any time fails to comply with the approved development impact plan.

(2) A licence or permit shall not be terminated unless the holder is given an opportunity to remedy the breach within a period specified by the Minister or local government and fails to do so or where the breach is not remediable.

PART VI – VALUE ADDITION AND BENEFICIATION OF MINERALS

118. General prohibition.
(1) A person shall not process, smelt, refine, fabricate, cut, blast, polish, store, transport or trade in minerals or otherwise deal in or possess commercial quantities of minerals without a licence issued by the Minister under this Act.

(2) For purposes of this Part “commercial quantities” of minerals means quantities of minerals that are sold or are destined for sale by an individual or entity to a third party for use in processing, smelting, refining, fabricating, cutting, blasting, polishing, storing, transporting and trading, construction, fortification, renovation, decoration or related project of any kind.

(3) For the avoidance of doubt, quantities of minerals intended for personal or domestic use are excluded from the definition of commercial quantities of minerals under subsection (2).

119. Institutional framework for beneficiation.
(1) The Minister may licence integrated projects to mine, process, smelt, refine, fabricate, cut, blast, polish, store, transport and trade minerals.

(2) Notwithstanding subsection (1), the Minister may issue an independent licence for processing, smelting, refining, fabricating, cutting, blasting, polishing, storage, transportation of minerals or trade in minerals.

(3) The Minister may, by regulations prescribe requirements for processing, gemstone cutting and polishing, mineral storage and blasting facilities, trade and transport activities.

120. Eligibility for licence under this Part.
(1) A person who intends to smelt, refine, fabricate, cut, blast, polish, store, transport, trade, construct and operate a mineral processing facility shall apply to the Minister for a licence in a manner prescribed by regulations.

(2) The following persons are eligible to apply for a mineral processing facility licence-
(a) an individual -
   (i) who is at least 18 years of age; and
   (ii) who is a citizen of Uganda and whose principle residence is in Uganda.

(b) an entity registered or incorporated under the Companies Act, 2012 or any other applicable law.

(3) The following persons shall not be eligible for licence for a processing facility-

   (a) a person who is bankrupt or subject to bankruptcy, receivership or reorganization or liquidation proceedings;

   (b) a person whose licence under any of the activities provided for in this Act has been revoked within the past five years;

   (c) a person who has been convicted of an offence involving of fraud, money laundering or corrupt activities;

   (d) a person engaged in activities other than processing, trade and transport of minerals and associated activities;

   (e) a member of staff of the Directorate or local government; or

   (f) a person holding an elective office or any other political office.

(4) For the avoidance of doubt, a holder of a mining lease is not required to obtain a separate licence for value addition.

**Licensing of Mineral Processing**

121. Application requirements for mineral processing.

(1) An application for a mineral processing licence shall be made to the Minister in a manner prescribed in regulations.

(2) An application under subsection (1) shall contain information pertaining to-

   (a) the type of minerals to be processed;

   (b) financial and technical capacity of the applicant;

   (c) proof of appropriate technology and technical expertise;

   (d) a plan for the beneficiation facility as prescribed in the regulations;

   (a) a certificate of approval of environmental and social assessment issued under the National Environment Act, 2019;
(b) a statement of the applicant’s knowledge and experience in minerals beneficiation;

(c) proof of compliance with the requirements of the National Environment Authority, 2019;

(e) tax clearance from the Uganda Revenue Authority; and

(f) clearance from the Financial Intelligence Authority.

(3) The Minister may, upon application and proof that the applicant is in possession of or commands sufficient working capital to ensure the carrying on of his or her business satisfactorily, issue to such person a processing licence upon payment of prescribed fee.

(4) The Minister may grant a mineral processing licence-

(a) where the applicant demonstrates to the reasonable satisfaction of the Minister that the applicant is capable technically and financially to develop and operate the proposed processing plant in an economically viable manner; and

(b) the applicant has paid the prescribed fee.

(5) For avoidance of doubt, the Minister shall not grant a licence to an applicant under this section without a certificate of approval of environmental and social assessment certificate issued by the National Environment Authority.

(6) Where the Minister rejects an application under this section, he or she shall give reasons for the refusal.

(7) A mineral processing licence shall be granted for fifteen years, renewable for ten years at a time.

(8) For purposes of this section-

(a) “processing” includes beneficiation and leaching;

(b) “mineral beneficiation” includes processes of crushing and grinding, screening and classification, and concentration.

Mineral Smelting Licence.

122. Application for a smelting licence

(1) An application for a mineral smelting licence shall be made to the Minister in a manner prescribed by regulations.

(2) An application for a mineral smelting licence shall contain -

(a) legal status of the applicant including, if a corporate body the memorandum and articles of association, certificate of incorporation and registered address;

(b) a plan for the beneficiation facility as prescribed in the regulations;

(c) proof of appropriate technology;
(d) a financial and technical capacity;

(e) an environment management plan;

(f) a certificate of approval of environmental and social assessment issued under the National Environment Act, 2019;

(g) a smelt plant layout;

(h) a waste management plan in accordance with the National Environment Act, 2019;

(i) a compensation, relocation and resettlement plan, if there will be land acquisition for setting up a processing plant;

(j) a statement of the applicant’s knowledge and experience in minerals smelting;

(k) proof of compliance with the requirements of the National Environment Authority, 2019.

(l) proof of surface rights;

(m) tax clearance from the Uganda Revenue Authority; and

(n) clearance from the Financial Intelligence Authority

(o) proof of payment of prescribed fees; or

(p) such other documents and information as may be required by the licensing authority.

(3) The Minister may issue a smelting licence for a period not exceeding fifteen years and the holder of the licence may renew it for a further period of ten years at a time.

123. Rights of holder of smelting licence.
A holder of a smelting licence has the right to-

(a) carry on smelting operations in the specified area;

(b) acquire, dispose or possess the minerals specified in the licence and carry on business as a mineral dealer licence holder;

(c) export minerals specified in the licence; and

(d) erect the necessary equipment, plant and infrastructure for the purposes of operations and the transporting, dressing or treating of the minerals in his possession.

124. Obligations of holder of smelting licence.
(1) A holder of a smelting licence shall-
(a) employ and train Ugandan citizens;

(b) submit to the Minister for approval a plan for the procurement of goods and services available in Uganda;

(c) stack or dump any mineral or waste products in accordance with the National Environment Act, 2019;

(d) keep a sign board with the words “holder of smelting licence, and also display the licence in the place of business;

(e) keep a register in respect of each relevant mineral and mineral products;

(f) submit to the Minister quarterly reports in a manner prescribed by regulations;

(g) carryout any other activity as may be required by the Minister.

Refining Licence

125. Application for a mineral refining licence.
(1) An application for a mineral refining licence shall be made to the Minister in a manner prescribed by regulations upon payment of prescribed fees.

(2) An application for a mineral refining licence shall contain -

(a) legal status of the applicant including, if a corporate body the memorandum and articles of association, certificate of incorporation and registered address;

(b) a plan for the refining facility as prescribed in the regulations;

(c) proof of appropriate refining technology;

(d) a financial and technical capacity of the applicant;

(e) an environment management plan;

(f) a certificate of approval of environmental and social assessment issued under the National Environment Act, 2019;

(g) a refinery plant layout;

(h) a waste management plan in accordance with the National Environment Act, 2019;

(i) a compensation, relocation and resettlement plan, if there will be land acquisition for setting up a refinery plant;

(j) a statement of the applicant’s knowledge and experience in minerals smelting;

(k) proof of compliance with the requirements of the National Environment Authority, 2019;
(l) proof of surface rights;
(m) tax clearance from the Uganda Revenue Authority;
(n) clearance from the Financial Intelligence Authority;
(o) proof of payment of prescribed fees; and
(p) such other documents and information as may be required by the licensing authority.

(3) The Minister may issue a mineral refining licence for a period not exceeding fifteen years and the holder of the licence may renew it for a further period of ten years at a time.

(4) A holder of a mineral refining licence shall not use a refining facility for which a licence has been granted, for refining of any other mineral other than the mineral authorised by the licence.

(5) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding one hundred thousand currency points or imprisonment not exceeding ten years or both.

126. Rights of holder of mineral refining licence.
A holder of a smelting licence has the right to-

(a) carry on refining operations in accordance with this Act and the licence;

(b) acquire, dispose or possess the minerals specified in the licence and carry on business as a mineral dealer licence holder;

(c) export minerals specified in the licence; and

(d) erect the necessary equipment, plant and infrastructure for the purposes of operations and the transporting, dressing or treating of the minerals in his possession.

127. Obligations of holder of a mineral refining licence.
(1) A holder of a mineral refining licence shall-

(a) employ and train citizens of Uganda and implement succession plans for expatriate employees in accordance with the Ugandan labour laws;

(b) utilize an implementation plan for the procurement of goods and services available in Uganda;

(c) stack or dump any mineral or waste products in accordance with the National Environment Act, 2019;
(d) keep a sign board with the words “holder of refining licence, and also display the licence in the place of business;

(e) keep a register in respect of each relevant mineral and mineral products refined;

(f) submit to the Minister quarterly reports;

(g) carry out any other activity as may be required by the Minister or prescribed by regulations.

General Provisions Relating to Mineral Processing, Smelting and Refining Licence

128. Transfer or lease of licence.
(1) A holder of a mineral processing, smelting or refining licence shall not without the approval in writing of the Minister-

(a) transfer or lease his or her licence or his or her works or any interest in the licence or part of a licence;

(b) enter into any agreement for-

(i) the amalgamation of his or her licence with any other person; or

(ii) the operation of his or her works by any other person or corporation;

(c) mortgage or otherwise create a charge in any interest in the licence.

(2) A holder of a licence under subsection (1), may apply to the Minister, in a manner prescribed by regulations, for the transfer of a licence and shall fulfil any other financial obligations under the laws of Uganda.

(3) The Minister shall, before approving a transfer under this section, satisfy himself or herself of the legal and technical capacity, competence and financial strength of the person to whom the licence is to be transferred.

(4) Subject to subsections (2) and (3), the Minister shall not unreasonably withhold consent to an application to transfer a licence unless he or she has reason to believe that the public interest or safety is likely to be prejudiced by the transfer.

(5) This section applies to any other direct or indirect transfer of interest or participation in the licence, including, inter alia, assignment of shareholdings and other ownership shares which may provide decisive control of a licensee possessing a participating interest in a licence.

(6) The transfer of a group of licence holders’ right of ownership to fixed facilities is subject to the approval of the Minister.

(7) Subsection (6) applies to the mortgaging of a facility which, in accordance with a licence under this Act, is subject to private property rights.
(8) In this section—

(a) “transfer of licence” includes the acquisition of control by the person to whom a licence under this Part is transferred; and

(b) “control” in relation to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management by that person, whether through the ownership of shares, voting, securities, partnership or other ownership or participation interests, agreements or otherwise.

129. Work practices for licensees.
(1) A holder of a processing, smelting or refining licence shall carry out its operations in a proper and safe manner and in accordance with the requirements of this Act, regulations made under this Act or any other applicable law, regulations and conditions stipulated by competent authorities and best mining industry practices.

(2) Notwithstanding the general effect of subsection (1), a holder of a licence refining, smelting or processing licence shall take all reasonable steps necessary to secure the safety, health and welfare of personnel engaged in its operations including—

(a) controlling the flow and preventing the waste, emission or discharge of mineral commodities or mineral products into the environment in accordance with the National Environment Act, 2019;

(b) preventing the escape of any mixture of water, chemical or any other matter;

(c) preventing the pollution of any water well, spring, stream, river or lake by the escape of mineral commodities or mineral products, chemicals or any other waste products, discharges or effluent;

(d) where pollution occurs, treating or discharging the pollutant in an environmentally acceptable manner; and

(e) submitting to the Minister, before any processing, smelting or refinery operation, a detailed report on the technique and method to be employed, an estimate of the time to be taken, the material to be used and the safety measures to be employed.

130. Prohibition of processing, smelting or refining of unauthorised substance.
(1) A holder of a processing, smelting or refining licence shall not use a facility for which a licence has been granted, for processing, smelting or refining of any other mineral other than the mineral authorised by the licence.

(2) On application and upon payment of prescribed fee by holder of a processing, smelting or refining licence to use the licensed facility for the processing, smelting or refining of a mineral other than the mineral authorised in the licence, the Minister may—

(a) amend the licence; or
(b) cancel the licence and issue a new licence subject to any terms and conditions the Minister may prescribe.

(3) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding one hundred thousand currency points or imprisonment not exceeding ten years or both.

131. Notice to cease operation.
(1) Where a facility is being operated in contravention of this Act, the Minister may, by notice served on the holder of the processing, smelting or refining licence, direct the operator to take, within a reasonable time limited by the notice, all necessary steps to cease operations, and to dismantle, to the satisfaction of the Minister any plant and equipment used for the purposes of the processing, smelting or refining operations.

(2) Where a direction given under this section is not complied with, the Minister shall cause the mineral protection force, a mining inspector or an authorised person to enter into the premises where the processing, smelting or refining operations is being operated and cause the direction to be carried out.

132. Surrender of licence.
(1) A holder of a processing, smelting or refining licence may, during the period of the licence, after giving three months, notice to the Minister, surrender a licence in its entirety.

(2) The Minister shall require the holder of a processing, smelting or refining licence under subsection (1), to undertake obligation of the licence and terms and conditions stipulated in the licence including decommissioning and disposal costs to be fulfilled up to the time of surrender.

133. Suspension or cancellation of a licence.
(1) Where a holder of a processing, smelting or refining licence is in default, the Minister may, by notice in writing served on the holder of the licence, suspend or cancel the licence.

(2) For the purposes of subsection (1), the holder of a processing, smelting or refining licence shall not be treated as in default unless the Minister has served on the licence holder, a notice in writing giving the particulars of any default complained of, and the licensee has not within a reasonable time specified in the notice remedied the default, or where the default cannot be remedied, offered to the Minister in respect of the default adequate compensation.

(3) The Minister shall cancel a licence of a holder of a processing, smelting or refining licence-

- if the licence holder is adjudged bankrupt or enters into any agreement or scheme of composition with his or her creditors or takes advantage of any law for the benefit of debtors; or

- where the licence holder is a body corporate, an order is made or a resolution is passed winding up the affairs of the body corporate, except where the winding up is for the purpose of-

  - (i) amalgamation and the Minister has consented to the amalgamation; or
(ii) reconstruction and the Minister has been given notice of the reconstruction;

(c) the licensee has failed to comply with the National Environment Act, 2019, the Occupational Safety and Health Act, 2006 and any other applicable law; or

(d) where it is in the public interest to do so.

(4) Where a processing, smelting or refining licence is held by two or more persons, the Minister shall not cancel the licence under subsection (3), where one of the licence holders satisfies the Minister that he or she is willing and is able to carry out the duties and obligations under the licence.

(5) Where a holder of a processing, smelting or refining licence is a body corporate or where a body corporate is among the persons who together constitute the licence holder, and the body corporate either-

(a) registers the transfer of any equity share or shares in the body corporate to any person or his or her nominee; or

(b) enters into an agreement, arrangement, or understanding, whether or not having legal or equitable force with any person, and the effect of doing so is to give to that person, or any other person, control of the body corporate, the Minister, may, if he or she considers that the public interest would be prejudiced by the change of control, serve a written notice on the licensee stating that the Minister proposes to cancel the licence under this section unless a change in the control of the body corporate as is specified in the notice takes place within a period of three months beginning with the date of service of the notice.

(6) Where the change specified in the notice served by the Minister under subsection (5) does not take place within three months, the Minister may cancel the licence.

(7) For the purposes of this section-

(a) a person is deemed to have control of a body corporate-

(i) if the person or his or her nominee holds a total of five percent or more of the issued equity shares in the body corporate;

(ii) if the person is entitled to appoint, or prevent the appointment of half, or more than half, of the directors of the body corporate; or

(iii) if the person is entitled to exercise, or control the exercise of, the right to cast votes in respect of not less than two fifths of the total number of votes in respect of issued equity shares in the body corporate;

(b) “equity shares in relation to a body corporate” means shares in the body corporate carrying voting rights in all circumstances at a general meeting of the body corporate,
and includes preference shares, other than preference shares which do not have voting rights;

(c) “preference shares” means shares which carry the right to payment of a dividend of a fixed amount, or not exceeding a fixed amount, in priority to payment of the dividend on another class or other classes of shares, whether with or without other rights; and

(d) the reference in paragraph (a)(iii) to the entitlement to control the exercise of the right to cast votes shall be read as including an entitlement to control the exercise of that right directly or indirectly, and includes control that is exercisable as a result of or by means of trusts.

134. Consequences of cancellation, surrender of rights or lapse for other reasons.

(1) On the cancellation of a mineral processing, smelting or refining licence under section 133, the rights of the licence holder under the licence shall cease, but the cancellation shall not affect any liability incurred before the cancellation, and any legal proceedings that might have been commenced or continued against the former holder of the licence may be commenced or continued against him or her.

(2) Revocation of a licence, surrender of rights or lapse of rights for other reasons do not discharge the licensee from the financial obligations under this Act, regulations issued under this Act or any other law in Uganda or specific conditions attached to the licence.

(3) Where a condition of the licence, which may include decommissioning and disposal costs has not been fulfilled, the licensee shall pay the amount which fulfilment of such condition would have cost the licensee if the condition had been fulfilled.

(4) The amount payable under subsection (2) shall be prescribed in the agreement made under section 30.

135. Formation of cartels and monopolies.

(1) The Minister shall take the necessary measures to prevent the formation of cartels, monopolies and unfair competition in processing, smelting and refinery operations.

(2) A person or an agent of that person shall not form a cartel in the operations of value addition and beneficiation of minerals.

(3) A person shall not gain, hold or secure a monopoly of a business or commercial activity within the processing, smelting or refinery operations.

(4) A person or agent of that person shall not indulge in or assist in cartelisation in the processing, smelting or refinery operations.

(5) A person who commits an offence under this section is liable on conviction to a fine not exceeding five hundred thousand currency points or imprisonment not exceeding ten years or both.
(6) For the purposes of this section, “cartelisation” means an agreement or a combination of or a concerted action by operators of processing, smelting or refinery facilities or their agents to-

(a) fix prices, tariffs, levies or charges;

(b) restrict output;

(c) divide markets either by commodity or by area; or

(d) allocate markets either by commodity or by area to restrain free competition and contractual stipulation that prescribes pricing levels and margins at variance with the mechanisms approved by the Minister.

A holder of a licence to operate a processing, smelting or refinery facility shall-

(a) convert mineral as the case may be into a final product for sale without discrimination to authorised persons;

(b) produce a product that meets the set standards and specifications on the market; and

(c) obtain approval of the Minister for charges of services rendered.

PART VII - BUYING, SELLING AND DEALING IN MINERALS

Mineral Dealer’s Licence

137. Persons authorised to buy or sell minerals.
(1) No person shall buy or sell, either as principal or agent, any minerals or tailings unless he or she is a licensed mineral dealer under this Act.

(2) A licensed mineral dealer may only buy minerals in the course of his or her business from a person who acquired his or her minerals lawfully or in accordance with this Act or regulations made under this Act.

(3) Notwithstanding subsection (1), the holder of a mineral right may sell any minerals acquired by him or her under this Act without obtaining a mineral dealer’s licence.

138. Application for mineral dealer’s licence.
(1) An application for a mineral dealer’s licence shall be made to the Minister in a manner prescribed by regulation.

(2) An application for a mineral dealer’s licence shall contain information pertaining to-

(a) the type of minerals to be traded;

(b) storage facilities for the minerals;

(c) office location; and

(d) financial and technical resources available.
(5) The Minister may, upon application and proof that the applicant is in possession of or commands sufficient working capital to ensure the carrying on of his or her business satisfactorily, issue to such person a mineral trader or dealer's licence on payment of the prescribed fee.

(6) Every mineral dealer's licence shall expire on 31st December in the year in which the licence is granted.

(7) The Minister may refuse to issue a mineral dealer's licence or may revoke such licence, provided a notice of particulars of the grounds for the intended refusal or intended revocation has been given to the applicant.

(8) Export of samples for analysis by a non licence holders shall be subject to payment of the prescribed fee.

139. Liability of mineral dealers for royalties.

Every holder of a mineral dealer's licence shall be liable for the due payment of all royalties due on any minerals bought, received or exported by the holder in accordance with this Act and shall give the Minister such security as may be prescribed for the due payment of all such royalties.

140. Records to be kept by mineral dealers.

(1) Every holder of a mineral dealer's licence shall keep a register showing -

(a) all purchases and sales of minerals made by the holder and the nature and weight of the minerals;

(b) the price paid or received for the minerals and the date of each purchase or sale;

(c) the name and address of the vendor and his or her right to be in possession of such minerals;

(d) the name and address of the purchaser or consignee to whom the minerals are sold or consigned; and shall –

(i) cause every transaction to be recorded in the register within twenty-four hours of being made; and

(ii) produce and exhibit the register to the Minister, an authorised officer or any police officer not below the rank of Assistant Superintendent of Police, whenever so required.

(2) Every holder of a mineral dealer's licence shall submit to the Minister quarterly, a copy of the record referred to in subsection (1) for the preceding three months, together with a declaration that the record is correct.

(3) A holder of a mineral dealer’s licence who fails to comply with contravenes this section commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.
No person shall buy or sell, either as principal or agent, any minerals unless he or she is a licensed mineral dealer under this Act.

**Mineral Storage Licence**

**141. Persons authorised to store minerals.**
(1) No person shall store any minerals unless he or she is licensed to store or deal in minerals under this Act.

(2) A person licensed to store minerals under this Act may only store minerals in the course of his or her business from a person who acquired his or her minerals lawfully or in accordance with this Act or regulations made under this Act.

(3) Notwithstanding subsection (1), the holder of a mineral right may store any minerals acquired by him or her under this Act without obtaining a mineral storage licence.

**142. Application for a mineral storage licence.**
(1) An application for a mineral storage licence shall be made to the Minister in a manner prescribed by regulation.

(2) An application for a mineral storage licence shall contain information pertaining to-

   (a) the type of minerals to be stored;

   (b) a bonded storage facility for the minerals;

   (c) a certificate of approval of environmental and social assessment issued under the National Environment Act, 2019;

   (d) office location;

   (e) tax clearance from Uganda Revenue Authority;

   (f) clearance from the Financial Intelligence Authority; and

   (g) proof of financial and technical resources available to the applicant;

   (h) any other information that may be prescribed by regulations.

