

Section 3: Energy and Mineral Development Sector

S1: Sector Overview

This section provides an overview of Sector Expenditures and sets out the Sector's contribution to the NDP, its policy objectives, and key performance issues.

(i) Snapshot of Sector Performance and Plans*

Table S1.1 and Chart S1.1 below summarises the Medium Term Budget allocations for the Sector:

Table S1.1: Overview of Sector Expenditures (US\$ Billion, excluding taxes and arrears)

	2013/14 Outturn	2014/15		MTEF Budget Projections			
		Approved Budget	Spent by End Sept	2015/16	2016/17	2017/18	
Recurrent	Wage	2.577	4.063	0.688	4.063	4.837	4.837
	Non Wage	3.720	4.244	0.860	4.244	5.093	5.094
Development	GoU	182.984	1,308.080	331.288	211.180	253.416	253.442
	Ext. Fin.	8.833	513.003	7.678	213.591	130.102	88.166
GoU Total		189.281	1,316.387	332.835	219.487	263.346	263.372
Total GoU+Ext Fin. (MTEF)		198.114	1,829.390	340.513	433.078	393.448	351.538
<i>Non Tax Revenue</i>		<i>0.000</i>	<i>43.700</i>	<i>7.129</i>	<i>36.000</i>	<i>36.000</i>	<i>38.000</i>
Grand Total		198.114	1,873.090	333.384	469.078	429.448	389.538

* Excluding Taxes and Arrears

(ii) Sector Contributions to the National Development Plan

The contributions to the NDP objectives for the sector are as below:-

Increase energy generation capacity and access to modern energy services through rural electrification and renewable energy development; and promote the efficient utilisation of energy resources and reduction in power losses.

Promote mineral investment through i) acquisition of geoscientific data; ii) Capacity building; iii) inspection and regulation of mining activities; and iv) promote and empower artisanal and small scale miners.

Scale up Oil and Gas exploration, undertake sustainable commercial production of Oil and Gas and build subsequent petroleum infrastructure and the related pipelines for distribution, operations and management, through: i) Enhanced Capacity Building for the oil & gas sector, ii) Increased monitoring of Upstream, midstream and down stream petroleum activities, iii) Development of an oil refinery, iv) the development and implementation of a communication strategy for oil & gas industry in the country, v) Promotion of the country's petroleum potential and licensing, and vi) participate in Regional Initiatives.

(iii) Medium Term Sector Policy Objectives

The sector objectives which guide medium term outputs and resource allocations are:

(i) to meet the energy needs of Uganda's population for social and economic development in an environmentally sustainable manner

(ii) to develop the Petroleum and Mineral sectors for them to contribute significantly to sustainable national economic and social growth; and

(iv) Summary of Sector Performance

The status of the sector in terms of its three priority sector outcomes is set out below:

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Outcome 1: Increased access to affordable and efficient sources of energy

The outcome performance was positively influenced by the development of the Bujagali Hydropower Project and increased access to affordable modern sources of energy through the Rural Electrification and Energy for Rural Transformation Projects.

Outcome 2: Sustainable management of mineral resources for development

The performance of the outcome performance was largely affected by the inadequate resources for inspection and monitoring of exploration and mining operations for increased Non Tax Revenue generation and a request for Appropriation in Aid has been made.

Outcome 3: Sustainable management of the country's Oil and Gas resources

The outcome performance was achieved. Monitoring and evaluation framework for the outcome has been formulated.

S2: Sector Performance and Plans to Improve Sector Outcomes

This section describes past performance and plans to improve sector outcomes. For each outcome it sets out outcome indicators, key sector outputs and actions to improve sector performance. It then sets out analysis of the efficiency of sector allocations and major capital investments.

(i) Outcome 1: Increased access to affordable and efficient sources of energy

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 1: Increased access to affordable and efficient sources of energy</i>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Percentage of the population accessing electricity	14.8 (2013/14)	15	26 (2022)
Percentage of energy losses in the distribution network	23 (2013/14)	20	15 (2017)
Number of MW of electricity added to the Grid	805 (2013/14)	5	1588 (2020)

Performance for the first quarter of the 2014/15 financial year

A) Karuma hydropower project (600MW)

Construction work for Karuma hydropower project is on-going. The following has been achieved so far:

The Contractor Sino Hydro Construction Ltd. updated the feasibility study which had been undertaken by government as a requirement to secure financing from China EXIM bank. The work executed by Sino Hydro included: Detailed geotechnical survey (drilling of several holes at the dam site, and analysis of geo samples to determine the strengths of material); Detailed topographic surveys; and Hydrological analysis of the river.

Contractor submitted detailed design drawings for review by the Government's Engineer and these have been approved.

The construction of access roads of 15.6km to the Dam Area and power intake area has been completed.

The construction of camps is ongoing, and about 80% construction has been completed.

The construction of auxiliary work such as: explosive magazine, aggregate system, concrete batching plant, Sinohydro office, weighbridge room, temporary warehouse, temporary repair plant, 7 water wells, material warehouse, repair plant, the drinking water system has been completed and the construction of the clinic, site laboratory and M&E warehouse are at about 80%.

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B) Isimba hydro power project (183 MW)

The Contractor embarked on various pre-construction works utilizing their own resources. Among other things, the contractor has completed the following:

- Site topographic survey, and Geological Mapping, for both the plant and the line, seismic safety assessment and soil resistivity tests.
- Basic design of the whole project involving modifying and optimizing the consultants' original design in the Feasibility Study in line with the above complementary geological and surveying investigation results. The basic design was submitted in July and reviewed and approved with comments in August 2014.
- The design of Bujagali-Isimba 132kV interconnection transmission line has been submitted and is under review.
- Design of Employer & Contractor's camp, this was reviewed and approved. Construction has commenced.
- Procurement agreement of Hydro Mechanical equipment Contract was signed in May 2014 and turbine manufacture will proceed after model test approvals
- Geological investigation and mapping work including dam site, borrow area, transmission line and quarry has been carried out and has been fully completed
- Power line of an overhead 33KV along Busaana Road from Kayunga town to the Isimba Hydropower Project Site was completed and commissioned in July 2014.
- The Contractor has completed reconstruction and levelling of the main road to the dam site as well as clearing and levelling of dam site. Construction of the water supply system is at 40%, Power systems is at 70%, and construction of the mechanic yard is also on-going.
- Construction of the roads, aggregate processing system and civil works of the crushing system are on-going.
- Construction of the cofferdam has commenced and one dyke upstream of the river has been closed.
- Also, 92% of the construction works on the Employer & Contractor's camp is accomplished.
- The contract for the implementation of the Resettlement Action Plan was signed on 9th May 2014 with Kagga and Partners Limited. RAP implementation is going on with progress as follows: Dam site area: Disclosure at 90% and Payments at 72%; Reservoir Area: Disclosure at 75%

C) Ayago hydro power project (680MW)

The 2nd Draft Feasibility Study was submitted for review in September 2014. The Government team reviewed the report and made the following recommendations: -

- China (CGGC) should conduct additional geological investigations for all major project components.
- Conclude on the source of materials to be used during project implementation.
- Contract negotiations for the EPC have been completed
- EPC contract is expected to be signed in the course of the Financial Year 2014/15.
- Six firms were shortlisted to provide consultancy services for supervision of the construction of project. Proposals were received on 5-August 2014 and evaluation is ongoing.

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Procurement of the consultant: evaluation report was submitted to the contracts committee and negotiations are expected to be concluded in November 2014.

Table S2.2: Performance Targets FY2015/16 Contributing to the Sector Outcome*

<i>Outcome 1: Increased access to affordable and efficient sources of energy</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
Vote: 017 Ministry of Energy and Mineral Development			
<i>Vote Function: 0301 Energy Planning, Management & Infrastructure Dev't</i>			
Output: 030102	Energy Efficiency Promotion		
<i>Performance Indicators:</i>			
Number of sites demonstrating use of improved energy technologies	10	10	10
Number of prepaid meters installed	100,000	30,039	175,000
Percentage of Audited firms implementing Energy efficiency measures	100	100	100
<i>Output Cost (US\$ bn):</i>	4.637	0.218	1.301
Output: 030103	Renewable Energy Promotion		
<i>Performance Indicators:</i>			
Stage of development of Waki HPP			EPC Contractor on site
Stage of development of Siti 2 HPP			EPC Contractor on site
Stage of development of Siti 1 HPP			EPC Contractor on site
Stage of development of Rwimi HPP			Feasibility study completed
Stage of development of Nyamwamba HPP			EPC Contractor on site
Stage of development of Nyagak III HPP			EPC Contractor on site
<i>Output Cost (US\$ bn):</i>	4.282	0.355	2.297
Output: 030104	Increased Rural Electrification		
<i>Performance Indicators:</i>			
Number of Solar systems installed	14,000	2,500	20,000
Number of line KM of MV (33KV) constructed	3,262	2,850	3,500
Number of line KM of LV (11KV) constructed	2,954	1,520	3,000
Number of District Headquarters electrified	6	5	8
<i>Output Cost (US\$ bn):</i>	5.579	0.383	5.152
Output: 030152	Thermal and Small Hydro Power Generation (UETCL)		
<i>Output Cost (US\$ bn):</i>	81.504	45.256	81.504
<i>Vote Function: 0302 Large Hydro power infrastructure</i>			
Output: 030280	Large Hydro Power Infrastructure		
<i>Performance Indicators:</i>			
Percentage of land freed up	20	5	25

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<i>Outcome 1: Increased access to affordable and efficient sources of energy</i>			
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2014/15 Spending and Targets Achieved by End Sept</i>	<i>2015/16 Proposed Budget and Planned Targets</i>
for Karuma Transmission Line			
Percentage of land freed up for Isimba Transmission Line	20	5	25
<i>Output Cost (US\$ bn):</i>	<i>1,096.000</i>	<i>244.280</i>	<i>0.400</i>

* Excludes taxes and arrears

2015/16 Planned Outputs

Power Generation

i) Large Hydropower Projects

- Monitoring the construction of Karuma HPP; target 50% of construction by 2016.
- Monitoring the construction of Isimba HPP; target 80% of construction by 2016.
- Conclude the financial closure and commence construction of Ayago HPP
- Commence construction of Nyagak III and Muzizi
- Ensure compliance to ESIA's for all the HPPs

ii) Renewable Energy Development

- Monitoring construction of 5 projects under GET Fit programme.
- Five renewable energy projects to start construction

Transmission Line Projects

i) Complete construction of the 6 projects;

- Bujagali Switchyard upgrade to 220kV
- Bujagali – Tororo – Lessos, 127km, 220kV line
- Mbarara – Mirama – Birembo, 66km, 220kV line
- Tororo – Opuyo – Lira, 260km, 132kV line
- Mbarara – Nkenda, 160km, 132kV line
- Kawanda – Masaka, 137km, 220kV line

ii) Sign contracts and commence construction of the following 8 projects:

- Nkenda – Fort Portal – Hoima, 226km, 220kV line
- Namanve South, Luzira, Mukono and Iganga industrial park substations
- Opuyo – Moroto, 160km, 132kV line
- Mutundwe- Entebbe , 25km,132kV line
- Mirama-Kabale, 85.3km, 132kV line
- Upgrade of Queensway substation to 132/33kV
- Isimba Interconnection Project, 41km, 132kV
- Karuma Interconnection project (Karuma-Kawanda 400kV, 248.2km; Karuma –Olwiyo 400kV, 54.25km; Karuma-Lira 132kV, 75.5km)

iii) Conclusion of feasibility study, ESIA and RAP of the following 5 projects:

- Lira-Gulu-Nebbi-Arua, 350km, 132kV line
- Kikagati – Mirama-Nsongezi, 38km, 132kV line
- Kabulasoke – Kiboga – Hoima, 205km, 132kV Line

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- Lira – Gulu – Agago, 140km, 132kV Line
- Bulambuli (Atari)-Mbale, Industrial parks 60km, 132kV line

Medium Term Plans

1. Construction of Karuma Hydropower Project (600 MW) continued.
2. Construction of Isimba hydro power project (188MW) completed.
3. Commence the construction of Ayago (600MW) Hydropower Project.

Actions to Improve Outcome Performance

A number of action plans have been planned in order to improve vote performance- Continue implementing plans to increase power generation capacity and associated transmission infrastructure;- Continue increasing access to modern energy services

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

<i>Sector Outcome 1: Increased access to affordable and efficient sources of energy</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 017 Ministry of Energy and Mineral Development			
Vote Function: 03 01 Energy Planning, Management & Infrastructure Dev't			
Continue the refurbishment of the transmission and distribution infrastructure (i.e line, transformer and substaion upgrade)	Continued with the construction and the refurbishment of the transmission and distribution infrastructure	Refurbishment of the transmission and distribution infrastructure (i.e line, transformer and substaion upgrade)	Refurbishment of the transmission and distribution infrastructure (i.e line, transformer and substaion upgrade)
Increase generation mix to include variuos options	ERA has licenced some developers of renewable sources of energy to Increasease the generation mix	Develop more cheaper sources of power and increase their mix in power generation	Develop more cheaper sources of power and increase their mix in power generation

(ii) Outcome 2: Sustainable management of mineral resources for development

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 2: Sustainable management of mineral resources for development</i>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Percentage coverage of Geological mapping 1:50,0000	16.8 (2013/14)	20.8	100 (2016)
Percentage coverage of Geological mapping 1:100,0000	69.23 (2013/14)	74.23	80 (2016)
Percentage coverage of Geochemical mapping	10.4 (2013/14)	14.3	20 (2016)
Percentage coverage of Airborne Geophysical mapping	80 (2013/14)	20	100 (2016)

Performance for the first quarter of the 2014/15 financial year

The following are key achievements so far made in the current financial year 2014/15:

Geological, geochemical and geophysical mapping of key strategic minerals.

