



Uganda Revenue Authority
DEVELOPING UGANDA TOGETHER

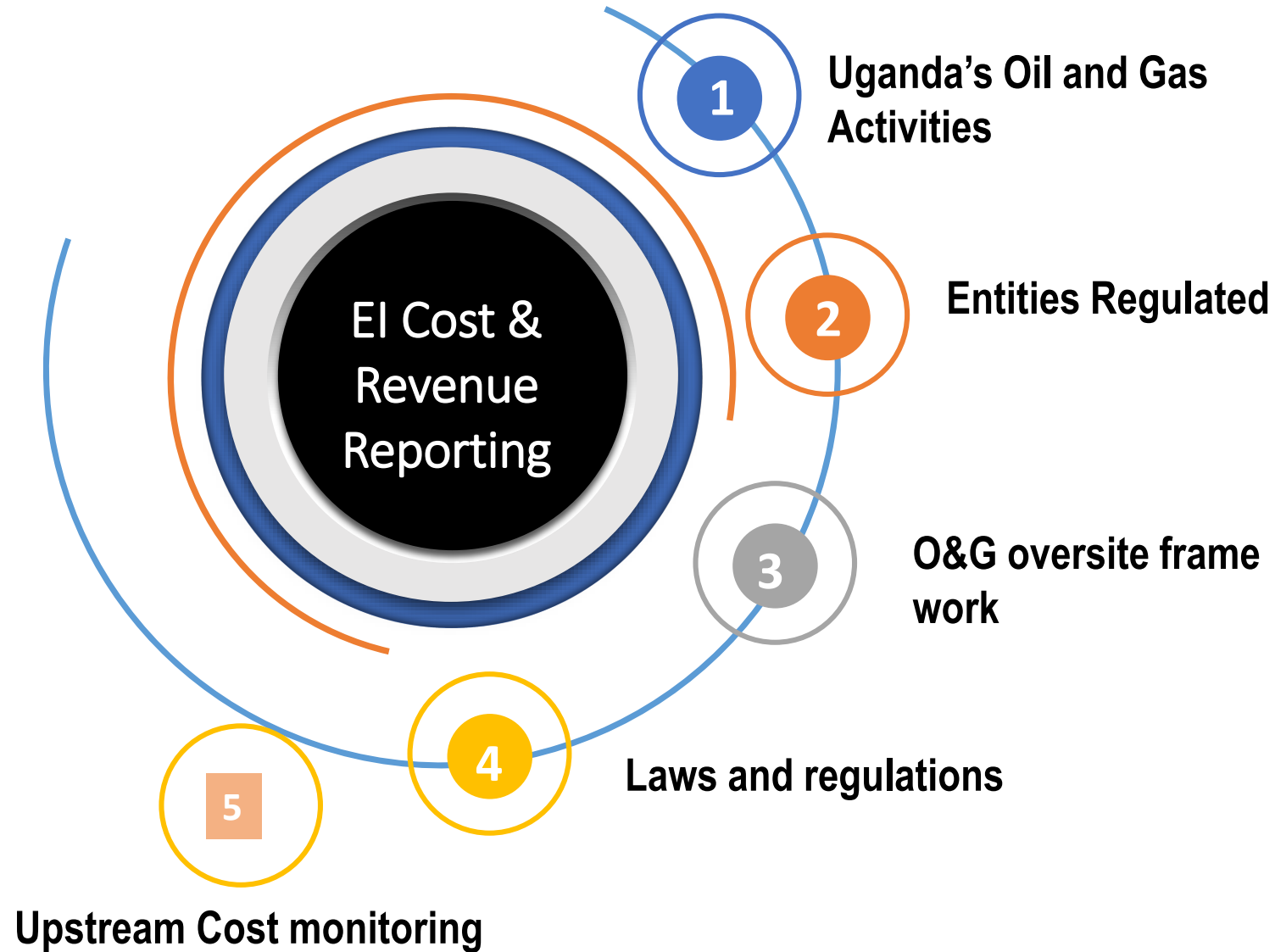
Reporting of Costs and Revenue from Extractive Industry

4th International Training Programme on “Audit of Extractive Industries”