(3) The Minister may, upon application and proof that the applicant is in possession of or commands sufficient financial and technical capacity to ensure the carrying on of his or her business satisfactorily, issue to such person a mineral storage licence upon payment of prescribed fee.

(4) Every mineral storage licence shall expire on 31st December in the year in which the licence is granted.

(5) The Minister may refuse to issue a mineral storage licence or may revoke such licence, provided a notice of particulars of the grounds for the intended refusal or intended revocation
(6) Every holder of a mineral storage licence shall be liable of payments for any mineral stored.

143. Records to be kept by holder of mineral storage licence.
(1) Every holder of a mineral storage licence shall keep a register showing -

(a) all minerals stored by such holder and the nature, weight and grade of the minerals;

(b) the duration for which the minerals are stored;

(c) the price paid or received for the minerals to be stored and the date of each purchase or sale;

(d) the name and address of the client and his or her right to be in possession of such minerals;

(e) proof of payment of royalty and other applicable fees; and

(f) the country, mine and smelter of origin of the minerals stored.

(2) Every holder of a mineral storage licence shall submit to the Minister quarterly, a copy of the record referred to in subsection (1) for the preceding three months, together with a declaration that the record is correct.

(3) A holder of a mineral storage licence who fails to comply with contravenes this section commits an offence and is liable on conviction to a fine not exceeding ten thousand currency points or imprisonment not exceeding five years or both.

144. Methods and practices for storage.
(1) A holder of a storage licence shall-

(a) provide services to duly authorised person;

(b) provide without discrimination, services on request for storage and transhipment of petroleum to authorised persons; and

(c) obtain approval of the Minister for fees charged.

(2) The methodology to determine the for the storage services shall be prescribed by regulations and shall inter alia take into account the investment costs, operation and maintenance costs, or other costs incurred in the operation of the facility as well as an equitable reward for the invested capital.

(3) A holder of a storage licence shall use approved methods and practices acceptable to the Minister for storing minerals, mineral commodities or mineral products.

145. Goldsmith's licence.
(1) No person shall manufacture any article from any precious mineral or from any substance
containing any precious mineral unless the person has obtained a goldsmith's licence.

(2) An application for a goldsmith’s licence shall be made to the Minister in a manner prescribed by regulations and, subject to subsection (4), the Minister may grant a licence to the applicant upon payment of the prescribed fee.

(3) A goldsmith's licence shall continue in force until the 31st day of December of the year of issue.

(4) The Minister shall, before refusing to grant or renew a goldsmith’s licence –

   (a) give to the applicant a notice of particulars of the grounds for his or her intended refusal;

   (b) in such notice, require the applicant to correct or remedy within a reasonable time any defect or omission which forms the basis of the grounds for the intended refusal; and

   (c) shall only refuse to grant the licence if the applicant fails to correct or remedy such defect or omission within such reasonable time.

146. Register to be kept by goldsmiths.
(1) Every licensed goldsmith shall keep a register showing –

   (a) all purchases and sales of articles of commerce containing precious minerals made by him or her;

   (b) purchases of unwrought precious minerals made by him or her;

   (c) the nature, weight, price paid or received and the date of each purchase or sale of the articles and minerals referred to in paragraphs (a) and (b) of this subsection;

   (d) the name and address of the respective vendor and purchaser of any of the items referred to in paragraphs (a) and (b) of this subsection; and shall –

   (i) cause every transaction to be recorded in the register within twenty four hours of being made; and

   (ii) produce and exhibit the register to the Minister, an authorised officer or any police officer not below the rank of Assistant Superintendent of Police, whenever so required.

(2) Copies of records referred to under subsection (1) shall be submitted to the Minister quarterly.

(3) A licensed goldsmith who fails to comply with any of the provisions of subsection (1) and (2) commits an offence and is liable, on conviction, to a fine not exceeding ten thousand currency points of imprisonment not exceeding five years or both.
147. Compliance with mineral dealer's or goldsmith licence.
(1) A licensed mineral dealer or goldsmith shall not -

(a) deal in minerals in a manner which is not specifically authorised by the terms of his or her licence;

(b) store any mineral at a place other than in or on premises specified in his or her licence; or

(c) buy, sell, deal in, receive either as principal or agent, any mineral at any place other than in or on premises specified in his or her licence.

(2) A licensed mineral dealer who fails to comply with the provisions of subsection (1) commits an offence and, is liable on conviction, to a fine not exceeding three thousand currency points or to imprisonment not exceeding to a term of three years, or both.

148. Cancellation of mineral dealer’s or goldsmith licence on conviction.
Where any licensed mineral dealer or goldsmith is convicted of an offence under this Act or the regulations and the time limit for appeal against the decision has elapsed or the appeal has been refused, the Minister shall cancel the licence of such mineral dealer or goldsmith.

149. Retail shopkeepers.
The Minister may in his or her discretion, and notwithstanding the provisions of section 145, authorise any retail shopkeeper to manufacture and sell articles partly manufactured from precious minerals without being licensed as a goldsmith, if the shopkeeper satisfies the Minister that the selling of such articles shall not constitute the sole or principal portion of his or her business.

Mineral Transport or Shipment Licence

150. Mineral transport or shipment licence.
(1) A person shall not transport or ship precious, high value or bulky minerals unless he or she has obtained a mineral transport or shipment licence or is a mineral right holder under this Act.

(2) A person issued a licence under subsection (1), shall only transport or ship minerals in the course of his or her business from a person who acquired his or her minerals lawfully or in accordance with this Act and regulations made under this Act.

(3) Notwithstanding the provisions of subsection (1), the holder of a mineral right may transport or ship any minerals acquired by him or her under this Act without obtaining a mineral transporter licence.

151. Application for mineral transport or shipment licence.
(1) An application for a mineral transport or shipment licence shall be made to the Minister in a manner prescribed by regulations.

(2) An application for a mineral transport or shipment licence shall contain information on-

(a) office location of the applicant;
(b) types of minerals to be transported;

(c) transportation methods to be utilized; and

(d) financial and other resources available to the applicant.

(5) The Minister may grant a licence upon application and proof that the applicant is technically and financially capable to transport minerals on a safe and environmentally acceptable basis that also facilitates certification of origin.

(6) Every mineral transport or shipment licence shall expire on 31st December in the year in which the licence is granted.

(7) The Minister may refuse to issue a mineral transport or shipment licence or may revoke such licence, provided a notice of particulars of the grounds for the intended refusal or intended revocation has been given to the applicant.

(8) The mineral transport or shipment licence shall specify the area or radius within which the mineral right holder is authorised to transport or ship minerals.

(9) The licence shall authorise transportation or shipment of minerals in accordance with the terms of this Act and the related regulations within the jurisdiction that issues the licence.

(10) The holder of a transport of shipment licence may surrender the licence at any time in accordance with section 161.

152. Rights of holders of transporter licence.

(1) The holder of a transporter licence shall have the following rights, during the term of the licence, and subject to the terms and conditions prescribed under this Act-

   (a) to transport raw and processed minerals, or building substances exploited for commercial purpose, for its own account or for the account of a third party-

      (i) from legal owners or sellers of such minerals within Uganda or from legal sellers within any member state of the East African Community; and

      (ii) to the owners or buyers of such minerals within Uganda or the East African Community

   (b) to freely determine or agree to prices for its transport services; and

   (c) to engage in necessary ancillary activities in connection with paragraphs (a) and (b).

(2) The holder of a mineral transport licence shall have the right to benefit from the incentives provided for minerals trading or building substances exploited for commercial purposes under this Act.
153. Disposal of minerals or building substance exploited for commercial purposes.
(1) No minerals or building substance shall be disposed of in any manner whether for the purposes of sampling, assay, analysis or otherwise except -

(a) with the written consent of the Minister;

(b) in accordance with the terms of the mineral right concerned; or

(c) as otherwise permitted by or under this Act.

(2) A person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine of not exceeding ten thousand currency points or to imprisonment for a term of not exceeding five years or both.

154. Export of minerals.
(1) A person shall not export any minerals from Uganda without an export permit issued under this Act.

(2) An application for an export permit shall be in a manner prescribed by regulation.

(3) The Minister may grant to any person a permit to export minerals from Uganda on conditions determined by or under this Act and specified in the permit.

(4) The grant of a permit under subsection (1) shall not exempt the holder of the permit from complying with the requirements of any other law relating to the export of minerals-

(a) proof of payment of prescribed fees and royalties, where applicable;

(b) certificate of origin, where applicable;

(c) certificate of analysis authenticated by the country of origin; and

(d) if minerals are not from Uganda, an export permit from the county of origin.

(5) A person who exports any mineral from Uganda in contravention of subsection (1) commits an offence and is liable, on conviction, to a fine of not exceeding ten thousand currency points or imprisonment not exceeding five years or both.

155. Import of minerals.
(1) A person shall not import any minerals from Uganda without an import permit issued under this Act.

(2) The Minister may grant to any person an import permit to import minerals into Uganda on conditions prescribed under this Act and regulations made under this Act.

(3) A person who imports any minerals into Uganda under this section shall make a declaration before a customs officer regarding the type and quantity of minerals imported, after which the customs officer shall certify the import permit.

(4) An import permit under subsection (1) shall be issued upon payment of fees prescribed.
(5) Before any minerals are re-exported from Uganda, the relevant import permit shall be surrendered to a customs officer who shall submit it to the Minister for approval.

(6) A person who imports any minerals into Uganda in contravention of this section commits an offence and is liable, on conviction, to a fine not exceeding ten thousand currency points or imprisonment not exceeding five years or both.

156. Permit for research and scientific investigations
(1) Notwithstanding the provisions of this Act, the Minister may, in the public interest and subject to such conditions as he or she may determine, authorize any person to undertake non-commercial investigations into the geological resources of Uganda.

(2) The person authorised under (1) shall submit a report to the Minister the information gathered or research findings on any mineral discovered.

157. Blasting Certificate
(1) The Minister may grant to any person a certificate to blast minerals as a method of extraction of minerals on conditions determined by or under this Act and specified in the certificate.

(2) An application for a blasting certificate shall be in a manner prescribed by regulations and shall contain-

   (g) proof of approvals required under any applicable law;

   (h) proof of technical competence of the applicant;

   (i) the minimum distance from the nearest residential area;

   (j) the type of explosive to be used for blasting;

   (k) proposed health and safety measures; and

   (l) any other information prescribed by regulations.

(3) The grant of a certificate under subsection (1) shall not exempt the holder of the certificate from complying with the requirements of any other law relating to the blasting of minerals.

(3) A person who blasts any mineral in contravention of subsection (1) commits an offence and is liable, on conviction, to a fine of not exceeding five thousand currency points or imprisonment not exceeding three years or both.

PART VIII- GENERAL PROVISIONS RELATING TO LEASES AND LICENCES

158. Review and appeal
(1) A decision of the Minister denying the issuance of a licence under this Act shall state the reasons for the decision.
(2) An applicant whose application for a licence has been rejected may, within thirty days of receipt of notice of the decision, submit to the Minister a request for review of the decision, in writing, together with relevant documentation and arguments in writing.

(2) The Minister shall issue his or her decision on review, stating the reasons for the decision, within thirty days of the filing of a request for review.

(3) Where the decision on reconsideration affirms the initial decision of denial, the applicant may appeal to the High court.

(6) For the Avoidance of doubt, the filing of a request for review or appeal of the initial decision of denial under this section does not suspend the administrative decision denying the application unless so ordered by the Minister or court as the case may be.

159. Withdrawal of application for mineral right.
(1) An applicant for a mineral right or any renewal of such mineral right may withdraw his or her application at any time before the application is approved or rejected, by notifying the Minister in writing that he or she wishes to withdraw the application.

(2) Where an applicant referred to in subsection (1) withdraws his or her application after the application has been lodged, any applicable prescribed fee paid by the applicant shall not be refunded.

(3) The Minister may, by regulations, prescribe conditions for withdrawal of applications under this section and any applicable fines that may be payable by the applicants for withdrawal.

160. Transfer of mineral rights.
(1) A person shall not transfer any other type of mineral right or a share of that right without the approval of the Minister and any purported transfer shall be null and void.

(2) For the avoidance of doubt, a prospecting licence issued under this Act shall not be transferable.

(3) An application for the approval of the transfer of a mineral right other than a prospecting licence shall be submitted to the Minister in a manner prescribed by regulations.

(4) The Minister shall satisfy himself or herself of the legal and technical capacity, competence and financial strength of the person to whom the mineral right or share of that right is to be transferred and approve or reject the application for transfer.

(5) Where the Minister has given his or her approval to the transfer of a mineral right under subsection (4), the transferee of the mineral right, shall assume and be jointly and severally responsible for all rights, liabilities and duties of the transferor under the mineral right prior to the transfer.

(6) A transferee under this Act shall show commitment to either implement the existing work programme of the transferor in relation to the licence being transferred or submit a new work programme before the Minister can grant a transfer.
(7) Where the Minister rejects an application, he or she shall give the reasons for the rejection of the application.

(8) The Minister shall process an application for transfer under this Act within thirty days from the date of submission of complete application.

(9) In this section-

“transfer of mineral right or share of that right” includes the acquisition of control by the person to whom a mineral right or share of that right under the Act is transferred; and

“control” in relation to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management by that person, whether through the ownership of shares, voting, securities, partnership or other ownership or participation interests, agreements or otherwise.

(10) This section applies to any direct or indirect transfer of interest or participation in the licence, including, inter alia, assignment of shareholdings and other ownership shares which may provide decisive control of a licensee possessing a participating interest in a licence.

161. Surrender of area covered by a mineral right.
(1) Subject to section 53 of Act and regulations made under this Act, the holder of a mineral right may, subject to any conditions of his or her licence, surrender the area covered by his or her mineral right or part of the right by -

(a) giving the Minister, not less than three months’ notice of his or her intention to surrender the whole or part of the area concerned; and

(b) applying to the Minister for and obtaining a certificate of surrender.

(2) Where the application for a certificate of surrender is in respect of part only of the area covered by the mineral right, the holder shall -

(a) in his or her application -

(i) if it relates to a mining area, provide a diagram of the area to be surrendered;

(ii) in the case of any other mineral right, provide a plan, in a form acceptable to the Minister, of the area to be surrendered;

(iii) in all cases give records and reports with respect to his or her prospecting, exploration or mining operations; and

(b) if the application is approved, demarcate the remaining area in the prescribed manner.
(3) The Minister shall approve an application made under subsection (1) to surrender the mineral right where he or she is satisfied that-
   
   (a) the holder of the mineral right has submitted the request for surrender in the prescribed form and manner;
   
   (b) the surrender will not affect any liability incurred by the mineral right holder before the surrender of the mineral right, including environmental obligation;
   
   (c) all rents due and fees prescribed, if any, have been paid by the holder of the mineral right; and
   
   (d) the holder of the mineral right has surrendered the original title document.

(4) No surrender of any area covered by a mineral right shall be effective unless the Minister has issued a certificate of surrender in respect of the area.

(5) The Mining Cadastral Unit shall, where the Minister approves a surrender under subsection (3)-
   
   (a) cancel such mineral licence;
   
   (b) make an entry to that effect in the register of mineral referred to under section 225;
   
   (c) notify the person who was the holder of the mineral right that the mineral right has been cancelled; and
   
   (d) notify the owner of the land subject of the mineral right of the surrender.

(6) A surrender shall be without prejudice to any liabilities or obligations incurred by the holder in relation to the area surrendered prior to the date of such surrender.

(7) If a prospecting area, prospecting area, retention area or mining area is surrendered under this section, the holder of the mineral right to which the area relates shall –
   
   (a) decommission any accessory works erected or constructed by the person in accordance with the National Environment Act, 2019;
   
   (b) take all such steps as may be necessary to remedy to the reasonable satisfaction of the Minister and the National Environment Management Authority any damage caused by any prospecting, exploration or mining operations carried on by such holder to the surface of, and the environment on, the land in the area in question.

(8) The Minister shall, upon issuance of a certificate of surrender -
   
   (a) where the surrender is in relation to the whole area covered by a mineral right, cancel the mineral right; or
   
   (b) where the surrender is in respect of part only of the area covered by a mineral right, amend the mineral right accordingly.

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(9) No certificate of surrender shall be issued unless all the technical data relating to the mineral right in question has been deposited with the Minister.

(10) The Minister shall process an application for surrender under this section within thirty days from the date of submission of complete application.

(11) A person who contravenes this provision commits an offence and is liable, on conviction, to a fine not exceeding ten thousand currency points or imprisonment not exceeding seven years or both.

162. Suspension of mineral right.

(1) Subject to this Act, the Minister may suspend a mineral right if the holder of such mineral right -

(a) violates health and safety regulations or causes environmental harm;
(b) fails to submit reports required by this Act within the prescribed period and pay the prescribed penalty;
(c) fails to comply with the terms of a community development agreement when required by this Act;
(d) becomes insolvent or bankrupt, or enters into any agreement or scheme of composition with his or her creditors, or takes advantage of any written law for the benefit of his or her debtors or goes into liquidation, except as part of a scheme for the reconstruction of the holder’s business organisation;

(2) The Minister shall, before suspending any mineral right, give notice to the holder in such a manner as shall be prescribed by regulations and shall, in the notice require the holder to remedy in not less than thirty calendar days any breach of the conditions of his or her mineral right.

(3) Where the holder of a mineral right fails to remedy any failure or contravention specified in subsection (5) (c), (d) or (k), the Minister may, by notice to the holder, suspend the mineral right until the failure or contravention is remedied.

163. Revocation of licence.

(1) The Minister may revoke a mineral right where-

(a) fails to make payment on the due date, whether due to the Government or another person, required by or under this Act;
(b) fails to meet any prescribed minimum annual programme of work or work expenditure requirement;
(c) employs or makes use of child labourers;
(d) becomes insolvent or bankrupt, enters into an agreement or scheme of composition with the holder’s creditors, or takes advantage of an enactment for
the benefit of its debtors or goes into liquidation, except as part of a scheme for an arrangement or amalgamation;

(e) makes any statement to the Minister or an authorised officer in connection with his or her mineral right which he or she knows or ought to have known to be false;

(f) for any reason, becomes ineligible to apply for a mineral right under this Act;

(g) the holder is convicted by any court of competent jurisdiction for an offence under this Act; or

(h) the holder breaches any order or notice issued or given under this Act or regulations made under this Act, or on being required by the Minister or an authorised officer by notice to show cause within a time specified in the notice why the mineral right should not be revoked, the holder fails to comply or show adequate cause.

(2) The Minister shall, before revoking a mineral right under subsection (1), give notice to the holder of the mineral right and shall in the notice, require the holder to remedy a breach of the condition of the mineral right within a period prescribed by regulations and if the breach cannot be remedied, to show cause to the satisfaction of the Minister why the mineral right should not be revoked.

(3) On revocation of a mineral right under this section, the right of the holder shall cease but without prejudice to the liabilities or obligations incurred by the holder person in relation to the mineral right prior to the date of the cancellation.

164. Termination of licence.
Any mineral right, licence, permit or authorisation granted or issued this Act shall lapse, where-

(a) it expires;

(b) the holder is deceased and there are no successors in title;

(c) a company or close corporation is deregistered;

(d) the holder is liquidated or sequestrated;

(e) the licence is revoked under section 163; or

(f) the licence is abandoned or surrendered.

165. Assets on termination.
(1) Upon the termination of any mineral right, the former holder of the mineral right shall deliver to the Minister within such period as may be prescribed, all the records which, prior to the termination, the former holder was obliged to maintain under the provisions of this Act.

(2) Subject to the provisions of this Act, the regulations made under this Act and any
provision to the contrary under any mineral right, the former holder of any a mineral right may, within six months after the date of termination of his or her mineral right, remove from the prospecting, exploration or mining area any building, fixed machinery or other movable property and any mineral product which may have been extracted from those areas.

(3) Where the Minister certifies, in consultation with the National Environment Management Authority that any buildings or fixed machinery are necessary for the continued maintenance of any area, which is the subject of a mineral right, those buildings or fixed machinery shall not be removed without the consent of the Minister.

(4) Where the Minister refuses to consent to the removal of any such buildings or fixed machinery by the former owner of those buildings or machinery under subsection (2), the Government shall pay adequate compensation to the owner of the buildings or fixed machinery concerned where the assets have not been depreciated to zero value.

166. Duties of mineral rights holder on termination of licence.
(1) The mineral right holder is responsible for any environmental damage, pollution or ecological degradation as a result of his or her prospecting, exploration or mining operations and which may occur inside and outside the boundaries of the area to which such right, permit or permission relates.

(2) A mineral rights holder shall be strictly liable for any harm or damage caused by prospecting, exploration, production activities or mineral processing operations to the environment or human health.

(3) Liability shall attach to the holder of a mineral right and any other person who directly contributes to the act or omission which results in the harm or damage.

(4) Where there is more than one person responsible for the harm or damage, the liability shall be joint and several.

(5) Where any harm or damage is caused to the environment or biological diversity, compensation shall include the cost of reinstatement, rehabilitation or clean-up measures which are incurred and where applicable, the costs of preventative measures, and any person to whom the harm or damage is caused.

(6) Liability under this section shall also extend to-

(a) any harm or damage caused directly or indirectly by the prospecting, exploration, production activities or mineral processing operations to the economy or social cultural conditions;

(b) any negative impact on the livelihood or indigenous knowledge systems or technologies of any community;

(c) any disruption or damage to any production or agricultural system;

(d) any reduction in yields of the local community;

(e) any air, water or soil contamination or damage to biological diversity.
(f) any damage to the economy of an area or community; or

(g) any other consequential disorder.

167. Power to recover costs in event of urgent remedial measures.

(1) Where any prospecting, exploration, mining or processing operations cause or results in ecological degradation, pollution or environmental damage which may be harmful to human health or the environment and requires urgent remedial measures, the Minister may direct the holder of the mineral right to:

   (a) investigate, evaluate, assess and report on the impact of any pollution or ecological degradation;

   (b) take such measures as may be specified in the directive; and

   (c) complete such measures before a date specified in the directive.

(2) Where the holder fails to comply with the directive under subsection (1), the Minister may take such measures as may be necessary to protect the health and well-being of any affected person or to remedy ecological degradation and to stop pollution of the environment at the cost of the mineral rights holder.

(3) Before the Minister implements any measure, he or she shall afford the holder an opportunity to undertake such measures itself.

(4) The Minister may recover an amount equal to the funds necessary to fully implement the measures from the holder concerned.

