



MINERAL LICENSING

PROCEDURES AND REQUIREMENTS



Our Mandate.

The mandate of the Ministry of Energy and Mineral Development (MEMD) is "To Establish, promote the Development, Strategically Manage and Safeguard the Rational and Sustainable Exploitation and Utilization of Energy and Mineral Resources for Social and Economic Development".

Our Vision

A Model of Excellence in Sustainable Management and Utilisation of Energy and Mineral Resources.

Our Mission.

To ensure reliable, adequate and sustainable exploitation, management and utilisation of energy and mineral resources in Uganda.

CATEGORIES OF MINERAL RIGHTS IN UGANDA

| Licence | Purpose | Period | Remarks |
|---|---|-----------|--|
| Prospecting Licence (PL) | To prospect for minerals around the country | 1 year | Non-exclusive & not renewable |
| Exploration Licence (EL) | To explore for minerals in an area not more than 250km ² | ≤4 years | Renewable once for three (3) years and half the area relinquished on renewal |
| Retention Licence (RL) | Given to the holder of an EL who has identified a mineral deposit but the deposit cannot be immediately developed due to factors beyond reasonable control of the Licence holder, which are of temporary nature. | ≤3 years | Renewable once for two (2) years |
| Large Scale Mining Licence (LML) | For large mining operations in an area not more than 50km ² requiring a capital investment threshold exceeding nineteen million, four hundred and ten thousand (19,410,000) currency points (1cp = UGX 20,000) | ≤21 years | Renewable for 15 years at a time |
| Medium Scale Mining Licence (MML) | For mining operations in an area not more than 50km ² requiring a capital investment threshold from fifty eight thousand, two hundred and thirty (58,230) currency points to nineteen million, four hundred and ten thousand (19,410,000) currency points (1cp = UGX 20,000) | ≤10 years | Renewable for 7 years at a time |
| Small Scale Mining Licence (SML) | For mining operations in an area not more than 10km ² requiring a capital investment threshold exceeding nineteen thousand four hundred and ten (19,410) currency points to nine hundred seventy thousand and five hundred (970,500) currency points (1cp = UGX 20,000) | ≤5 years | Renewable for 3 years at a time (Exclusively for Ugandans) |
| Artisanal Mining Licence (AML) | For mining operations not exceeding nineteen thousand four hundred and ten (19,410) currency points (1cp = UGX 20,000) | ≤3 years | Renewable for 2 years at a time (Exclusively for Ugandans) |
| Licence for extraction of Geothermal Resources for Direct Use (EGRL) | For a person who intends to extract geothermal resources for direct use. | ≤10 years | Renewable for 7 years at a time |

LICENCES FOR BENEFICIATION

| Licence | Purpose | Period | Remarks |
|---|--|-----------|----------------------------------|
| Mineral Processing Licence (MPL) | For procedures, such as dry and wet crushing, leaching, grinding and separation of minerals or other products containing minerals, to raise the concentration of the substance mined | ≤ 5Years | Renewable for 3 years at a time |
| Mineral Smelting Licence (MSL) | Given to a person who intends for extract metal from its ore by a process involving heating and melting | ≤15 years | Renewable for 10 years at a time |
| Mineral Refining Licence (MRL) | To purify a mineral or other mineral products derived from a mineral ore to produce a metal or compound | ≤15 years | Renewable for 10 years at a time |

REQUIREMENTS FOR APPLICATION FOR A PROSPECTING LICENCE

Application

- ❖ Application Form
- ❖ ID showing nationality
- ❖ Tax Clearance Certificate
- ❖ Company profile and history of prospecting in Uganda and elsewhere (if Company)
- ❖ Proof of technical competence
- ❖ Proof of financial resources

Statutory fees

- ❖ 200,000/= Application fees
- ❖ 800,000/= Licence fees

REQUIREMENTS FOR APPLICATION FOR AN EXPLORATION LICENCE

Application

- ❖ Filled Exploration License Application Form
- ❖ Proof of mineral occurrence
- ❖ Work program and budget for the exploration operations
- ❖ Proof of financial resources
- ❖ Tax Clearance Certificate issued by the URA to MEMD
- ❖ Proof of the technical capacity (include CVs and academic documents)
- ❖ Proposals for the employment and training of Ugandan citizens (include training plan and budget)
- ❖ Statement on the procurement plan of goods and services available in Uganda

Statutory fees

- ❖ 2,000,000/= Application fees
- ❖ 1,000,000/= registration fees
- ❖ 75,000/= per km² or part of a km² mineral rent annually
- ❖ 5,000,000/= for application for renewal of an EL
- ❖ 100,000/= per km² or part of a km² mineral rent annually
- ❖ 345,000/= for gazetting grant of EL

REQUIREMENTS FOR APPLICATION FOR A RETENTION LICENCE

Application

- ❖ Pre-feasibility study and assessment by an accredited consultant
- ❖ Filled Retention Licence Application Form
- ❖ Exploration Licence returns
- ❖ Detailed report on Mineral Resources
- ❖ Proof of financial resources
- ❖ Certified copies of the previous audited financial year balance sheet
- ❖ Particulars of the applicants proposal for employment and training of Ugandans
- ❖ Statutory Declaration (reason for requesting grant of Retention Licence)
- ❖ Work program and budget for the retention operations
- ❖ Tax Clearance Certificate
- ❖ Proof of technical competence (includes CVs and academic documents)

Statutory fees

- ❖ 7,000,000/= Application fees
- ❖ 1,000,000/= registration fees
- ❖ 200,000/= per km² or part of a km² mineral rent annually
- ❖ 10,000,000/= for application for renewal of RL
- ❖ 250,000/= per km² or part of a km² mineral rent annually
- ❖ 345,000/= for gazetting grant of RL