Iron Ore Discoveries

Follow-up of airborne surveys with ground geological and geochemical mapping resulted into new discoveries of iron ore deposits in Buhara, Muyebe and Nyamiringa in Kabale District, Nyamiyaga and Kazogo in Kisoro District, and Kinamiro in Butogota-Kanungu District. Over 200 Mt of iron ores are now proven to exist in the region. Further exploration is required to evaluate the potential of the whole area.

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Nickel (Ni)-Platinum Group Elements (PGE)

Ground magnetic and Transient Electromagnetic (TEM) surveys were undertaken in Karuma, Kiryandongo District by Pearl Mining (U) Limited on the mineral targets interpreted from airborne geophysical survey data. Preliminary field data interpretations reveal massive magnetic conductors which could probably host nickel, gold and other base metals.

Nickel-Copper-Lead (Ni-Cu-Pb)

The Nickel-Copper-Lead mineralization has been discovered by geological studies in Kitgum. M/S Sipa (U) Limited obtained exploration license to undertake further geological studies.

Geological, Geochemical and Geophysical surveys of Karamoja Region.

Geological mapping have been completed in two map sheets namely; Panyangara and Muruarium in Kotido District. Geochemical sampling continued in Abim District.

Airborne Geophysical Surveys of Karamoja: USD. 15 Million is required to finance the Airborne Geophysical Surveys of Karamoja. Request for financing has been tabled to the Ministry of Finance and Economic Planning for consideration.

Government of Uganda continued to sensitize stakeholders in the Karamoja region about the planned airborne geophysical surveys of Karamoja mineral resources of Karamoja; and Mining Policy and Legislation;

Other out puts delivered are:

- Institutional capacity development (Nine staff are undergoing training in various certificate and diploma courses); Three group internal trainings on laboratory techniques, geological data management and exploration have been undertaken.

- Promotion of investment in the mineral resources of Karamoja during Mining Indaba in Cape Town, South Africa and in-country;

- Two inspections of mining operations; and

- Training of 100 ASM to improve livelihood, health and safety of the citizens involved in mining for social and economic transformation in Abim and Moroto Districts.

GSMD laboratories

During the period under review, the following were accomplished

- Installed five fume hoods and four scrubbers in the Assay and Geochemical/Environmental laboratories as one of the measures to improve the safety of the laboratory staff. The activity was undertaken by the contractor, Palin Corporation (U) Ltd., who worked with staff of the laboratories.

- Installed a jaw crusher and rolls crusher in the Mineral Dressing Laboratory. This has improved sample preparation and analytical capacity of GSMD laboratories.

- Pulverized pozzolanic samples for use in a road test project in the Civil Engineering Department of Makerere University, Kampala.

- Conducted free swell, filtrate loss, moisture content, and particle size distribution tests on three bentonite samples.

- Offered services of sample preparation to the department, exploration and mining companies by preparing seven hundred seventy eight (778) rock, soil and stream sediment samples.

- Analyzed four hundred ninety one (491) rock, soil and stream sediment samples in the Assay laboratories

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for various elements.

- Undertook three pre-shipment verification (pre-export permit award) and sampling exercises of cassiterite concentrate for export by First Mining Company Limited in Kikagati in Ntungamo District and one of wolfram concentrate for export by Rusla Mining and Minerals Limited at SPEDAG, in Nakawa, Kampala.
- Trained twenty three students on industrial training from various tertiary institutions in mineral sampling, analysis and processing techniques.

Geo-Information and Data Management

Geoscience information/data plays a vital role in all aspects of planning and management, including environmental management, natural resources exploration and exploitation and research. The acquisition, processing and dissemination of this information is a key activity for the Department of Geological Survey and Mines. DGSM has adopted online and digital information systems to improve on its information management and dissemination mechanism, to facilitate easy access to geoscience information/data and increase promotion in the mineral sector. The following were accomplished:

a) Geoscience data and Information acquired, processed and databases updated as follows: -

- The Mineral occurrences, mineral concessions and geothermal licenses databases were updated.
- Economic mineral databases, reference file records, half degree sheets, authors' and bibliographic catalogs were updated.
- Digital metadata for documents and records was captured onto the following online information systems; LIBERO, Unpublished Document Information Systems (UDIS) and Electronic Records Management System (ERMS).

b) Geoinformation disseminated and Mineral Sector Promoted.

- Over 100 users visited DGSM at Entebbe and available information was given to them.
- Information/data was disseminated on DGSM website www.uganda-mining.go.ug. A total of 16,302 visits were made to the website.
- 30 downloadable Technical reports and metadata for 79 publications were uploaded on <http://www.uganda-mining.go.ug/webudis> and <http://www.uganda-mining.go.ug/weblibero>.
- GIS maps and mining cadaster tenement map were disseminated on <http://www.uganda-mining.go.ug:81/UgandaGMIS> and <http://www.flexicadastre.com/uganda>.
- 716 copies of publications including; the Mineral Policy, Mining Regulations, Mining Act and hand book to improve small scale miners, opportunities for mining investment in Uganda, mineral resources of Uganda, scope of investment in mineral development in Uganda, DGSM brochures on Geology, mineral and geothermal potential were disseminated to visitors and during the sensitization and consultative workshops in Karamoja and Kampala.

c) Administration, training and Information Infrastructure Capacity building

- Fifty desk top computers, 20 laptops, 5 iPads, 50 UPS, 10 web Cams, 1 Network printer, 1 network storage device, 5 PBX cards, 10 external/internal hard disks, 5 RAM chips, 20 flash disks and 2 desktop printers were procured.
- Six staff were trained in the following courses; Information Technology, geoinformation storage, information systems management, data dissemination, Library and Information science, Geographic Information Science and Human Resources management and Administration.

d) Upgrading of the earthquake monitoring infrastructure

Monitoring of earthquakes and other geotectonic activities continued at Kilembe, Hoima and Kyahi station near Mbarara. The Ministry upgraded the Very Small Satellite Aperture (VSAT) Global communication infrastructure (GCI) so as to improve seismic data transmission from Kyahi Earth Earthquake monitoring station near Mbarara to Entebbe National Data Center. The fiber optical cables and accessories were

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installed in order to avoid loss of seismic data packets from Vienna International Data Center. This subsequently improved the flow of seismic data.

Mines

a) Development Projects

Kilembe Mines

The developer continued to carry out further feasibility studies and established the reserves of 4.527 Million tonnes with a grade of 1.598 blister copper. The procurement of machinery to refurbish the mine commenced expected to arrive by February 2015. Production is expected to commence during 2015. The interventions to stop flooding of the Mine have been implemented. Further underground geological studies are on-going.

Sukulu Phosphates

The Sukulu Phosphate development is on-going. A Mineral Development Agreement between the Government and the Developer has been signed in December, 2014. The Sukulu Phosphate Comprehensive Industrial Development Project is planned to commence production in December, 2016. The company has already undertaken a feasibility study for production of 300,000 t/year of superphosphate, 400,000 t/year of sulphuric acid and generation of power of 12 MW. In the second phase gypsum and rare earth elements will be produced.

b) Licensing

A total of 852 licenses and certificates were operational as at 30th September 2014. Out of these, were: 164 Prospecting Licenses (PL), 554 Exploration Licenses (EL), 3 Retention Licenses (RL), 40 Location Licenses (LL), 33 Mining Leases, and 58 Mineral Dealers' Licenses (MDL). Of the 852 licenses, 433 licenses were granted during the FY 2013/14.

c) Mineral Production

The general trend in reduction of imports & exports, production and non-tax revenue collected can be attributed to the following factors; Current ban on exportation of raw materials, delay in implementation of mineral certification especially for 3T minerals and gold and general increase of mineral royalties for minerals.

Table S2.2: Performance Targets FY2015/16 Contributing to the Sector Outcome*

<i>Outcome 2: Sustainable management of mineral resources for development</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
Vote: 017 Ministry of Energy and Mineral Development			
<i>Vote Function: 0305 Mineral Exploration, Development & Production</i>			
Output: 030502	Institutional capacity for the mineral sector		
<i>Performance Indicators:</i>			
Number of staff enrolled for training in Mineral sub-sector	4	4	4
Number of Mineral analysis techniques developed to ISO standards	2	1	2
Number of Mineral Artisans and small scale miners	570	200	300

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<i>Outcome 2: Sustainable management of mineral resources for development</i>				
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
(ASM) trained in Mining Districts				
% of earthquake monitoring stations installed against NDP target of 40 stations	25	20	35	
Draft mineral laboratory services policy developed			Draft before Cabinet for approval	
<i>Output Cost (US\$ bn):</i>	<i>0.352</i>	<i>0.074</i>	<i>0.362</i>	
Output: 030503	Mineral Exploration, development, production and value-addition promoted			
<i>Performance Indicators:</i>				
Total Value of Mineral Production (UGX)- Bn	300	18	400	
Total Value of Mineral Exports as per permits issued (UGX)- Bn	159	2.7	200	
Number of potential Uranium resources targets discovered	2	2	2	
Number of mineralized areas discovered	3	3	3	
<i>Output Cost (US\$ bn):</i>	<i>1.617</i>	<i>0.374</i>	<i>2.917</i>	
Output: 030505	Licencing and inspection			
<i>Performance Indicators:</i>				
Number of Mineral rights (licences) operational	506	825	600	
Number of flagships projects monitored	2	2	2	
Amount of NTR collected (US\$ bn)	8	1.167	9	
Number of mining site inspecting conducted	15	4	24	
% of mining companies complying with mining regulations	100	75	100	
<i>Output Cost (US\$ bn):</i>	<i>0.280</i>	<i>0.064</i>	<i>0.280</i>	

* Excludes taxes and arrears

2015/16 Planned Outputs

i) Mineral Exploration

-Uranium Exploration; Carry out geological, geochemical and geophysical surveys of Uranium anomalies on Sheet 15 (Kitgum East) and Kitgum Sheets 13 & 14 (Kitgum West).

-National Seismological Network; Refurbish existing earthquake research facilities and extend the network coverage to all seismic prone zones in Uganda.

-Mining Environmental Laboratory; Establish and equip mining environmental laboratory for analyzing environmental samples. Also make arrangements to establish one environmental laboratory for minerals and oil/gas sectors and create regional labs.

-Uganda Mining Legislation; Conclude the review of the mining legislation and gazette the code of ethics for Earth Scientists.

-Fast tracking formulation of the Geothermal policy and legislation.

-Exploration of Kimberlites; Follow up on airborne geophysical anomalies around Kidera (Southeast

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Uganda) which are suspected to be Kimberlites with the view to characterize them.

-Geodata backup and recovery program; Install sustainable data backup and offsite recovery infrastructure and continue dissemination of geological and mineral information to all stakeholders particularly to land owners where mineral discoveries are made.

-Iron ore Exploration; Carry out additional iron ore exploration in the Kigezi region that comprises the districts of Kisoro, Kabale, Rukungiri and Kanungu.

-Small Scale Mining and Value Addition; Strengthen national capacity to improve small scale mining and value addition in the mineral sector.

-Regional mineral certification; Fast track the implementation of regional mineral certification and development of the Uganda certificate of origin under International Conference of the Great Lakes Region (ICGLR) guidelines.

ii) Karamoja Project

-Carry out airborne geophysical surveys of Karamoja region.

-Continue geological mapping, geochemical and commence geophysical surveys and mineral resources assessment of Karamoja.

-Select mineral targets for ground follow up.

-Interpret and harmonize geophysical data and maps with the rest of Uganda.

-Update mineral resources map of Karamoja.

-Strengthen inspections and monitoring of mining operations in Karamoja Region.

-Complete construction and equip the regional office and installation of a mini mineral laboratory and training centre in Karamoja.

iii) Geothermal Project

-Continue geothermal explorations in Kibiro, Katwe, Buranga, Panyimur and other geothermal areas. The outstanding activities are:

-Undertake geological, geochemical and geophysical surveys in these geothermal areas to delineate geothermal anomalies of these sites.

-Procurement of a Magnetotelluric equipment (MT) that is recommended to image the deep sub-surface in order to delineate the geothermal reservoirs.

-Integrate geological, geochemical and geophysical data to construct a conceptual model and locate sites for exploratory drilling.

Medium Term Plans

i) Provide basic geo-scientific information for the development of the mineral sector.

ii) Promote optimal use of minerals and mineral trade for social improvement of the people.

iii) Provide technical services in the field of geosciences.

iv) Ensure best mining practices and accountability.

v) Promote mineral value addition and trade to increase revenues.

vi) Promote the gazetting of geosites and geoparks.

vii) Put in place an earthquake administration policy, expand the network of operation centres, design an earthquake disaster management plan, and equipping the research laboratories

viii) Institutional Capacity for the Mineral sector.

Actions to Improve Outcome Performance

Present a case for Appropriation in Aid for increased inspection and monitoring of exploration and mining operations.