168. Suspension of operations.

(1) The holder of a mineral right shall notify the Minister three months in advance where the holder proposes to suspend production from the mine and shall in each case, give reasons for the suspension.

(2) Where the holder is unable to give the required notice as provided under subsection (1) for reasons beyond the holder’s control where there is need to protect human health, the environment or property, the holder suspends production from a mine, the holder shall, within three days of the suspension notify the Minister.

(3) The suspension of production shall not exceed six months and the holder may apply in writing to the Minister for extension for a period not exceeding twelve months.

(4) On receiving the notification under subsection (1) or on the Minister becoming aware of a suspension of production, the Minister shall cause the matter to be investigated and shall, subject to any relevant requirement contained in the mining lease -

   (a) give approval for the suspension; or

   (b) direct the holder of the mining lease to resume full production at the mine by a specified date.
(5) Approval of suspension may be given subject to conditions that the Minister may on the advice of the Directorate and any other relevant ministry, department or agency determine.

169. Wasteful mining and treatment practices.
(1) Where the Minister considers that the holder of a mineral right is using wasteful mining or treatment practices, the Minister may notify the holder accordingly and require him or her to show cause within such period as the Minister may specify, why he or she should not cease to use such practices.

(2) Where, within the period specified in any notice issued under subsection (1) the holder of the mineral right fails to satisfy the Minister that he or she is not using wasteful mining or treatment practices, or that the use of such practices is justified, the Minister may direct the holder of the mineral right concerned to cease using such practices within such period as the Minister may specify.

(3) Where the holder of the mineral fails, after being directed under subsection (2) to cease using wasteful mining or treatment practices, the Minister may suspend the mineral right for such period as the Minister thinks fit or cancel the mineral right.

(1) Where the Minister considers that the public interest or the interests of holders of mineral rights covering neighbouring or contiguous mining areas would best be served with regard to the efficient and economic exploitation of minerals by the co-ordination of all or part of the mining operations of the holders, the Minister may direct the holders to effect such co-ordination by entering into an agreement, to be approved by the Minister, to effect the co-ordination within such time as the Minister may specify.

(2) Before giving any directions under subsection (1), the Minister shall afford the holders mineral rights concerned reasonable opportunity to make representations to him or her in writing.

171. Cessation, suspension or curtailment of production.
(1) Subject to subsection (4), the holder of a mining lease shall notify the Minister -

(a) one year in advance, if he or she proposes to cease production from his or her mine;

(b) six months in advance, if he or she proposes to suspend production from his or her mine; or

(c) three months in advance, if he or she proposes to curtail production from his or her mine.

(2) The holder of a mineral right shall, in all cases referred to in subsection (1), give good technical and economic reasons for the proposed cessation, suspension or curtailment.

(3) Where for reasons beyond his or her reasonable control, the holder of a large scale mining lease or small scale mining lease ceases, suspends or curtails production from his or her mine
without complying with subsection (1), he or she shall within fourteen days of the cessation, suspension or curtailment notify the Minister.

(4) Where the Minister receives a notification referred to in subsection (1) or subsection (2), or where the Minister otherwise becomes aware of any cessation, suspension or curtailment of production, he or she shall cause the matter to be investigated; and shall, subject to any relevant requirement contained in the mineral right, give his or her approval to the cessation, suspension or curtailment.

(5) Approval of cessation, suspension or curtailment under this section may be given subject to such conditions as the Minister may impose.

172. Financial security for environmental protection.
The Minister may require a holder of a mineral right to obtain a financial security for environmental protection in accordance with the National Environment Act, 2019.

173. Land use agreements.
(1) In general, land use agreements between the land owner and rights holder shall take the form of a leasehold setting out their respective rights and obligations and more specifically compensation, rental payments and indemnification for the use and occupation of the land.

(2) Notwithstanding subsection (1), where the mineral rights holders purchases the land subject to a mineral right, the freehold title shall be vested in Uganda Land Commission.

(3) The parties may agree to different forms of land use agreements governing the right holder’s use and occupation of the land and the parties’ respective rights and obligations.

(4) The land use agreement under this section shall comply with the Constitution, the Land Act, Land Acquisition Act and any other applicable law.

(5) Subject to the Constitution, the Land Act, Land Acquisition Act and any other applicable law provide for compulsory acquisition in case of failure to get an agree.

(6) The land use agreement shall be negotiated on an equitable and transparent basis ensuring the landowner’s entitlement to evict the rights holder for just cause.

PART IX - SURFACE RIGHTS

(1) The holder of a mineral right shall not exercise any of his or her rights under that mineral right -

(a) in respect of or on any land set apart for any public purpose, other than mining, or on any land which is-

   (i) dedicated as a place of burial; or
(ii) a place of religious significance; or

(iii) the site of a public building;

(b) in respect of or on any land which is the site of, or which is within two hundred metres, or such greater distance as may be prescribed, of any inhabited, occupied or temporarily unoccupied house or building, or any land—

(i) within five metres or such greater distance as may be prescribed, of land which has been cleared or ploughed or otherwise prepared in good faith for the growing of, or upon which there are growing agricultural crops; or

(ii) which is the site of, or within one hundred metres, or such greater distance as may be prescribed, of any cattle dip, tank, or similar body of water, except with the written consent of the owner or lawful occupier or the duly authorised agent of the owner or lawful occupier of that land;

(c) in respect of or on any land reserved for the purpose of any railway track, or which is within fifty metres, or such distance as may be prescribed, of the boundaries of any land so reserved, except with the written consent of the responsible railway administration;

(d) in respect of or on any land within two hundred metres, or such greater distance as may be prescribed, of the boundaries of any city or town, except with the written consent of the local authority having control over the township;

(e) in respect of or on any land within two hundred metres from any lake or within one hundred metres from any river, except with a permit issued under the National Environment Act, 2018

(f) in respect of or on any land comprising a street, road, power station, aerodrome or oil well heads, except with the written consent of the authority having control of any such land;

(g) in a national park or game reserve, except with the written consent Uganda Wildlife Authority;

(h) within the reserve without the written consent of the National Forestry Authority; or

(h) respect of or on any land, which is held communally for cultural rites, without the written consent of the community concerned.

(2) Any consent under subsection (1) may be given subject to such conditions as are specified in the instrument of consent.

(3) For the purpose of subsection (1) (a), "public purpose" means a purpose prescribed as such under the Constitution.
(4) A person exercising any right under a mineral right on any land shall, if required to do so by any lawful occupier of any such land, produce evidence that he or she is the holder of such mineral right or an agent or employee of the holder; and if he or she fails to do so he or she may be treated as a trespasser.

(5) The Minister may, by statutory instrument, in consultation with the relevant stakeholders declare additional protected areas to protect buildings, towns, water sources and transportation routes deemed necessary in public interest after an investigation has been carried out.

(6) Prospecting and mining in protected areas declared under subsection (6) may be prohibited or subject to certain conditions as the Minister may deem necessary in public interest.

175. Right under mineral right to be exercised reasonably.
The rights conferred by a mineral right shall be exercised reasonably and in such a manner as not to adversely affect the interests of any owner or occupier of the land on which the rights are exercised.

176. Acquisition of exclusive right by holder of mining lease.
(1) The holder of a mining lease may, if he or she requires the exclusive use of the whole or any part of the mining area concerned, and if so requested by the owner or lawful occupier of any part of such area, obtain a land lease or other rights to use the area upon such terms as to duration or the extent of the land to which the lease shall relate, as may be agreed between the holder and the owner or lawful occupier of the land in question, or failing an agreement, as may be determined by arbitration.

(2) In assessing any rent payable under this section, an arbitrator shall determine the rent in relation to values, at the time of arbitration, current in the area in which the mining lease is situated, for land of a similar nature, but without taking into account any enhanced value due to the presence of minerals.

177. Compensation for disturbance of rights.
(1) The holder of a mineral right shall on demand made by the owner or lawful occupier of any land subject to such mineral right, pay the owner or lawful occupier fair and reasonable compensation for any disturbance of the rights of the owner or occupier; and for any damage done to the surface of the land by the holder’s operations; and shall on demand made by the owner of any crops, trees, buildings or works damaged during the course of such operations, pay compensation for any crops, trees, buildings or works so damaged; except that -.

   (i) in assessing compensation payable under this section, account shall be taken of any improvement effected by the holder of the mineral right or by his or her predecessor in title the benefit of which has or will accrue to the owner or lawful occupier of the land;

   (ii) the basis upon which compensation shall be payable for damage to the surface of any land shall be the extent to which the market value of the land upon which the damage occurred has been reduced by reason of the damage;
(iii) no compensation shall be payable to the occupier of a state grant land in respect of any operations under a mineral right existing at the date of such state grant.

(2) If the holder of a mineral right fails to pay compensation when so demanded under this section, or if the owner or lawful occupier of any land is dissatisfied with any compensation offered, the dispute shall be determined by arbitration.

(3) A claim for compensation under subsection (1) shall be made within a period of one year from the date when the act which is the basis for such claim occurred, failing which, notwithstanding the provisions of any other written law, the claim shall not be enforceable.

178. Option for compensation by landowner.
The owner or lawful occupier of any land subject to a mineral right is entitled to compensation under either section 177 of this Act or to a share of royalties under section 98 of this Act.

179. Interference with passageways.
(1) No holder of a mineral right shall at any time, in the exercise of the rights granted under this Act, interfere with or perform any act which may tend to interfere with the exercise of any right of passageway in the area covered by such mineral right, nor shall he or she perform any act which may damage or tend to damage any passageway, without first obtaining the consent in writing of the holder of the right of passageway; except that in the case of customary public rights of passageway, or where the holder of the right of passageway cannot be found by the person requiring his or her consent, the consent of the Chief Administrative Officer of the district concerned shall be deemed sufficient consent.

(2) Nothing in this section shall prevent the holder of an exploration licence or mining lease from diverting any public path within the area of his or her licence or lease, if the diversion is made entirely within the area held by him or her and is aligned and maintained to the satisfaction of the Chief Administrative Officer of the district concerned; and on conclusion of the exploration or mining operations, the affected public path is restored to the condition in which it was before the interference.

180. Rights in waters and wetlands.
Except as otherwise provided in this Act, all rights in wetlands and in the waters of any spring, stream, river, watercourse, pond or lake on or under public land, are vested in the Government; and no such wetlands or water shall be obstructed, dammed, diverted, polluted or otherwise interfered with, directly or indirectly, except in accordance with Water Act and the National Environment Act, 2019.

181. Grant of water rights.
(1) Every application for a mineral right shall indicate whether the applicant intends -

(a) to utilise for prospecting, exploration and mining operations any water existing within the boundaries of his or her mineral right;

(b) to utilise any natural source of water existing at the site to which mining products are conveyed for washing;

(c) to obtain and convey to the area of his or her mineral right from any natural water
supply outside the boundaries of the mineral right, such specified volume of water as may be required for the relevant operations;

(d) to occupy any land that may be required for the construction of a dam, reservoir or pumping station and for the conveyance of such water to the area where the water is utilised, by means of pipes, duets, flumes, furrows or otherwise, and for such conveyance to have a right of passageway;

(e) to construct any works necessary for the collection, storage or conveyance of such water.

(2) The Water Act shall apply in relation to and for the purpose of acquiring the right to use water in any manner or for any purpose or object specified in subsection (1).

PART X- CERTIFICATION OF MINERALS PRODUCTS

182. Designation of the Directorate as competent authority.
(1) The Directorate is designated as the competent authority for purposes of this Part including mine site inspection and certification for purposes of the International Conference on the Great Lakes Region (Implementation of the Pact on Security, Stability and Development in the Great Lakes Region) Act, 2017.

(2) The functions of the competent authority include –

(a) to prevent and control the illegal exploitation of designated minerals in Uganda;
(b) enforce this Act and any other rules or regulations against the illegal exploitation of designated minerals;
(c) pursue the recovery of illegally exploited designated minerals and where appropriate;
(d) conduct investigations against persons suspected of engaging in the illegal exploitation of designated minerals in Uganda;
(e) conduct research and analyzing information on the illegal exploitation of designated minerals and maintaining a database of such information;
(f) proposing to the Minister specific measures for combating the illegal exploitation of designated minerals;
(g) collaborate with the ICGLR Steering Committee and the competent authorities of Member States with a view to combating the illegal exploitation of designated minerals in the Member states;
(h) liaise with state organs on matters regarding the prevention and control of illegal exploitation of designated minerals;
(i) collaborate with other state organs, the ICGLR Committee, relevant international organizations, civil society organizations and any agency which could provide relevant information or support it in the fight against illegal exploitation of designated minerals;
(j) conduct public education and awareness raising on the illegal exploitation of designated minerals; and
(k) taking such other action as it considers desirable to combat the illegal exploitation of designated minerals.
(3) The competent authority shall develop and maintain a comprehensive database of the mine sites in Uganda that produce designated minerals.

(4) The database referred to in subsection (2) shall contain the information prescribed by regulations made under the International Conference on the Great Lakes Region (Implementation of the Pact on Security, Stability and Development in the Great Lakes Region) Act, 2017.

(5) The competent authority shall physically inspect each mine site, before the first ICGLR Certificate can be issued for minerals originating from that site, and no less than once per year afterwards in accordance with regulations made under the International Conference on the Great Lakes Region (Implementation of the Pact on Security, Stability and Development in the Great Lakes Region) Act, 2017.

PART XI – FINANCIAL PROVISIONS.

183. State equity participation.

(1) From the effective date of this Act, the grant by the State of a mining lease shall give the State an ownership interest, at no cost, of up to a maximum of fifteen per cent (15%), in the mining lease.

(2) Subsection (1) shall not automatically apply to mining leases granted before the commencement of this Act.

(3) The interest under subsection (1) shall not be diluted by eventual increases in capital of the company.

(4) Notwithstanding subsection (1), the State has the right to acquire a supplementary participation, in cash, according to the terms agreed with each relevant mining company within the scope of the mining agreement.

(5) The acquisition option under subsection (4) may be scheduled over time or exercised only once.

(6) The total participation held by the State under this section shall not exceed thirty-five per cent (35%).

(7) The Minister may, at the request of a holder of a mining lease, reduce the right of the State to acquire an additional interest in cash in the capital of a company holding a mining operation licence in exchange for an increase of equal value.

(8) The equal value referred to under subsect (8) shall be determined by an independent expert selected by mutual agreement, and according to the mineral substance concerned, of the tax rate on the extraction of mine substances other than the precious metals prescribed under this Act or of the tax on the industrial or semi-industrial production of precious for which such company is liable.

(9) The interest of the State that is payable in cash is assignable and may be sub-leased.
(10) The State reserves the right to auction, in an open and transparent process, all or part of its interest that is payable in cash, with no right of pre-emption for the other shareholders of the company holding the mining lease.

(11) The decision relating to the assignment of all or part of the State’s interest that is payable in cash, and the terms thereof, must comply with the provisions of the act relating to withdrawal by the State.

(12) The shareholders of the company holding the mining lease must sign a shareholders’ agreement that defines, inter alia, decisions which are not to be made without the prior agreement of the State.

(13) The National Mining Company established under section…shall manage State participation under this section.

184. Royalties.
(1) Subject to section 188 of this Act, all minerals obtained or mined in the course of prospecting, exploration, mining or mineral beneficiation operations shall be subject to the payment of royalties on the gross value of the minerals based on the prevailing market price of the minerals at such rates as shall be prescribed.

(2) The Minister of Finance shall, in collaboration with Minister responsible for minerals, by statutory instrument prescribe the rates payable under subsection (1)

(3) The holder of a mineral right shall submit returns to Commissioner General Uganda Revenue Authority relating to royalty’s payment

(4) Any mineral samples including mineral samples, removed for purposes of testing shall not be liable to royalty unless they exceed maximum value as stipulated by the Minister by regulations.

(5) The royalties payable under subsection (1) shall be distributed in a manner prescribed in Schedule 2.

(4) For the purposes, “mineral beneficiation” means the process of improving the grade or quality of mineral using various mining processes.

185. Responsibility of the Commissioner General.
(1) The Commissioner General, Uganda Revenue Authority shall be responsible for the provisions of this Part in relation to mineral royalties and other charges

(2) The Income Tax Act shall apply to the assessment, collection and enforcement of and right of appeal with respect to administration of any royalty or charges imposed under this Part.

186. Payments.
(1) All the fees, charges and royalties payable under this Act to the State under this Act shall be paid to Uganda Revenue Authority.

(2) A payment shall be accompanied by a statement from the holder stating-
(a) details of the mineral or mineral product; and

(b) the relevant point of sale.

(3) A copy of the statement shall be delivered to Commissioner General and Mining Cadastre Unit.

(4) A mineral right holder shall report the royalty liability for each month by the fifteen day of the month to the Commissioner General and Director Geological and Surveys.

(5) Upon receipt of the due payment, the Commissioner General shall issue Bank Payment Advice to effect payment.

187. Waiver of royalty
The Minister may, with the approval of the Cabinet, waive in whole or in part, any royalty payable on any mineral obtained or mined from a particular deposit, for such period as the Minister may determine, if he or she considers it expedient to do so in the interests of the production of any such mineral.

188. Provisional royalties.
Where for any reason it is impractical to assess the amount of any royalty due, the Minister may, with the approval of the Minister responsible for finance, assess a provisional royalty.

189. Valuation of minerals.
The value of any mineral, whether for export or for domestic consumption, shall be determined in a manner prescribed by regulations.

200. Royalty on stockpiled minerals.
Where a mineral is to be stockpiled by the producer, a notice to stockpile shall be given to the Minister who shall assess the value of the mineral for the determination of royalty due; and the royalty so determined shall be paid as though the mineral has been disposed of commercially.

201. Due date of royalty.
The assessed royalty on any mineral shall be due within thirty days from the date of the assessment, and delay in payment shall attract an interest on the unpaid royalty at the rate of 2% per annum above the commercial bank lending rate as established by the Bank of Uganda; and interest on any such unpaid royalty shall not be deductible for purposes of assessing taxable income.

202. Failure to pay royalty on due date.
(1) Where the holder of a mineral right fails to pay any royalty payable by him or her on or before the due date, the Minister shall-

(a) by notice served on the holder, prohibit the holder from disposing of any mineral obtained or mined by him or her from the mining area concerned, or from any other mining area held by that holder, until all outstanding royalties have been paid or until an arrangement has been made, acceptable to the Minister, for the payment of the royalties, and the holder shall comply with the notice; and
(b) suspend the respective lease, licence or permit.

(2) Notwithstanding subsection (1), where the mineral right holder does not pay the royalties payable within forty-five days, the Minister shall revoke the licence or the permit, as the case may be.

(3) Where the holder of mineral right fails to pay the prescribed royalty within the prescribed period, the Minister shall prohibit the disposal of any mineral or mineral product from the mining area concerned, or from any mining area held by the mineral right holder.

(4) Where there is a default in payment of the prescribed royalties by a mineral right holder, the Commissioner General shall issue a Notice in line with Tax Procedure Code.

(5) Any holder of a mineral right who contravenes or fails to comply with a notice given under subsection (1), commits an offence and is liable, on conviction, to a fine not exceeding one hundred thousand currency points.

203. Recovery of royalty and other payments.

(1) A fee, royalty or other charge payable under this Act and which remains unpaid shall be deemed to be a debt to the Government which may be recoverable summarily.

(2) In any proceedings under subsection (1) of this section, a certificate of the Minister issued under section 230 certifying that a specified amount of royalty, or an annual surface rent of a specified amount, is payable by an identified person shall be received as evidence of that fact; but without prejudice to the right to adduce evidence in rebuttal.

(3) Where two or more persons are the joint holders of a mineral right when royalty becomes payable, those persons are jointly and severally liable for the payment of the royalty or annual surface rent without prejudice to any agreement, express or implied existing between or among them.

204. Annual mineral rents.

(1) There shall be payable to the Government by an applicant for, or the holder of, a mining lease, an artisanal mining permit, a retention licence or an exploration licence, an annual mineral rent of such amount as shall be prescribed.

(2) The annual rent payable under subsection (1) is payable on the (3) application for the grant a mining lease, an artisanal mining permit, a retention licence or an exploration licence and thereafter annually on the anniversary of the grant until the termination of the mineral right concerned.

205. Payment of tax and other fees.

(1) Taxation of mineral operations shall be in accordance with the tax laws of Uganda.

(2) An applicant or holder of a mineral of a mineral right, licence or permit under this Act shall pay such fees or charges and at such time as may be prescribed by notice in the Gazette.

(3) The prescribed fees may include –

(a) application filing fees;
(b) report filing fees;

(c) fees for access to geological data;

(a) fees for access to public registers; and

(b) any other fees that may be prescribed by regulations.

(4) The prescribed charges may include annual charges payable upon grant of the relevant mineral right, licence or permit.

(5) The prescribed charges shall be payable annually for the duration of the mineral right, mineral dealer's licence and precious mineral’s licence.

(6) All fees and charges payable under this Act shall be demanded and recovered in the same way as a civil debt.

206. Transfer of minerals.
A transaction for the transfer of a mineral or mineral product shall be deemed to have occurred at the point of sale and shall be equal to the arm’s value of the mineral or mineral product.

207. Keeping of records.
(1) A holder of a mineral right, licence or permit under this Act who wins, extracts, produces, disposes, refines, smelts or otherwise deals in of minerals or mineral products shall maintain up to date records.

(2) The records required to be kept under subsection (1) shall include-

   (a) the quantity of minerals; and

   (b) the commercially relevant characteristics of the minerals or mineral products.

(3) The Directorate of Geology and Surveys together with Uganda Revenue Authority shall inspect and examine any samples, books, records and accounts to ascertain the quantity, quality, grade or value of minerals or mineral products for the purpose of ascertaining or verifying the amount of any royalty payable.

208. Application of Regulations.
The Income Tax (Transfer Pricing Rules and Regulations shall apply to transactions under this Act.

   Incentives for Processing, Trade and Transportation of Minerals

209. Powers of the Minister responsible for finance in relation to taxation.
(1) Notwithstanding the provisions of the Income Tax Act, the Minister responsible for finance in consultation with the Minister, may provide for-

   (a) fiscal, tax, financial and other instruments to-
(i) encourage the formalization small scale and artisanal mining;
(ii) promote local investment in the mining subsector;
(iii) increase and stabilize local employment in the mining subsector;
(iv) improve practices in the mining subsector; or
(v) promote local content development;
(vi) promote research and development in the mining subsector;
(vii) promote state participation;
(viii) encourage good environmental practice, including the conservation of environment and natural resources and the prevention or abatement of pollution; or
(ix) promote any other government policy.