REQUIREMENTS FOR APPLICATION FOR A LARGE SCALE MINING LICENCE

Application

- ❖ Large scale Mining application form
- ❖ Tax clearance certificate issued by URA to MEMD
- ❖ Company profile and history of mining operations in Uganda and elsewhere
- ❖ Detailed report on mineral resources
- ❖ be accompanied by a statement giving particulars of expected infrastructure requirements
- ❖ Certificate of approval of environmental and social impact assessment (ESIA)
- ❖ Feasibility study and assessment by an appropriate expert or accredited consultant
- ❖ Identification of interested and affected parties and details of minutes of any consultative meetings
- ❖ Statement on the procurement plan of goods and services available in Uganda
- ❖ Statement giving particulars of the applicant's proposals with respect to the employment and training of citizens of Uganda.
- ❖ Details of the applicant's proposals for insurance including health cover for its employees and workers' compensation;
- ❖ Proposals for value addition;
- ❖ Proposed marketing arrangements for the sale of the mineral(s) to be produced;
- ❖ Detailed statement of the assets and liabilities signed by the applicant, or, in the case of an applicant which is a body corporate;
 - certified copies of the balance sheet and profit and loss account of the previous financial year of the applicant
 - a copy of the certified audited report of the applicant
 - a certified bank statement
- ❖ Proof of the technical capacity (include CVs and academic documents)
- ❖ Plan for co-existence with customary landowners or communities owning the land in the area subject to a mineral right ;
- ❖ Business plan (forecast of capital investment, operating costs and revenues, the anticipated type and source of financing etc)
- ❖ Mine plan (break even, capacity, recovery, mineral products, rehabilitation, restitution of land rights at expiry or termination)
- ❖ Written proof that the applicant has obtained the surface rights from the registered owner, customary owner, lawful occupant or bonafide occupant of the area that the applicant intends to mine

Statutory fees

- ❖ 20,000,000/= New application/Renewal application fees
- ❖ 1,000,000/= registration fees
- ❖ 150,000/= per hectare or part of a hectare mineral rent annually
- ❖ 345,000/= for gazetting grant of LML

REQUIREMENTS FOR APPLICATION FOR A MEDIUM SCALE MINING LICENCE

Application

- ❖ Medium Scale Mining application form
- ❖ Mine plan (break even, capacity, recovery, mineral products, rehabilitation, restitution of land rights at expiry or termination)
- ❖ Proof of financial competence including;
 - certified copies of the balance sheet and profit and loss account of the previous financial year of the applicant.
 - a copy of the certified audited report of the applicant
 - a certified bank statement
- ❖ Proof of the technical capacity (include cvs and academic documents)
- ❖ Written proof that the applicant has obtained the surface rights from the registered owner, customary owner, lawful occupant or bonafide occupant of the area that the applicant intends to mine
- ❖ Certificate of approval of environmental and social impact assessment (ESIA)
- ❖ Proposals for value addition
- ❖ Proposed marketing arrangements for the sale of minerals produced
- ❖ Tax clearance certificate issued by URA to MEMD
- ❖ Detailed report on mineral resources to prove that the proposed minerals to be mined exist in the proposed mining area

Statutory fees

- ❖ 15,000,000/= New application/Renewal application fees
- ❖ 1,000,000/= registration fees
- ❖ 120,000/= per hectare or part of a hectare mineral rent annually
- ❖ 345,000/= for gazetting grant of MML

REQUIREMENTS FOR APPLICATION FOR A SMALL SCALE MINING LICENCE

Application

- ❖ Small Scale Mining License Application Form
- ❖ Tax Clearance Certificate
- ❖ Proof of mineral occurrence
- ❖ Proof of technical competence
- ❖ Proof of financial resources
- ❖ A statement of particulars of the nature of the mining operations and the capital expenditure
- ❖ Provisional agreement with the land owner
- ❖ Certificate of approval of environmental and social impact assessment (ESIA)
- ❖ Proposed programme for value addition (optional)
- ❖ Proposed marketing arrangements for the sale of the mineral production

Statutory fees

- ❖ 10,000,000/= New application/Renewal application fees
- ❖ 1,000,000/= registration fees
- ❖ 100,000/= per hectare or part of a hectare mineral rent annually
- ❖ 345,000/= for gazetting grant of SML

REQUIREMENTS FOR APPLICATION FOR AN ARTISANAL MINING LICENCE

Application

- ❖ Artisanal Mining Application Form
- ❖ Tax Clearance Certificate
- ❖ Proof of mineral occurrence
- ❖ Proof of technical competence
- ❖ Proof of financial resources
- ❖ A statement of particulars of the nature of the mining operations and the capital expenditure
- ❖ Provisional agreement with the land owner
- ❖ Certificate of approval of environmental and social impact assessment (ESIA)
- ❖ Proposed production schedule and marketing arrangements for the sale of the mineral produced

Statutory fees

- ❖ 1,000,000/= Application fees
- ❖ 1,000,000/= registration fees
- ❖ 1,500,000/= mineral rent annually
- ❖ 2,000,000/= for application for renewal of AML
- ❖ 345,000/= for gazetting grant of AML

REQUIREMENTS FOR APPLICATION FOR A LICENCE FOR EXTRACTION OF GEOTHERMAL RESOURCES FOR DIRECT USE

Application

- ❖ Proof of financial resources
- ❖ Proof of technical resources
- ❖ A statement giving details of the geothermal reservoir and well capacity in the area of land over which the license is sought including details of-