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

Sector Outcome 2: Sustainable management of mineral resources for development

2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
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Vote: 017 Ministry of Energy and Mineral Development			
Vote Function: 03 05 Mineral Exploration, Development & Production			
Request for increase of funding from 0.465bn to 6.42 bn (recurrent) and development budget from 6.8bn to 108.72 bn to enable the sector takeover its primary role of growth driver and industrialisation in line with NDP and Vision 40.	Request for increase of additional funding by MEMD to MoFPED was done	Sensitisation of local communities and land owners on the benefits of the intended projects. Attracted private investors to take over the development of Mineral resources in Sukulu (phosphates) and Kilembe (copper).	Sensitisation of local communities and land owners on the benefits of the intended projects. Attracted private investors to take over the development of Mineral resources in Sukulu (phosphates) and Kilembe (copper).
Request for increase of funding from 0.465bn to 6.42 bn (recurrent) and development budget from 6.8bn to 108.72 bn to enable the sector takeover its primary role of growth driver and industrialisation in line with NDP and Vision 40.	Request for increase of recurrent additional funding by MEMD to MoFPED was done	(a) Ten (10) development projects packaged. MoFPED to borrow for the funding gap of 115.14 bn for priority projects in the Mineral Sector. (b) To allow the use of NTR at Source to cater for Appropriation in Aid (AIA) and increase more NTR from mining.	(a) Ten (10) development projects packaged. MoFPED to borrow for the funding gap of 115.14 bn for priority projects in the Mineral Sector. (b) To allow the use of NTR at Source to cater for Appropriation in Aid (AIA) and increase more NTR from mining.

(iii) Outcome 3: Sustainable management of the country's Oil and Gas resources

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 3: Sustainable management of the country's Oil and Gas resources</i>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Percentage of successful wells	85 (2013/14)	85	80 (2018)
Number of oil wells drilled	122 (2013/14)	130	140 (2018)
Number of days of stock levels for white products at petroleum facilities	5 (2013/14)	8	11 (2018)
Amount of oil and gas discovered (barrels of oil equivalent)- Bn	3.5 (2013/14)	3.5	8 (2018)

Performance for the first quarter of the 2014/15 financial year

The following are key achievements so far made in the current financial year 2014/15:

i) Promotion of country's petroleum potential and licensing

- Basin analysis for Semliki Basin and Southern Lake Albert Basin was undertaken.
- A consultant for the country's first competitive licensing round was procured and the consultant commenced work.
- Bid tender documents of the first competitive licensing round were developed.
- A data room consultant who will package the data for the 6 blocks to be opened for licensing, was procured.
- Licensing strategy and plan for the 1st licensing round presented to Cabinet committee on oil and gas.
- Economic evaluation and rankings of blocks in available acreage for 1st licensing round commenced under consultancy M/S IPAN.
- Eight officers attended Global African Investment Summit, UK.
- Six officers attended Society of Petroleum Engineers (SPE) Africa Health, Safety, Security, Environment and Social Responsibility conference.

ii) Regulatory framework

- Completed model contractual agreements for seismic acquisition, processing, marketing and sale of data.
- Draft regulations reviewed by technical teams and consultants, Technical Working Group reviewing

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responses and making proposals to make final draft.

- Review of model Production Sharing Agreement (PSA) commenced and ongoing.
- Procurement of a consultant to implement the M and E still under review by the Contracts Committee.
- Continued to review of final draft of the National Content Policy, Strategy. The review is expected to be concluded this financial year 2014./15.
- Facilitated printing of the popular version of the National Oil and Gas Policy.

iii) Development of national expertise in oil and gas

- Nine staff continued to undertake undergraduate training in the country.
- Eight staff commenced Master's degree programs in petroleum Geosciences, Economics and Law, at Universities abroad.
- One officer attended the National Oil Companies Summit in UK.
- Supported training of 21 Government officials in Change Management.
- Supported training of 31 Government officials in Petroleum Revenue Management.
- Supported training of 21 Government officials in Arbitration in the Oil and Gas industry.

iv) Monitoring licensee field operations, costs and review of applications for production licenses

- River Nile-crossing geophysical survey completed in EA1 (Paraa- Pakwach area); two well sites (Jobi-East 4 and Rii-2) restored in EA-1.
- Compensation payments for affected crops during 3-D seismic survey in EA1 were made.
- Completed survey and valuation exercise for land utilized for access roads and drilling of wells in EA-2.
- Reviewed the revised Field Development Plan (FDP) for Kasamene-Wahrindi (KW), Kigogole-Nsoga-Ngara-Ngege (KNNN) in EA-2 and comments were communicated to the company.
- Made compensation payments for affected crops during 3-D seismic survey in EA-1.

v) Communication Strategy

- Held radio programmes in Central Region on six radio stations to discuss National Participation in oil and gas sector;
- Held three engagements with Civil Society Organizations.
- Responded to ten media inquiries.
- Organized and held one breakfast meeting for editors and one workshop for reporters.
- Facilitated training for 12 journalists and 15 editors organized by ACME.
- Procured firm to produce documentary on oil and gas.
- Procured a consultant to re-design the website and create an intranet.

vi) Regional Initiatives

- Participated in two meetings on Tripartite Agreements/MOU in Kenya.
- Hosted 3rd Steering Committee meeting on the 7th EAPCE conference in Hoima town including a preparatory field excursion in the Albertine Graben.
- Participated in the 4th Steering Committee meeting on the 7th EAPCE conference held in Kigali, Rwanda.

vii) Establishment of new Institutions i.e. PAU, NATOIL and Petroleum Directorate.

- The Board of the National Oil Company was nominated and approved by Parliament while that of the Petroleum Authority is being considered.
- The review of posts in the structure for the Directorate of Petroleum was undertaken under the Ministry restructuring exercise.

viii) Government buildings

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- Supervised Phase-2 construction of the National Data Repository and Office building at Entebbe. Phase-2 is expected to be completed by December 2014 and Phase-3 is to commence thereafter.
- Procured consultancy services to re-design and supervise 3rd phase construction including the access road.

Midstream Petroleum

i) Commercialization Plan

Government's plan is to develop a 60,000 barrels of oil per day (bopd) refinery that will later be expanded to 120,000 bopd and then 180,000 bopd depending on discovery of more resources and market availability. The strategy is to develop the 60,000 bopd refinery in a modular manner starting with 30,000 bopd. This will mitigate implementation risks and ensure early energy security. The first phase of 30,000 bbl/day of the refinery will be in place in 2017/2018.

ii) Land Acquisition for Refinery Development

Out of 2615 property owners who opted for cash compensation, 1945 have so far been paid as at end of December 2014 making about 74.38%. This leaves a balance of 670 to be compensated however out of the 1945, 364 property owners were paid during this financial year.

Out of the remaining 670 property owners, a total of 42 property owners raised a dispute contesting the rates, however continuous engagements are ongoing to have these disputes resolved. In the same way, the process of paying the remaining 628 property owners is ongoing and expected to be completed by June 2015.

A total of 533.59 acres of land was purchased to relocate and resettle the 93 Property Owners that opted for resettlement.

As part of the Resettlement Action Plan under the livelihood restoration programme, a follow up visit was conducted to a group of property owners who were compensated. The visit established that some of the property owners had settled and integrated in the new communities by constructing permanent residential and commercial buildings. More follow up visits are to be undertaken.

iii) Selection of lead investor

On identifying the lead investor for the refinery, the process has progressed with two preferred bidders selected namely, SK Group - led Consortium (Republic of South Korea) and RT Global Resources - led Consortium (Federation of Russia). Parallel initial negotiations with the two preferred bidders held in August and September 2014. Draft key project agreements were reviewed and completed. A Request for Final Offers was issued on 27th October, 2014 and submission deadline is 19th January 2015.

iv) Pipeline development

Draft final report for the National Strategy and plan for petroleum Transportation and storage submitted. Evolutions for the consultancy services for the Environmental Baseline Survey and detailed routing for the Infrastructure Corridor from Hoima to Kampala ongoing. Evaluations for the consultancy services for the Resettlement Action Plan and its implementation ongoing. Feasibility study and preliminary engineering design for intergrated export pipeline ongoing.

v) Development of an Airport in Kabaale, Hoima

Government is planning for the development of an airport in Kabaale to ease transportation of equipment and labourers to the refinery site during construction and operation stages. The planning for the airport is

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being done in consultation with Civil Aviation Authority (CAA), Ministry of Works and Transport (MoWT) and Ministry of Finance, Planning and Economic Development (MoFPED).

International Civil Aviation Organisation (ICAO) from Canada worked with the Government to identify a consultant who will develop a Master Plan Study and detailed Engineering Design for the airport. Terms of Reference for the assignment developed and evaluations and negotiations planned.

Downstream Petroleum Subsector

i) Fuel Marking Program

During the reporting period, the Ministry, together with Uganda National Bureau of Standards (UNBS) carried out sampling and analysis of fuel at retail stations for presence or dilution of the marker in the fuel. Through this process, it was possible to detect and check adulteration and untaxed products. Because of this intervention, adulteration now stands at 3% as compared to 29% in March 2010.

ii) Petroleum Testing Laboratory

During the period under review, petroleum products were analysed for conformity to quality specifications and standards. The central petroleum laboratory at Nakawa supported this operation. The petroleum products were analysed for colour/appearance, density, viscosity, distillation characteristics, insoluble matter and water contamination. A total of 3,620 samples were analysed out of which 421 were non-complaint. The non-complaint fuel was upgraded to the right specification and quality.

iii) Petroleum Standards Development

In the reporting period, five draft standards on engine oil were produced and one workshop conducted to present the above draft standards for stakeholder's discussion and input. As part of petroleum standards development, one East African Community (EAC) petroleum standards editing workshop was facilitated in Kampala and two product standards specifications were reviewed by the EAC Member States. Discussion for four liquefied petroleum gas (LPG) draft standards at technical committee level were also facilitated and final draft standards produced for a stakeholder review and approval by the UNBS Council.

iv) Storage Facilities

Demand for petroleum products in the country has grown tremendously and storage facilities have not correspondingly changed which translates into difficulties of enforcing the 10 day stock requirement for every operator. As a result of the need to bridge the storage gap, during the reporting period, a Private Partner to operate Jinja Storage Facilities under Private Public Partnership had concluded refurbishment and started restocking. The facility has been certified and was commissioned in November 2014. A consultant was engaged to redesign the upgrade of the 40 million litre Nakasongola tank site and an inception report was submitted.

Table S2.2: Performance Targets FY2015/16 Contributing to the Sector Outcome*

<i>Outcome 3: Sustainable management of the country's Oil and Gas resources</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
Vote: 017 Ministry of Energy and Mineral Development			
<i>Vote Function: 0303 Petroleum Exploration, Development & Production</i>			
Output: 030303	Capacity Building for the oil & gas sector		
<i>Performance Indicators:</i>			
Number of staff enrolled for	8	9	6

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<i>Outcome 3: Sustainable management of the country's Oil and Gas resources</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
professional training in Oil and gas discipline			
Stage of formation new petroleum institution, Petroleum Directorate			90%
Stage of formation new petroleum institution, Petroleum Authority			80%
Stage of formation new petroleum institution, National Oil Company			80%
<i>Output Cost (US\$ bn):</i>	5.385	1.280	9.820
Output: 030304	Monitoring Upstream petroleum activities		
<i>Performance Indicators:</i>			
Number of line Km of seismic data acquired.	800	0	400
Number of field development plans approved for issuance of Production License	5	2	3
Level of compliance by exploration companies with petroleum operations guidelines	100	100	100
<i>Output Cost (US\$ bn):</i>	2.116	0.404	5.239
Output: 030305	Develop and implement a communication strategy for oil & gas in the country		
<i>Performance Indicators:</i>			
Number of Radio talk shows held	25	6	12
Number of newspaper advertorials made and published	5	4	5
<i>Output Cost (US\$ bn):</i>	0.141	0.029	0.300
Output: 030380	Oil Refinery Construction		
<i>Performance Indicators:</i>			
Stage of Land Acquisition			Houses, schools and other social infrastructure constructed for the project affected persons who opted for resettlement.
Stage of identifying Lead Investor			Lead Investor selected and working with the Government to form a special purpose vehicle and commence the pre-FID activities for refinery development.
<i>Output Cost (US\$ bn):</i>	29.880	22.393	27.880
<i>Vote Function: 0304 Petroleum Supply, Infrastructure and Regulation</i>			
Output: 030402	Management and Monitoring of petroleum supply Industry		
<i>Performance Indicators:</i>			
% of the facilities conforming to the Petroleum facilities standards	60	80	75

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<i>Outcome 3: Sustainable management of the country's Oil and Gas resources</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
<i>Output Cost (US\$ bn):</i>	0.231	0.053	0.231
Output: 030406	Kenya - Uganda - Rwanda Oil pipelines		
<i>Output Cost (US\$ bn):</i>	0.045	0.011	0.045

* Excludes taxes and arrears

2015/16 Planned Outputs

i) Upstream

- Continue promotion of the country's petroleum potential and issue at least two exploration licenses and three production licenses.
- Contractor procured and 60% of Phase-3 construction completed of the petroleum data repository, data and offices at Entebbe.
- Continue the implementation of the oil and gas communication strategy.
- Complete the review and put in place a robust regulatory framework for the sector (Regulations, guidelines and model PSA)
- Continue National Content development and capacity building.
- Implement the skills requirements strategy recommendations.
- Implement the National Content Policy and Plan for National Content.
- Put in place the skills/ talent and suppliers' database.
- Monitor, supervise and evaluate the sub sector.
- Facilitate the new institutions (PAU and NOC) to achieve their objectives.
- Continue participation in regional initiatives.

ii) Midstream

- Formulate the Special Purpose Vehicle for the refinery development.
- Undertake Pre-FID activities for refinery development.
- All property owners from the refinery land fully compensated and resettled.
- Undertake capacity building for three officers at Master's level.
- Continue the development of standards and regulations for midstream facilities and operations.
- Formulate a strategy and plan for petrochemical and other energy based industries.
- Undertake an environmental baseline study and detailed route survey for the multi-products pipeline from the refinery to Buloba terminal.
- Undertake the RAP study and its implementation for the Multi-products pipeline from the refinery to the Buloba terminal.
- Develop and execute an Inter-governmental agreement for the crude export pipeline.
- Develop a Master Plan for the Airport at Kabaale, Hoima district.
- Develop a Master plan for the Kabaale Industrial Park (Refinery Complex Area)
- Develop an implementation Plan for the National strategy and plan for petroleum transportation and storage facilities.
- Strengthening of regional cooperation in development of midstream infrastructure achieved

Petroleum Supply, Infrastructure & Regulation

- Completion of implementation of RAP for Malaba-Kampala petroleum products pipeline.
- Complete 20% of construction works for Eldoret-Kampala petroleum products pipeline.
- Complete the RAP study for Kampala-Kigali petroleum products pipeline.
- Fully stock the Jinja storage tanks and put in place a Mini-petroleum laboratory.