(b) tax and economic disincentives to deter unsustainable mining practices and deleterious environmental behavior that leads to depletion of environment and natural resources or activities that cause pollution.

(2) The incentives referred to under subsection (1) may include-
(a) priority for the award of certain government contracts;
(b) protection from competition;
(c) preferential access to credit, or preferential terms for credit;
(d) government subsidies; or
(e) the provision of services or material and equipment to licensees for free or at discounted prices;
(f) assistance in securing local permits and licenses;
(g) assistance in identifying office location and mining sites;
(h) Joint ventures and downstream service provider match-making;
(i) facilitated access to financial and technical assistance programs available in Uganda;
(j) facilitated service connections with local utilities; or
(k) any additional incentives as the Minister responsible for finance may determine.

(3) The Directorate may periodically prepare proposals and packages of economic tools and financial instruments in consultation with the Minister responsible for finance for purposes of enhancing and promoting investment in the mining subsector.

(4) The incentives under this section shall be-
(a) carefully designed so that they are only provided to the target population or activity;
(b) easy to administer and not subject the beneficiaries to onerous paperwork or procedures in order to benefit from them;

(c) part of a comprehensive policy with clear objectives and a realistic timeline

(d) evaluated as to their effectiveness and modified or eliminated if they are not effective in achieving the motivating policy goals or if they produce significant unintended negative consequences. Moreover, enforcement and policing of incentives; and

(e) implemented in such a way so as to prevent abuse.

**PART XII- NATIONAL CONTENT**

**210. Recruitment, training and promotion plan.**

(1) A holder of mineral rights and any other licence under this Act shall include a commitment by the licensee to maximise knowledge transfer to Ugandan citizens and to establish in country, management and technical capabilities and any necessary facilities for technical work, including the interpretation of data.

(2) The licensee shall, within twelve months after the grant of a licence under this Act, and on each subsequent anniversary of that grant, submit to the Directorate for approval, a detailed programme for recruitment, training and promotion of Ugandans.

(3) Notwithstanding subsection (2), the programme to be submitted shall be a condition for the grant of a mining lease.

(3) The implementation of the programme shall be regularly monitored by the Directorate.

**211. Employment of Ugandan citizens.**

(1) The licensee, contractor or subcontractor shall employ and train Ugandan citizens and implement a succession plan for the replacement of expatriate employees in a manner prescribed by regulations.

(2) A holder of a large scale mining lease shall-

   (a) conduct training programmes for the benefit of employees;

   (b) undertake capacity building for the employees;

   (c) only engage non-citizen technical experts in accordance with such local standards for registration as may be prescribed in the relevant law;

   (d) work towards replacing technical non-citizen employees with citizens in a manner prescribed by regulations;

   (e) provide a linkage with the universities for purposes of research and environmental management;

   (f) where applicable and necessary facilitate and carry out social responsible investment for the local communities; and
(g) implement a community development agreement as may be prescribed by regulations.

(3) The licensee, contractor or subcontractor shall in as far as possible give priority in employment of Ugandan citizens from the jurisdiction of the licensed activity.

(4) Where the licensee, contractor or subcontractor is unable to find a Ugandan citizen who is qualified for a particular technical or managerial position, licensee may employ citizens of an East African Community member state subject to the laws of Uganda.

(5) The burden of proof of failure to find a suitable Ugandan citizen shall be on the licensee.

(6) For the avoidance of doubt a licensed transporter shall not employ persons who are not Ugandan citizens.

212. Priority of goods and services available in Uganda and the region.

(1) The licensee, processing facility, contractors and subcontractors shall give preference to goods which are produced or available in Uganda and services which are rendered by Ugandan citizens and companies owned by Ugandan citizens.

(2) A licensee, processing facility, contractors and subcontractors shall develop a plan for the procurement of goods and services available in Uganda and in particular within the area of operations of the processing facility, or if the goods and services are not available within said area, then from sources based within the national jurisdiction of the processing facility.

(3) Where the goods and services are not available in Uganda, the processing facility may source the goods and service from within the East African Community or a member of the African Union.

(4) The plan referred to in subsection (1) shall be submitted to the Minister within ninety days from the date of issue of licence.

(5) The Directorate shall review the plan for compliance with this Act and any other applicable law.

(6) The Directorate may require additional information or modification of the plan by written notice to processing facility licensee within thirty days from the date of submission of the plan or of any subsequent submission in response to a request of the Minister.

(7) The Directorate shall issue its approval of the plan within thirty days of the submission of the plan or of the latest submission in response to a request from the Minister for additional information or modification of the plan, provided that there is no further request for additional information or modification of the proposed procurement plan outstanding.

(8) The licensee, processing facility, contractors and subcontractors shall implement the procurement plan approved by the Minister.

(9) The licensee, processing facility, contractors and subcontractors shall file an annual report with the Directorate indicating the results of the implementation of the plan during the covered year in a manner prescribed by regulations.
(10) All holders of a mining lease shall submit to the Minister an annual report on the implementation of the plan approved under this section approved and Minister may require that the report be independently audited.

213. Technology transfer.
(1) A mining lease, licence or permit issued under this Act shall include a commitment by the holder to maximise knowledge transfer to Ugandans and to establish in Uganda, management and technical capabilities and any necessary facilities for technical work, including the interpretation of data.

(2) Regulations made under section 334 shall prescribe the requirements for technology transfer of knowledge and skills relating to petroleum industry to Ugandans to be employed by the holder of a mining lease, licence or permit.

(3) The technology transfer required under subsection (1) shall be a shared responsibility between the Government and the licensee.

(4) The licensee shall keep at the address in Uganda, accurate geological maps and plans, geophysical records, and interpretations relating to the licence area.

214. Research and training.
The Minister, in consultation with relevant stakeholders and local governments-
    (a) may carry out or commission research for the purpose of conservation, development and utilisation of mineral resources, and for the conservation of biological diversity resources; and

    (b) shall ensure the training of officers of the Directorate and other public officers and stakeholders for the development and sustainable management of mineral resources.

PART XIII- GEOLOGICAL AND MINERAL INFORMATION

215. Financing the Directorate to undertake geological Surveys
(1) The Government shall ensure full government ownership and financing of geological and mineral data and information.

    (2) The Governments shall ensure that the Directorate is adequately financed and that sufficient resources are allocated for the development and management of geological, geophysical and geochemical information including collection, processing, interpretation and promotion of data.

    (3) The Government may explore innovative ways of financing geo data generation and management through Public-Private Partnerships in accordance with the Public Private Partnership Act, 2015.

216. Collection, ownership, custodianship and management and accessibility.
(1) The Directorate shall establish and maintain a Data Bank for the storage of all geoscience data generated under this Act.
(2) All geological data and its supports belong to the Government.

(3) The mineral right s holder shall submit, every year during the first 90 days of the year, all data generated during its exploration or mining operations and the required supports including samples.

(4) The Minister shall, by regulations, specify the format of the information to be submitted under this Act.

(5) Subject to the Constitution and the Access to Information Act, 2005, geological information submitted under subsection (2) shall remain confidential four years from the date of submission.

(6) The mineral right s holder shall take appropriate legal, technical and security measures to prevent its directors, agents and employees from sharing the information under its custody with third parties.

(7) At the issuance of the mineral right, the Minister may provide the mineral right s holder with all the geological data available referred to the area of the mineral right.

(8) The mineral right s holder may use the information provided under subsection (6) as well as any other information generated during the exploration or exploitation phase.

(9) Where any information is deemed sensitive on the basis of national interest or commercial purposes, a request may be made for confidentiality on an exceptional basis and the Minister shall determine the scope of such exception and provide a duration after which such information will be made available to the general public.

217. Geological surveying or prospecting.

(1) The Directorate and the National Mining Company shall explore, using geological, geophysical and any other acceptable methods of exploration for the purpose of identifying prospects.

(2) The holder of any licence or right who conducts prospecting operations, technical co-operation studies, exploration operations or production operations shall submit the information, data, reports and interpretations to the Directorate in a manner prescribed by regulations.

(3) The Directorate, the National Environment Management Authority and any other ministry department or agency in charge of geology, mining, environmental permitting of mineral or inspection of mineral operations shall maintain copies of all studies, reviews, evaluations, data compilations, investigations, inspections and reports, organized within each service by topic and chronological order.

(4) The records maintained under subsection (3) shall be archived annually and maintained indefinitely in a secure environment in either hard copy or electronic format.

(5) Subject to the Constitution or Access to Information Act, 2005 the records maintained under subsection (3) shall be accessible to the committee of Parliament responsible for oversight of mineral activities and to judicial or arbitration tribunals exercising jurisdiction over a relevant dispute, upon formal request.
218. Management of mining and mineral resources information.
(1) The Directorate shall-

(a) gather, document, evaluate and disseminate information on the mineral resources;
(b) carry out public education and awareness on the mineral resources;
(c) foster information exchange on minerals with other ministries, departments, agencies of government, foreign agencies, international and nongovernmental agencies;
(d) coordinate and support local government in the management of mineral information;
(e) advise Government on minerals information gaps and needs; and
(f) establish guidelines and principles for the gathering, documentation, evaluation and dissemination of minerals information.

(2) The Directorate shall establish a national minerals databank to standardize minerals information and to act as the central depository for minerals information.

(3) The Directorate may publish any minerals information that it considers necessary for public education and awareness.

219. Confidentiality of data.
(1) Subject to the Constitution and the Access to Information Act, 2005, all information, data, reports and interpretations submitted to the Minister shall be kept confidential for a period-

(a) not exceeding four years from date of acquisition; or
(b) ending on the date on which the permit or rights to which such information, data, reports and interpretations thereof relate have lapsed are cancelled or terminated, or the area to which such permits or rights relate have been abandoned or relinquished.

(2) The Government –

(a) is not liable for the bona fide or inadvertent release of information or data submitted in terms of this Act; and
(b) does not guarantee the accuracy or completeness of any such information or data or interpretation thereof.

(3) All data submitted to the Government by a licensee shall be kept confidential and shall not be reproduced or disclosed to third parties by any party under this Act except-

(a) in the case of disclosure by the licensee, with the prior written consent of the Minister; or
(b) in the case of disclosure by the Directorate prior to the relinquishment of the area to which they relate, with the prior written consent of the licensee.
(4) All data disclosed to third parties shall be disclosed on terms, which to the extent possible ensure that they are treated as confidential by the recipient for so long as the data remains subject to the confidentiality undertakings.

220. Data security.
(1) The holder of a mineral right under this Act who conducts prospecting operations, technical co-operation studies, exploration operations or production operations shall submit such information, data, reports and interpretations to the Directorate in a manner prescribed by regulations.

(2) The holder of a mineral right shall give copies of all data generated to the Directorate free of charge.

(3) The holder of a mineral right shall not export any cores, cuttings, rock samples or fluid samples without the written authorisation of the Directorate.

221. Mechanisms to review and verify data.
(1) The holder of a mineral right shall quarterly, commencing three months after the grant of the licence, submit to the Directorate’ in or in respect of the period concerned -

(a) a summary of all geological, geochemical and geophysical work carried out;

(b) a summary of all drilling activity and results obtained;

(c) copies of maps, tapes or reports of other geological, geochemical and geophysical data prepared for the licensee,

(2) The licensee shall disclose to the Government, the technology necessary for the evaluation and understanding of any raw data, processed data or interpreted data resulting from the licensee’s work in the licence area.

222. Minister’s power to require for information.
(1) Where the Director has reason to believe that a person is capable of giving information or producing or making available books or documents relating to minerals obtained or mined by the holder of a mineral right or the value of such minerals, the Director may, in writing order that person -

(a) to furnish to him or her in writing, within the period and in the manner specified in the instrument, any such information;

(b) to attend before him or her or a person specified in the instrument, at a specified time and place, and there to answer questions relating to minerals obtained or mined by such holder or the value of such minerals; or

(c) to produce or make available to a person specified in the instrument, at a specified time and place, books or documents in his or her custody, power or control, relating to minerals obtained or mined by such holder or the value of such minerals.

(2) A person is not excused from furnishing information, answering a question or
producing or making available books or documents when required to do so under this Act merely because the information to be so furnished, the answer to the question or the production or making available of any such books or documents, might tend to incriminate him or her or make him or her liable to a penalty; but the information so furnished is not admissible in evidence against such person in any proceeding other than proceedings for an offence against this section.

(3) Where books or documents are made available pursuant to a requirement under subsection (1) (c), the person to whom the books or documents are so made available may make copies of, or take extracts from, those books or documents.

(4) A person shall not -

(a) refuse or fail to comply with a requirement under subsection (1) to the extent to which that person is capable of complying with such requirement;

(b) in purported compliance with such a requirement, knowingly furnish information that is false or misleading in a material particular;

(c) when attending before the Director or an authorised officer in pursuance of such a requirement, knowingly make a statement or produce a document which is, or knowingly produce books which are false or misleading in a material particular; or

(d) when making available books or documents in pursuance of such a requirement, knowingly make available books which are, or a document which is, false or misleading in a material particular.

(5) Any person who contravenes subsection (4) commits an offence and is liable on conviction to a fine not exceeding three thousand currency points or imprisonment not exceeding one year or both.

223. Annual report.
(1) The Directorate shall prepare and submit to the Minister as soon as possible but in any case not later than three months after the end of each financial year, a report detailing the activities and operations of the Directorate during the year to which the report relates.

(2) The report under subsection (1) shall contain-

(a) the mineral reserve estimates;

(b) the amount of minerals produced and forecast;

(c) a description of the major positive and negative developments in the sector during the year;

(d) the number of each type of mineral right in existence at the beginning and the end of the year;

(e) the geographical areas covered by mineral right s

(f) a description of significant geological information developed, subject to confidentiality requirements;
(g) statistics of production;
(h) sales and royalty receipts for each mineral commodity, by type of mineral right or authorization;
(i) statistics of employment by type of mineral right and position, including average wages or salaries;
(j) statistics on health, safety and the efficacy of environmental protection measures in the sector;
(k) administrative fee income per type; and
(l) allocation or disposition of royalty and fee income.

(2) The Minister shall, within two months after receipt of the annual report, submit the report to Parliament with any statement which he or she considers necessary.

224. Publication.
The Directorate shall publish on its website-

(a) all mineral exploration and mining contracts entered into by the National Mining Company;
(b) summaries of all preliminary and final environmental impact assessments or studies for mineral projects;
(c) the annual report of the Directorate on the sector; and
(d) annual statistical summaries of exploration and mining results, royalties and fees charged and received.

PART XIV – REGISTRATION, INFORMATION AND RECORDS.

225. Register.
(1) The Minister shall cause a record of every mineral right, other than a prospecting licence, granted under this Act and of any dealings with or affecting every such mineral right to be kept in a register.

(2) When a mineral right, other than a prospecting licence, is granted, the Minister shall cause the name of the person to whom the mineral right is granted to be recorded in the register as the registered holder of that mineral right in a manner prescribed by regulations.

(3) Where the Minister is satisfied that a mistake has been made or that some matter has been incorrectly entered in the register, the Minister shall rectify the register by correcting that mistake or incorrect entry.

(4) The grant, renewal, suspension or termination of any mineral right, other than a prospecting licence, and any mineral dealer’s licence or goldsmith’s licence shall be published in the Gazette.

226. Mining Cadastre Registers.
(1) The Minister shall establish and maintain a series of files to be known as Mining Cadastre Office Registers for the purposes of this Act, comprising of-
(a) a register of prospecting permits;
(b) a register of exploration licences;
(c) a register of mining leases;
(d) a register of small scale mining leases;
(e) a register artisanal permits; and
(f) a register of licences for building substances.

(2) The registers kept under subsection (1) shall be accessible to the public during regular business hours or online and copies shall be made available upon request and payment of the prescribed fee to cover the reasonable cost of reproduction.

(3) All entries in the registers shall be signed by an authorised officer who made the entry.

(4) The entries made on each day shall be reviewed by the supervisor of the office in which the entries are made, who shall sign the registry for that day and any corrections shall require the signature of the an authorised officer.

(5) All registries of mineral rights applications, issuances, transactions and withdrawals or other terminations shall be archived no less often than on an annual basis, in chronological order, and shall be maintained indefinitely in a secure environment in either hard copy or electronic format.

227. Cadastral Register.
(1) All information submitted into or sent from the Cadastre shall be held in a Cadastral Register.

(2) All mineral rights and mineral agreements issued under the Act shall be maintained in a digital format in the Cadastre.

(3) The holder of a mineral right shall be issued with one hard copy of the mineral right and an additional copy shall be retained by the Mineral Cadastre Unit.

(4) The information to be included in the Cadastre shall be prescribed by regulations.

228. Cadastral maps.
(1) The Minister shall cause to be established and maintained an up-to-date digital mining cadastral map of Uganda.
(2) The cadastral map maintained within the Cadastre shall indicate all areas –

   (c) that have minerals occurrences or mineral deposits;
   (d) where mineral rights are currently in force;
   (e) where mineral rights applications are pending; and
(f) which are restricted from mining and mineral related operations under the Act or any other written law.

229. Replacement of original instrument.
Where the original of any instrument creating or evidencing any right under this Act is lost or destroyed or so obliterated as to become illegible, the Minister may, at the request of the holder of the instrument, cause a copy of the instrument to be prepared and endorsed with all the entries that were in the original instrument, so far as these can be ascertained from the records in the Minister’s office and other available information; and the Minister shall make and sign a memorandum on the copy stating that such copy is a substitute to be used in place of the original.

(1) The Minister may give a certificate stating-

(a) a mineral right was granted, transferred, suspended or cancelled on or with effect from a date specified in such certificate;

(b) any land, identified in the certificate is or was on a date specified in the certificate subject to a mineral right;

(c) a mineral specified in the certificate is or was on a date specified in the certificate subject to a mineral right;

(d) any condition specified in the certificate is or was on a date so specified a condition of a mineral right;

(e) a certificate of surrender was issued in respect of land identified on a date specified in the certificate;

(f) any condition specified in the certificate is a condition on which a certificate of surrender was issued or on which any consent or approval so specified was given; or

(g) a person named in the certificate is or was on a date specified on the certificate the holder of a mineral right.

(2) The power under subsection (1) to give a certificate stating that any matter referred to in paragraph (a) to (e) is or was the case, includes a power to state that any such matter is not or was not the case.

(1) The Minister may issue a certificate of a type referred to in subsection (1), and such certificate shall be received in proceedings before any court as evidence of any matter, but without prejudice to the right to adduce evidence in rebuttal.

PART XV - PROTECTION OF THE ENVIRONMENT

231. Prohibition of pollution.
(1) The holder of a mineral right shall, in accordance with the requirements of this Act, the National Environment Act, 2019 and any applicable law, and in accordance with good mining industry practice, conduct operations in such manner as to-

(a) preserve in as far as is possible the natural environment;
(b) minimize and control waste or undue loss of or damage to natural and biological resources;
(c) prevent and where unavoidable, promptly treat pollution and contamination of the environment; and
(d) take no steps which may unnecessarily or unreasonably restrict or limit further development of the natural resources of the concession area or adjacent areas.

(2) A holder of a mineral right shall put in place measures to prevent the pollution from occurring during mining operations, including by use of best available techniques and best environmental practices.

(3) Subject to subsection (1), where pollution has occurred contrary to this Act and the National Environment Act, 2019 the holder of a mineral right shall-

(a) take the necessary action to stop further pollution and minimise the impacts of the pollution on human health and the environment;
(b) give notice of the pollution to the Minister, the National Environment Authority and any other relevant lead agency in accordance with the National Environment Act, 2019;
(c) take steps to mitigate any damage or nuisance resulting from the pollution or from measures to counteract it;
(d) take steps to clean up and restore the environment as near as possible to its original state; and
(e) pay compensation for the damage caused in accordance with the National Environment Act, 2019 and any other applicable law.

(4) Where the person responsible for the pollution fails to comply with the requirements of subsection (1), the National Environment Authority may in consultation with the Minister-

(a) order the person to stop the activities causing the pollution;
(b) order the person to implement the measures prescribed under subsection (1);
(c) implement the measures under subsection (1) at the cost of the person responsible for the pollution;
(d) revoke a licence if the activity is licensed; and
(e) carry out any other measures the Authority deems necessary.

232. Liability of holder of a mineral right, licence or permit pollution.
(1) A holder of a mineral right, licence or permit under this Act who pollutes the environment contrary to this Act, National Environment Act, 2019 Act or any other applicable law is strictly liable for any damage caused to human health or the environment, regardless of fault.

(2) Notwithstanding subsection (1), a person who does an act or makes an omission that may aggravate the damage or nuisance caused by earlier pollution is equally and jointly responsible for the pollution.

233. Liability for pollution damage caused without a licence.
(1) Where pollution damage occurs during a mining operation and the operation has been conducted without a licence, the party that conducted the mining operation is liable for the damage, regardless of fault.

(2) The same liability rests on any other person who has taken part in the Mining operation, and who knew, or should have known, that the activity was conducted without a licence.

234. Environmental and social impact assessment and environmental audits.
(1) Every holder of a mineral right, licence or permit shall carry out an environmental and social impact assessment of his or her proposed operations in accordance with the National Environment Act, 2019.

(2) The holder of a licence referred to in subsection (1) shall commence his or her operations under this Act only after securing a certificate of approval of his or her proposed operations from the National Environment Management Authority.

(3) The holder of a licence referred to in subsection (1) shall carry out an annual environmental audit in accordance with the National Environment Act, 2019 and shall keep records describing how far the operations conform to the approved environmental impact assessment.

235. Environmental protection standards.
(1) There shall be included in every exploration licence or mining lease granted under this Act a condition that the holder of the licence or lease takes all necessary steps to ensure the prevention and minimisation of pollution of the environment in accordance with the standards and guidelines prescribed under the National Environment, 2019.

(2) Notwithstanding the provisions of subsection (1), the holder of a mineral right, licence or permit may exceed the standards and guidelines prescribed under the National Environment Act, 2019, if authorised by a pollution control licence issued under the National Environment Act, 2019.

(3) The holder of an exploration licence or a mining lease shall submit to the Minister and the National Environment Management Authority an environmental management plan indicating the type and quality of wastes to be generated from any exploration or mining operations under this Act and the method of its final disposal.

(4) The environmental management plan referred to in subsection (3) may be revised from time to time either by the holder of the exploration licence or mining lease, or if required by the Minister or the National Environment Management Authority.
236. Mine Closure Plan.

