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IN ANY CORRESPONDENCE ON
THIS SUBJECT PLEASE QUOTE NO. **PO/19**



State House,
P. O. Box 25497,
Kampala,
Uganda.

18th June, 2022

Re: Hon. Anita Among
Speaker
Parliament of Uganda
KAMPALA



**RE: RECONSIDERATION OF THE MINING AND MINERALS
BILL, 2022**

The above matter refers.

I have received the Mining and Minerals Bill, 2022 for my assent. However, there are some provisions in the bill that need to be reconsidered as listed below;

1. Clause 8 on definition of Large Scale Mining:

The definition under Clause 8 should be deleted and instead a new provision numbered 59 (Threshold for Large Scale Mining) inserted under cross heading: Large Scale Mining.

The justification is that **Clause 28(1)** of the Bill restricts a Mineral Agreement to exploration, licences and large-scale mining licences. The Bill under **Clause 8** defines Large Scale Mining to mean "*the intentional mining of minerals in mechanized operations, involving the excavation of large surface pits, sinking of shafts, driving of adits or other underground openings with limitations to the extents of the mining operation dictated by the extents of the ore body and annual ore production volumes or throughput exceeding one million tonnes.*"

The current definition, if maintained, has the effect of excluding projects such as Kilembe Mines, Makutu Rare Earth Element, Rubanda and Muko Iron Ore which are complex and capital intensive but may not meet the annual ore production or throughput exceeding one million tonnes.

2. Clause 33(1) on Establishment of a Tribunal:

(a) **Clause 33(6)** on appeals against the decisions of the Minister being made to the Tribunal should be substituted with "*an appeal being made to the High Court within thirty days of receipt of the decision.*" The establishment of a tribunal is contrary to the Government's on-going process of rationalizing and merging of Agencies. Since the High Court has unlimited jurisdiction in all matters and has been strengthened to improve delivery of justice, it is empowered to handle such grievances.

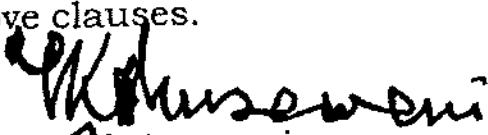
(b) **Clause 33(7) and (8)** should be repealed.

3. **Clause 31 (7)** on competitive bidding should be amended by substituting it with the following:

"For avoidance of doubt, competitive bidding shall not apply to areas under a mineral right except for a mineral right held by a State-owned enterprise."

The Justification is that the Bill as passed by Parliament empowers the Minister to announce areas open for bidding for an exploration licence, medium scale mining licence or a large-scale mining licence. It further states that: "*competitive bidding shall not apply to areas under a mineral right.*" The exemption would prevent Government from using competitive bidding for licences in the control of Government, like bidding of Kilembe Mines. The proposed amendment will enable Government to use competitive bidding for the licences it controls.

Therefore, in accordance with Article 91(3) (b) of the Constitution, I hereby, return the Bill to Parliament for reconsideration of the above clauses.


Yoweri K. Museveni
P R E S I D E N T

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