



1.0. Introduction

Uganda is rich in mineral resources, with over 27 commercially viable types spread across the country. To boost industrialization and economic growth, the Ugandan government has made the minerals sector a priority under its National Development Plan IV (NDP IV). The government has taken key steps, including passing the Mining and Minerals Act 2022 and setting up the Uganda National Mining Company (UNMC), to show its commitment to drawing in investors.

More than 80% of Uganda's land surface has been surveyed for mineral quantities and locations. New geological data confirms that Uganda possesses large underexploited mineral deposits, including gold, oil, high-grade tin, tungsten/wolfram, salt, beryllium, cobalt, kaolin, iron ore, glass sand, vermiculite, phosphates, uranium, and rare earth elements, alongside significant quantities of clay and gypsum.

The minerals sector is emerging as a key driver of Uganda's economy, contributing significantly to export earnings and job creation. In the Financial Year 2023/2024, the sector contributed approximately 2.3% to Uganda's GDP, with vast potential for scaling up through industrialization and value addition.

The country offers untapped geological potential, a supportive regulatory environment, and strategic access to regional markets. Combined with strong demand for critical minerals in the global transition to green energy, Uganda's mineral sector offers lucrative, long-term investment opportunities.

More than
80%
of Uganda's land has been
surveyed for mineral quantities



INVEST IN
UGANDA

The sector contributed
2.3%
to Uganda's GDP



Total mineral production in 2023 amounted to 2.36 million tonnes, valued at UGX 307.84 billion, indicating a 37.2% increment compared to 1.72 million tonnes produced in 2022. Pozollana was the most produced mineral in the year 2023, amounting to 907,534.74 tonnes (38.5%), followed by Limestone, amounting to 795,073.78 tonnes (33.8%). These were valued at UGX. 97.0 billion (Limestone) and UGX. 19.3 billion (Pozollana).

2.0 Key mineral products

Mineral Product	Location/Region	Key Uses
Gold	Mubende, Karamoja, Busia	Jewelry, electronics, and reserve assets
Copper & Cobalt	Kilembe Mines, Kasese	Electronics, batteries, and construction
Iron Ore	Muko (Kabale), Sukulu (Tororo)	Steel and the construction industry
Phosphates	Sukulu Hills	Fertilizer production
Rare Earth Elements	Makuutu (Eastern Uganda)	Electronics, green tech, magnets
Tin	Southwestern Uganda (Kisoro, Rukungiri)	Electronics, soldering, alloys
Tungsten (Wolfram)	Southwestern Uganda	Tool making, electronics
Tantalum	Southwestern Uganda	Capacitors in electronics
Vermiculite	The environs of Mbale and Tororo	Insulation, horticulture
Limestone & Marble	Karamoja, Hima	Cement, construction
Kaolin	Central and Eastern Uganda	Ceramics, paper, cosmetics
Gypsum	Lake Albert region	Cement, plaster, fertilizer
Uranium	Eastern Uganda	Nuclear energy (potential use)
Beryllium	Central Uganda	Aerospace, nuclear reactors
Glass Sand	Eastern Uganda (Tororo, Mbale)	Glass manufacturing

3.0. Market Analysis

Uganda's mineral sector is on a growth path, fuelled by global demand for commodities, strategic investments, and domestic reforms.

3.1 Export and Market Trends

- ➔ Gold remains Uganda's top mineral export, accounting for over 80% of mineral-related export earnings.
- ➔ Rare Earth Elements and cobalt are gaining attention due to the global shift to green technologies and battery production.
- ➔ Demand for fertilizers, driven by phosphate mining, supports agro-industrial linkages.

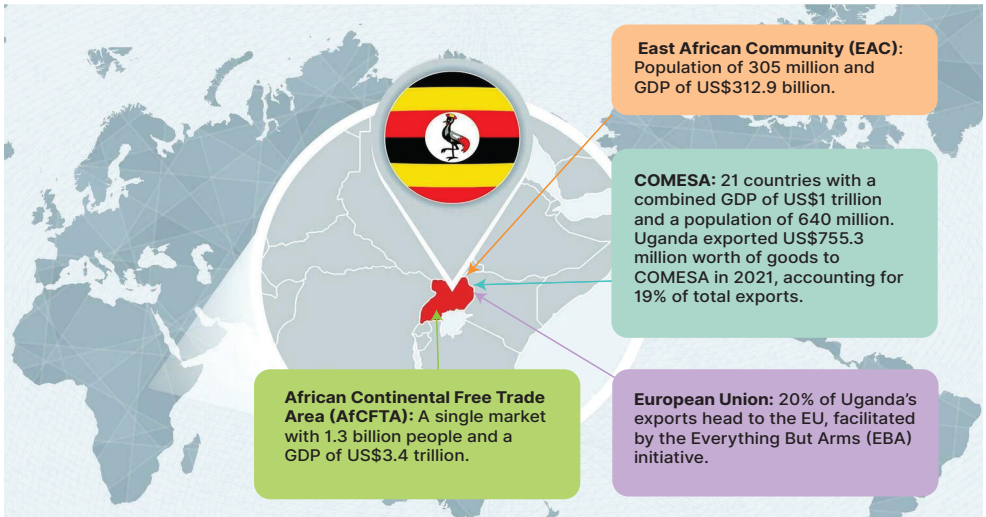
3.1.1 Investor Landscape

- ➔ Major players include **Wagagai Gold Mining**, **M2 Cobalt**, and **Ionic Rare Earths**.
- ➔ The government's Uganda National Mining Company facilitates equity participation and confidence in PPPs.