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- EPC contractor in place for the construction of Nakasongola Fuel reserves.
- National Petroleum Information system rolled out to stakeholders.
- Continue with institutional capacity building.

Medium Term Plans

- i) Promote the Country’s petroleum potential and undertake a licensing round for the unlicensed acreage in the country;
- ii) Develop and commission a 60,000bopd refinery in the country;
- iii) Develop transport and storage infrastructure for petroleum and petroleum products in the country;
- iv) Facilitate the development of infrastructure for the export of crude oil;
- v) Coordinate the implementation of the oil and gas regulations in the sector;
- vi) Build capacity of the Oil and Gas sector in the country;
- vii) Monitor and regulate the upstream petroleum activities;
- viii) Continue the implementation a communication strategy for the Oil and Gas sector in the country;
- ix) Participate in Regional initiatives related to the oil and gas sector.

Petroleum Supply, Infrastructure and Regulation

- i) Development and stocking fuel strategic reserves;
- ii) Management and Monitoring of petroleum supply and marketing industry;
- iii) Maintenance of National Petroleum Information System;
- iv) Operational Standards and laboratory testing of petroleum products;
- v) Regular update of the Emergency Petroleum Supply Plan;
- vi) Develop the Eldoret-Kampala-Kigali Refined Petroleum Products Pipeline.

Actions to Improve Outcome Performance

A number of action plans have been planned in order to improve vote performance within the oil and gas sector. These include: - Continue implementation of the new petroleum laws that govern the activities of the oil and gas sector - Develop regulations

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

<i>Sector Outcome 3: Sustainable management of the country's Oil and Gas resources</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 017 Ministry of Energy and Mineral Development			
Vote Function: 03 03 Petroleum Exploration, Development & Production			
Continue with cpacity biulding programs	Continued with capacity building programs of variou staff and programs	Continued strengthening of the institutional capacity	Continued strengthening of the institutional capacity
Implement the newly approved legislation	Continued with the preparation of the new regulations to operationalise the legislation	Continue the implementation of the oil and gas policy and legislations.	Continue the implementation of the oil and gas policy and legislations.

(iv) Efficiency of Sector Budget Allocations

To improve the performance of vote budget allocations and achieve value for money in the oil and gas sector a monitoring and evaluation framework has been formulated and efforts have been made to improve the procurement plans.

REA

To improve efficiency in budget allocation, REA has identified priority projects which have a high impact on society. Focus has been on district headquarters, rural growth centres, health centres, commercial enterprices, and agricultural centres. These areas are high density areas in which the unit cost of exention of electricity services is lower

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Table S2.4: Allocations to Key Sector and Service Delivery Outputs over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Sector Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Key Sector	1,312.5	205.5	175.2	125.9	70.1%	43.8%	40.8%	32.3%
Service Delivery	186.6	177.2	148.4	69.6	10.0%	37.8%	34.6%	17.9%

The costing assumptions are that the cost of technology does not significantly vary. Most of the inputs in the sector are largely imported

Table S2.5: Key Unit Costs of Services in the Sector (Shs '000)

Unit Cost Description	Actual 2013/14	Planned 2014/15	Proposed 2015/16	Costing Assumptions and Reasons for any Changes and Variations from Plan
Vote: 017 Ministry of Energy and Mineral Development				
<i>Vote Function: 0301 Energy Planning, Management & Infrastructure Dev't</i>				
Cost per Mega Watt hour (MWh) of thermal generated electricity			813,817	The cost represents the energy price per MW generated.
Cost per kilo Watt hour (kWh) sold by the system operator UETCL to the energy distributors	348		348	The cost represents the peak hour cost of electricity transmitted by UETCL
<i>Vote Function: 0302 Large Hydro power infrastructure</i>				
Cost per Mega Watt of electricity produced per hour by a large hydro power station			38,746	Approved energy tariff for the power generated at the Nalubaale - Kiira operated by a concessionaire
<i>Vote Function: 0305 Mineral Exploration, Development & Production</i>				
Cost per line kilometre of aeroborne geophysical data	39,000	39,000	39,000	Resources Project 2004 - 2011 of USD 5.005 million for 632,681 line kilometres covered; averaged USD 7.911 per line kilometre. Global Inflation and change in technology

(v) Sector Investment Plans

For the FY 2015/16, development of power infrastructure Project has a budgetary allocation of Ush. 101 Bn; while 35.0 Bn is earmarked for the acquisition of land for construction of the oil refinery. Construction and Resettlement Action Plan for the Transmission Lines will also be funded.

Table S2.6: Allocations to Class of Output over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Sector Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Consumption Expenditure (Outputs Provided)	69.4	76.0	98.7	47.2	3.7%	16.2%	23.0%	12.1%
Grants and Subsidies (Outputs Funded)	115.5	114.3	48.1		6.2%	24.4%	11.2%	
Investment (Capital Purchases)	1,688.2	278.8	282.6	342.3	90.1%	59.4%	65.8%	87.9%
Grand Total	1,873.1	469.1	429.4	389.5	100.0%	100.0%	100.0%	100.0%

As a medium term strategy, during the FY 2015/16, the Sector will continue to focus major capital purchases towards investments in the construction of Large Hydropower infrastructure (Karuma, Isimba Hydro Power Projects); construction of transmission lines and the associated Way leaves; Resettlement Action Plan (RAP) and capacity payments towards thermal power generation. Downstream activities will largely focus on the development of the Kenya - Uganda; Kampala - Kigali oil products pipeline.

In the oil and gas sub-sector, focus will be towards the implementation of the refinery development activities including the development of the oil pipelines and aerodrome, and the implementation of the oil and gas policy. In the mineral sector, government will continue with the ground geophysical mapping of Karamoja and the geothermal exploration. In addition, focus will also be on the development of earthquake

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research facility and laboratory infrastructure.

To support the general administrative function, the sector has also committed resources towards the renovation Amber house and the development of the adjacent plot.

Table S2.7: Major Capital Investments

Project Vote Function Output <i>US\$ Thousand</i>	2014/15		2015/16
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote: 017 Ministry of Energy and Mineral Development			
Vote Function: 0301 Energy Planning, Management & Infrastructure Dev't			
<i>Project 1023 Promotion of Renewable Energy & Energy Efficiency</i>			
030177 Purchase of Specialised Machinery & Equipment	- Ten (10) small wind energy systems procured -Two wind measuring equipment procured - Computers for wind data procured	Specifications, ToR developed and Detailed designs.	-Five (5) hybrid small wind energy/ solar photovoltaic systems procured, installed and commissioned. -Two (2) solar water heating systems for; Refurbishment in Mbale and another procured for Lira hospital. -Fifteen (15) Institutional energy saving stoves procured and installed. - Two wind measuring equipment procured
Total	22,568,859	8,800	15,142,689
<i>GoU Development</i>	<i>1,292,689</i>	<i>8,800</i>	<i>292,689</i>
<i>External Financing</i>	<i>21,276,170</i>	<i>0</i>	<i>14,850,000</i>
<i>Project 1026 Mputa Interconnection Project</i>			
030179 Acquisition of Other Capital Assets	- Construction of Nkenda-Hoima 220kV transmission line and associated substations.	1.Approval of transmission line tender documents and issuance to shortlisted bidders. 2.The substation tender documents were approved by the UETCL contracts committee on 19th September 2014. The financier's no-objection was still pending at the end of the quarter. The delay in issuance was due to the financier's requirement that the documents are reviewed by the supervision consultant before their no-objection. 3.Compensation of Project Affected Persons (PAPs) is 81% complete.	- Construction of Nkenda-Hoima 220kV transmission line and associated substations. - RAP Implementation
Total	91,854,068	375,000	21,854,000
<i>GoU Development</i>	<i>1,500,000</i>	<i>375,000</i>	<i>1,500,000</i>
<i>External Financing</i>	<i>90,354,068</i>	<i>0</i>	<i>20,354,000</i>
<i>Project 1137 Mbarara-Nkenda/Tororo-Lira Transmission Lines</i>			
030179 Acquisition of Other Capital Assets	- Construction of Mbarara-Nkenda (Lot 2)&Tororo-Lira (Lot 1) transmission lines and associated substations	Lot 1 (Tororo – Lira Transmission line) progress: • Total Tower foundation completed – 409 out of 740 (55.2%) • Total Tower Erection completed - 267 out of 740	-Construction of Mbarara-Nkenda (Lot 2)&Tororo-Lira (Lot 1) transmission lines and associated substations -RAP implementation

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Project	2014/15		2015/16
Vote Function Output <i>UShs Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0301 Energy Planning, Management & Infrastructure Dev't		(36%) • 15 MVar Shunt Reactor received at Opuyo substation Lot 2 (Mbarara – Nkenda Transmission line & Associated substations) progress: • Total Tower foundation Completed – 130 out of 321 tower locations • Total Tower Erection Completed – 105 out of 321 towers • Monopole foundation completed – 89 out of 131 locations • Monopoles erected – 62 out of 131 locations Fort Portal substation • Civil Foundation works (Total 109 foundations) for all outdoor equipment have been completed. • Grade slab casting of the Control Room Building is complete. Plinth beam setting is under progress • Excavation of Cable trench is 90 % completed. Mbarara substation • Civil Foundation works (Total 32 foundations) of all outdoor equipment have been completed. Nkenda substation • Equipment and tower foundations on going	
Total	107,468,621	461,541	37,468,621
<i>GoU Development</i>	<i>3,518,621</i>	<i>461,541</i>	<i>3,518,621</i>
<i>External Financing</i>	<i>103,950,000</i>	<i>0</i>	<i>33,950,000</i>
Project 1140 NELSAP			
030179 Acquisition of Other Capital Assets	- Construction works of Bujagali-Tororo-Lessos and Mbarara-Mirama- transmission lines Lot A: Uganda-Kenya; Lot B: Uganda-Rwanda and Lot C: Substations	- The current disbursement level stands at 22% for ADF and 26% for JICA. - Foundation works ongoing for Bugali- Lessos line (lot A) and 123 out of an estimated 399no; foundations are complete. - Line route alignment for Mbarara- Mirama line (lot B) is complete and the survey is 94% complete. - Foundation works commenced for Mbarara- Mirama line (lot B) and 13 out of an estimated 184no; foundations are complete. - Site clearance and levelling near completion for Tororo and new Mbarara substations.	- Construction works of Bujagali-Tororo-Lessos and Mbarara-Mirama- transmission lines Lot A: Uganda-Kenya; Lot B: Uganda-Rwanda and Lot C: Substations -RAP implementation

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0301 Energy Planning, Management & Infrastructure Dev't			
		-Procurement of contractors for construction of resettlement houses for Project Affected Persons is ongoing.	
		- RAP Implementation progress is at 77%.	
Total	62,107,253	1,159,313	23,537,989
<i>GoU Development</i>	<i>4,637,253</i>	<i>1,159,313</i>	<i>2,637,253</i>
<i>External Financing</i>	<i>57,470,000</i>	<i>0</i>	<i>20,900,736</i>
Project 1144 Hoima - Kafu interconnection			
030179 Acquisition of Other Capital Assets	- Supervision Consultant	Feasibility Study completed.	-Procurement of EPC Contractor
	- EPC Contractor	-Draft EPC Tender documents being reviewed	-EPC works
		-ESIA & RAP Studies 100% completed	-RAP Implementation
		-ESIA & RAP Studies submitted to NEMA and CGV for approval	
Total	4,670,000	750,000	4,670,000
<i>GoU Development</i>	<i>3,000,000</i>	<i>750,000</i>	<i>3,000,000</i>
<i>External Financing</i>	<i>1,670,000</i>	<i>0</i>	<i>1,670,000</i>
Project 1198 Modern Energy from Biomass for Rural Development			
030177 Purchase of Specialised Machinery & Equipment	Purchase of a biogas unit for electricity generation	- ToRs for a Contractor to construct the biogas system for electricity generation developed. Procurement process initiated.	Bio gas unit for electricity generation
	Purchase of spares for Nyabyeya gasifier maintenance	Repairs were done on the water tanks and a mini waste water treatment plant set up.	Large scale briquetting unit
	Purchase of 4 hand held Global Positioning Units (GPS)		2 Interlocking Stabilization making machines
	Purchase materials to support completion of 10kw Apac biogas unit	- Electromechanical repairs on the 82.5kW unit were carried out. Report in place.- Additional repairs on the two units of the 150kW Nyabyeya gasification system carried out. More test runs to be carried out.	Missing parts of Apac Biogas unit
	Purchase of 4 gasifier units for gasification technology demonstration		Missing parts of Kyambogo gasifier unit
	Implementation plan of gasification technology		1 Biofuels unit for demonstration
	Engineering designs (biogas system for electricity)		
Total	2,300,000	275,429	2,130,000
<i>GoU Development</i>	<i>2,300,000</i>	<i>275,429</i>	<i>2,130,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Project 1212 Electricity Sector Development Project			
030179 Acquisition of Other Capital Assets	- Establishment of the Power Sector Information Centre commenced	Of the total 2171 Project Affected Persons, 1344 have been compensated. 1780 Paps have been disclosed too, 1649 agreements, 131 disputes and 381 outstanding disclosures.	-Construction of new Kawanda-Masaka transmission line and related upgrades to substations.
	- Construction of new Kawanda-Masaka transmission line and		Establishment of Power Sector Information Center in place and