(1) A holder of a mineral right, licence or permit who intends to close or abandon the mine or a major part of the mine shall submit a decommissioning plan to the Minister-

(a) before the exploration licence or mining lease expires or is surrendered; or

(b) before the use of a facility is terminated permanently.

(2) The Mine Closure Plan shall be submitted as soon as is reasonably practicable, but not later than sixty days before the beginning of the process of closing or abandoning the mine or a major

(2) The plan referred to in subsection (1) shall contain proposals for continued exploration or mining operation or shut down of operations, decommissioning of facilities and any other information prescribed by regulations.

(3) Without limiting the general effect of subsection (2), the decommissioning plan shall contain-

(a) an identification of the exploration or mining area concerned, its current uses and productivity prior to exploration or mining operations;

(b) a detailed time table of the accomplishment of each major step to be carried out under the restoration plan which may include –

(i) the reinstatement, levelling, re-vegetation, reting and contouring of the affected land;

(ii) the filling in, sealing, or fencing off of excavations, shafts and tunnels; or

(iii) any other method that may be prescribed;

(c) measure for closure and rehabilitation of open pits;

(d) the procedures for safeguarding, closure and rehabilitation of underground mine sites with an explanation of the methods by which-

(i) the shaft compartments are to be abandoned and hoisting ropes disposed of; and

(ii) the shafts and entrances from the surface are to be secured;

(e) the methods by which-

(i) explosives, fuses and detonators will be disposed of; and

(ii) the remaining chemical reagents, fuel, lubricants and other chemical substances are to be removed and disposed of;

(f) the closure and rehabilitation plants including-
(i) preparation and process plants;
(ii) heap leach pads;
(iii) process ponds;
(iv) ancillary facilities;
(v) tailings storage facilities;
(vi) waste dumps; and
(vii) other installations at the mine site.

(4) The mine closure plan shall-

(a) provide an inventory of contaminated areas and a description of the methods by which these are to be rehabilitated;

(b) include the use to which the land is proposed to be put after the restoration and a statement of the utility and capacity of the restored land to support a variety of alternative uses;

(c) the use to which the land is proposed to be put following restoration, including a statement of the utility and capacity of the restored land to support a variety of alternative uses.

(4) The decommissioning of facilities referred to in subsection (2) may constitute further use of the facilities in mining operations, other uses, complete or part removal and disposal or abandonment.

(5) The plan shall contain the information and evaluations deemed necessary in order to make a direction under section 244.

(6) The Minister may on receipt of the plan require further information and evaluations, or may require a new or amended decommissioning plan.

(7) In making a decision whether to accept the environmental restoration plan, the Minister shall take into account –

(a) the steps taken to comply with applicable environmental protection standards, existing land use policies and plans and any applicable health and safety standards; and

(b) the consideration that has been given in developing the environmental restoration plan in a manner consistent with local physical, environmental and climatological conditions.

(8) In making a decision whether to approve plan, the Minister shall consult the National Environment Management Authority and take into account –

(a) the steps taken to comply with the National Environment Act, 2019 and regulations made under that Act, applicable environmental protection standards, existing land use policies and plans and any applicable health and safety standards; and

(b) the consideration that has been given in developing the decommissioning plan
in a manner consistent with local physical, environmental and climatological conditions.

(6) The licensee shall update the decommissioning plan-

(a) in conjunction with any subsequent application for a permit, to make additions or substantial changes to the facilities;

(b) whenever the expected method or costs of carrying out the decommissioning work have changed significantly as a result of new techniques for the work becoming available;

(c) where the previously assumed techniques are no longer permissible or considered adequate; or

(d) when requested by the Minister, within a reasonable time limit specified in the request.

(7) Unless the Minister consents to or directs otherwise, the decommissioning plan shall be submitted at the earliest four years, but at the latest two years before the time when the use of a facility is expected to be terminated permanently.


(1) There shall be established a mine closure fund for each mining lease or for other facilities operated in relation to a licence or permit under this Act for the purpose of costs related to the implementation of a decommissioning plan.

(2) The mine closure fund shall be applied to the implementation of activities approved in the mines closure plan.

(3) Payments into the mine closure fund shall commence from the calendar quarter in whichever of the following situations occurs-

(a) the mining operations has reached fifty percent of the aggregate recoverable reserves as determined in an approved development plan and any successive reappraisal of such initial recoverable reserves;

(b) five years before the expiry of the licence; or

(c) on notice of surrender.

(4) For every subsequent calendar quarter in which mining is undertaken or a facility operated, the Minister shall charge the licensee a portion of the estimated future cost for decommissioning of facilities to be deposited in the fund.

(5) The amount deposited in the mine closure fund shall be charged as operating costs subject to deductions under the Income Tax Act.

(6) Where the mine closure fund is not sufficient to cover the implementation of the decommissioning plan, the licensee, and where applicable, the owner of the facilities shall
cover the costs and expenses.

(7) Where any amount remains in the mine closure fund after the decommissioning plan has been implemented, such funds shall accrue to the Government.

(8) The management of the mine closure fund shall be done by a committee consisting of representatives of the Government and the licensee, in a manner prescribed by regulations.

238. Closure of open pit mines.
The holder of a mining lease shall-

(a) satisfy the relevant authorities that the pits in the mine do not have the potential to pollute any water source; and

(b) where an open pit mine is closed permanently or for an indefinite period-

(i) secure the open pit mine to prevent unauthorized entry and post warning signs to that effect at the mine; or

(ii) perform remedial work at the mine so that the workings at the mine present no greater hazard than the prevailing natural topographic features of the area.

239. Openings to underground mines.
(1) The holder of a mining lease, licence or permit shall where a shaft, raise, adit or other opening to the surface of the mine is abandoned or where the workings at the mine are discontinued, ensure that the shaft, raise, adit or other opening is secured against unauthorized entry in accordance with this regulation.

(2) A shaft, raise, audit or other opening shall be secured by covering it at the top at bedrock or at the top of the concrete collar of the shaft, raise, adit or opening with a bulkhead of reinforced concrete designed by a professional engineer.

(3) The holder of the mining lease shall ensure that the cover required under this Act clearly marked with a substantial one-metre high marker or sign that identifies the party responsible for the opening and the cover.

240. Disposal of explosives.
The holder of a mining lease shall, where a mine is to be closed or abandoned-

(a) ensure that each explosive, detonator or detonating cord is disposed of in a safe manner and in accordance with the manufacturer's instructions and disposed of in accordance with the Atomic Energy Act, 2006 and regulations made under that Act; and

(b) at least fourteen days before the disposal of any explosive, detonator or detonating cord, notify the Minister and the Atomic Energy Council in writing of the disposal procedure to be used.

241. Closure of processing plants.
The holder of a mining lease, licence or permit shall rehabilitate the site of the processing
facilities and decontaminate the sites of refineries, assay labs and associated areas of the mine.

242. Securing hazardous plants.
The holder of a mining lease shall where a mine or any part of the mine is to be closed or abandoned and the plant associated with that mine or part of a mine presents a hazard, secure the plant to protect the plant against unauthorized entry and comply with the National Environment Act, 2019.

243. Closure of ancillary facilities.
(1) The holder of a mining lease shall, where a mine or part of a mine to which the lease relates is closed down or abandoned, rehabilitate and decontaminate the sites of ancillary facilities.

(2) The holder of a prospecting right, mineral right, retention permit, mining permit, or previous holder of an old order right or previous owner of works that has ceased to exist, remains responsible for any environmental liability, pollution, ecological degradation, the pumping and treatment of extraneous water, compliance to the conditions of the environmental authorisation and the management and sustainable closure thereof, until the Minister has issued a closure certificate in terms of this Act to the holder or owner concerned.

244. Direction for protection of environment.
(1) Where an exploration licence or a mining lease over any land is wholly or partly terminated, the Minister may, by notice served on the person who was the last holder of the exploration licence or mining lease concerned, direct the person to take such steps within such time as may be specified in the notice to give effect, in relation to the land which is no longer subject to such licence or lease, to any conditions included in his or her exploration licence or mining lease under this Act.

(2) Any person to whom a direction is given under subsection (1) who, without reasonable excuse, fails or neglects to comply with such direction commits an offence and is liable on conviction -

(a) in the case of an individual, to a fine of not less than one hundred currency points or to imprisonment for a term of not less than two years or both; and

(b) in the case of a body corporate, to a fine of not less than five hundred currency points;

(3) Where a person to whom a direction is given under subsection (1) does not comply with such direction, the Minister may take or cause to be taken any steps specified in the notice containing the direction.

(4) Costs and expenses incurred pursuant to subsection (3) are a debt due to the Government and are recoverable as such from the financial security provided under section 172 or from the Mines Closure Fund under section 237 of this Act or by civil action in a court of competent jurisdiction.

(5) In any proceedings instituted for the recovery from a person to whom a direction was given under subsection (1) of a debt due by that person to the Government under subsection
(4), a certificate of the Minister that a specified amount is the amount of the debt due shall be received as evidence of that fact without prejudice to the right to adduce evidence in rebuttal.

(6) A debt due by any person to the Government under subsection (4) is recoverable notwithstanding that that person has been convicted of an offence under subsection (2).

(7) Where two or more persons are the joint holders of an exploration licence or a mining lease, those persons are jointly and severally liable for the payment of any costs and expenses which may be recovered under this section from the person who is or was the last holder of the licence without prejudice to any right to contribution existing between them.

245. Environment management systems.

(1) A holder of a mineral right, licence or permit under this Act shall establish, maintain and implement an environment management system in accordance with the National Environment Act, 2019.

(2) An environment management system shall be a documented structured framework of processes, practices and measures-

(a) to ensure that project activities are planned, organised, performed and managed to comply with environmental laws, permits and licences;

(b) to ensure better management of environmental impacts caused by project activities; and

(c) to demonstrate sound environmental management, while improving environmental performance.

246. Disposal of decommissioned facilities.

(1) The Minister may issue directions relating to the disposal of decommissioned facilities and shall stipulate a time limit for the implementation of the directions.

(2) Directions issued under subsection (1) shall be based, among other factors, on technical, safety, environmental and economic aspects as well as on consideration for other users.

(3) The Minister may stipulate specific conditions in connection with the directions.

(4) The licensee and the owner of a facility shall ensure that a direction relating to disposal is carried out, unless otherwise directed by the Minister.

(5) The obligation to carry out the direction relating to disposal applies even where the direction is made or is to be implemented after the expiry of the licence.

(6) Where the ownership of a facility has been transferred in accordance with this Act, the licensee and the owners shall jointly ensure that a direction relating to disposal is carried out, unless otherwise directed by the Minister.

(7) Where the direction is to the effect that the facility shall continue to be used in the mining activities or for other purposes, the licensee, owner and user are jointly obliged to ensure that future directions on disposal are carried out, unless otherwise directed by the Minister.
(8) Where a direction relating to disposal of a facility is not carried out within the stipulated time, the Minister may take the necessary measures on behalf of the licensee or other responsible parties.

(9) Where the Minister takes any measures under subsection (8) on behalf of a licensee or other responsible parties, any risks or costs incurred arising out of that measure, shall be borne by the licensee or other responsible party.

PART XVI- COMMUNITY ENGAGEMENT

247. Participation of mining communities.

(1) The holder of a mining lease, licence or permit under this Act shall assist in the development of mining communities affected by its operations to promote sustainable development, enhance the general welfare and the quality of life of the inhabitants, and shall recognise and respect the rights, customs, traditions and religion of local communities.

(2) The holder of a mining lease, licence or permit shall negotiate and implement a community development agreement with the primary host community if its approved mining operation will or does exceed any of the following limits -

(a) in the case of extraction of minerals from primarily alluvial deposits, where annual throughput is more than one million cubic metres per year;

(b) in the case of underground mining operations, where annual combined run-of mine mineral and waste production is more than one hundred thousand tonnes per year excluding waste material not exiting mine mouth to be excluded;

(c) in the case of open-cast mining operations extracting minerals from primarily non-alluvial deposits, where annual combined run-of mine mineral, rock, waste and overburden production is more than two hundred and fifty thousand tonnes per year; or

(d) where the licence holder employs or contracts more than one hundred employees or workers at the mine site on a typical working day (including all shifts).

(3) For the purposes of this Part “primary host community” means a single community of persons mutually agreed by the holder of a mining lease, licence or permit and the local government, but if there is no community of persons residing within thirty kilometres of any boundary defining mining area, the primary host community shall be the local government.

(4) If the holder of a mining lease, licence or permit and local government cannot agree on which community is the primary host community, the licence-holder may notify the Minister requesting clarification, and the Minister shall notify the licence holder and local government within sixty calendar days from the date of such notice, specifying which community is the primary host community.

(5) The holder of a mining lease, licence or permit who is required to have a community development agreement shall negotiate with the primary host community the terms of the agreement, and such agreement shall include the following-
(a) the person, persons or entity who represent the primary host community for the purposes of the community development agreement;

(b) the objectives of the community development agreement;

(c) the obligations of the licence-holder with regard to the primary host community including but not necessarily limited to-

(i) undertakings with respect to the social and economic contributions that the project will make to the sustainability of the community;

(ii) assistance in creating self-sustaining, income-generating activities, such as but not limited to, production of goods and services needed by the mine and the community;

(iii) consultation with the community in the development of mine closure measures that seek to prepare the community for the eventual closure of the mining operations;

(d) the obligations of the primary host community with regard to the licence holder;

(e) the means by which the community development agreement shall be reviewed by the licence holder and primary host community every five calendar years, and the commitment to be bound by the current agreement in the event that any modifications to the agreement sought by one party cannot be mutually agreed with the other party;

(f) the consultative and monitoring frameworks between the licence holder and the primary host community, and the means by which the community may participate in the planning, implementation, management and monitoring of activities carried out under the agreement; and

(g) a statement to the effect that both the licence holder and primary host community agree that any dispute regarding the agreement shall in the first instance be resolved by consultation between the licence holder and the primary host community representative(s), and if this fails to resolve the dispute, either party may submit the matter for the Directorate, in consultation with the local government, to decide, and the decision of the Directorate shall be final and binding on the licence-holder and the primary host community.

(6) A community development agreement shall take into account the unique circumstances of the licence holder and primary host community, and the issues to be addressed in the agreement may include the following issues-

(a) educational scholarship, apprenticeship, technical training and employment opportunities for the people of the community;

(b) financial or other forms of contributory support for infrastructural development and maintenance such as education, health or other community services, roads, water and power;
(c) assistance with the creation, development and support to small-scale and micro enterprises;

(d) agricultural product marketing;

(e) methods and procedures of environment and socio-economic management and local governance enhancement; and

(f) other matters as may be agreed.

(7) A community development agreement may not address any of the following matters-

(a) the imposition of any additional rent, fee, or tax for the benefit of the primary host community;

(b) the provision of any passenger car, truck, or four-by-four vehicle to any individual of the host community or to the host community, other than a specialized purpose vehicle such as an ambulance, fire engine, or bus; and

(c) the provision of any monetary amount, service, good, or facility for the sole benefit of an individual or single family unit.

(8) A community development agreement agreed and signed by the authorized representatives of a small-scale or large-scale mining licence and its primary host community shall be submitted for approval to the [Regulating Authority] who shall, if the agreement meets the requirements set out in this Part, approve such agreement within forty-five calendar days of it being submitted.

(9) If the community development agreement is not approved, the Directorate shall notify the holder of the small-scale or large-scale mining licence and the primary host community representative and such notice shall contain the specific reasons for denial and the means or directions by which such reasons may be corrected.

(10) The holder of the small-scale or large-scale mining licence and host community representatives may submit any number of revised agreements.

(11) If the holder of the small-scale or large-scale mining licence and its primary host community fail after reasonable attempts to conclude a community development agreement by the time the licence-holder is ready to commence development work on the mining licence area, the licence-holder or the primary host community may refer the matter, jointly or individually, by notification to the Directorate for resolution, and the decision of the Directorate, in consultation with the local government, thereon shall be final.

(12) A notification under subsection (4) from either or both parties shall include the draft community development agreement proposed by the party, description of the efforts to negotiate an agreement, issues that have been agreed, issues which have not been agreed, and proposals to resolve issues, and the Directorate shall determine the matter within sixty calendar days of such notification.

(13) The holder of the small-scale or large-scale mining licence shall provide a copy of the
community development agreement approved by the Directorate to the Director within thirty calendar days of the date on which such agreement was approved, and the agreement shall be considered non-confidential and available to the public at the relevant office.

248. Negotiation of community development agreement.
(1) All Mining lease holders shall negotiate a community development agreement with representatives from communities likely to be affected by said holder's mining activities.

(2) The conclusion of a community development agreement with the communities likely to be affected by the holder's mining activities shall be prerequisite for commencement of operations under a mining lease.

(3) The mining lease holder shall, after obtaining the mining lease, submit the community development agreement, signed jointly with representatives from communities likely to be affected by the holder's mining activities and all other invested and affected parties, to the Minister.

(4) The Mining lease holder shall fulfil its obligations under the community development agreement.

(5) The Minister may, in consultation with the relevant stakeholders develop a Model Community Development Agreement to guide negotiations between the community and the lease holder.

249. Compensation and resettlement.
(1) A holder of a mineral right shall, within fourteen days after the grant of the mineral right, give notice to a person-

   (a) who claims a right or an interest in land over which a mineral right has been granted under this Act; or

   (b) whose right or interest in any land is affected in any manner by the grant of a mineral right.

(2) The notice shall be posted in public places including markets, churches, mosques and schools in the affected community.

(3) Within sixty days from the date of the notification to the affected person by the holder of the mineral right, the affected person may submit in writing a claim for compensation to the holder of the mineral right, which shall include-

   (a) particulars of the claim or interest in the land;

   (b) the manner in which the claim, right or interest has been affected or is likely to be affected by the operations or activities of the holder of the mineral right;

   (c) the extent of damage done, if any;

   (d) the type of compensation claimed, whether in cash or in kind, which includes replacement of property, provision of training, and the basis for computation of the
amount of compensation claimed; and

(e) particulars of other persons known to the claimant to have an interest in the land and details of that interest.

(4) A claim for compensation under subsection (3) shall be copied to the Minister.

(5) The Minister shall, by regulations prescribe procedures for assessment and payment of compensation and resettlement.

**PART XVII- OCCUPATIONAL SAFETY AND HEALTH**

250. Safety.
(1) A holder of a mineral right, licence or permit under this Act shall ensure that mining operations and licensed activities are conducted in such a manner as to enable a high level of safety to be maintained and further developed in accordance with technological developments, best mining industry practices, the Occupational Health and Safety Act, 2006 and any other applicable law.

(2) A holder of a mineral right, licence or permit shall-

(a) identify the hazards and evaluate the risks associated with any work performed in the course of mining operations or activities carried out under the mineral right, licence or permit which constitute a hazard to the health of persons employed for the purposes of that work and the steps that need to be taken to comply with the provisions of this Act and regulations made under this Act; and

(b) prevent the exposure of the persons referred to in paragraph (a) to the hazards.

(3) During exploration or mining operations, a mineral rights holder shall, in accordance with this Act, the Occupational Safety and Health Act, 2006 and any other applicable law, the generally accepted practices in the international mining industry, shall take all steps necessary to secure the safety, health and welfare of all persons engaged in such operations.

(4) A holder of a mineral right, licence or permit shall not employ or in any way use -

(a) a person under sixteen years in a mine, or in any other work-site including non-formal settings and agriculture, where work conditions may be considered hazardous by the Minister and that places at risk the child's well-being, education, physical or mental health, or spiritual, moral or social development.

(b) indentured workers or other forms of forced labour, including unregulated use of prison labour;

(c) undocumented workers, migrant workers, or any other person without an appropriate work permit.

(5) A person who contravenes this provision commits an offence and is liable on conviction to a fine not exceeding ten thousand currency points or imprisonment not exceeding seven years or both.

(6) In any proceedings under this section, if the age of the child is in issue, the burden of
proofing that it was reasonable to believe, after investigation, that the child was not underage for the purposes shall lie on the person employing or procuring the child for employment.

251. Right of workers.
(1) Subject to the Constitution and the Employment Act, 2006 the rights of a worker include the right to-

(a) work under satisfactory, safe and healthy conditions;
(b) receive equal pay for equal work without distinction of any kind;
(c) have rest, leisure and reasonable limitation of working hours and period of holidays with pay as well as remuneration for public holidays;
(d) form or join a trade union;
(e) be trained and retrained for the development of his or her skills; and
(f) receive information relevant to his or her work.

(2) Without prejudice to the provision of any other applicable law, the duties of a worker in any contract of employment or collective agreement, include the duty to-

(a) work conscientiously in the lawfully chosen occupation;
(b) report for work regularly and punctually;
(c) enhance productivity;
(d) exercise due care in the execution of assigned work;
(e) obey lawful instructions regarding the organization and execution of his or her work;
(f) take all reasonable care for the safety and health of fellow workers;
(g) protect the interests of the employer; and
(h) take proper care of the property of the employer entrusted to the worker or under the immediate control of the worker.

(3) All holders of mineral rights, licences or permits shall observe the highest standards of health and occupational safety as prescribed under this Act and the Occupational Safety and Health Act, 2006.

(4) Mines and quarry operations shall draw up and enforce workplace regulations in accordance with standards issued by the Minister to ensure the hygiene and safety of their workers, plants and inventories.

(1) An authorised officer may, at a reasonable time in the day or in the night and on the production of the appropriate identification-

(a) enter, inspect and examine a mine in a manner that does not unnecessarily impede or obstruct the working of the mine;

(b) examine and inquire into-

(i) the state and condition of a mine or part of the mine and of matters and things that pertain to the mine in so far as they relate to the safety or health of persons employed in the mine, and

(ii) matters relating to this Act, to minimize any damage that may be caused to the environment by mining and mining related operations; and

(c) enforce compliance with this Act.

(2) For the purpose of an examination, inspection or investigation, an inspector may invite the manager of a mine or an official of the mine not below the rank of a mine captain or its equivalent, together with any other official or employee that the inspector considers necessary to accompany the inspector and that manager, official or employee shall comply with the request.

(3) An authorised officer may-

(a) take samples of minerals and other substances from a mine-

(i) for the purpose of analysis or testing; or

(ii) for use in evidence in connection with an offence against this Act, and

(b) for the purposes of inspection-

(i) take extracts from or make copies of a document; or

(ii) take photographs of a mine.

(4) An authorised officer shall give a receipt for any object or document removed or taken in the course of the performance of his or her functions under this section.

