MINING REVENUE GOVERNANCE AND COMMUNITY BENEFIT SHARING CHALLENGES IN UGANDA: LEVERAGING COMMUNITY DEVELOPMENT AGREEMENTS TO ENHANCE BENEFIT SHARING FOR MINING COMMUNITIES IN KASAANDA AND THE ALBERTINE GRABEN

1.Introduction

The Advocates Coalition for Development and Environment (ACODE) is a public policy think-tank based in Kampala. ACODE in collaboration with the Civil Society Budget Advocacy Group (CSBAG) and Oxfam in Uganda seeks to procure the services of a consultant to undertake a study on mining revenue governance challenges in Uganda and leveraging community development agreements to enhance benefit sharing for mining communities in Kasaanda and the Albertine Graben of Uganda. First, the study is intended to examine the mining revenue governance and benefit sharing mechanisms and challenges in Uganda. Secondly. this study will zoom-in on how Community Development Agreements can be leveraged to strengthen equitable, transparent, and accountable benefit sharing between mining companies and host communities in Kasaanda and the Albertine Graben of Uganda.

2. Background and Context

Uganda's mineral resources have long been recognised as an important source of national wealth. Incidentally, the communities hosting mining operations have not always experienced commensurate improvements in their livelihoods, public services and local economic opportunities. Mining activities often times generate government revenue, employment and private-sector investment; but the associated benefits for host communities tend to, at worst be limited and unevenly distributed or insufficient to address the social and environmental costs of extraction. Several challenges contribute to this disconnect;

First, is the failure of the revenue from mining having a tendency of not trickling down to local governments and communities. Weak linkages between mineral exploitation and local development planning, limited transparency over revenue flows, inadequate community participation in determining development priorities, and gaps in accountability can and has contributed to this failure and disconnect. Where mineral revenues are collected and managed primarily through national fiscal systems, communities tend to have had limited visibility over how much revenue is generated, how it is allocated and what benefits are expected to accrue to those communities.

Second, gaps in the processes of transferring mineral royalties to local governments exist. The transfer of mineral royalties to local governments and other eligible beneficiaries has through history faced challenges relating to delayed remittances, incomplete transfers, administrative weaknesses and difficulties verifying the amounts collected and payable. These challenges can and often times do undermine local governments' ability to plan and finance development priorities predictably. Where information on royalty assessments, collections, allocations and actual disbursements is not readily accessible, it becomes difficult for local

governments and communities to establish whether the amounts received correspond to their legal entitlements.

Third, there is inequity and unfairness in mineral revenue distribution. In many mining Districts there are concerns about whether mining communities receive benefits commensurate with the value of minerals extracted and the social and environmental costs they bear. Although Uganda's Mining and Minerals Act, 2022 revised the royalty-sharing formula, the existence of a statutory allocation does not by itself guarantee that communities receive their benefits promptly or equitably. Differences in mining activity, land ownership, administrative incapacity and access to information also affects how benefits reach particular communities.

Fourth, there are transparency and accountability challenges. Limited access to reliable, timely and disaggregated information on mineral production, royalties assessed, revenue collected, amounts transferred and expenditure at local government level makes it difficult for communities to track their entitlements. It becomes a tedious and energy-sapping process for communities. Uganda's EITI reporting has identified gaps in the information available to local stakeholders for verifying whether transfers align with statutory entitlements. Audits have also highlighted weaknesses in the verification of mineral production and value reporting by mining companies, and local government access to mining records. These gaps not only weaken public oversight but they also make it harder to hold responsible institutions accountable.

Furthermore, company-led corporate social responsibility initiatives more often, than not lack government guidelines, they are always discretionary, fragmented or short-term, rather than being based on transparent, predictable and accountable commitments to community development. Consequently, communities do often times continue to experience inadequate infrastructure, limited employment opportunities, getting mired in unnecessary exigencies, and livelihood disruptions as well as environmental degradation, even when majority of the people live alongside valuable mineral resources.

Again, evidence from Uganda's extractive sector illustrates these challenges. Uganda Extractive Industries Transparency Initiative (UGEITI) reports have overtime documented delays and shortfalls in transferring mineral royalties to local governments and landowners, under the previous Mining Act. For example, in FY 2020/21, approximately UGX 1.34 billion was transferred to local governments and landowners out of UGX 8.70 billion in mineral royalties collected, which was far below the expected 20% share under the then-applicable framework.[1]

Research and reporting have also highlighted concerns about limited transparency, weak community participation and the difficulty in translating mineral wealth into tangible local development.

These challenges demonstrate why mineral revenue sharing alone may not guarantee meaningful community development. Properly designed Community Development

[1] Uganda Extractive Industries Transparency Initiative (UGEITI) Annual Report for Financial Year 2020/2021.