Section 3: Energy and Mineral Development Sector

Project Vote Function Output <i>US\$ Thousand</i>	2014/15		2015/16
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0301 Energy Planning, Management & Infrastructure Dev't			
	related upgrades to substations.	Supervision consultant was procured. He completed phase 1 report and the design review report was submitted to the World Bank for Review.	staff recruited to run.
		Advance payment was made to the EPC Contractors on 22nd July 2014. Kick off meetings for Lot 2 and 3 were held on August 12th and 13th 2014. Lot 1 were held on 14th August 2014.	- Feasibility study for feasibility study Lira –Gulu- Nebbi –Arua transmission line.
		The consultant submitted a draft inception report on 29th July 2014 and the final inception report on 2nd September 2014.	-
Total	131,137,253	141,916	32,037,000
<i>GoU Development</i>	<i>3,037,253</i>	<i>141,916</i>	<i>2,037,000</i>
<i>External Financing</i>	<i>128,100,000</i>	<i>0</i>	<i>30,000,000</i>
Project 1221 Opuyo Moroto Interconnection Project Op			
030179 Acquisition of Other Capital Assets	<ul style="list-style-type: none"> • Procurement of RAP implementation consultant • Procurement of Supervision Consultant • Procurement of EPC Contractor • RAP Implementation 	<p>Shortlist for works supervision consultants approved</p> <p>RFP issued to shortlisted firms</p>	<p>Procurement of Supervision Consultant</p> <p>Procurement of EPC Contractor</p>
Total	3,690,000	0	3,690,000
<i>GoU Development</i>	<i>1,000,000</i>	<i>0</i>	<i>1,000,000</i>
<i>External Financing</i>	<i>2,690,000</i>	<i>0</i>	<i>2,690,000</i>
Project 1222 Electrification of Industrial Parks Project			
030171 Acquisition of Land by Government	RAP Implementation	<p>Namanve: Feasibility study, ESIA & RAP Studies completed.</p> <p>-Namanve, Mukono, Iganga and Luzira: Sourcing for financing for construction on-going; 80% completed</p> <p>- Mukono, Iganga and Luzira: Procurement of the ESIA & RAP Studies & RAP Implementation consultant completed.</p> <p>- Mukono, Iganga and Luzira: Procurement of supervision of works consultant completed.</p> <p>Disbursements: USD 347,737.16 has been spent towards the study</p>	<p>-Construction of Namanve South, Luzira, Mukono and Iganga Industrial Park Substations and Associated transmission lines</p> <p>-RAP Implementation</p>
Total	640,000	0	1,040,000
<i>GoU Development</i>	<i>640,000</i>	<i>0</i>	<i>1,040,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>

Section 3: Energy and Mineral Development Sector

Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0301 Energy Planning, Management & Infrastructure Dev't			
<i>Project 1257 Mirama-Kikagati-Nshungyenzi Transmission Line</i>			
030179 Acquisition of Other Capital Assets	- Completion of Feasibility study. - Complete ESIA / RAP study.	1. Under the Procurement of the feasibility study consultant: - Financial evaluation was concluded and approvals granted. - Pre-award negotiations were held with the best evaluated bidder 2. Procurement of the ESIA/RAP/RAP Implementation Consultant - Technical evaluation report was approved by Contracts committee on April 09, 2014. Approval of the Financier is pending.	- Completion of Feasibility study. - Complete ESIA / RAP study. - RAP implementation
Total	2,284,600	0	2,285,000
<i>GoU Development</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>External Financing</i>	<i>2,284,600</i>	<i>0</i>	<i>2,285,000</i>
<i>Project 1259 Kampala-Entebbe Expansion Project</i>			
030171 Acquisition of Land by Government	- RAP Implementation	ESIA/RAP/RAP Implementation services: - The consultant concluded ESIA study and submitted the Final ESIA report. NEMA approval is pending - The Consultant concluded RAP field activities. Design, tender document preparation, project management and supervision of works services: - Evaluation process of shortlisting bidders was carried out pending conclusion with the Supervision Consultant and required approvals. - Design process ongoing, the Consultant submitted draft overhead line design report, substation design report and draft soil investigation reports	- Construction Works - RAP Implementation
Total	500,000	0	4,920,000
<i>GoU Development</i>	<i>500,000</i>	<i>0</i>	<i>2,000,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>2,920,000</i>
Vote Function: 0303 Petroleum Exploration, Development & Production			
<i>Project 1142 Management of the Oil and Gas Sector in Uganda</i>			
030372 Government Buildings and Administrative Infrastructure	Construction of Phase-3 of the new Data Centre; Maintenance of existing buildings and related infrastructure undertaken; Establishment and Rent for field	Supervision of Phase-2 of the new Data Centre continued; Partial payment for Phase-2 construction done; Procured consultancy services to re-design and supervise 3rd	Construction of Phase-3 of the new Data Centre, Core Store, Labs and Office Building at Entebbe commenced; Maintenance of existing buildings and related infrastructure undertaken;

Section 3: Energy and Mineral Development Sector

Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0303 Petroleum Exploration, Development & Production	based offices.	phase construction including access road;	Rent for buildings for the new Institutions (Petroleum Authority and National Oil Company), paid.
Total	7,939,440	375,742	5,000,000
<i>GoU Development</i>	<i>7,939,440</i>	<i>375,742</i>	<i>5,000,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Project 1184 Construction of Oil Refinery			
030371 Acquisition of Land by Government	Detailed route survey for products pipeline from the refinery to Buloba terminal concluded	Procurement of a Consultant to develop a strategy and plan for petroleum transportation and storage was done.	Implementation Plan for the National Strategy and Plan for Petroleum Transportation and Storage facilities developed
	Resettlement Action Plan (RAP) study crude oil from the field to the refinery and products pipeline from the refinery to Buloba terminal undertaken	Review and completion of final draft document in progress. Produced interim report for the study.	Undertake and Environmental baseline study and detailed route survey for the Multi- products pipeline from the refinery to Buloba terminal.
	Environmental Baseline Study for pipelines undertaken	Discussions to develop a detailed pipelines corridor and route with partner states Kenya and Rwanda on going in consultation with the oil companies	Undertake the RAP study and its implementation for the Multi- products pipeline from the refinery to the Buloba Terminal
		Officers had three meetings in Nairobi for bid opening and evaluation, selection and negotiations with the consultant to undertake the feasibility study and design of the Hoima- Lockichar-lamu pipeline.	Develop and execute an inter- governmental agreement for the crude export pipeline
Total	2,929,000	252,648	2,929,000
<i>GoU Development</i>	<i>2,929,000</i>	<i>252,648</i>	<i>2,929,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
030380 Oil Refinery Construction	Acquisition of land for the refinery development concluded.	In this quarter an additional 255 households were compensated.	Special Purpose Vehicle (SPV) for the refinery development formulated
	Master plan and detailed engineering design study for the aerodrome development concluded	Therefore a total number of 1836 out of 2615 Property Owners who opted for cash compensation, which is about 70.21%, have been compensated.	Undertake Pre-FID activities for refinery development
	Coordination of the activities of the Transaction Advisor	Physical planning of the land and construction of the houses and social infrastructure is to commence.	All property owners from the refinery land full compensated and resettled
		A total of 533. 59 acres of land has been purchased for relocation of the 93 Property Owners that opted for resettlement.	A Master Plan for the Airport at Kabaale, Hoima district developed
		Continuous sensitisation of the remaining project affected persons (PAPs) is being done to ensure a smooth transition for them.	Develop a Master plan for the Kabaale Industrial Park, Refinery Complex Area
			A strategy and plan for petrochemicals and other energy based industries formulated

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0303 Petroleum Exploration, Development & Production			
		It is expected that Cash compensation will be concluded by the end of 2014.	
		The Ministry of Energy and Mineral Devt ,in conjunction with Civil Aviation Authority,procured a consultant to develop a detailed Master plan for the airport in Kabaale ,Hoima District.	
		The process of getting the lead investor continued with Parrarel initial negotiations were held with the two preferred bidders on 27th to 29th August 2014 with Sk Group and 1st to 3rd September 2014 with RT Global Resources	
		Review of the draft key project agreements was done	
		The two preffered bidders will be issued a Request For Best and Final Offers by mid-October, 2014 and given one month to submit their Best Final Offers for the project by mid- November 2014	
Total	29,880,220	22,393,333	27,880,220
<i>GoU Development</i>	<i>29,880,220</i>	22,393,333	<i>27,880,220</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote Function: 0304 Petroleum Supply, Infrastructure and Regulation			
<i>Project 1258 Downstream Petroleum Infrastructure</i>			
030476 Purchase of Office and ICT Equipment, including Software	-Development of NPIS completed - 5 staff attain specialized training in operating and management of NPIS - Necessary hardware procured - Five year subscription to PLATTS done	- Supervision and monitoring of the development of NPIS - Subscription of PLATTS for International prices on going - First version of NPIS submitted to the Department for trial - Quarterly report on refined products prices in the country in place - Three officers commenced Msc. Studies - Necessary hardware procured which include server	NPIS Upgraded Subscription to PIS agencies maintained NPIS maintained
Total	700,000	172,894	700,000
<i>GoU Development</i>	<i>700,000</i>	172,894	<i>700,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
030477 Purchase of Specialised Machinery & Equipment	- Downstream petroleum policy in place - Road map for revising the	- Specifications for laboratory equipment at JST developed. Procurement commenced and is	Downstream petroleum policy put in Place Technical regulations(standards

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0304 Petroleum Supply, Infrastructure and Regulation	<ul style="list-style-type: none"> regulatory framework for downstream petroleum in place - Supervision of the HSE consultant continues - 20 standards developed - 5 stakeholders consultative meetings on Downstream Policy held - 5 regional workshops for sensitization on the developed standards held - HSE training manual in place - HSE protective gears for PSD staff procured 	<ul style="list-style-type: none"> in process. - Design for fencing off JST developed. Procurement process in progress - Specification for the protective gear developed. Procurement process in progress - Procurement of HSE training manuals is in progress - Consultant procured to develop Codes of practise has submitted an interim. 	<ul style="list-style-type: none"> and codes of practice) reviewed and implemented.
Total	720,000	182,121	1,400,000
<i>GoU Development</i>	<i>720,000</i>	<i>182,121</i>	<i>1,400,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
030479 Acquisition of Other Capital Assets	<ul style="list-style-type: none"> - Studies and designs for Nakasongola Strategic Reserves completed - Nakasongola Strategic Reserves development commenced - Feasibility study of Kampala common user terminal commenced 	<ul style="list-style-type: none"> - Interim report for feasibility study of Nakasongola Storage Tanks submitted by the consultant. - Supervision of feasibility study for Nakasongola storage tanks done. Reports available. - 3 staff commenced master's program abroad 	<ul style="list-style-type: none"> Nakasongola strategic reserves facility completed and operational Jinja storage tanks restocked and operations monitored Plans for Buloba Multi User Product terminal produced
Total	1,680,000	344,561	4,700,000
<i>GoU Development</i>	<i>1,680,000</i>	<i>344,561</i>	<i>4,700,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
030471 Acquisition of Land by Government	<ul style="list-style-type: none"> - Project documents drafting finalized for Kenya-Uganda. - Drafting of Project Agreements for Kenya-Uganda finalized. - EIA for Kenya-Uganda project finalized. - Resettlement Action Plan (RAP) updated (Malaba-Kampala-Uganda) - RAP implementation for Malaba-Kampala commenced - EPC tendering documents finalised - Feasibility study for Uganda-Rwanda pipeline project completed - Pipe line routing for Uganda-Rwanda undertaken - RAP for Uganda-Rwanda 	<ul style="list-style-type: none"> - 6 JCC meetings held - 4 tripartite meetings attended - Drafting of Project Agreements for Kenya-Uganda on-going. - Procurement of Resettlement Action Plan (RAP) consultant in progress. Evaluation of RFP is on-going - EPC for Eldoret -Kampala Expression of Interest evaluated - Feasibility study for Uganda-Rwanda pipeline project completed - Sensitization of Project affected persons 	<ul style="list-style-type: none"> Eldoret-Kampala petroleum products pipelines constructed Kampal-Kigali products Pipeline constructed

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0304 Petroleum Supply, Infrastructure and Regulation	development commenced		
Total	9,400,000	234,922	5,700,000
<i>GoU Development</i>	<i>9,400,000</i>	234,922	<i>5,700,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote Function: 0305 Mineral Exploration, Development & Production	Project 1199 Uganda Geothermal Resources Development		
030577 Purchase of Specialised Machinery & Equipment	Continue the procurement of Deep subsurface geothermal exploration equipment and laboratory consumables	<ul style="list-style-type: none"> Ms Labx Scientific Systems supplied items which included water proof field books, geology field book covers, water proof pens, marker pens, pencils, aluminum clip boards, Geo Belt pack, Gfeller leather field case, Geo Rock bag, high visibility safety polo, water proof back packs, multi-purpose mapping coats, comprehensive first aid kits, sack-bag, safety goggles. Others included geological software, digital camera, and field tough books. 	Continue the procurement of Deep subsurface geothermal exploration equipment and laboratory consumables
Total	2,180,000	544,695	680,000
<i>GoU Development</i>	<i>2,180,000</i>	544,695	<i>680,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Project 1200 Airborne Geophysical Survey and Geological Mapping of Karamoja	030572 Government Buildings and Administrative Infrastructure		
	Construct and equip a regional minerals office for Karamoja region; set up a training centre for ASM in Moroto	12.Land measuring 4 acres on Matheniko County Block 1 plot 100 near the Catholic Mission in Moroto Municipality was acquired for the construction of Karamoja Regional Office Block. Civil Engineers from the MoW&T visited the site for inspections to advice on the architectural designs and bill of quantities (BoQs) during July 2014.	Construct and equip a regional minerals office for Karamoja region; set up a training centre for Local Leaders and ASM in Moroto Town Design of the earthquake research facility
Total	800,000	150,383	3,200,000
<i>GoU Development</i>	<i>800,000</i>	150,383	<i>3,200,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
030577 Purchase of Specialised Machinery & Equipment	Procurement and installation of Specialised equipment.	Initiated the Procurement petrophysics equipment that is expected to be concluded in the Q2	Procurement and installation of Specialised equipment.
Total	950,000	224,781	750,000
<i>GoU Development</i>	<i>950,000</i>	224,781	<i>750,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote Function: 0349 Policy, Planning and Support Services	Project 1223 Institutional Support to Ministry of Energy and Mineral Development		
034972 Government Buildings and Administrative Infrastructure	- Comprehensively renovate and manage Amber House and commence development process of the adjacent plot	TOR for the Procurement of a consultancy services to provide bills of quantities and overall plan to renovate Amber house were done; Consulatnt and the Ministry of Works to reproduce drawings	Designs and BOQs for Remodelling of Amber House and development of the adjacent plot in place. Procurement of a contractor for the Remodelling of Amber House and development of the