(5) An authorised officer may, by written notice to a holder of a mining lease, or the manager of a mine, order-

(a) the cessation of operations in, and the withdrawal of any or all persons from the mine or part of the mine where the inspector considers necessary in the interest of human health or the environment; or

(b) the discontinuance of the use of a machinery that the authorised officer considers unsafe, until the action necessary for safety as specified in the notice is taken and completed.
(6) Where an authorised officer is of the opinion that a circumstance, practice or omission in a mine or part of the mine is so defective or dangerous as to be likely to cause bodily injury or cause damage to any property and there is no provision in this Act concerning that situation, the authorised officer shall-

(a) make an order which directs the holder or the manager of the mine to remedy the situation immediately or within the time specified by the authorised officer; and

(b) confirm the order by notice in writing, specifying the matters considered defective or dangerous and which the holder or manager is required to remedy immediately or within the time specified in the order.

(7) A holder or manager who does not comply with an order made under subsection (5) commits an offence and is liable on summary conviction to a fine of not more than [fifteen thousand penalty units] or a term of imprisonment of not more than twenty-five years or to both.

(8) A holder or manager may appeal against an order made by an authorised officer under this section.

(9) A copy of an order made under this section shall be kept as part of the record required to be maintained under the record keeping obligations under this Act.

(10) An authorised officer may-

(a) obtain and record statements from witnesses, or conduct enquiries regarding mine accidents, dangerous occurrences and contraventions of this Act;

(b) appear at inquests and call and examine witnesses and cross-examine witnesses; and

(c) conduct a prosecution for an offence under this Act.

(11) An authorised officer may-

(a) exercise any power that is necessary for giving effect to this Act; and

(b) impose penalties specified or deemed appropriate for an offence under this Act.

(12) An authorised officer may, in exercising the powers specified under this Act, be assisted by a person who the authorised officer believes has special or expert knowledge of the matter being inspected, tested or examined.

254. Obligation to draw up workplace regulations.

(1) A holder of a mineral right, licence or permit under this Act shall observe the highest standards of hygiene and occupational safety as established by the Minister in collaboration with other relevant stakeholders including health, labour and environment.

(2) All mine operations shall, in addition to subsection (1), draw up and enforce regulations in accordance with such standards to ensure the hygiene and safety of their workers, plants
and inventories

(3) The regulations referred to under subsection (2) shall be submitted to the Minister for approval.

(4) Once approved, copies of the regulations shall be posted in the most visible locations for workers within plants, operation and other work sites.

255. Insurance.
(1) A holder of a mineral right, licence or permit shall show proof of insurance coverage prior to the start of operations.

(2) At minimum, insurance coverage shall cover risks including-

(a) damage to mining sites;

(b) third party liability;

(c) occupational accidents suffered by personnel on the mining site; and

(d) health and life insurance for all employees.

256. Changing rooms.
(1) The holder of a mineral right, licence or permit shall ensure that changing rooms are provided-

(a) near the man riding shafts on the surface of an underground mine,

(b) at locations near to a work area of a surface mine, with separate provisions for males and females; and

(c) are proportionate in size to the number of persons employed in the mine.

(2) A changing room shall have-

(a) sufficient lockers, cupboards or other suitable accommodation capable of being locked to enable each employee store goods separately;

(b) adequate facilities for bathing;

(c) adequate facilities for drying clothes; and

(d) suitable toilet facilities.

(3) An adequate supply of potable water shall be provided at a convenient and safe position close to each working place.

(4) The manager of a mine or holder of a small scale mining lease shall provide at a convenient place on the surface of the mine facilities for the storage and consumption of food in the mine.
(5) The manager of a mine or the holder of a small scale mining lease shall ensure that the mine has sufficient and suitable toilets and urinals for the use of employees of the mine and that-

(a) where the number of persons employed does not exceed one hundred, there is one toilet for at most every twenty-five persons;

(b) where the number of persons employed exceeds one hundred, there is one additional toilet for at most every forty persons beyond the first one hundred persons;

(c) each main working level underground has a well-lit, well ventilated and screen toilet, which is kept clean;

(d) each bucket used in an underground sanitary convenience has a close fitting lid which is fixed on the bucket while it is removed to the surface; and

(e) a toilet is accessible to each workman.

(6) A person shall not pollute the mine with faeces or misuse a sanitary facility

(7) The person in charge of a working place or a section in a mine shall ensure-

(a) that the working place or section is clean and safe;

(b) in the particular case of an underground mine, each level, drive, cross-cut and station is clean and safe and free of any defects; and

(c) the manager of a mine or a holder of a small scale mining lease shall ensure that

(i) each toilet together with its surroundings within a perimeter of ten meters is disinfected at least twice every week; and

(ii) the dates of the disinfection are logged and the records are open for inspection by the inspector.

257. Other instruments.

(1) Before undertaking an activity or operation under a mineral right, the holder of the mineral right shall obtain the necessary approvals and permits required from the relevant government ministry, department or agency for the protection of natural resources, public health and the environment.

(2) The holder of a mineral right shall in accordance with the requirements of this Act and any applicable law, and in accordance with good mining industry practice-

(a) conduct operations in such manner as to preserve in as far as is possible the natural environment, minimize and control waste or undue loss of or damage to natural and biological resources, to prevent and where unavoidable, promptly treat pollution and contamination of the environment; and
(b) shall take no steps which may unnecessarily or unreasonably restrict or limit further development of the natural resources of the concession area or adjacent areas.

PART XVIII - INSPECTION OF OPERATIONS UNDER MINERAL RIGHTS.

258. Powers of Minister to inspect.
The Minister, an authorised officer or any other person empowered to do so under any other law, may at all reasonable times -

(a) enter, inspect, and examine any land on which prospecting, exploration, mining, or mineral processing operations are being conducted or land which is the subject of any mineral right;

(b) enter any area, structure, vehicle, vessel, aircraft or building that, in his or her opinion, has been or is to be used for or in connection with prospecting, exploration, mining or mineral processing operations;

(c) examine and inquire into the condition and ventilation of any mine or any building used in or connected with prospecting, exploration, mining or mineral processing operations and all matters relating to safety, welfare and health of persons employed in any such mine or building;

(d) inspect and test any machinery, plant or equipment that, in his or her opinion, has been, is being or is to be used in connection with prospecting, exploration, mining or mineral processing operations; or

(e) inspect the storage of explosives and any explosives that, in his or her opinion, have been, are being or are to be used in connection with exploration or mining operations; and

(f) exercise all powers necessary for carrying this part of this Act into effect.

259. Power to order the remedy of dangerous or defective operations.

(1) Where Minister or authorised officer finds any mine, machine, plant, thing or practice used in or connected with prospecting, exploration or mining operations to be dangerous or defective so as to threaten or cause injury or harm to any person, the Minister or an authorised officer shall give notice in writing to the holder of the mineral right concerned, or his or her agent in charge stating in the notice the particulars in respect of which the mine, machine, plant, thing or practice is considered to be dangerous or defective, and may order work to be suspended until the danger or defect is remedied or removed to his or her satisfaction.

(2) On receipt of the notice referred to in subsection (1), the holder of a mineral right concerned or his or her agent shall comply with the requirements of the notice or if the holder objects to the notice, he or she shall immediately state his or her objection in writing to the Minister who shall make a determination on the objection.

(3) Where a notice is given by an authorised officer and the holder of the mineral right
concerned objects to the Minister under subsection (2), the holder of the mineral right shall nevertheless cease to operate the mine or use the machine, plant, thing or practice to which the notice relates, and shall withdraw all workers from the danger indicated by the authorised officer until such time as the objection has been determined by the Minister.

(4) Notwithstanding subsection (3), if in the opinion of the authorised officer, there is no immediate danger, the authorized officer may allow work to proceed during the time that the objection is being determined, subject to such restrictions and upon such conditions to ensure safety as the authorized officer shall specify in writing.

260. Powers of authorised medical and public officers to make inspections.

(1) Any authorised medical officer or authorised officer may inspect, examine and inquire into the health and welfare of persons employed in or connected with prospecting, exploration or mining operations, and may exercise any of the powers prescribed for that purpose under this or any other Act.

(2) Where in any respect an authorised medical officer or authorised officer referred to in subsection (1) finds any matter, thing or practice in or connected with prospecting, exploration or mining operations to be detrimental to the health or welfare of persons referred to in subsection (1), such authorised medical or authorised officer shall give notice to the holder of the mineral right concerned or to his or her agent in charge of the operations under the mineral right; and shall state in the notice the matter, thing or practice which the authorised medical or authorized officer considers detrimental, and shall require the matter, thing or practice to be remedied within such time as he or she may specify.

(3) Where the holder of the of the mineral right or his or her agent objects that the matter, thing or practice complained of in any notice under subsection (2) is detrimental to the health or welfare of any person, he or she shall, immediately after the receipt of the notice, state his or her objection in writing to the Minister and thereupon the objection shall be determined by the Minister or an authorised officer.

(4) Nothing in this section shall affect or detract from the provisions of any other written law relating to public health or the employment of labour.

(5) In this section, “authorised medical officer or authorised public officer” means a medical officer or a public officer authorised by the Minister to carry out any function under this Act.

261. Requirements of Act not subject to exemption by agreement.

No person shall be precluded or exempted by any agreement from doing any acts that may be necessary for complying with the provisions of sections 259 and 260, nor shall any person be exempted by or under any agreement from liability to any damages, penalty or forfeiture for not doing any such acts.


(1) Where an accident occurs during the course of any prospecting, exploration or mining operations and the accident –

(a) results or is likely to result in loss of life or injury to any person; or

(b) results or is likely to result in any person’s incapacity to work for a period of five
days or more, the person in charge of such operations shall, notwithstanding the provisions of any other written law, without delay make a report in writing of the accident and all the circumstances relating to the accident to the Minister or an authorised officer.

(2) When an accident occurs in connection with operations, the condition of the premises where the accident occurred shall be preserved without alteration until an inspector and authorised officers have completed their investigations, or authorization to alter the condition of the accident scene or objects therein as obtained from the authorised officer.

(3) Subsection (2) shall not apply to the extent necessary to permit operations for the preservation of human life and property.

(4) Where an accident of a type referred to in subsection (1) occurs, the Minister shall hold an inquiry into the cause of the accident and shall record his or her findings.

(5) In cases of emergency, where the mine or quarry operator fails to take appropriate hygiene and safety measures, the Minister or an authorised officer shall, in collaboration with the relevant ministry, department or agency of Government take whatever relief or preventive measures are necessary to remove or mitigate the danger and when necessary shall make demands on local government authorities with the view to saving human life and property.

(6) When part of the work in a mine or quarry is awarded to any contractor or subcontractor, the employees of any such contractor or subcontractor shall in all respects be obliged to respect all regulations provided for in this Part.

(7) A person holding an inquiry under subsection (2) shall, for the purpose of such inquiry, have all the powers of a court of law to summon witnesses, to call for production of books and documents and to examine witnesses and the parties concerned on oath.

(8) Any person who is summoned to attend or to produce books or documents in pursuance of subsection (3) and who refuses or neglects to do so, or refuses to answer any question put to him or her by or with the concurrence of the officer holding the inquiry commits an offence under this Act.

PART XIX - ENFORCEMENT

263. Authorised officers.
(1) For the purposes of this Act, the following persons are authorised officers-

(a) officers employed in the Directorate; and

(b) members of the Mineral Protection Force.

(2) Notwithstanding subsection (1), the Minister may, by statutory instrument, designate public officers as authorised officers.

264. Identification of authorised officers.
(1) In the course of exercising any powers conferred by this Part, an authorised officer shall-

(a) on demand, produce official; and

(b) provide a written receipt for any minerals seized by that officer under this Act.

(2) An authorised officer shall exercise the power of arrest conferred by section 265 in accordance with the Criminal Procedure Code Act.

(3) Where the terms and conditions of service of a member of the Minerals Protection Force authorise him or her to possess firearms in the course of his or her duties, the member of the Minerals Protection Force shall, in addition to any other terms and conditions the authority may impose under this section, wear a uniform and be governed by regulations made by the Minister in consultation with the Inspector General of Police regarding—

(a) powers of search and arrest;

(b) training;

(c) discipline; and

(d) use of firearms.

Powers of Authorised Officers

265. Power to demand name and address of offender or to arrest offender. 
When any person is seen or found committing an offence or is reasonably suspected of having committed an offence against this Act, an authorised may demand his or her name and address; and if he or she refuses to give that information or fails to give the information to the satisfaction of the authorised, or if the latter has reasonable grounds for believing that unless arrested the offender may escape or cause an unreasonable amount of delay, trouble or expense in being made answerable to justice, he or she may arrest him or her immediately.

266. Powers of inspection. 
An authorised officer shall have powers of inspection, which shall include the owner to-

(a) require persons to produce a lease, licence or permit;

(b) inspect Mining sites;

(c) collaborate with the local governments in the monitoring and inspection of mining activities within their jurisdiction, where required;

(d) require persons to provide names and addresses and produce identification;

(e) stop any vehicle, aircraft vessel or other means of conveyance and enter and inspect and require production of manifests and similar documents, and answers to questions relating to cargo;

(f) immobilise the seized vehicle or vessel to prevent it from being moved;

(g) search baggage;
(a) require persons to produce records for inspection and copying;

(b) seize gear and other things suspected of being used in the commission of an offence;

(c) seize mineral products suspected of having been or attempted to have been reared, caught, processed, exported or imported illegally or possessed in contravention of the law, or unfit for human consumption;

(d) demolish any construction, barrier or infrastructure that appears to have been erected or constructed illegally, or take possession of it on behalf of Government; and

(e) arrest, without a warrant, any person suspected of committing or having committed an offence under this Act.

267. Power to enter and search.
Whenever an authorised officer suspects that any person has committed an offence against this Act, he or she may-

(a) inspect and search or authorise any person subordinate to him or her to inspect and search any baggage, package, vehicle, vessel, tent, premises or property belonging to or occupied by that person or to anyone in his or her employment, and if there is found as a consequence of the search any mineral or mineral product appearing to have been obtained or to be possessed in contravention of this Act, the same may be seized and detained and shall be dealt with as if it had been seized and detained under this Act;

(b) enter onto or into any land, buildings, camp, tent, vehicle, aircraft, vessel or other conveyances;

(c) search baggage;

(d) require persons to produce records for inspection and copying;

(e) seize gear and other things suspected of being used in the commission of an offence;

(f) mineral or mineral product products suspected of having been or attempted to have been mined exported or imported illegally or possessed in contravention of the law, or unfit for human consumption;

(g) demolish any construction that appears to have been erected or constructed illegally, or take possession of it on behalf of Government; and

(h) arrest, without a warrant, any person suspected of committing or having committed an offence under this Act.

(2) An authorised officer may seize anything under the powers conferred on him or her by this section, whether or not the owner can be found and the officer may
(a) break open any hold, container or compartment;

(b) use any data processing system found on the premises; and

(c) reproduce any record in the form of a printout and take it.

(2) An authorised officer shall exercise the power of arrest in accordance with the Criminal Procedure Code Act.

The powers of an authorised officer shall include the power, after hot pursuit and pursuant to Uganda’s rights under international law, to a board a foreign or Ugandan vessel outside the Uganda if the authorised officer has reasonable grounds to suspect that it has been used to commit an offence within Uganda.

269. Search warrant.
An authorised officer shall not exercise the powers of entry under section 267 in respect of a dwelling house without a warrant obtained from a magistrate, after satisfying the court that it is necessary to make a search.

270. Authorised officer to have powers of a public prosecutor.
In any prosecution for an offence against this Act, an authorised officer may, subject to the express directions of the Director of Public Prosecutions, have and exercise all the powers of a public prosecutor appointed by the Director of Public Prosecutions under section 223 of the Magistrates Courts Act.

271. Use of force.
An authorised officer may use reasonable force to carry out searches and seizures and erect, after notifying the local authorities, temporary barriers on roads for the purpose of making searches of vehicles and persons.

272. Identification of authorised officers.
In the course of exercising any powers under this Part, an authorised officer shall-

(a) on demand, produce official identification which will show him or her to be an authorised officer; and

(b) provide a written receipt for any mineral or goods seized by that officer under these Rules.

PART XX- EARTH SCIENTIST REGISTRATION BOARD

273. Establishment of the Earth Scientist Registration Board.
(1) There is established a board to be known as the Earth Scientists Registration Board to regulate earth scientists and associated professionals.

(2) The Board shall be a body corporate with perpetual succession and an official seal and may, for the discharge of its functions under this Act-

(a) acquire, hold and dispose of moveable and immovable property;
(b) sue and be sued in its corporate name; and

(c) do all acts and things as a body corporate may lawfully do.

(3) The Board shall consist of seven members of high moral character, proven integrity and competence, appointed by the Minister.

(4) At least three members of the Board shall be women.

(5) The Minister shall designate as chairperson of the Board, one of the members who is qualified and experienced in the industry disciplines of earth sciences.

(6) The other members of the Board shall have proven experience in any of the following disciplines-

   (a) geology;
   (b) geophysics;
   (c) geochemistry;
   (d) metallurgy;
   (e) geotechnical engineering;
   (f) engineering geology;
   (g) mining survey;
   (h) geospatial scientists; and
   (i) mining engineering.

(7) The Board shall appoint a Secretary to the Board.

274. Disqualification for appointment to the Board.
A person shall not be appointed to the Board who-

   (a) has been convicted of an offence under this Act or of an offence involving dishonesty or fraud by a competent court in Uganda or outside Uganda;

   (b) has been convicted of an offence and sentenced to a term of imprisonment for six months or more by a competent court in Uganda or outside Uganda without the option of a fine; or

   (c) is an undischarged bankrupt or has made any assignment or arrangement with his or her creditors.

275. Tenure of office of Board members.
A member of the Board shall hold office for four years and is eligible for reappointment for only one more term.
276. Termination of appointment.
(1) A member of the Board may, at any time, resign his or her office by thirty days’ notice in writing delivered to the Minister.

(2) The Minister may remove a member of the Board—
   (a) if information relating to the conduct of a member, which could have precluded his or her appointment if it had been made available to the Minister, is brought to the attention of the Minister;
   (b) for incompetence;
   (c) for misbehaviour or misconduct;
   (d) for failure to disclose, at a Board meeting, a matter in which he or she has an interest;
   (e) for inability to perform the functions of his or her office arising from infirmity of body or mind;
   (f) who has been convicted of an offence and sentenced to imprisonment for six months or more by a competent court in Uganda or outside Uganda;
   (g) for bankruptcy or insolvency; or
   (h) for absence, without prior permission of the Chairperson, or without reasonable cause to the satisfaction of the Minister, for more than four consecutive meetings of the Board, or absence from Uganda for more than twelve months.

(3) Where it appears to the Minister that there is cause to remove a member under subsection (2), the Minister shall notify the member concerned in writing and shall give the member an opportunity to submit his or her explanation to the Minister.

(4) A person removed under this section is not entitled to any benefits that may be payable to him or her under section 277.

277. Remuneration of Board members.
The Chairperson and members of the Board shall be paid such remuneration as the Minister may, specify in the instrument of appointment.

278. Filling of vacancies on the Board.
(1) Where a member of the Board resigns, dies, is removed from office or is for any other reason unable to act as a member of the Board, the Chairperson shall notify the Minister of the vacancy within one month after the occurrence of the vacancy.

(2) The Minister shall, after being notified of the vacancy under subsection (1), in accordance with section 273, appoint another person to hold office for the remainder of the term of the previous member.

(3) Where the member of the Board referred to in subsection (1), is the Chairperson of the
Board, the secretary to the Board shall notify the Minister of the vacancy and the Minister shall appoint one of the board members to hold the office of Chairperson for the unexpired portion of the Chairperson’s term of office.

279. Meetings of the Board.
The meetings of the Board shall be conducted in accordance with Schedule 3.

280. Committees of the Board.
(1) The Board may appoint committees of the Board-

(a) to inquire into and advise the Board on any matter concerning the functions of the Board as it may refer to the committee; and

(b) to exercise such powers or perform such functions of the Board as the Board may delegate or refer to the committee.

(2) A committee appointed under subsection (1) shall consist of a chairperson who shall be a member of the Board, and other members of the committee as the Board may determine, whether members of the Board or not.

(3) The Board shall, in writing, specify the terms and conditions of service of the members of a committee appointed under this section.

(4) Members of a committee appointed under this section shall be paid such allowances as the Board may determine.

(5) The Board may require a committee appointed under this section to act jointly or in cooperation with any other committee.

(6) Subject to any direction given by the Board, a committee appointed under this section may regulate its own procedure.

281. Functions of the Board.
(1) The functions of the board shall be to regulate and control earth scientists and their activities within Uganda and to advise the Government in relation to those functions.

(2) Without prejudice to the generality of subsection (1), the Board shall-

(a) monitor and exercise general supervision and control over and maintenance of professional earth science standards, including continuing education;

(b) promote the maintenance and enforcement of professional earth science ethics;

(c) exercise general supervision of earth science practice at all levels;

(d) exercise disciplinary control of earth scientists;

(e) advise and make recommendations to the Minister on matters relating to earth scientists; and

(f) exercise any power and perform any duty authorised or required by this Act or any other law.
(3) For the purposes of discharging its functions under this Act, the Board shall perform any other function or act relating to earth scientists’ practice, as the Minister may direct.

282. Delegation of functions of Board.
(1) The Board may, by instrument of delegation, delegate to the Chairperson or a member of the Board any of the powers, duties or functions of the Board under this Act.

(2) The terms and conditions regulating the exercise of the powers delegated under this section shall be contained in the instrument of delegation.

(3) A person aggrieved by the decision of a person to whom functions and powers have been delegated under this section may appeal to the Board.

(4) A person shall, in the exercise of a delegated power under this section, comply with any directions or guidelines as the Board may, from time to time, communicate in writing.

283. Seal of the Board.
(1) The Board shall have a common seal, and the fixing of the seal shall-

(a) be authorised or approved by resolution of the board; and

(b) be authenticated by the signatures of the chairperson, or in his or her absence the vice chairperson, of the board and of one other member of the board.

(2) Any document purporting to be a document duly executed under the seal of the Board shall be received in evidence in any court proceedings and shall, until the contrary is proved, be presumed to be a document so executed.

284. Funds of the Board.
(1) The funds of the Board shall consist of-

(a) monies appropriated by Parliament;

(b) registration fees and annual membership contribution;

(c) revenue derived from the sale of any property, movable or immovable, by or on behalf of the Board; and

(d) any donations or grants received from sources within or outside Uganda with the approval of the Minister responsible for finance.

