

MINISTRY OF ENERGY AND MINERAL DEVELOPMENT

STATEMENT TO PARLIAMENT ON CONCERN ABOUT THE UNKNOWN PEOPLE TRAVERSING PARTS OF LUUKA DISTRICT UNDER THE PRETEXT OF MINERAL EXPLORATION

1. Background

Rt. Honorable Speaker and Members, at the 11th sitting of the 1st meeting of the 3rd session of the 10th Parliament of Uganda held on Thursday 26th July, 2018, Honorable Kisa Stephen (MP Luuka South), raised concern over a group of unknown people traversing parts of Luuka district under the pretext of mineral exploration.

2. Issue

Rt. Honorable Speaker and Members, Honorable Kisa Stephen informed Parliament that the unknown people started mobilizing the unsuspecting local residents of Bukanga Sub Country that soil samples and sand were to be scooped from their land to establish the presence of mineral wealth. He further noted that the area political leadership was unaware of the activity and that there was looming fears that peoples' land may be grabbed.

Rt. Honorable Speaker and Members, Hon. Kisa Stephen, requested for an explanation on the following.

- i. Procedures under which exploration is made:
- ii. The involvement of the area local leaders in the exploration exercise.
- iii. How Licenses are acquired and Issuing Authority
- iv. Whether the said persons ever presented an Environmental Impact Assessment report to the relevant authorities

3. Response

Rt. Honorable Speaker and Members, I wish to inform the house as follows:

i. Procedures under which exploration is made:

This Ministry has granted three (3) Exploration Licenses namely: EL1687 to Beta Minerals Limited, EL1702 to BR Agro Food Industries (U) Ltd and EL0971 to Rwenzori Rare Metals Limited for exploration of Gold, Rare Earth Element (REE), Base Metals and Platinum Groups of Metals(PGM) in Luuka District.

Exploration license enables the holder to explore and define the extent and determine the

economic value of a mineral deposit

Exploration work is undertaken in accordance with the approved work program on grant of the license. This work involves methods like geochemical (soil) sampling, grab rock sampling, geophysical surveys, pitting, trenching, and drilling among others to obtain samples, which are analyzed to determine mineral composition. This involves sensitization of the local communities and leaders before embarking on the above activities.

The Ministry is aware that Beta Minerals Limited under Exploration License EL1687 is undertaking regional geochemical sampling in the areas under their license to which Bukanga, Luuka District (map attached) and that a number of sensitization meetings have been undertaken as follows.

- a) District Leaders were sensitized on 12th July 2018
- b) Bukanga Sub County Leaders were sensitized on 20th July 2018
- c) Bukooma Sub County Leaders were sensitized on 23rd July 2018.
- d) Sensitization in other sub counties was rescheduled to the following dates
- e) Irongo 20th August 2018;
- f) Bulongo 21st August 2018;
- g) Waibuga 22nd August 2018;
- h) Luuka TC 23rd August 2018; and
- i) Nawampiti 24th August 2018.

ii. The involvement of the area local leaders in the exploration exercise:

Local Leadership is very important in the exploration exercise and were consulted to ease the work of the exploration companies. Letters by Directorate of Geological Survey and Mines were written to the District and Sub-counties introducing the company and the meetings held thereof.

iii. How Licenses are acquired and Issuing Authority

Licenses are regulated under the following legal and regulatory framework:

- a) Minerals Policy, 2001 which has been repealed and replaced with the Minerals and Mining Policy, 2018
- b) The Mining Act, 2003
- c) The Mining Regulations, 2004.

Licenses are acquired through procedures spelt out in the Mining Act 2003 and the Mining Regulations 2004 (For example, for an Exploration License, one needs to apply using a prescribed Form II, erect beacons over the area of interest, attach a work program and budget, ensure the documents are endorsed and forwarded by the CAO(s) of the District(s),

attach prospecting returns, attach a bank statement showing availability of adequate financial resources to carryout planned activities, then submit to the Commissioner). An applicant who provides satisfactory documentation as per the requirements under the Mining Act, 2003 and Regulation, 2004 qualifies to be granted a Mineral Right. The entry is on 'First Come First Serve" basis.

All applications for mineral rights are endorsed by the District Chief Administrative Officer (CAO) before they are submitted to the Directorate of Geological Survey and Mines for the licensing procedure to begin as guided by the Mining Act, 2003 and Mining Regulation 2004(*table and map of licenses attached*)

iv. Whether the said persons ever presented an Environmental Impact Assessment report to the relevant authorities:

Preliminary exploration activities including geochemical surveys are not destructive in nature, hence an Environmental Impact Assessment is not a mandatory requirement and only a project brief is required. This was submitted on application of the license, reviewed and found satisfactory as per the proposed work program.

Table1: active licenses in Luuka District as of 07th/August/2018 .

| LICENSE NUMBER | COMPANY | DATE OF GRANT | MINERALS |
|-------------------------|---------------------------------|-------------------|---------------------------------------------------------|
| EL1687 | Beta Minerals Limited | 18/10/2017 | Gold, Base Metals and Platinum Groups of Minerals (PGM) |
| EL1702 | BR Agro Food Industries (U) Ltd | 10/11/2017 | Granite |
| EL0971 | Rwenzori Rare Metals Limited | 02/04/2012 | Gold, Rare Earth Element (REE), Base Metals and PGM |
| TN2729 (Application) | BR Agro Food Industries (U) Ltd | Under application | Granite |



Eng Irene Muloni (MP)

MINISTER OF ENERGY AND MINERAL DEVELOPMENT

8th August, 2018