Agreements (CDAs) have a better potential to establish clear and monitorable commitments on local employment, enterprise development, infrastructure, social services, environmental protection and livelihood restoration. They are more likely to be able to strengthen community participation, transparency and accountability by enabling residents to influence development priorities and monitor the fulfilment of agreed obligations. CDAs should complement—not replace—statutory royalty-sharing arrangements, compensation obligations and environmental safeguards. The proposed study is intended to explore how Uganda can move beyond revenue generation and discretionary corporate social responsibility towards predictable, equitable and sustainable benefits for communities that host mining operations.

In 2022, the Government of Uganda enacted the Mining and Minerals Act, 2022, to reform the mining sector, strengthen mineral resource governance and enhance the benefits derived from mining activities. A key reform was the introduction of Community Development Agreements (CDAs), which provides a framework for mining companies and affected communities to negotiate development priorities and benefit-sharing arrangements.

Section 229 of the Mining and Minerals Act, 2022, requires holders of mineral rights, except holders of prospecting, exploration and artisanal mining licenses, to negotiate CDAs with representatives of communities likely to be affected by their mining operations. The Act provides that concluding a CDA is a prerequisite for commencing operations under a mineral right, requires relevant licensed operators to submit signed agreements to the Minister, and obliges license holders to fulfil their commitments. It further emphasizes open, inclusive and non-coercive consultation, including the participation of women, youth and historically disadvantaged and vulnerable groups[2].

In spite of this framework, translating mining activities into tangible and equitable community benefits remains a challenge. The available literature[3] highlight the importance of meaningful community engagement and effective CDAs in reducing conflicts and promoting equitable revenue and benefit-sharing in Uganda's extractive sector. Kasaanda District and other parts of the Albertine graben of Uganda, where mining is taking place presents an important opportunity and cases study to examine how CDAs can strengthen community benefits. Public reporting has highlighted concerns about limited local benefits, mining-related pressures on roads and infrastructure, and benefit sharing challenges.

Experiences from the Karamoja sub-region and other mining jurisdictions outside Uganda offer useful lessons. In Rupa, Moroto District, the Rupa Community Development Trust has represented community land interests in negotiations with mining investors[4]. Reported arrangements have included surface-rights compensation and separate community development commitments relating to health services, water infrastructure, scholarships and local procurement[5]. However, subsequent reporting has also highlighted community concerns about unfulfilled promises and the distribution of mining benefits. These experiences demonstrate the importance of distinguishing between formal CDAs, land and

[2] https://bills.parliament.ug/attachments/Mining%20and%20Minerals%20Act%2C%202022.pdf
[3] Mining and Community Development Agreements: a panacea for community justice in Uganda? | International Institute for Environment and Development
[4] https://gnna.co.ug/2024/06/karamojas-clas-reaping-dividends-from-land/
[5] https://www.ugandaradionetwork.net/story/-proposed-mining-deal-in-rupa-sparks-mixed-reactions

compensation agreements, and corporate social responsibility commitments, while examining both successful practices and implementation failures.

The proposed study will document and assess relevant experiences in Karamoja and other jurisdictions outside Uganda, establish lessons applicable Kasaanda and the Albertine graben, and recommend practical approaches for negotiating, implementing and monitoring CDAs to maximize sustainable benefits for mining-affected communities.

3. Overall objective of the study

The overall objective of the study is to examine the mining revenue governance and benefit sharing mechanisms and challenges in Uganda, and the practical and inclusive approaches on how Community Development Agreements can be leveraged to strengthen equitable, transparent, and accountable economic, social and environmental benefit sharing for mining communities in Kasaanda and the Albertine Graben of Uganda.

4. Specific objectives

The study will be guided by the following objectives;

(i) Examining the current mining revenue governance and benefit sharing practices and challenges in Uganda, the adequacy of Uganda's legal, policy, and institutional frameworks for governance of revenue and benefit sharing in the mining sector, with particular attention to the provision, negotiation, implementation, monitoring, and enforcement of CDAs.
(ii) Examining the extent to which host communities, women, youth, persons with disabilities, Indigenous Peoples and other vulnerable or underrepresented groups participate in identifying priorities, negotiating benefits, and monitoring community development commitments, as relevant to the study sites.
(iii) Analysing and documenting relevant experiences from Karamoja and other jurisdictions, identifying successful practices, implementation challenges and lessons concerning community representation, benefit-sharing, governance, accountability and delivery of development commitments.
(iv) Developing a practical framework for applying lessons from Karamoja in Kasaanda, and the Albertine Rift Districts, including priority community benefits, negotiation approaches, stakeholder responsibilities, implementation arrangements and monitoring mechanisms.