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0349 Policy, Planning and Support Services			
		plans and designs for the Amber house and Adjacent plot.	adjacent initiated.
		Commenced on the procurement of a consultant to redesign the EDT offices and tribunal hall in the Former centenary bank	
		Remedial renovation works done on 15 offices and taoilet systems	
Total	3,025,965	755,934	2,425,965
<i>GoU Development</i>	<i>3,025,965</i>	<i>755,934</i>	<i>2,425,965</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
034976 Purchase of Office and ICT Equipment, including Software	<ul style="list-style-type: none"> - Complete the development of a disaster recovery solution for the Ministry - Complete Phase II of the redesign and implementation of Voice and data infrastructure - Resource Centre equipped - Internet services (WiFi) procured and maintained - Procure a consultancy to develop an information system for the Ministry - Computer peripherals/ hardware and softwares/ licencing procured - Computer equipment serviced 	<ul style="list-style-type: none"> - Completed civil works of the room to accommodate a power back up recovery solution for the MEMD - Completed intallation of power back up system under phase II of the structured cable program - Internet services procured and maintained - Procured Computer peripherals/ hardware and unti virus softwares/ licencing - Computer equipment serviced 	<ul style="list-style-type: none"> - A disaster recovery solution for the Ministry developed - Commence procurement of collaboration softwares under structured cabling Phase III - Resource Centre equipped - Internet services (WiFi) procured and maintained - Computer peripherals/ hardware and softwares/ licencing procured - ICT user trainings and sensitization held - Cloud computing and cyber security implemented
Total	1,000,000	172,747	1,000,000
<i>GoU Development</i>	<i>1,000,000</i>	<i>172,747</i>	<i>1,000,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
034977 Purchase of Specialised Machinery & Equipment	Implement phase II of Equipping and retooling the GSMD Mineral Laboratory Infrastructure	Procured equipment to Implement phase II of Equipping and retooling the GSMD Mineral Laboratory Infrastructure. Equioment sue to be delivered	<ul style="list-style-type: none"> Strengthen the capacity of DGSM to establish modern laboratory Purchase of vehicles for political leadership
Total	1,000,000	249,948	1,000,000
<i>GoU Development</i>	<i>1,000,000</i>	<i>249,948</i>	<i>1,000,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
034979 Acquisition of Other Capital Assets	Complete the Feasibility Studies for Rwimi/Nyamba Hydro Power Plant	Contiued with the Feasibility Studies for Rwimi/Nyamba Hydro Power Plants. Inception Report submitted and discussed. Comments have been given to the consultant	<ul style="list-style-type: none"> - Continue with the completion the Feasibility Studies for Rwimi/Nyamba Hydro Power Plant - Muziz Hydro Power project EIA Certificate Fee - Nyagak III Hydro Power Project Land Acquisition

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0349 Policy, Planning and Support Services			
Total	1,440,415	349,355	2,040,415
<i>GoU Development</i>	<i>1,440,415</i>	<i>349,355</i>	<i>2,040,415</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote: 123 Rural Electrification Agency (REA)			
Vote Function: 0351 Rural Electrification			
Project 1261 West Nile Grid Extension Program-GBOBA			
035182 Increased rural household connections	WORLD BANK FUNDED OBA PROGRAM -40000 consumer Connections made end of financial year. -consumer subsidy connections in Kanungu and Kibaale/Kyenjojo concession areas	(i) 2,350 consumer connections were made. These were connected to national grid. (ii) UEDCL signed the OBA agreement and Procurement of connection materials is ongoing. (iii) Consumer Awareness - The consultant carried out direct marketing with Umeme, WENRECO, BECS, KIL, PACMECS and FESL. Advertisements continued on radio, TV and newspapers.	37,635 consumer Connections
Total	6,554,306	694,550	4,554,306
<i>GoU Development</i>	<i>3,000,000</i>	<i>120,993</i>	<i>1,000,000</i>
<i>External Financing</i>	<i>3,554,306</i>	<i>573,558</i>	<i>3,554,306</i>
Project 1262 Rural Electrification Project			
035180 Construction of Rural Electrification Schemes (On-grid)	BADEA/SFD 100% completion of projects of Kapchorwa-Bukwo-Suam Mayuge-Bwondha Landing Site Kasambira-Bugulumbya-Bukuutu Mityana-Lusalira Lake Victoria free Trade Zone Apac – Chegere – Alemi Hoima – Nalweyo Kitgum – Namokora, OFID/OPEC Update of design and procurement of contractor, 50% construction works, Monitoring of Defects Liability period. Undertake Way leaves acquisition, Undertake EA, Storage yard Ntenjeru-Mpenja Biafra-Nakusubuyaki Ziba – Namaseke – Nansagazi – Kiwale –Buyiira – Lugonjo – Ntimbe – Bukasa – Kisimbize – Buzzu – Banda – Kalambya – Natyole Lukonda – Wangege village Nansagazi – Ssenyi Landing sites Aduku-Cawente, Aduku-Nambieso, Aduku-Inomo Lira-Bala Aloji-Omorog Dogapio-Atura GOU \$20 MILLIONS	BADEA/SAUDI FUND Implementation commenced during the quarter with line clearance and pegging. 1. Kapchorwa-Bukwo-Suam (Kapchorwa) 2. Mayuge-Bwondha Landing Site (Mayuge) 3. Kasambira-Bugulumbya-Bukuutu (Kamuli) 4. Mityana-Lusalira (Mityana) 5. Lake Victoria free Trade Zone (Rakai) 6. Apac-Chegere-Alemi (Apac) 7. Hoima-Nalweyo (Hoima) 8. Kitgum-Namokora/Padipe (Kitgum) OFID/OPEC Evaluation process was in progress for the procurement of a contractor. Ntenjeru-Mpenja Biafra-Nakusubuyaki Ziba – Namaseke – Nansagazi – Kiwale –Buyiira – Lugonjo – Ntimbe – Bukasa – Kisimbize – Buzzu – Banda – Kalambya – Natyole Lukonda – Wangege village Nansagazi – Ssenyi Landing sites Aduku-Cawente, Aduku-Nambieso, Aduku-Inomo Aloji-Omorog Dogapio-Atura	REA has planned budget priorities for the FY2015/16 and they are as outlined below A.Completion of GoU ongoing projects Lot 1: wakiso/butambala/Mpigi/Mityana/Mubende Lot 2:Masaka/sembabule/Rakai/Go mba/Kiruhura Lot 3:Nakasongola/Luwero/Nakaseke/Hoima Lot 4:Kayunga/Mukono/Jinja/Luuka/Kamuli Lot 5:manafwa/Mbale/Tororo/Sironko/Butaleja/Budaka/bulambuli/Bududa Lot 6:serere/Soroti/pallisa/Kapchorwa/Kumi Lot 7:Mbarara/sheema/Bushenyi/Ibanda Lot 8:Ntugamo/Rukungiri/Kabale/Kanungu/Kisoro Lot 9: Bundibugyo/Kasese/Rubirizi Lot 10:Gulu/Kitgum/pader/Otuke/Lira/Lamwo B.BADEA/SFD Projects This involves the completion of

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousands</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0351 Rural Electrification			
	<p>FUNDED PROJECTS</p> <p>Lot 1: EASTERN 100% completion of projects Kayunga/Jijan/Iganga/Luuka/Kamuli/Buyende/Tororo/Busia/Manafa</p> <p>Lot 2: WESTERN 100% completion of projects Bundibugyo/Mubende/Sembabule/Kiruhura/Kisoro/Lyantonde/Nakasongola/Ibanda/Rukungiri</p> <p>Lot 1: Wakiso, Mpigi, Mityana, Busunju</p> <p>Kikera and Ssekihuka Villages Kibugga and Buwambo Village Farm</p> <p>Nangabo Village Farm (Kedaf)</p> <p>Wamala Parish and Environs Galamba Village</p> <p>Kawafu (Rono) Farm in Busunju Kabankonyo TC and Environs</p> <p>Lot 3: Mbale/Manafwa/Tororo/Butaleja/Kapchorwa/Pallisa Muwafu TC in Mulanda sub-county</p> <p>Busiu TC - Kidok Health center Buwaya TC and Environs Buluganya, Buyaga - Bunalwera and Kaduwa</p> <p>Maizimasa sub-county, Doho and Bugosa TC National High Altitude Center at Teryet</p> <p>Kabwangasi Parish, Kakutu and Kagumu sub-county</p> <p>Lot 4: Masindi/Lira Ogur Health center and Apii Pe Village</p> <p>Kisindi - Masindi Farm Inputs care center</p> <p>Rukondwa Village Kafu TC and Kafu Farm Bujwahya and Bulyango TC</p> <p>Lot 5: Lwengo/Mbarara/Isingiro/Ibanda/Kiruhura Katovu - Mudaala and Kalengero, Bwizibwera - Biharwe and Bukiro</p> <p>Rwentanga Community - Phase I Mile 17 at Byakatimba TC Nyabuhikye TC and Environs Akacucu TC and Environs</p> <p>Lot 6: Bushenyi/Buhweju/Kasese/Kyenjojo Bukonzo Mixed Farm Nsiika TC in Buhweju Katenga - Rubaare - Katooma - Rwagashane Rukakarwe Appropriate Technology Center Nyakatooke Village</p>	<p>GOU PROJECTS UNDER 2 LOTS</p> <p>Under implementation at 65% completion</p> <p>Lot 1: Networks in Eastern Uganda Kayunga/Jijan/Iganga/Luuka/Kamuli/Buyende/Tororo/Busia/Manafa</p> <p>Lot 2: Networks in western Uganda Bundibugyo/Mubende/Sembabule/Kiruhura/Kisoro/Lyantonde/Nakasongola/Ibanda/Rukungiri</p> <p>GOU PROJECTS UNDER 7 LOTS</p> <p>Under implementation at 90% completion</p> <p>Lot 1: Wakiso, Mpigi, Mityana, Busunju</p> <p>Kikera and Ssekihuka Villages Kibugga and Buwambo Village Farm</p> <p>Nangabo Village Farm (Kedaf)</p> <p>Wamala Parish and Environs Galamba Village</p> <p>Kawafu (Rono) Farm in Busunju Kabankonyo TC and Environs</p> <p>Lot 3: Mbale/Manafwa/Tororo/Butaleja/Kapchorwa/Pallisa Muwafu TC in Mulanda sub-county</p> <p>Busiu TC - Kidok Health center Buwaya TC and Environs Buluganya, Buyaga - Bunalwera and Kaduwa</p> <p>Maizimasa sub-county, Doho and Bugosa TC National High Altitude Center at Teryet</p> <p>Kabwangasi Parish, Kakutu and Kagumu sub-county</p> <p>Lot 4: Masindi/Lira Ogur Health center and Apii Pe Village</p> <p>Kisindi - Masindi Farm Inputs care center</p> <p>Rukondwa Village Kafu TC and Kafu Farm Bujwahya and Bulyango TC.</p> <p>Works are completed and the project is under monitoring of Defects Liability Period</p> <p>Lot 5: Lwengo/Mbarara/Isingiro/Ibanda/Kiruhura Katovu - Mudaala and Kalengero, Bwizibwera - Biharwe and Bukiro</p> <p>Rwentanga Community - Phase I Mile 17 at Byakatimba TC Nyabuhikye TC and Environs</p>	<p>projects by GoU Counter part funding</p> <p>Kapchorwa-Bukwo-Suam(kapchorwa)</p> <p>Mayuge-Bwondhs Landing Site(Mayuge)</p> <p>Kasambira-Bugulumbya-Bukuutu(Kamuli)</p> <p>Mityana-Lusalira(Hoima)</p> <p>Lake Victoria free Trade Zone(Rakai)</p> <p>Apac-Chegere-Alemi(Apac)</p> <p>Hoima-Nalweyo(Hoima)</p> <p>Kitgum-Namakora/Padipe(Kitgum)</p> <p>C.LV works for JICA phase III Completion of LV GoU funded projects of Mayuge-Namaingo, Lumino-Namaingo, Namaingo-Bumeru, Lutolo-Lufudu</p> <p>D. Projects funded by the Government of Norway Muhanga-Rwamucucu-Kashambya-Rugyevo/Kyempene Myanzi, Kiganda, Katabalanga, Mubende</p> <p>Mubende-Kyenjojo, Rakai-Sembabule Kabale-Kisoro Apala-Adwari-Kiiru with tee-off to Morulem Gulu-Adjuman-Moyo Rackoko-Awere-Lalogi</p> <p>E. ERT II PROJECTS Monitor the Defects Liability period</p> <p>-soroti-Katakwi, Ayer-Kamdin Ibanda Kazo line -Ruhira millennium Village -Gulu-Acholibur and Tee off paicho-patiko-paloro -Opeta-Achokora with Tee-off Iceme-Otwal -Masindi-Waki-Buliisa-Tee-off tp Hoima Nkonge-Kashozi and environs</p> <p>F. CONSTRUCTION OF NEW PROJECTS DURING THE FINANCIAL YEAR</p> <p>1. GoU Funded projects</p> <p>(i). Projects in Mityana, Bukomasimbi, Kayunga, Kalungu, Nakasongol, Mukono, Kiboga, Kyankwanzi, Luwero & Nakaseke</p> <p>(ii). Projects in Iganga, Ngora, Tororo, Pallisa, Busia, Soroti, Budaka, Bududa, Bugiri, Namayingo, Mayuge & Kamuli</p> <p>(iii). Projects in Isingiro, Kanungu, Bundibugyo, Kenjojo, Kamwenge, Kibaale, Kyegegwa, Kabarole, Kabale & Kisoro</p> <p>(iv). projects in</p>