(2) The Board shall at all times comply with the Public Finance Management Act, 2015.

Registration of Earth Scientists

The Minister shall appoint a registrar of the Board who may be a person holding an office of emolument in the public service and who shall hold and vacate office in accordance with the terms of his or her appointment.
286. Register of earth scientists.

(1) The registrar shall keep and maintain a register in which the name of every person entitled to have his or her name entered in the register shall be entered as soon as is practicable after his or her being accepted by the Board for registration, showing against his or her name-

(a) the date of the entry;
(b) his or her address;
(c) his or her qualifications; and
(d) such other particulars as the Board may from time to time direct.

(2) All changes in the particulars registered under subsection (1) shall be entered in the register by the registrar.

287. Appeals against decisions of the Board.

A person aggrieved by a decision of the Board to-

(a) refuse to register his or her name;
(b) delete the name of a registered earth scientist from the register;
(c) refuse to restore a name to the register; or
(d) suspend the effect of registration of his or her name.

may appeal to the High Court against the decision of the Board, and in any such appeal the High Court may give such directions in the matter as it thinks proper; and any order of the High Court under this section shall be final.

288. Restrictions on use of titles or words to describe non-registered persons.

(1) A person who, whether or not he or she is otherwise qualified as, or to be an earth scientist of any description, not being registered under this Act-

(a) pretends to be a registered earth scientist or a registered graduate earth scientist;
(b) takes or uses in any way the style or title of “earth scientist” in describing his occupation or his business or any other name, style, title, addition or description implying, whether in itself or in the circumstances in which it is used, that such person is an earth scientist; or
(c) in any way holds himself out to be an earth scientist of any description,

commits an offence and is liable, on conviction, to a fine not exceeding one hundred currency points or imprisonment not exceeding five years, or both.

(2) A person who-

(a) is registered under this Act as a registered graduate earth scientist, in any way pretends to be or acts as a registered earth scientist; or
(b) being registered under this Act in one or more disciplines, pretends to be, or acts as if he was, registered in another discipline, commits an offence and is liable, on conviction, to a fine not exceeding one hundred currency points or imprisonment not exceeding five years, or both.

289. Dishonest practices.

A person who-

(a) fraudulently makes, or causes or permits to be made, any false or incorrect entry in the register or any copy thereof;

(b) fraudulently procures or attempts to procure himself or any other person to be registered; or

(c) knowingly and willfully makes any statement which is false in a material particular, or which is misleading, with a view to gaining any advantage, concession or privilege under this Act, whether for himself or for any other person,

commits an offence and is liable, on conviction, to a fine not exceeding two thousand currency points or to imprisonment not exceeding three years, or both.

290. Regulations for earth scientists.

The Minister may make regulations for-

(a) the qualification for registration;

(b) the procedure for registration;

(c) inspection of register;

(d) proof of documents;

(e) temporary registration;

(f) power to delete from and correct the register;

(g) restoration to the register;

(h) suspension of registration;

(i) proceedings at inquiry;

(j) disobedience of summons and refusal to give evidence;

(k) effect of registration;

(l) the conduct of the business of the Board and the procedure to be followed by the Board in any inquiry under this Act;

(m) the duties of the Registrar;

(n) the issue of certificates of registration;

(o) the fees to be paid for anything which may be done under this Act;
(p) the forms to be used under this Act;

(q) the exemption of any persons or class of persons from all or any of the provisions of this Act, provided they comply with such conditions as may be prescribed by the regulations; and

(r) prescribing anything which under this Act may be prescribed.

PART XXI- OFFENCES, PENALTIES AND ADMINISTRATIVE PENALTIES

291. General offences.
Any person who -

(a) contravenes any of the terms or conditions of a licence or permit; or

(b) fails to comply with the order of an authorised person.
commits an offence and is liable, on conviction, to a fine not exceeding three thousand currency points, or imprisonment for a term not exceeding two years or both.

292. Offences relating to mineral rights, licences or permits.
(1) A person who-

(a) conducts prospecting, exploration or mining operations without of an appropriate mineral right;

(b) carries out artisanal mining without a permit;

(c) carries out refining, smelting, trading, transportation, storage or any other activity without a licence; or

(d) within the meaning of the provisions of the Penal Code Act, aids or assists illegal prospectors or operators,
commits an offence and is liable on conviction to a fine not exceeding fifty thousand currency points or imprisonment not exceeding seven years or both.

(2) A person who intentionally or negligently transgresses the boundaries of his or her prospecting area, exploration area, retention area or mining area while carrying on prospecting operations or mining operations or such boundaries to be so transgressed commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding two years or both.

(3) A court convicting a person under subsection (1) may in addition order that the mineral substances which are extracted illegally and any items and instruments used in the commission of the offence be seized by and forfeited to the Government.

293. Prohibition of use of explosives.
A person who uses of explosives and hazardous chemical substances, including cyanide and mercury in mining activities commits an offence is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.
294. **Counterfeiting and similar offences.**
Any person who -

(a) counterfeits or issues without due authority, any mining lease, licence or permit;

(b) is found in possession of a licence which is fraudulently issued;

(c) submits false information in an application for a licence or permit;

(d) counterfeits, alters, obliteratees or defaces any stamp, mark, sign, licence or permit;

(e) knowingly receives or keeps in his or her possession any mineral or mineral product acquired in contravention of this Act, commits an offence and is liable, on conviction, to a fine not exceeding five thousand currency points or to imprisonment for a term not exceeding three years, or both.

295. **Falsification of certificate of origin and other documents.**
(1) A person who knowingly falsifies a certificate of origin or any material information on a certificate of origin of minerals commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(2) Any person who -

(a) in any application under this Act knowingly makes any statement which is knowingly false or misleading in a material way;

(b) in any report or return submitted in pursuance of any provision of this Act, knowingly includes or permits to be included any information which is knowingly false or misleading in a material manner;

(c) places or deposits, or is accessory to the placing or depositing of, any material in any place with the intention of misleading any other person as to the nature of minerals in that place;

(d) falsely represents himself or herself to be a person to whom a licence or permit has been issued under this Act;

(e) mingles or causes to be mingled with any sample of non-mineral substance any substance which will enhance the value or in any way or change the nature of the non-mineral substance with the intention to cheat, deceive or defraud, commits an offence and is liable on conviction -

(i) in the case of an individual, a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both; and

(ii) in the case of a body corporate, to a fine not exceeding ten thousand currency points.

(3) A person who willfully -
(a) makes, or causes to be made or concurs in making a false entry in the register; or

(b) produces or tenders in evidence a document falsely purporting to be a copy of, or an extract from, an entry in the register or of or from an instrument lodged with the Minister under this Act,

commits an offence and is liable on conviction to a fine not exceeding two hundred and fifty currency points or imprisonment for a term of not exceeding two years, or to both.

(4) In any proceedings, the fact that a licence or a permit has been issued to a person shall be evidence that the person, for the purpose of obtaining that licence or permit, made a declaration that he or she was not disqualified from holding or obtaining the licence or permit.

(5) Where an offence which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of a director, manager, secretary or other similar office of the body corporate, or of any person who was purporting to act in any such capacity, that individual as well as the body corporate, commits an offence and shall be punished accordingly.

296. Bribery.
(1) A person commits an offence who-

(a) offers, promises or gives to a public officer, directly or indirectly a bribe;

(b) as a public officer, directly or indirectly asks for, takes or accepts, in connection with any of his or her duties, any payment or other reward whatsoever, whether pecuniary or otherwise, or any promise or security for any payment or reward, not being a payment or reward which he or she is lawfully entitled to claim or receive;

(c) as a public officer, enters into or acquiesces in any agreement to do, abstain from doing, permits, conceals, or connives in, any act or thing which is contrary to this Act or the proper execution of his or her duty;

(d) intentionally deceives a public official in order that the official issues or refrains from withdrawing a licence; or

(e) employs force or threat with serious harm against a public officer in order that the officer issues or refrains from withdrawing a licence.

(2) A person who commits an offence under subsection (1) is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding five years or both.

297. Offences relating to mineral exploitation and transportation.
A person commits an offence who-

(a) employs children below the minimum working age as defined under the Employment Act, 2006 in mining operations;

(b) exploits designated minerals without complying with standards for environmental protection and health and safety;
(c) directly or indirectly supports non-state armed groups through the extraction, transport, trade, handling, or export of designated minerals;

(d) directly or indirectly supports public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain;

(e) directly or indirectly illegally taxes or extorts money or designated minerals at points of access to mine sites, along transportation routes or at points where designated minerals are traded, or illegally taxes or extorts intermediaries, export companies or international traders;

(f) directly or indirectly offers, promises, gives, demands or receives bribes to conceal or disguise the origin of designated minerals, or to misrepresent taxes, fees, and royalties;

(g) fails to pay taxes and fees on designated minerals’ trade and export, and royalties on designated minerals’ extraction; or

(h) carries out any activity in contravention of this Act, regulations made under this Act and the obligations laid down in ICGLR Regional Certification Mechanism Manual and Standards.

(2) A person who commits an offence under subsection (1) is liable on conviction to a fine not exceeding twenty thousand currency points or imprisonment not exceeding four years or both.

(3) For the purposes of this regulation-

(a) “direct or indirect support” to non-state armed groups through the extraction, transportation, trade, handling or export of designated minerals includes procuring designated minerals from, making payments to, or otherwise providing logistical assistance or equipment to, non-state armed groups or their affiliates who-

   (i) illegally control mine sites or otherwise control transportation routes, points where designated minerals are traded and upstream actors in the supply chain;

   (ii) illegally tax or extort money or designated minerals at points of access to mine sites, along transportation routes or at points where designated minerals are traded; or

   (iii) illegally tax or extort intermediaries, export companies or international traders; and

(b) “direct or indirect support” to public or private security forces includes, but is not limited to, procuring designated minerals from, making payments to, or providing logistical assistance or equipment to, such forces, excluding legally required forms of support.
298. Laundering of proceeds of illegal exploitation of designated minerals.

(1) A person commits an offence who-

(a) carries out acts aimed at laundering the proceeds of the illegal exploitation of designated minerals including conversion or transfer of property, knowing that it is the product of illegal exploitation of designated minerals, for the purpose of concealing or disguising the illegal origin of such designated minerals;

(b) assists any person who is involved in the illegal exploitation of designated minerals to escape the legal consequences of his or her actions;

(c) conceals or disguises the true nature, origin, location, disposition, movement or ownership of property which the person knows to be the product of the illegal exploitation of designated minerals; or

(d) acquires or possesses property, with knowledge that it is the product of the illegal exploitation of designated mineral resources.

(2) A person who commits an offence under subsection (1) is liable on conviction to a fine not exceeding fifty thousand currency points or imprisonment not exceeding ten years or both.

299. Offences relating to refining, smelting, processing, trading, dealing and transportation of minerals.

(1) A seller of minerals who fails to comply with the requirement to furnish his or her purchaser with a certificate of quality or a certificate of origin of the minerals or sells the minerals as uncertified with respect to quality or origin commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(2) A holder of a refining, smelting and processing facility licence, trader or dealer licence or transporter licence who fails to record the information concerning all of his or her transactions in minerals as required under section…. commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(3) A holder of a processing facility licence, a trader or dealer licence or transporter licence who knowingly engages in the trading, sale or transport of minerals other than the minerals for which his or her licence was issued without a licence or other authorisation to deal in such other minerals commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(4) A holder of a processing facility licence, trader or dealer licence or transporter licence who fails to report pricing data or to submit an annual report summarising in the aggregate information on transactions recorded in a manner prescribed by regulations commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(5) A holder of a processing facility licence, trader or dealer licence or transporter licence who fails to comply with the requirements to hire and train Ugandan citizens in accordance with this Act or regulations made under this Act commits an offence and is liable on
conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(6) A holder of a processing facility licence who fails to timely submit or to implement a local procurement plan in accordance with section…… commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(7) A holder of a transporter licence who hires a non-citizen of Uganda in connection with his minerals transport business commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(8) A holder of a processing facility licence, trader or dealer licence who makes sales of minerals or non-mineral substance products outside of the territory within which such sales are authorised by the licence commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(9) A holder of a trader or dealer licence who fails to comply with applicable regulations on fair trade practices commits an offence and is liable on conviction to a fine not exceeding three thousand currency points or imprisonment not exceeding one year or both.

(11) The Minister may direct the licence holder of a licence under this Act to take any corrective action that it deems reasonably necessary in order to comply with the provisions of this Part.

(10) The Minister may suspend or cancel a licence of a person who commits an offence under this section.

300. Obstruction of Minister or authorised officer.
Any person who, without reasonable excuse, hinders or obstructs the Minister or any authorised officer or other person from carrying out any of his or her duties or functions under this Act commits an offence and is liable, on conviction, to a fine not exceeding one thousand currency points or to imprisonment for a term not exceeding one year or both.

301. Offences relating to authorised officers.
A person who-

(a) fails to comply with a lawful order issued by an authorised officer in accordance with this Act;

(b) refuses an authorised officer entry upon any land, water, premises, facility, vehicle or vessel, which he or she is empowered to enter by this Act;

(c) obstructs, intimidates, molests, hinders or willfully delays an authorised officer in the exercise or performance of the authorised officer’s powers and functions under this Act;

(d) refuses an authorised officer access to records, including electronic records, kept in accordance with this Act;

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(e) knowingly or negligently misleads or gives wrongful or false information to an authorised officer under this Act;

(f) knowingly makes a statement or produces a document that is false or misleading in a material particular to an authorised officer engaged in carrying out his or her duties and functions under this Act;

(g) fails to answer questions or produce anything required to be produced under the Act;

(h) refuses or resists a lawful search or inspection or

(i) fails to state or wrongly states his or her name or address to an authorised officer in the course of his or her duties under this Act,

commits an offence and is liable, on conviction, to a fine not exceeding three thousand currency points or imprisonment not exceeding two years, or both.

302. Impersonation of members the Minerals Protection Force, mineral inspector or any other authorised officer.

A person, not being a member of the Minerals Protection Force, minerals inspector or any other authorised person, who takes or assumes the name, designation, character or appearance of a minerals inspector or any other authorised person for the purpose of-

(a) obtaining admission to any premises;

(b) doing or causing to be done any act which he or she is not entitled to do; or

(c) doing any unlawful act,

commits an offence and is liable, on conviction, to a fine not exceeding three thousand currency points or imprisonment not exceeding two years or both; in addition to any other punishment to which he or she may be liable for the commission of any offence under this Act.

303. Unlawful seizure.

A person who-

(a) takes, or causes or permits to be taken, anything seized under this Act otherwise than in accordance with this Act;

(b) fails or neglects to deliver to the Directorate anything subject to seizure;

(c) breaks, destroys or throws overboard from any facility, aircraft, vessel or vehicle, anything for the purpose of preventing its seizure or for the purpose of preventing it from being secured after it has been seized; or

(d) destroys or damages anything that is seized under this Act otherwise than in circumstances provided for in this Act or regulations made under this Act,
commits an offence and is liable, on conviction, to a fine not exceeding three thousand currency points.

304. Removing or defacing the seal of the Directorate.
A person who-

(a) removes a seal of the Directorate from any premises, facility or package without the authority of an authorised officer or inspector; or

(b) willfully alters, defaces, obliterates or imitates, any mark placed by an authorised officer or inspector on any premises, facility or package,

commits an offence and is liable, on conviction, to a fine not exceeding two thousand currency points or to imprisonment not exceeding three years, or both.

305. Indemnity of officials.
The Minister, member of the Minerals Protection Force, an inspector or an authorised officer performing functions under this Act shall not incur any liability in respect of the exercise or performance, or purported exercise or performance, by him or her in good faith of any function under and for the purposes of this Act.

306. Prohibition of public officers from acquiring interest.
(1) No public officer shall directly or indirectly acquire any right or interest in any mineral right and any document or transaction purporting to confer any such right or interest in any officer shall be void and of no legal effect.

(2) No public officer shall acquire or retain any share in a company carrying on prospecting, exploration or mining operations in Uganda.

(3) Any public officer who contravenes subsection (2) commits an offence and is liable, on conviction, to a fine not exceeding one hundred currency points or imprisonment for a term not exceeding one year, or both.

(4) In addition to the penalty prescribed in subsection (3), a court which convicts a public officer of an offence under this section shall also order that any shares or other interest involved in or connected with the commission of the offence shall be forfeited and shall be disposed of in a manner determined by the Minister in a manner prescribed by regulations.

(5) For the purposes, “a public officer” means a public officer for the time being engaged in the administration of this Act.

307. Administrative review by Minister.
(1) Any person aggrieved by any decision of the Minister may, within thirty days after being notified of the decision, request, in writing, an administrative review of the decision by the Minister.

(2) The Minister may, within sixty days after receipt of a request for administrative review under this section, confirm, set aside or vary the decision complained of.
(3) The Minister shall give reasons in writing for his or her decision on a review under this section.

308. Miscellaneous offences.

(1) Any person who -

(a) places or deposits or be an accessory to the placing or depositing of any mineral in any spot or place for the purpose of misleading any person as to the nature, quality or quantity of the mineral naturally occurring at such spot or place; or

(b) mingles or causes to be mingled with any sample of metal, mineral or any substance which will increase or decrease the value or in any way change the nature of such metal, mineral or mineral, with intent to defraud any person,

commits an offence and is liable, on conviction, to a fine not exceeding two hundred and fifty currency points or to imprisonment for a term not exceeding five years, or both.

(2) Any person who without lawful authority –

(a) breaks, defaces or removes, or in any way interferes with any boundary mark, beacon, pillar, peg or post erected for any of the purposes of this Act; or under the regulations; or

(c) removes or alters any such mark, beacon, pillar, peg or post after it has been delineated on a plan or survey,

commits an offence and is liable, on conviction, to a fine not exceeding two hundred and fifty currency points or to imprisonment for a term not exceeding two years, or both.

(3) Any person who -

(a) interferes with any prospecting, exploration or mining operations authorised by or under this Act;

(b) obstructs any holder of a mineral right in the exercise of any right conferred by or under this Act; or

(c) interferes with any machinery, plant, works or property established on, in, under or over any land in exercise of a right conferred by or under this Act,

commits an offence and is liable, on summary conviction, to a fine not exceeding two hundred and fifty currency points or to imprisonment for a term not exceeding two years, or both.

(4) Where any person is convicted of an offence under this section and the time limited for appeal has elapsed or the appeal has been refused, the Minister shall cancel any mineral right, which has been granted to any such person under this Act.
309. Alerting offender.
A person who, with intent to obstruct an inspector, an authorised person or an employee of the Directorate in the execution of his or her duty, alerts, or does any act for the purpose of alerting any person engaged in the commission of an offence under this Act, whether or not that person is in a position to take advantage of such alert or act, commits an offence and is liable, on conviction, to a fine not exceeding one thousand currency points or imprisonment not exceeding one year, or both.

310. Conspiracy to commit an offence.
A person who conspires with another person to contravene any of the provisions of this Act commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding five years.

311. Continuing or subsequent offences.
(1) A person convicted of an offence under this Act who continues to contravene any of the provisions of this Act commits an offence and is liable to an additional penalty-

   (a) in the case of an individual, to a fine not exceeding ten thousand currency points or imprisonment not exceeding seven years or both; or

   (b) in the case of a body corporate, to a fine not exceeding fifty thousand currency points.

(2) A person who commits a second or subsequent offence is liable to pay an additional penalty-

   (a) in the case of an individual, to a fine not exceeding fifty thousand currency points or imprisonment not exceeding ten years, or both; or

   (b) in the case of a body corporate, to a fine not exceeding one hundred thousand currency points.

312. General penalty.
A person who contravenes any provision of this Act for which no penalty is specifically provided, commits an offence and is liable, on conviction, -

   (a) in the case of an individual, to a fine not exceeding five thousand currency points or imprisonment not exceeding seven years, or both; or

   (b) in the case of a body corporate, to a fine not exceeding fifty thousand currency points.

314. Power of court to confiscate and order forfeiture.
(1) The court by which a person is convicted of an offence under this Act may order the forfeiture of-

   (a) any mineral or mineral product in respect of which the offence was committed or which was found in that person’s possession; or

   (b) any vehicle or other conveyance, machinery goods or equipment, gear implement, appliance, material, container, weapon or other thing which was
used to commit the offence or which was capable of being used to take
minerals or mineral products found in his or her possession and used in respect
of the commission of the offence.

(2) A mineral or mineral product forfeited under subsection (1) shall, unless otherwise
ordered by the court, be sold or otherwise disposed of as the court may determine.

315. Power of court to order compensation.
A person convicted of an offence under this Act may be held liable for any loss or damage
caused by the offence and may be ordered by the court to pay-

(a) to the Government, in addition to any penalty imposed by the court for the
defence, an amount of compensation for that loss or damage up to five
times the value of the mineral or mineral products; or

(b) up to ten times the amount of any fees or other payments which, had the
act constituting the offence been authorised, would have been payable in
respect of the authorised act.

316. Offences committed by body corporate.
(1) Where an offence committed by a body corporate under this Act is proved to have been
committed with the consent or connivance of, or to be attributable to any neglect on the part
of a director, manager, secretary or other similar officer of the body corporate or any person
who was purporting to act in any such capacity, he or she, as well as the body corporate,
commits that offence.

(2) A person who commits an offence under subsection (1) is liable, on conviction, to a fine
or imprisonment prescribed by the relevant section.

317. Deprivation of monetary benefits.
A court convicting a person of an offence under this Act may summarily and without
pleadings, inquire into the money benefit acquired or saved by the person as a result of the
commission of the offence and may, in addition to other penalty imposed, impose a fine equal
to the court’s estimation of that monetary benefit, despite any maximum penalty elsewhere
provided.

318. Cancellation of licences and permits by court.
The court may, on convicting a person granted a licence or permit of an offence under this
Act-

(a) order that the licence or permit be cancelled; or

(b) disqualify that person from obtaining a licence or permit for a period as
the court thinks fit.

319. Further powers of court.
A court, on convicting any person for an offence under this Act, may order that person,
within a time specified in the order, to do any act that the person had failed, refused or
neglected to do.
320. Fees, fines, penalties and other charges.
(1) The Directorate may, in the performance of its functions under this Act, levy fees, fines, penalties and charges.

(2) Without prejudice to the general effect of subsection (1), the Directorate may levy the following fees, fines, penalties and charges-

(a) administrative fines;

(b) express penalties;

(c) coercive fines; and

(d) charges for services offered by the Authority under this Act or regulations made under this Act.