5.Focal Areas of study

5.1. Existing mining revenue governance and benefit-sharing arrangements and their effectiveness

Establish what benefits communities currently receive and how these benefits are determined, financed, distributed and monitored. The benefits can range from financial benefits (royalties, statutory transfers, local revenue and other community-level financial flows), economic opportunities (local employment, procurement, contracts and enterprise development), livelihoods support (agricultural support, skills development, alternative

livelihoods and restoration of livelihoods affected by mining), social and environmental benefits (rehabilitation, environmental restoration, public health interventions and mitigation of mining-related impacts), and community investments (CSR projects, company-funded development initiatives and negotiated community commitments). The key question to be answered should be and will be: Are existing revenue governance and mining benefit-sharing arrangements adequate, equitable, transparent and responsive to the development priorities of mining communities?

5.2. Legal, policy and institutional framework for community benefit sharing:

Review of the extent to which Uganda's laws and policies provide for community benefits arising from mineral exploitation and comments on the current strength of the institutional framework.

5.3. Equity, inclusion and distribution of benefits

Benefit sharing is not only about the total value of benefits but also about who receives them and who bears the costs of extraction. The study should and is expected to examine: representation of women and youth in community negotiations and decision-making; participation of persons with disabilities and other under-represented groups, inclusion of households that lose land, livelihoods or access to natural resources, distribution of benefits between directly affected villages and the wider district, gender-responsive budgeting and benefits that address women's economic opportunities and care-related burdens and intergenerational equity and investments that remain valuable after mine closure.

5.4. Lessons from mining communities in Karamoja and other countries where CDA are being used to enhance community benefit sharing

Comparative learning will be done and it more often than not helps to identify workable models for the Albertine Graben. The study shall examine:

- Mining communities in Karamoja, particularly where there is relevant experience with mineral development, local community engagement or benefit-sharing arrangements.
- Gold and other mineral-producing districts in Uganda, depending on the availability of documented cases.
- Ghana, where community development agreements and related mining-community development arrangements provide useful comparative material.
- Tanzania, particularly its experience with mining-community relations, local development and corporate-community commitments.

These cases shall be compared using common criteria like: legal requirements, negotiation processes, financing, transparency, enforcement, inclusion, grievance redress and development outcomes.

5.5. A proposed framework for effective revenue governance and CDAs in Kasaanda and the Albertine Graben.

The final area of focus will be the translation of the findings into practical recommendations. The study is expected to provide a framework for effective revenue governance and CDA that can be used to enhance benefit sharing within the mining communities in the Albertine Graben.

6. Tasks of the Consultant

The consultant shall undertake the following tasks:

(i) Conduct literature review which will include research reports on CDAs, grey material, community benefit-sharing models, land rights and mining governance, relevant policies and Acts of Parliament with particular attention to the Mining and Minerals Act, 2022, applicable regulations and guidelines.

(ii) Assess the mining context in Kasaanda and Albertine rift districts, including relevant mining operations and license categories, affected communities, existing benefit arrangements, local development priorities and institutional capacities.

(iii) Identifying and documenting relevant cases in Karamoja, particularly the Rupa community experience and other comparable arrangements in other jurisdictions.

(iv) Examine the negotiation processes, community representation, benefits agreed upon, commitments delivered, financing mechanisms and implementation challenges.

(v) Compare the Karamoja experiences with the Kasaanda and the Albertine Graben, mining and community context to determine which practices can be replicated.

(vi) Identify priority benefits that CDAs could secure for the Albertine graben, and Kasaanda communities, and recommend mechanisms for inclusive community representation, transparent negotiations, measurable company commitments, accountable management of agreed resources, grievance resolution and independent monitoring.

(vii) Generate practical recommendations and a framework for effective revenue governance and CDAs in the Albertine Graben and Kasaanda, specifying priority actions and responsible stakeholders.

7. Methodology

The consultant shall employ a participatory, mixed-methods approach combining qualitative and quantitative techniques where appropriate. The methodology shall include:

- **Desk review:** Examine the relevant legislation, policy documents, available CDA and community agreements, research publications, EITI reports, Auditor Generals reports, mining-sector reports, district development plans and other relevant documents.
- **Case studies in Karamoja and other jurisdictions:** Selection of relevant cases and conduct document reviews, key informant interviews and community consultations.Verify reported commitments and distinguish between benefits promised, benefits delivered and independently demonstrated outcomes.
- **Field assessment in Kasaanda, and chosen district(s) in the Albertine Graben:** Conduct key informant interviews and focus group discussions with mining-affected communities, mining operators, district local government, relevant government

agencies, civil society organizations and community representatives, including women, youth and vulnerable groups.