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0351 Rural Electrification	<p>Maddox Secondary School Lot7: Rukungiri/Kanungu/Ntungamo/ Kabale Kitwe Farm and Environs Nyakibobo - Itojo sub-county Nyabushabi – Muyumba Bunyonyi Wildlife Island Rubaaya to Bigaaga Kicumbi TC and Environs Garubunda to Mabanga TC and Nyaruzinga to Kashenyi TC and Kafunjo TC Mburameizi barracks and Kiruruma water pump Mpangango Rukungiri Primary Teachers College Bwindi Community Hospital and Environs</p> <p>GoU CONSOLIDATED FUND PROJECTS. 100% completion of projects Lot1:Wakiso/Butambala/Mpigi/ Mityana/Mubende Lot2:Masaka/Sembabule/Rakai/ Gomba/Kiruhura Lot 3: Nakasongola/Luwero/Nakaseke/ Hoima Lot 4: Kayunga/Mukono/Jinja/Luuka/K amuli Lot 5: Manafwa/Mbale/Tororo/Sironko /Butaleja/Budaka/Bulambuli/Bu duda Lot 6: Serere/Soroti/Pallisa/Kapchorwa/ Kumi Lot 7: Mbarara/Sheema/Bushenyi/Iban da Lot 8: Ntungamo/Rukungiri/Kabale/Ka nungu/ Kisoro Lot 9: Bundibugyo/Kasese/Rubirizi Lot 10: Gulu/Kitgum/Pader/Otuke/Lira/ Lamwo</p> <p>JICA III 100% construction of Mayuge- Namaingo, Lumino-Namaingo, Namaingo-Bumeru, Lutolo- Lufudu</p> <p>FRENCH DEVELOPMENT AGENCY PROJECTS 70% construction of Grid extensions in North West, Rwenzori, Western, Mid western, South and South Western Service Territories</p>	<p>Akacucu TC and Environs. Under monitoring of Defects Liability Period Lot 6: Bushenyi/Buhweju/Kasese/Kyen jojo Bukonzo Mixed Farm Nsiika TC in Buhweju Katenga - Rubaare - Katooma – Rwagashane Rukakarwe Appropriate Technology Center Nyakatooke Village Maddox Secondary School. Under implementation and at 90% completion. Lot7: Rukungiri/Kanungu/Ntungamo/ Kabale Kitwe Farm and Environs Nyakibobo - Itojo sub-county Nyabushabi – Muyumba Bunyonyi Wildlife Island Rubaaya to Bigaaga Kicumbi TC and Environs Garubunda to Mabanga TC and Nyaruzinga to Kashenyi TC and Kafunjo TC Mburameizi barracks and Kiruruma water pump Mpangango Rukungiri Primary Teachers College Bwindi Community Hospital and Environs. Under implementation and at 90% completion.</p> <p>GOU PROJECTS UNDER 10 LOTS Projects below are under implementation Excavation and pole erection works commenced. Lot 1: Wakiso/Butambala/Mpigi /Mityana /Mubende Lot 2:Masaka/Sembabule/Rakai/ Gomba/Kiruhura Lot 3: Nakasongola/Luwero/ Nakaseke /Hoima Lot 4: Kayunga/Mukono/Jinja/Luuka/K amuli Lot 5: Manafwa/Mbale/Tororo/Sironko / Butaleja/Budaka/Bulambuli/Bud uda Lot 6: Serere/Soroti/Pallisa/Kapchorwa/ Kumi Lot 7: Mbarara/Sheema/Bushenyi/Iban da Lot 8: Ntungamo/Rukungiri/Kabale</p>	<p>Lira,Gulu,Agago,Pader,Abim & Arua</p> <p>2. ERT III PROJECTS Commencement of the ERTIII World Bank projects to be implemented as follows: 3.OPEC PROJECTS -Ntenjeru-Mpenja -Biafra-Nakusubuyaki -Ziba – Namaseke – Nansagazi – Kiwale –Buyiira – Lugonjo – Ntimbe – Bukasa – Kisimbize – Buzzu – Banda – Kalambya – Natyole -Lukonda – Wangege village -Nansagazi – Ssenyi Landing sites -Aduku-Cawente, Aduku- Nambieso, Aduku-Inomo -Lira-Bala -Aloi-Omoro -Dogapio-Atura</p> <p>-Muhanga-Rwamucucu-Kisiizi- Kyempene with Tee-offs to Rugyevo Via Nyakishenyi - Additional Scope II</p> <p>4.AFD PROJECTS -Grid extensions in northwest, Rwenzori, western, mid western, south & southwestern territories</p> <p>6.ISLAMIC DEVELOPMENT BANK PROJECTS -Islamic Development Bank I (RE Projects in Karamoja sub- region) -Islamic Development BankII(RE Projects in Mirama- Kabale & Teso-Karamoja sub- region)</p>

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0351 Rural Electrification			
	AFRICAN DEVELOPMENT BANK 100% completion of projects. Grid extensions in North Eastern, Eastern and Central Service Territories.	/Kanungu/ Kisoro Lot 9: Bundibugyo/Kasese/Rubirizi Lot 10: Gulu/Kitgum/Pader/Otuke/Lira/Lamwo	
	WORLD BANK FUNDED GRID EXTENSIONS UNDER ERT III 50% construction of projects. Grid extensions in North Eastern, Eastern and Central, North North West, Central North, North Western, Western and Rwenzori Service Territories	JICA III -Mayuge - Lumino (JICA) - Under implementation at HV stringing stage	
	FRENCH DEVELOPMENT AGENCY PROJECTS. Grid extensions in North West, Rwenzori, Western, Mid western, South and South Western Service Territories with 50% completion of projects.	FRENCH DEVELOPMENT AGENCY Grid extensions in northwest, rwenzori, western, mid western, south & southwestern territories EoI for procurement of Supervision Consultancy published on AFD website	
	ISLAMIC DEVELOPMENT BANK PROJECTS Distribution net works in Karamoja region with 50% completion of works.	AFRICAN DEVELOPMENT BANK Grid extensions in north eastern and central service territories - Preparation of Feasibility study WORLD BANK FUNDED GRID EXTENSIONS UNDER ERT III signing of the financing contracts for Grid extensions in North Eastern, Eastern and Central, North North West, Central North, North Western, Western and Rwenzori Service Territories GOVERNMENT OF NORWAY Projects were under the defects liability period monitoring -Mubende-Kyenjojo -Rakai-Sembabule -Kabale-Kisoro -Apala - Adwari – Kiiru -Gulu - Adjumani – Moyo -Rackokoko -Awere - Lalogi -Muhanga-Rwamucucu-Kisiizi-Kyempene with Tee-offs to Ruyeyo Via Nyakishenyi - Additional Scope -Muhanga-Rwamucucu-Kisiizi-Kyempene with Tee-offs to Ruyeyo Via Nyakishenyi - Additional Scope II was under implementation at 85% completion	
		ISLAMIC DEVT BANK I Islamic Development Bank (RE Projects in Karamoja sub-region - Loan Proposal was submitted to IDB for Approval Islamic Development Bank (RE Projects in Mirama-Kabale & Teso-Karamoja sub-region) - the Loan was Approved by	

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Project Vote Function Output <i>UShs Thousand</i>	2014/15		2015/16
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0351 Rural Electrification			
		cabinet during the quarter.	
Total	75,526,546	<i>13,486,504</i>	63,201,414
<i>GoU Development</i>	<i>15,639,223</i>	<i>3,648,346</i>	<i>15,976,000</i>
<i>External Financing</i>	<i>40,850,000</i>	<i>7,104,028</i>	<i>31,006,848</i>
<i>NTR</i>	<i>19,037,323</i>	<i>2,734,130</i>	<i>16,218,566</i>

S3 Proposed Budget Allocations for 2015/16 and the Medium Term

This section sets out the proposed sector budget allocations for 2015/16 and the medium term, including major areas of expenditures and any notable changes in allocations.

Table S3.1: Past Expenditure and Medium Term Projections by Vote Function

	2013/14 Outturn	2014/15		Medium Term Projections		
		Appr. Budget	Spent by End Sept	2015/16	2016/17	2017/18
Vote: 017 Ministry of Energy and Mineral Development						
0301 Energy Planning, Management & Infrastructure Dev't	67.028	566.165	50.267	267.266	224.746	197.196
0302 Large Hydro power infrastructure	32.403	1,096.900	244.574	0.900	0.900	0.900
0303 Petroleum Exploration, Development & Production	42.926	68.013	26.167	65.743	56.185	55.455
0304 Petroleum Supply, Infrastructure and Regulation	4.798	14.057	1.217	14.057	21.607	21.607
0305 Mineral Exploration, Development & Production	7.045	8.684	1.819	11.684	29.215	29.215
0349 Policy, Planning and Support Services	20.389	21.892	5.023	21.892	26.768	26.792
Total for Vote:	174.588	1,775.710	329.066	381.541	359.421	331.165
Vote: 123 Rural Electrification Agency (REA)						
0351 Rural Electrification	14.693	97.380	18.576	87.537	70.027	58.373
Total for Vote:	14.693	97.380	18.576	87.537	70.027	58.373
Total for Sector:	189.281	1,873.090	347.642	469.078	429.448	389.538

* Excluding Taxes and Arrears and including NTR

(i) The Total Budget over the Medium Term

Under Vote 017, the Total budget allocation for FY 2014/15 is UGX 1,635.92 Billion of which 2.70 billion is wage recurrent, 4.22 billion is non wage recurrent, GoU development is 1,281.65 billion and 347.36 billion is Donor Development.

Under Vote 123 REA, the Total budget allocation for FY 2014/15 is UGX75.74 Billion, of which UGX36 billion is estimated to be NTR, GoU development is UGX 58.76 billion and UGX 16.98 billion is Donor Development.

The sector allocations over the medium term including NTR is as follows; FY 2014/15- 1,747.659 Bn, FY 2015/16- 952.032 Bn and FY 2016/17- 2,354.529 Bn

(ii) The major expenditure allocations in the sector

For the FY 2015/16, Hydro Power Projects have the largest budgetary allocation of Ush. 101 bn; while the development of petroleum infrastructure takes Ush. 66.0 bn, largely for the oil refinery activities, pipeline development activities and petroleum data centre. Mineral development activities have a budget allocation of Ush. 9 bn. The Vote also supports the Atomic Energy Council, Uganda Energy Credit Capitalisation Company, and the Electricity Disputes Tribunal. In addition, it is also planned that the development of Amber house and adjacent plot will be funded.

(iii) The major planned changes in resource allocations within the sector

For the FY2015/16, the budget ceiling has sharply reduced by UGX1,091.6 Billion. This leaves out the

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allocation to the Energy Investment Fund which is intended for the development of large hydropower infrastructure.