4.0. Regional and International Market

Uganda benefits from strategic membership in multiple regional and international trade blocs:



These platforms position Uganda as a regional trade hub for the Mineral sector

4.0. Inputs and Raw Materials

4.1.1 Metallic Minerals

These are Uganda's primary extractive mineral resources:

- Gold.
- Copper
- Cobalt
- Iron Ore
- Tin.
- Tungsten (Wolfram).
- Tantalum.
- Niobium
- Rare Earth Elements
- Chromite

4.1.2. Construction and Industrial Minerals

- Limestone
- Marble.
- Pozzolana
- Sand.
- Clay
- Kaolin.
- Gypsum
- Feldspar
- Vermiculite
- Bentonite

4.1.3. Agro-Minerals and Fertilizer Inputs

- Phosphates
- Lime
- Salt.
- Sulphuric Acid





5.0: Trade Performance and Openness

5.1. Mineral Exports



Exports rose significantly from US\$ \$1.92 billion (2022) to US\$ \$2.3 billion (2023), mainly due to gold. Gold was the top export, accounting for over 90% of mineral export earnings.



Exports to COMESA and regional markets remained strong, especially for cement and base metals.



5.2. Mineral Imports



Increased to USD186 million (2023), largely driven by imports of salt, lime, cement, and industrial minerals.



Gold imports stood at US\$ 3.7 million (2022), mainly from Tanzania, the DRC, and the UAE.



6.0. Uganda's Investment Climate



6.1 Policies

Uganda upholds liberal economic policies promoting private sector participation and economic liberalisation.



6.2 Electricity costs

Competitive electricity costs in the region average USD 9 cents per KWH (Source: UEDCL)



6.3 Property costs

Property costs are competitive with Industrial shed monthly rent averages USD 4 – 6 per square meter (Source: Knight Frank, Local property Agent)



6.4 Investment Incentives

- ➔ 10-year income tax holiday for exporting ≥ 80% of processed minerals.
- ➔ 100% deduction for exploration and research expenses.
- ➔ Accelerated depreciation (100%) on mining equipment.
- ➔ VAT exemptions on imported machinery and mining inputs.
- ➔ Import duty waivers on specialized mining equipment.
- ➔ Withholding tax exemptions for approved licensees.
- ➔ Tax-deductible royalty payments.
- ➔ Capital gains exemptions on certain asset disposals.
- ➔ Foreign tax credits and double taxation treaties.
- ➔ Free land in the industrial parks with up to 10-year tax holidays.
- ➔ Government support services via Uganda Investment Authority and the Ministry of Energy and Mineral Development.

Eligibility requirements:

- ➔  Investment License from Uganda Investment Authority.
- ➔  Minimum capital thresholds: US\$50,000 for Domestic investors (EAC region); US\$250,000 for foreign investors.
- ➔  Utilization of 70% locally sourced raw materials.
- ➔  Employment of 70% Ugandans.

6.5 Labor Availability

Uganda continues to lead the East African Community (EAC) in adult literacy, with a rate of 79% in 2022. The literacy rate for young people entering the workforce (ages 15–24) in Uganda has improved to 91.2% in 2022, up from nearly 90% in 2015, reflecting ongoing investments in education and universal primary education programs (Source: UNESCO Institute for Statistics, 2023; World Bank, World Development Indicators 2024)

Uganda's working-age population totals 23.5 million people, constituting 55% of the population:



8.9 million skilled workers available.



The Government invests 10.6% of the national budget in education annually, supporting 145 Technical and Vocational Training Centres (TVETs).



Median monthly wages(UBOS 2021):
-Overall: Ushs200,000(US\$55)
-Agriculture: Ushs100,000 (US\$28)

This offers investors access to affordable, skilled labour

7.0. Investment opportunities

01 Exploration & Mining

- Untapped deposits: gold, copper, cobalt, iron ore, rare earths, tin, etc.
- Greenfield exploration in underexplored regions
- Redevelopment of old mines (e.g., Kilembe Copper Mine)

02 Value Addition & Processing

- Establish mineral beneficiation and refining plants
- Cement and clinker manufacturing (limestone, pozzolana)
- Fertilizer production from phosphate deposits (e.g., in Tororo)

03 Support Services

- Supply of mining machinery and safety equipment
- Mineral testing and certification laboratories
- Transport, logistics, and warehousing for mined products.