- **Comparative analysis:** Assess the Karamoja cases against cases in the Albertine graben, and in particular Kasaanda's social, economic and institutional context, considering feasibility, inclusiveness, sustainability and expected community impact.
- **Mining Revenue governance and Community benefit-sharing assessment.** Develop an assessment matrix covering the value of benefits, who receives them, community participation, transparency, implementation performance, grievances and sustainability.
- **Stakeholder validation:** Present preliminary findings and proposed recommendations to relevant stakeholders for discussion and validation before finalizing the report.

The consultant shall explain the sampling approach, data collection tools, analysis methods and limitations in an inception report. All consultations shall be voluntary, inclusive and conducted in accessible languages, with appropriate protection of confidential information.

8. Expected Outputs and Deliverables

The assignment is expected to produce the following outputs:

(i) **Inception report:** A concise description of the scope of the study, methodology, work plan, stakeholder map, proposed case studies and data collection instruments.

(ii) **Draft study report and CDA framework** containing Karamoja case-study, Kasaanda and a selected case study in the Albertine Rift assessment findings, with (a) evidence on relevant community benefit arrangements, implementation successes and failures, the local mining context, community priorities and institutional gaps (b) Comparative findings and practical recommendations, including a matrix linking lessons from Karamoja to proposed interventions in Kasaanda, responsible actors and measurable indicators.

(iii) **A presentation of the report to a stakeholder validation workshop:** A presentation of preliminary findings and recommendations.

(iv) **Final study report.** A concise, actionable report containing recommendations that addresses mining revenue governance challenges and A CDA framework that can enhance benefit sharing.

9. Duration of the assignment

The assignment shall be completed within approximately **six weeks** of contract commencement, subject to agreement with ACODE. The consultant shall submit the inception report by the end of Week 1, the assessment and case-study findings by Week 3, the draft report by Week 5, conduct validation in Week 6, and submit the final report and policy brief. All deliverables shall be submitted in English in editable electronic formats.

10. Qualifications and Competence of Consultant

The consultant(s) is (are) expected to hold the following qualifications in order to be eligible for this study.

- An advanced Degree in Law, Natural Resource Governance, Public policy, Development Studies, Sociology/Social Sciences, and/or Mineral and Mineral Governance or any closely related disciplines from recognised institutions.
- A strong extractives sector background particularly in mining and mineral governance.
- A strong stakeholder oversight and community participation background.
- A demonstrated high level of professionalism and an ability to work independently and in high-pressure situations under tight deadlines.
- Strong interpersonal and communication skills

11.Estimated budget and level of effort

The consultant is expected to develop a realistic budget covering both fees and reimbursable expenses inclusive of statutory taxes. The budget should also specify the level of effort of the consultants.

12.Payment Specifications:

The payment terms for the consultant will follow a break down as follows:

- 40% upon signing of contract and delivery of inception report
- 30% upon submission of an advanced and acceptable draft.
- 20% upon approval of the final report

13.Management

The Consultant is responsible for delivery of the outputs required and management of the data collection process. The ACODE project Manager and a designated officer will be the direct contact persons and will provide oversight during the course of undertaking the assignment.

14.Criteria for Evaluation of Proposal:

Only those applications which are responsive and compliant will be evaluated. Offers will be evaluated according to the Combined Scoring method – where the educational background and experience on similar assignments will be weighted at 70% and the price proposal will weigh as 30% of the total scoring. The applicant receiving the Highest Combined Score that has also accepted the General Terms and Conditions will be awarded the contract.

15.Selection Criteria

Qualified Individual Consultant is expected to submit both the Technical and Financial Proposals. Individual Consultants will be evaluated based on Cumulative Analysis as per the following scenario:

- Technical Criteria weight is 70%
- Financial Criteria weight is 30%

Evaluation Criteria		Weight	Max. Point
Technical Competence (based on CV, Proposal and interview (if required)		**70%**	100
Understanding the Scope of Work; comprehensiveness of the methodology/approach; and organization & completeness of the proposal			30
Minimum educational background.			5
Minimum years of experience & previous experience in similar assignments			30
Additional competences			5
Financial (Lower Offer/Offer X100)		**30%**	30
Total Score	**Technical Score * 70% + Financial Score *30%**		

17.Application Process

The technical and financial proposals in PDF format should be sent by mail to acode@acode-u.org and copied to omugyenyi@acode-u.org by 23:59 hrs on 6th of November 2026

18.Confidentiality:

The Individual Consultant shall not disclose any proprietary or confidential information related to the consultancy service either during the term or after termination of the assignment, without prior written consent of ACODE. Proprietary interests on all materials and documents prepared by the consultants under the assignment shall become and remain properties of ACODE.