(3) The fees, fines, penalties and charges referred to under this section shall form part of the funds of the Directorate.

(4) Where a person does not make a payment under this Act on or before the time when the amount is payable, the person shall pay, as a penalty, a surcharge of five percent of the amount in default for each day of default.

321. Administrative fines.
(1) Where an authorised officer or an inspector has reasonable grounds to believe that a person has contravened the provisions of this Act, an authorised officer may impose an administrative fine and serve a notice on that person.

(2) An authorized officer or an inspector may require the person served with a notice under subsection (1) to pay the administrative fine within a time prescribed in the notice.

(3) The notice issued under this section shall—

(a) specify the date and nature of the alleged contravention;

(b) contain a summary of the facts which the minerals inspector or authorised officer alleges;

(c) be endorsed with a statement setting out the provisions of the law contravened;

(d) specify the penalty payable; and

(e) state the bank details of the bank account into which the payment is to be made.

(4) The person on whom a notice has been served under subsection (1) shall pay the fine specified in the notice in the time prescribed in the notice.

(5) A person on whom an administrative penalty notice has been served under subsection (1) may, within thirty days, admit the offence in writing, by notice addressed to the authorised officer, and immediately pay to the bank account referred to in subsection (3)(e), a
fixed penalty in accordance with regulations.

(6) A person on whom an administrative penalty notice has been served who denies, by notice in writing to the authorised officer, that an offence has been committed or who fails to respond to the administrative penalty notice within thirty days, is liable, in the discretion of the prosecuting authority, to prosecution in respect of the alleged offence.

(7) An administrative penalty notice shall not be issued under this section until such time as regulations have been issued by the Minister specifying the offences in respect of which fixed administrative notices may be served and the amount of any penalty payable in respect of such offences.

(8) An administrative penalty notice shall not be served in respect of the offence of obstructing, assaulting or threatening an authorised officer with violence in any event.

(9) A person who admits having committed an offence described in an administrative penalty notice but who fails to pay the fixed penalty within forty-five days after the date of the administrative penalty notice is liable to punishment by the court up to the maximum punishment applicable for that offence.

(10) The Directorate may issue guidelines setting out the criteria for issuing and payment of administrative fines.

322. Coercive fines.
(1) The Directorate may impose a coercive fine on any person who contravenes this Act or decision made under this Act.

(2) A coercive fine imposed under subsection (1) shall become effective when the person responsible fails to meet the deadline set by the Directorate for remedying the matter.

(3) The Directorate may determine whether the coercive fine is a one-off payment or is continuous for as long as the non-compliance persists.

(4) Where the non-compliance occurs on the part of a corporate body, an association or other entity, the coercive fine shall be imposed on that corporate body or entity.

323. Express penalties
(1) The Minister may, by regulations, prescribe an express penalty scheme for contravention of any provision of this Act.

(2) For the avoidance of doubt, an express penalty prescribed under subsection (1) shall form part of the funds of the Directorate.

PART XXII- MISCELLANEOUS

324. Cooperation in minerals management.
(1) The Minister shall create mechanisms for close collaboration with the regional and international community to contribute towards a sustainable, peaceful and better global minerals management for the present and future generations.
(2) The Minister may, subject to the Constitution, collaborate with the Minister responsible for foreign affairs, sector ministries and agencies, to initiate, coordinate and implement transboundary mining management programmes with other countries.

(3) Without prejudice to subsection (2), the Minister may, on the recommendation of the Directorate establish a national focal point for the coordinated implementation of multilateral mining agreements to enable effective preparation for negotiations, reporting, feedback and national implementation.

325. Research and training.
The Minister, in consultation with relevant stakeholders and local governments—

(a) may carry out or commission research for the purpose of conservation, development and utilisation of minerals resources; and

(b) shall ensure the training of officers of the Directorate and other public officers and stakeholders for the development and sustainable management of minerals resources.

326. Radioactive material.
(1) The provisions of this Act relating to exploration, and mining of minerals shall apply to radioactive minerals with such modifications as provided for under this section and as may be prescribed in the Regulations.

(2) Where any radioactive mineral is discovered in the course of exercising any right under this Act or any authority under any other enactment, the holder of the mineral right or such other authority shall immediately notify the Minister and the Atomic Energy Council, but in any case, not later than seven calendar days after the discovery.

(3) Where any radioactive mineral is discovered on any land other than land subject to a mineral right, the owner or lawful occupier of the land shall as soon after he or she is aware of such discovery notify the Atomic Energy Council.

(4) The holder of a mineral right in respect of a radioactive mineral shall within the first week of every month, furnish the Minister with a report, in writing, of the exploration and mining operations conducted by him in the immediately preceding month.

(5) A person shall not explore for or mine or treat or possess or export or import or otherwise dispose of any radioactive mineral except under and in accordance with the terms and conditions of a permit granted by the Atomic Energy Council under the Atomic Energy Act, 2008.

327. Radioactive material.
(1) A mineral rights holder shall ensure that any mining of radioactive mineral is managed in accordance with the Atomic Energy Act, 2008.

(2) The licensee shall, in accordance with this Act and a permit or licence obtained from the Atomic Energy Council, control the use of radioactive materials, to prevent exposure or contamination and accumulation of radioactive material and to provide for safe disposal of the waste.
(3) For the avoidance of doubt, the licensee shall be liable for any exposure of persons to minerals or waste containing radioactive.

328. Underground work for women.
Notwithstanding the provisions of any other law to the contrary, a woman may be employed in any underground work in any mine or in any operation or activity relating to or associated with mining.

329. Transparency and accountability.
(1) All companies applying or bidding for a mineral right shall provide accurate information on their beneficial ownership as part of their application or bid documents and throughout the duration of a license, licence holder shall inform the Minister of any changes to this information, within one month of the change occurring.

(2) The Minister will promptly publish and maintain all beneficial ownership information in a publicly accessible format on its website.

(3) Failure to provide the information required in subsection (1), in good faith and in conformity with this Act shall invalidate a licence application and be grounds for revocation where a licence has been granted.

(4) For the purposes, “beneficial ownership” means the control, possession, custody or enjoyment by any natural person, directly or indirectly, of a reasonably significant economic interest in a given legal entity or receives significant economic benefit from such a legal entity, even where formal ownership (title) may be in the name of another person or entity.

(5) In addition to any other qualifying criteria, a person is automatically considered to be a beneficial owner if such person owns 5% or more of the legal entity in question.

(6) All information and contracts required, submitted or signed under this Act shall be considered non-confidential.

(7) Confidentiality clauses or other clauses in a mining contract that prevent disclosure of information shall be void.

(8) The information shall be made available to the public in a timely, widely accessible and accurate manner, including on a public website or newspaper of wide circulation.

(9) Subject to subsection (1) 6, if any information is deemed sensitive on the basis of national interest or commercial purposes, a request may be made for confidentiality on an exceptional basis and the Minister shall determine the scope of such exception and provide a duration after which such information will be made available to the general public.

(10) The holder of a mineral right shall provide to the Minister a trimestral report on the beneficial ownership of subcontractors hired for a value higher than Minimum Contract Amount Allowed.

(11) For the purposes of this section, “beneficial ownership, “beneficial ownership” means the control, possession, custody or enjoyment by any natural person, directly or indirectly, of a reasonably significant economic interest in a given legal entity or receives significant economic benefit from such a legal entity, even where formal ownership (title) may be in the name of another person or entity. In addition to any other qualifying criteria, a person is automatically
considered to be a beneficial owner if such person owns 5% or more of the legal entity in question.

330. Anti-corruption.
(1) It is a prosecutable offence for any company which is active in the mining sector or has any interest in it, including any director, shareholder, employee, representative or subcontractor of such a company to make offers or promises, or offer donations, gifts or benefits of any kind whatsoever to-

(a) a government official or an elected representative so as to influence a decision or an action taken as part of the carrying out of their public functions, including those which relate to the mining sector; or

(b) any other individual, association, company, natural person or legal entity so as to use their imputed or actual influence over any action or decision by any government official or an elected representative as part of the carrying out of their public function, including those which relate to the mining sector.

(2) Where a mineral rights holder or one of their officials, directors, employees, representatives, subcontractors or shareholders, duly acting in the name of said mineral rights holder, violate the provisions of this Act relating to the prohibition of corrupt activities, the mineral rights holder may be liable to an administrative penalty under this Act including, without limitation, revocation of the mineral right.

(3) The administrative penalty referred to under subsection (2) shall be applied after an investigation has been undertaken into-

(a) the severity of the offence;

(b) the time which has lapsed since the offence was committed;

(c) the actions implemented by the rights holder in order to report the offence and inform the government; and

(d) the level of investment which the rights holder has already expended to develop the project.

(4) A public officer or any elected representative responsible for deciding on an administrative action in the mining sector who solicits or accept offers, promises, donations, gifts or benefits of any kind whatsoever, to perform, refrain from performing, or to abuse their influence in the carrying out of their functions, in particular in the context of allocating mineral rights, overseeing activities and payments, and approving applications, or decisions relating to the extension, subleasing, assignment, transfer or cancellation of a mining licence commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(5) No public officer shall directly or indirectly, acquire any right or interest in any mineral right and any document or transaction purporting to confer any right or interest in any such officer shall be null and void.
(6) Subject to subsection (7), no public officer shall own or retain any shares in a company carrying on prospecting, exploration or mining operations, or the import, export or marketing of minerals in the country.

(7) Where an officer is at the assumption of the functions of his or her office, the holder of shares in such company referred to in subsection (2), the officer shall divest himself or herself from such right or interest or dispose of the shares within ninety calendar days after assumption of office.

(8) An officer who contravenes this subsection (5), (6) or (7) commits an offence and is liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding three years or both.

(9) For the purposes, “officer” means a public officer.

331. Duties of the mineral right s title holders regarding security.

(1) In the exercise of the surveillance, security, and people and assets circulation control duties assigned to them by this Act, the mineral right s title holder and security companies shall-

   (a) keep under constant surveillance all zones under their control and monitor the movement of people and assets;

   (b) prevent unauthorised residence, movement, exercise of economic activities and access by people within the mining activity areas;

   (c) prevent the performance of any and all unauthorised mineral prospecting, search, recognisance and exploration activities;

   (d) ensure the protection of deposits and events, opposing any and all activities that infringe their security; and

   (e) ensure the security of people, facilities, assets and services associated with the exercise of mining activities.

(2) In the performance of their duties, the entities and persons in charge of security and the control of people and assets movements may carry out the following acts-

   (a) identify and perform routine searches of the workers and, in a general manner, all people that enter or exit the restricted areas or circulate or are present in further areas under their control, as well as the objects and goods which they carry or are under their responsibility;

   (b) demand the presentation of access permits, credentials or goods or assets waybills, whenever access to the area legally requires those authorisations; or

   (c) preventively hold the perpetrators of crimes in accordance with the applicable law, whenever caught committing an offence, and immediately deliver them to the competent police authorities, and apprehend the crime instruments carried by them.

(3) For the purposes of subsection (2) (c), any means of transport, weapons and materials and camping accessories found in the possession of the perpetrators are deemed to constitute crime instruments.

(4) Any persons held and the goods apprehended shall be immediately delivered to the nearest police station.
(5) A mineral rights holder shall publish internal regulations regarding surveillance, security and control, applicable to the restricted zones, aimed at their workers and all persons authorised by the law or invited to enter those zones.

(6) The regulations mentioned in the previous number shall be approved by the Minister responsible for internal.

(7) This shall not prejudice the exercise of the duties which, regarding surveillance, security, and control of persons and assets, are assigned to the public security bodies and private security specialist companies in the restricted zones, protection zones under an Act of Parliament.

332. Obligation to co-operate with authorities.
The personnel from the concession companies or private security specialist companies in charge of the control of persons and assets within the strategic minerals production areas shall, in the prevention of, and fight against, illegal trafficking of strategic minerals and further illegal activities, act in close co-operation with the police and the Directorate of Public Prosecution.

333. Area secured for mining operations.
(1) The Minister may, at the request of a licence holder and by notice in national newspapers, establish a controlled area for any reasonable perimeter which is subject to mining operations.

(2) The Minister may, by notice published in national newspapers, amend or cancel any area declared to be a controlled area.

(3) A joint agreement between the Minister and the licensee shall define the terms of movement of people, goods and security forces within the controlled area.

334. Conflict of interest.
(1) No public officer shall directly or indirectly, acquire any right or interest in any mineral right and any document or transaction purporting to confer any right or interest in any such officer shall be null and void.

(2) Subject to subsection (3), no public officer shall own or retain any shares in a company carrying on prospecting, exploration or mining operations, or the import, export or marketing of minerals in the country.

(3) Where an officer is at the assumption of the functions of his office, the holder of shares in such company as is mentioned in subsection (2), the officer shall divest himself from such right or interest or dispose of the shares within ninety calendar days after assumption of office.

(4) An officer who contravenes this section commits an offence and shall be liable on conviction to a fine not exceeding five thousand currency points or imprisonment not exceeding two years of both.

(5) For the purposes, “officer” means a public officer for the time being engaged in the administration of this Act.

335. Regulations.
(1) The Minister may make regulations for the conservation and development of mines and minerals on new areas or areas already gazetted as such and otherwise for the purpose of giving effect to the provisions of this Act.
(2) Without prejudice to the generality of subsection (1), the regulations may include provisions for or with respect to -

(a) the manner in which applications under this Act shall be made, the form of documents required and information to be supplied by an applicant;

(b) the shape of the area over which a mineral right may be granted and the manner in which areas and boundaries shall be marked, beaconed and surveyed and the fees payable in respect of such surveys;

(c) the rejection of an application for a mineral right and the renewal, transfer, assignment or surrender of a mineral right;

(d) the returns to be rendered and the nature of the accounts, books and plans to be kept by the holder of a mineral right;

(e) the valuation, sampling, weighing and testing of minerals;

(f) the method of calculation of the amount of royalties and the manner of payment of such royalties;

(g) the fees to be paid in respect of any service rendered or matter or thing done under this Act;

(h) the restriction or prohibition of prospecting, exploration or mining operations for environmental reasons;

(i) the safety of the public and the safety and welfare of persons employed in mines and the carrying on of prospecting, exploration and mining operations in a safe, proper and effective manner;

(j) the notices and other safety measures necessary to protect the owner or lawful occupier of any land who exercises his or her right to graze stock upon or cultivate the surface of such land under section 80 of this Act;

(k) the inspection of mines by authorised officers;

(l) the proper and efficient working of exploration and mining areas and mines, as well as the avoidance of wasteful mining practices or wasteful metallurgical practices;

(m) the conservation of the environment at or in the vicinity of any mine or works;

(n) the management of the impact of any mining operations on the environment at or in the vicinity of any mine or works;

(o) the rehabilitation of disturbances of the surface of land where such disturbances are connected to prospecting or mining operations;

(p) procedures in respect of appeals lodged under this Act;
(q) fees payable under this Act;

(r) the form of any application which may or have to be done in terms of this Act and of any consent or document required to be submitted with such application, and the information or details which must accompany any such application;

(s) the form, conditions, issuing, renewal, abandonment, suspension or cancellation of any environmental management programme, permit, licence, certificate, permission, receipt or other document which may or have to be issued, granted, approved, required or renewed under this Act;

(t) the form of any register, record, notice, sketch plan or information which may or shall be kept, given, published or submitted in terms of or for the purposes of this Act;

(u) the prohibition on the disposal of any mineral or the use thereof for any specified purpose or in any specified manner or for any other purpose or in any other manner than a specified purpose or manner;

(v) the restriction or regulation in respect of the disposal or use of any mineral in general;

(w) requiring any person who is the holder of a mineral right on the date of commencement of this Act to comply with such provisions of this Act as the Minister may from time to time specify;

(x) any matter which may or must be prescribed for under this Act.

(3) Regulations made under subsection (1) may, in respect of any contravention-

(a) provide for the use of administrative measures;

(b) provide for the forfeiture of anything used in the commission of an offence;

(c) prescribe a penalty of a fine not exceeding ten thousand currency points or imprisonment not exceeding seven years or both;

(d) in the case of a continuing contravention, prescribe an additional penalty not exceeding one thousand currency points in respect of each day on which the offence continues; or

(e) prescribe a higher penalty not exceeding twenty thousand currency points or imprisonment not exceeding ten years or both.

336. Force majeure.
(1) Any events, acts or circumstances which are unforeseeable, compelling, beyond the control or the wishes of a Party and which prevent the Party from performing their obligations or which make it impossible for said Party to perform their obligations under this Act or a mineral right shall constitute force majeure.

(2) The following events may constitute force majeure-
(a) war (whether declared or not), armed insurrection, civil unrest, blockades, riots, sabotage, embargos, and general strikes;

(b) any natural disaster, including epidemics, earthquakes, storms, floods, volcanic eruptions, tsunamis or other types of extreme weather, explosions and fires; and

(c) any other cause which is not within the control of the Party involved, as defined in the present article, but excluding economic hardship resulting from adverse market price fluctuations.

(3) The following shall not constitute force majeure within the meaning of subsection (1)-

(a) any reasonably seeable act or event that could be guarded against by exercising reasonable diligence; or

(b) any act or event that would make it more difficult or onerous for the person liable to perform an obligation to do so does not constitute force majeure.

(4) A party who wishes to invoke force majeure shall, as soon as possible after an event of force majeure has occurred or has been discovered, and in any case not later than fifteen days of the commencement of the of the event, notify the Minister in a manner prescribed by regulations, setting out the elements of the force majeure and its probable consequences for carrying out the obligations under this Act and the licence.

(5) The Party invoking force majeure shall at all times take any measures necessary to minimise the impact of the force majeure occurrence on the performance of their obligations under this Act and the licence to ensure that normal performance of the obligations affected by the force majeure occurrence is resumed within the shortest possible time.

(6) Where, following the occurrence of force majeure, the performance of the obligations is suspended for longer than one month, the Parties shall, at the request of either party, meet as soon as possible to consider the implications of the force majeure events as regards the performance of the obligations and, in particular, as regards any kind of financial obligation imposed on each Party, their affiliates and their subcontractors.

(7) Where the implication force majeure regards the financial obligation of a party, the Parties shall try to find a suitable financial solution to adapt the Project to the new situation, in particular, taking any measures which shall ensure that the Parties' economic situation stabilises in such a way that they may continue with the Project.

(8) Where there is disagreement regarding the measures to be taken three months after the event force majeure has been declared, either Party may immediately start conciliation proceedings failing which, arbitration proceedings.

337. Amendment of Schedule.

(1) The Minister may, by statutory instrument, after consultation with the Minister responsible for finance and with the approval of the Cabinet, amend Schedule 1 to this Act.

(2) The Minister may, by statutory instrument, amend the Schedules 2 and 3 to this Act.


(2) Notwithstanding the repeal referred to in subsection (1) –

(a) any public officer or other employee holding office or employment under the repealed Act on the date of commencement of this Act shall continue to hold such office or employment as if appointed or employed under this Act;

(b) any regulations made under the repealed Act shall, in so far as they are consistent with the provisions of this Act, continue in force as if they were made under this Act.

339. Existing licences, permits and agreements.
(1) A licence or permit issued under the Mining Act, 2003 repealed by section 338, and which is in force immediately before the commencement of this Act-

(a) shall have effect from the commencement of this Act as if granted under this Act; and

(b) in the case of licence or permit for a specified period, shall remain in force, subject to this Act, for so much of that period as falls after the commencement of this Act.

(2) Any agreement or similar arrangement made under any of the Acts repealed by section 142 shall continue in force until terminated in accordance with the terms and conditions of the agreement or arrangement.
SCHEDULES

SCHEDULE 1

Section 8 and 337 (1)

A currency point is equivalent to twenty thousand shillings.
SCHEDULE 2  
*Section. 184 (5) and 337 (2)*

**SHARING OF ROYALTY**

Royalty from Mineral shall be shared as follows-

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>…</td>
</tr>
<tr>
<td>Local Governments</td>
<td>…</td>
</tr>
<tr>
<td>Owners or lawful occupiers of land subject to mineral rights</td>
<td>…</td>
</tr>
</tbody>
</table>

80%  
17%  
3%
SCHEDULE 3.

Section 279 and 337 (2).

MEETINGS OF THE BOARD.

1. Meetings.
The chairperson shall preside at the meetings of the Board; in his or her absence, the Board shall select one of the members to preside.

2. Procedure.
(1) Five members of the Board shall form a quorum.
(2) The Board shall as much as possible arrive at its decisions by consensus.
(3) Where there is need to vote at meetings of the Board, the questions proposed at a meeting of the Board shall be determined by a simple majority vote of members present and voting.
(4) Where there is an equality of votes under subparagraph (3), the chairperson shall have a casting vote.
(5) The Board may co-opt a technical person or expert to attend its meeting, and a person so co-opted shall participate at the deliberations of the Board but shall have no right to vote.
(6) The Board shall meet at least once every three months for the transaction of its business at such time and place as the chairperson may determine.
(7) The corporation secretary shall keep minutes of each meeting of the Board.
(8) The minutes kept under subparagraph (7) shall be confirmed by the Board at the next meeting and signed by the chairperson of that meeting, unless a different procedure is adopted by the Committee.

3. Decision by circulation of papers.
Notwithstanding paragraph 2, where the chairperson so directs, without a formal meeting, a decision may be made by the Board by circulation of the relevant papers among all the members and the expression in writing of their views, but any member shall be entitled to require that any such decision should be deferred until the subject matter is considered at a meeting of the Board.

4. Disclosure of interest.
(1) A member of the Board who has a direct or indirect personal interest in a matter being considered or about to be considered by the Board shall, as soon as possible after the relevant facts have come to his or her knowledge, disclose the nature of his or her interest to the Board.
(2) A disclosure of interest under subparagraph (1) shall be recorded in the minutes of the meeting of the Board and the member making such disclosure shall not, unless the Board otherwise determines in respect of that matter-
(a) be present during any deliberation on the matter by the Board; or

(b) take part in the decision of the Board.

(3) When there is no quorum for the continuation of a meeting only because of the exclusion of a member from the deliberation on a matter in which he or she has disclosed a personal interest, the other members present may-

(a) postpone the consideration of that matter until a quorum, without that member, is realised; or

(b) proceed to consider and decide the matter as if there was a quorum.

Cross References

Criminal Procedure Code Act, Cap. 84.
Land Act, Cap. 227.
Land Acquisition Act, Cap. 226.
Magistrates Courts Act, Cap 16.
Penal Code Act, Cap. 120.