Table S3.2: Major Changes in Sector Resource Allocation

Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed	Changes in Expenditure and Outputs
Vote: 017 Ministry of Energy and Mineral Development		
<i>Vote Function:0351 Petroleum Exploration, Development & Production</i>		
Output: 03 03 51 Transfer for Petroleum Refining (Midstream Unit)		
<i>Change in Allocation (US\$ bn):</i>	5.680	<i>Supports the attainment of maximum benefits from the local oil resources</i>
These resources are provided to support the operationalisation of the new institutions		
<i>Vote Function:0371 Energy Planning, Management & Infrastructure Dev't</i>		
Output: 03 01 71 Acquisition of Land by Government		
<i>Change in Allocation (US\$ bn):</i>	4.857	<i>Transmission infrastructure projects are a key input in access to power, which feeds directly into value addition that the NDP is targeting</i>
The additional resources shall be used for the acquisition of wayleaves for the various transmission projects that are at various stages of development		
<i>Vote Function:0303 Petroleum Exploration, Development & Production</i>		
Output: 03 03 03 Capacity Building for the oil & gas sector		
<i>Change in Allocation (US\$ bn):</i>	4.435	<i>To support achievement of oil production in Uganda</i>
This will support the capacity for new phases in oil and gas development		
<i>Vote Function:0304 Petroleum Exploration, Development & Production</i>		
Output: 03 03 04 Monitoring Upstream petroleum activities		
<i>Change in Allocation (US\$ bn):</i>	3.123	<i>Supports the attainment of local production and value addition on oil production in Uganda</i>
These resources will be utilised to Purchase QueStor software and subscribe for data and maintenance for three years; one (1) benchmarking seminar/workshop to a developed NDR		
<i>Vote Function:0379 Petroleum Supply, Infrastructure and Regulation</i>		
Output: 03 04 79 Acquisition of Other Capital Assets		
<i>Change in Allocation (US\$ bn):</i>	3.020	<i>To ensure security of supply of petroleum products</i>
Need to restock national fuel reserves to ensure security of supply of petroleum products and complete the studies on the development of Nakasongola fuel reserves		
<i>Vote Function:0372 Mineral Exploration, Development & Production</i>		
Output: 03 05 72 Government Buildings and Administrative Infrastructure		
<i>Change in Allocation (US\$ bn):</i>	2.530	<i>The research facility is necessary to ensure structures developed are resistant to seismic shocks</i>
Resources have been provided for to develop earthquake research facility		
<i>Vote Function:0303 Mineral Exploration, Development & Production</i>		
Output: 03 05 03 Mineral Exploration, development, production and value-addition promoted		
<i>Change in Allocation (US\$ bn):</i>	1.300	<i>To acquire accurate and reliable information on mineral resources in Uganda.</i>
Resources have been provided for mineral data acquisition and management		
<i>Vote Function:0302 Petroleum Exploration, Development & Production</i>		
Output: 03 03 02 Initiate and formulate petroleum policy and legislation		
<i>Change in Allocation (US\$ bn):</i>	1.139	<i>To support achievement of oil production in Uganda</i>
To support achievement of oil production in Uganda		
<i>Vote Function:0301 Energy Planning, Management & Infrastructure Dev't</i>		
Output: 03 01 01 Energy Policy/Plans Dissemination, Regulation and Monitoring		
<i>Change in Allocation (US\$ bn):</i>	-1.219	<i>Feasibility Studies for Ayago Hydropower Project completed.</i>
Feasibility Studies for Ayago Hydropower Project completed.		
<i>Vote Function:0377 Mineral Exploration, Development & Production</i>		
Output: 03 05 77 Purchase of Specialised Machinery & Equipment		
<i>Change in Allocation (US\$ bn):</i>	-1.700	<i>Procurement concluded for mineral exploration equipment and laboratory consumables</i>
Procurement concluded for mineral exploration equipment and laboratory consumables		

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Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed Changes in Expenditure and Outputs
<i>Vote Function:0303 Energy Planning,Management & Infrastructure Dev't</i>	
Output: 03 01 03 Renewable Energy Promotion	
<i>Change in Allocation (US\$ bn): -1.985</i>	<i>Much of the cost of achieving this output shall have been met in the FY2014/15.</i>
Much of the cost of achieving this output shall have been met in the FY2014/15. New project outputs shall come on board during the the FY2016/17	
<i>Vote Function:0380 Petroleum Exploration, Development & Production</i>	
Output: 03 03 80 Oil Refinery Construction	
<i>Change in Allocation (US\$ bn): -2.000</i>	<i>Land aquisition will be largely complete in FY2014/15.</i>
Land aquisition will be largely complete in FY2014/15. Resources provided for will support studies for pipeline development and construction of resettlement housing units	
<i>Vote Function:0372 Petroleum Exploration, Development & Production</i>	
Output: 03 03 72 Government Buildings and Administrative Infrastructure	
<i>Change in Allocation (US\$ bn): -2.939</i>	<i>Much of the works on the new building for the data centre and office space will have been done</i>
Much of the works on the new building for the data centre and office space will have been done	
<i>Vote Function:0302 Energy Planning,Management & Infrastructure Dev't</i>	
Output: 03 01 02 Energy Efficiency Promotion	
<i>Change in Allocation (US\$ bn): -3.336</i>	<i>The outputs are expected to be delievered during the Fy2014/15</i>
The CFL test bench and other outputs will be delivered during the FY2014/15	
<i>Vote Function:0371 Petroleum Supply, Infrastructure and Regulation</i>	
Output: 03 04 71 Acquisition of Land by Government	
<i>Change in Allocation (US\$ bn): -3.700</i>	<i>Much of the project affected persons will have been handled during the FY2014/15.</i>
Much of the project affected persons will have been handled during the FY2014/15. Resources remaining will be for finalisation of land acquisition and associated studies	
<i>Vote Function:0353 Energy Planning,Management & Infrastructure Dev't</i>	
Output: 03 01 53 Cross Sector Transfers for ERT (Other Components)	
<i>Change in Allocation (US\$ bn): -6.844</i>	<i>The main source of this funding is from development partners largely supporting rural electrification programs, which is being provided under Vote 123</i>
The main source of this funding is from development partners largely supporting rural electrification programs, which is being provided under Vote 123	
<i>Vote Function:0377 Energy Planning,Management & Infrastructure Dev't</i>	
Output: 03 01 77 Purchase of Specialised Machinery & Equipment	
<i>Change in Allocation (US\$ bn): -7.446</i>	<i>Reduced support from development partners</i>
Much of the purchases has been supported by the development partners. For the medium term, the projection of this support is reducing.	
<i>Vote Function:0377 Petroleum Exploration, Development & Production</i>	
Output: 03 03 77 Purchase of Specialised Machinery & Equipment	
<i>Change in Allocation (US\$ bn): -11.910</i>	<i>Much of the machinery shall have been purchased during the FY2014/15</i>
Much of the machinery shall have been purchased during the FY2014/15	
<i>Vote Function:0379 Energy Planning,Management & Infrastructure Dev't</i>	
Output: 03 01 79 Acquisition of Other Capital Assets	
<i>Change in Allocation (US\$ bn): -282.489</i>	<i>Reduced support from development partners</i>
Reduced support from development partners	
<i>Vote Function:0380 Large Hydro power infrastructure</i>	
Output: 03 02 80 Large Hydro Power Infrastructure	
<i>Change in Allocation (US\$ bn): -1,095.600</i>	<i>The resources were intended to build the Energy Fund. Non provision of these resources implies that the objectives for which the Energy Investment Fund was put in place are being jeopardised. This will certainly have a negative consequence of the financial sustainability of the power sector</i>
The resources earlier provided for the development of large hydropower infrastructure, beginning with Karuma and Isimba HPPs. The funding for Karuma and Isimba have been obtained through credit from China EXIM Bank	

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Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed Changes in Expenditure and Outputs
Vote: 123 Rural Electrification Agency (REA)	
<i>Vote Function:0301 Rural Electrification</i>	
Output: 03 51 01 Policy planning, monitoring, and advisory services	
Change in Allocation (US\$ bn): 2.819	<i>Capacity building and staff recruitment will enable REA to realise the GoU target of achieving a rural electrification target of 26% by the year 2023</i>
There will be increased activity geared at achieving the RESP target of 26% access by 2022 through capacity building and staff recruitment.	
<i>Vote Function:0382 Rural Electrification</i>	
Output: 03 51 82 Increased rural household connections	
Change in Allocation (US\$ bn): -2.000	<i>REA has secured enough funds for the project until its time of completion</i>
The allocation to the project has reduced. However, it has no effect on the outputs of the project.	
<i>Vote Function:0380 Rural Electrification</i>	
Output: 03 51 80 Construction of Rural Electrification Schemes (On-grid)	
Change in Allocation (US\$ bn): -10.662	<i>There was a reduction in the MTEF ceiling allocations leading to a reduction in the amount allocated for the financial year.</i>
Since REA has a number of priority projects in plan, the changes in allocation will leave most of unfunded.	

* Excluding Taxes and Arrears

S4: Challenges, Unfunded Outputs for 2015/16 and the Medium Term

This section sets out the highest priority outputs in 2015/16 and the medium term which the sector has been unable to fund in its spending plans.

Land Acquisition: To acquire land for infrastructure; and mineral development, petroleum and mineral exploration takes a very long time and land is very costly. That delays project development and results into high investment costs.

High power system losses at both technical and commercial levels: High energy losses reduce the revenues required to provide affordable power. The technical losses are being addressed through rehabilitation and refurbishment of the distribution line network.

Management of expectations created by the discovery of petroleum: The people of Uganda in general, and in the areas where the discoveries have been made in particular, expect quick revenues, jobs and businesses, among other things. There are also anxieties about the possible negative aspects of developing the oil resources like environment degradation and how the revenues will be managed. To mitigate this challenge, government has intensified the sharing of information on the realistic development programme of the sector.

Table S4.1: Additional Output Funding Requests

Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function:0372 Energy Planning, Management & Infrastructure Dev't</i>	
Output: 0301 72 Government Buildings and Administrative Infrastructure	
Funding Requirement (US\$ Bn) 163.710	<i>There is need to fund transmission and distribution infrastructure to evacuate power from the various power plants being developed and distribute to the users</i>
Resources are required to support the development of power transmission infrastructure in terms of wayleaves acquisition, construction of the transmission lines and capacity building	
<i>Vote Function:0304 Petroleum Exploration, Development & Production</i>	
Output: 0303 04 Monitoring Upstream petroleum activities	
Funding Requirement (US\$ Bn) 58.234	<i>This output will support the development of the refinery and attendant infrastructure like pipelines and storage facilities.</i>
Development of Refinery Infrastructure and associated studies	
<i>Vote Function:0304 Petroleum Supply, Infrastructure and Regulation</i>	
Output: 0304 04 Operational Standards and laboratory testing of petroleum products	
Funding Requirement (US\$ Bn) 42.000	<i>This activity is in line Objective 7 and 8 of NDP under Oil and Gas sector. Newly recruited need specialized training in downstream related field to handle the activities of the sector effectively.</i>
The is need to complete the aquisition of wayleaves for the oil products transport pipeline and storage	

Section 3: Energy and Mineral Development Sector

Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
infrastructure; and also provide for restocking of the storage facilities	
<i>Vote Function: 0305 Mineral Exploration, Development & Production</i>	
Output: 0305 05 Licencing and inspection	
<p>Funding Requirement (US\$ Bn) 147.740</p> <p>Resources will be required for the development of earthquake research facility, development of geothermal resources and geological data acquisition for the remaining 20% of the country (Karamoja region). In addition, resources are need to support monitoring and inspection of mineral activities</p>	<p><i>Additional resources are essential to enhanced generation of Non-tax revenue. Additional funds are for specific programmes in line with NDP that need funding: Airbone Geophysical Surveys of Karamoja (46bn), Geothermal Resources Development (5.1bn), Uranium Exploration (14.12bn), Rare Earth Elements/minerals 13.18bn), Laboratories Infrastructure Enhancement (11.3bn, Mining Law Reform (1.9), Mineral Data Backup Infrastructure (3.1bn), National Seismological Network (13.4) and Geoparks and Geosites projects (0.62 bn).</i></p>
<i>Vote Function: 0306 Policy, Planning and Support Services</i>	
Output: 0349 06 Management of Policy Issues, Public Relation, ICT and Electricity disputes resolved	
<p>Funding Requirement (US\$ Bn) 23.000</p> <p>Resources required to redevelop Amber house and the adjacent plot</p>	<p><i>The MEMD is required to respond to the emerging challenges of managing an oil and gas industry by instituting the appropriate institutional capacity, in the form of a new Directorate for Petroleum, Petroleum Authority, National Oil Company, human capital (retention and motivation), capital stock items, and associated superstructures. In addition, Management of Amber house that has been passed on to the MEMD</i></p>
<i>Vote Function: 0380 Rural Electrification</i>	
Output: 0351 80 Construction of Rural Electrification Schemes (On-grid)	
<p>Funding Requirement (US\$ Bn) 108.580</p> <p>The amount currently allocated to REA is inadequate to achieve the set targets and currently REA has a funding gap of UGX 108.58 billion for the FY2015/16. The justifications for the said funding gap are as follows.</p> <p>A. Completion of construction works for 10 Lots REA is currently undertaking construction of power lined under 10 lots. These require a total of 32.94 billions to facilitate the completion.</p> <p>B. Construction of new Rural Electrification Projects There is a requirement of 50 billions for REA to undertake the manifesto projects that were promised to the beneficiaries but there are no funds to undertake them.</p> <p>C. Counterpart funding on BADEA/SFD projects BADEA/SFD is funding construction of 8 rural electrification projects worth USD 26.78 million with the balance expected to come from GoU as counterpart funding. Whereas implementation of these projects is already underway, GoU has not provided any counterpart funding which is affecting the implementation of the project. For the FY2015/16 REA has a short fall of UGX 12.47 billion.</p> <p>D. LV Works for JICA phase III- counterpart funding GOU signed a financing agreement with JICA for construction of high voltage line from Mayuge to lumino. The contribution from GOU is in form of construction of low voltage network and way leaves compensation. Whereas REA started works for the low voltage network, there is shortfall of UGX 5.14 billion to complete the works.</p> <p>E. Projects funded by the Government of Norway (way leaves) The government of Norway funded construction of 8 rural electrification projects. The projects are now</p>	<p><i>The additional outputs and funding will contribute to the sector objectives in a way it will enable REA to realise the GoU target of achieving a rural electrification at target of 26% by the year 2023</i></p>

Section 3: Energy and Mineral Development Sector

Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
<p>complete and commissioned but way leaves compensation has not yet been done. Norway has threatened not to fund any additional rural electrification projects if compensation is not done. UGX 3.68 billion is required for this purpose.</p> <p>F. REA Office block</p> <p>REA has acquired a plot of land at Dundas road Kololo where it intends to to construct its head offices. The estimated cost of the project is USD6.2 million. REA intends to use part of its 5%levy to fund 50% of the construction works expected to start in FY15/16 and complited in FY 2016/17. For FY 2015/16 REA seeks the remaining 50% of UGX4.51 billion</p>	
<p>Output: 0351 82 Increased rural household connections</p> <p><i>Funding Requirement (US\$ Bn)</i> <i>0.000</i></p> <p>There are enough secured funds for the project completion as planned</p>	<p><i>There are unfunded priorities under this project</i></p>