04 Skills & Training

- Technical and vocational training for mining professionals
- Environmental and safety compliance services.

05 Green & Strategic Minerals

- Exploration of battery minerals (lithium, cobalt, graphite)
- Development of rare earth elements (e.g., Makuutu project)



8.0 Policy Framework

The policies in Uganda's Mineral Sector include;

- A Mining and Minerals Policy (2018)
- B Mining and Minerals Act (2022)
- C Investment Code Act (2019)
- D National Environment Act (2019)
- E Draft Local Content Policy for the Mining Sector
- F National Industrial Policy (2020)
- G National Energy Policy (2002, under review)
- H National Land Policy (2013)
- I Public Finance Management Act (2015)
- J Uganda Vision 2040

Legal Framework

- A Mining and Minerals Act, 2022
- B Mining and Minerals Policy, 2018
- C Investment Code Act, 2019
- D National Environment Act, 2019
- E Income Tax Act (as amended)
- F Value Added Tax (VAT) Act, Cap 349
- G Public Finance Management Act, 2015
- H Land Act, Cap 227
- I Labour and Employment Laws (e.g., Employment Act, Occupational Safety and Health Act)
- J National Local Content Bill (Draft)
- K Explosives Act, Cap 298
- L Uganda Vision 2040 (strategic policy guiding mineral development)

Institutional Framework

- A Ministry of Energy and Mineral Development (MEMD)
- B Directorate of Geological Survey and Mines (DGSM)
- C National Mining Company (NMC)
- D Uganda Investment Authority (UIA)
- E National Environmental Management Authority (NEMA)
- F Uganda Revenue Authority (URA)
- G Ministry of Finance, Planning and Economic Development (MoFPED)
- H Ministry of Gender, Labour and Social Development (MoGLSD)
- I National Planning Authority (NPA)
- J Local Governments
- K Uganda Chamber of Mines and Petroleum (UCMP)



9.0. Success Stories

Case Study 1:

Makuutu Rare Earths Project

Ionic Rare Earths Ltd (Australia) via Rwenzori Rare Metals Ltd, located in Bugweri District, Eastern Uganda. The Makuutu Rare Earths Project is one of Africa's largest deposits of critical rare earth elements, including neodymium and dysprosium, essential for green technologies like electric vehicles and wind turbines. The project is advancing through feasibility and development stages, positioning Uganda as a future key player in the global supply of strategic minerals. It promises to create jobs, boost exports, and support sustainable industrial growth.

Case study 2:

African Gold Refinery (AGR)

Located in Entebbe, Wakiso District. It was established in 2014. AGR has transformed Uganda's gold sector by providing local refining capabilities that have exponentially increased the value of gold exports. Uganda's gold exports increased from US\$230 million in 2016 to over US\$3.8 billion in 2024, largely driven by refining and re-export. AGR has positioned Uganda as a regional gold processing hub, attracting gold from neighbouring countries. This has led to a dramatic rise in gold export revenues and contributed to greater government income through royalties and taxes.

Case Study 3:

Wagagai Gold Plant

Located in Alupe, Busia District, Eastern Uganda. Wagagai Mining (U) Limited is a multi-million-dollar, large-scale gold mining and refining facility set to commence production in March 2024. The company has invested over US\$200 million in constructing a facility capable of processing 5 tons of gold ore per day and refining gold to 99.99% purity. The plant is expected to produce between 1 and 1.5 tons of pure gold annually. Upon full operation, it is projected to create over 3,000 jobs, generate US\$100 million in annual foreign exchange, and contribute US\$10 million in taxes to the Ugandan government. Additionally, the company has been awarded a free zone license, granting tax waivers on the importation of machinery, thereby reducing expenses and enabling further investment in modern technology and capacity building.

ONE STOP CENTER SERVICES FOR INVESTORS

The Government of the Republic of Uganda created a One Stop Centre (OSC) to make it easy for both local and foreign investors and entrepreneurs to easily register, start and operate a business in Uganda

The following services are offered at the One Stop Centre

- 1 Investment Advisory Services
- 2 Company Registration and Intellectual Property Advisory Services
- 3 Citizenship and Immigration Control Services
- 4 Tax Registration and Compliance Advisory Services
- 5 Environmental Impact Assessment Certificate
- 6 Application and Issuance of Trading License and Application for Building Permits
- 7 Banking and Online Payments
- 8 Distinctive Mark Application and Purchase of Standards from UNBS
- 9 Free Zone Advisory Services from the Uganda Free Zones Authority
- 10 Services of Utility Companies (UEDCL and NWSC)
- 11 Land Title Verification Services by the Ministry of Lands
- 12 Housing and Urban Development
- 13 Tourism and Investment advisory services by Giants 100 and the Federation of Uganda Employers (FUE) for employer-employee relations.

www.ebiz.go.ug

GET IN TOUCH:

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