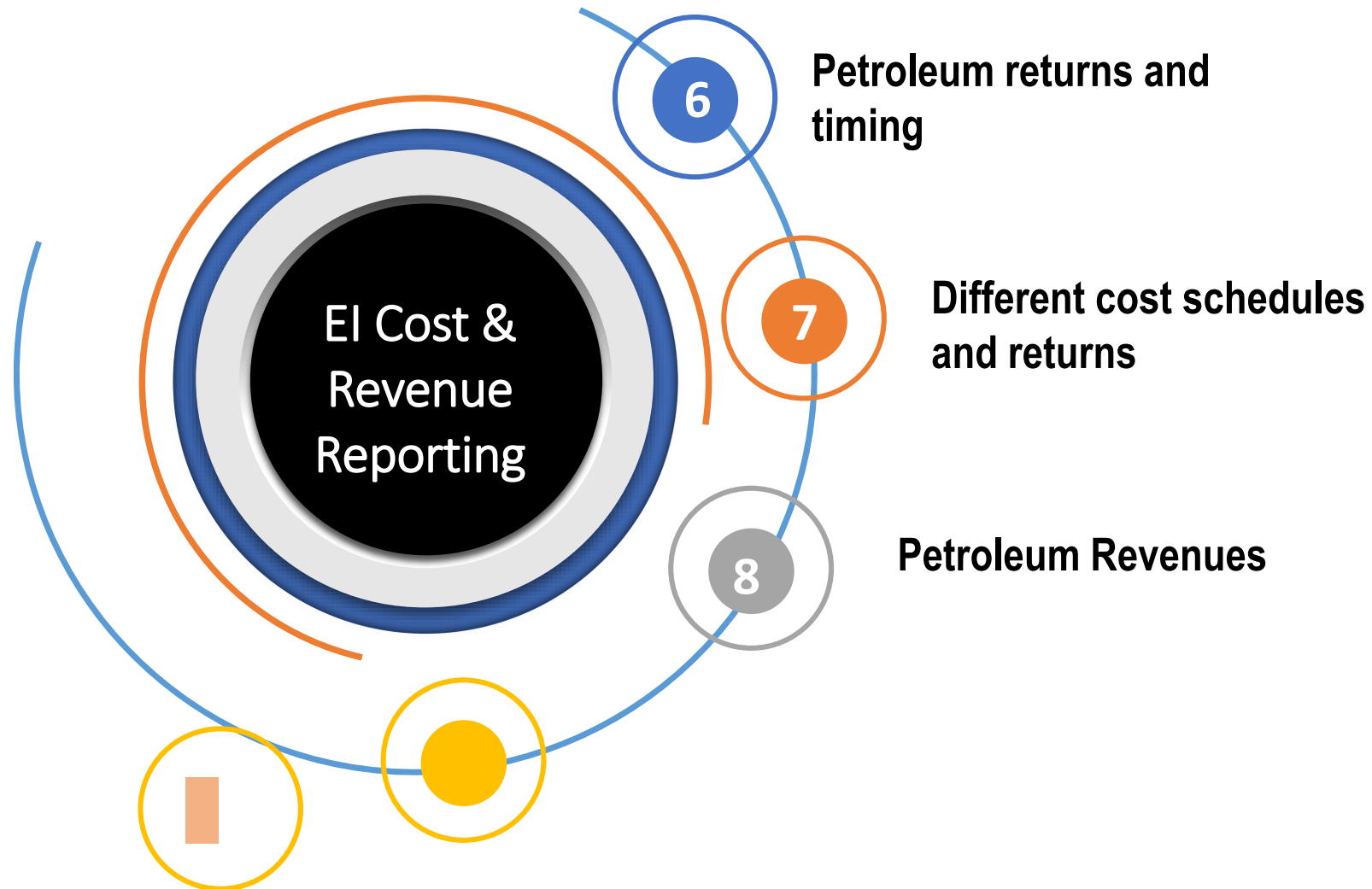
02nd – 5th April 2024 & 8th April 2024

Godfrey Mucurezi
Manager Upstream- Domestic
Taxes

Presentation Outline



Presentation Outline



OIL & GAS ACTIVITIES

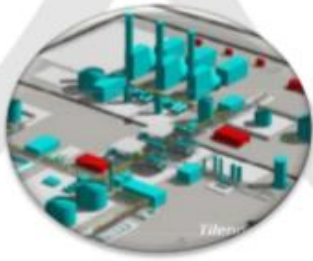
Upstream



Exploration

- New exploration projects 2018-2024
- The 2nd licensing round ongoing.

Field Development



Tilenga Project – operated by TotalEnergies

- Production plateau ~190k bopd
- 31 wellpads ~ 426 wells
- Feeder pipeline: 95 km, 24"
- Estimated investment cost is US\$ 4-5 billion



Kingfisher Project – Operated by CNOOC

- Production plateau ~40k bopd
- 4 well pads and 31 wells in KF
- 20 wells on 3 well pads in KT
- Feeder pipeline: 46km, 12"
- Estimated Investment cost is US\$ 2- 3 billion

Midstream



Refinery

- 60,000bbl/day in west of the country,
- US\$ 3-4 billion project (includes 211km products pipeline)



EACOP

- 1445km long, 24-inch diameter from Hoima, Uganda to Tanga, Tanzania
- CAPEX US\$ 5 billion



ENTITIES REGULATED



TotalEnergies

US\$ 153.032 Billion



US\$ 48.4 Billion



US\$ 28.66 Million

Not listed on Stock exchange

- Oranto Petroleum
- UNOC



Exploration &
Appraisal



Development &
Production



Transportation



Refining and Gas
Processing



Albertine Graben Refinery Consortium

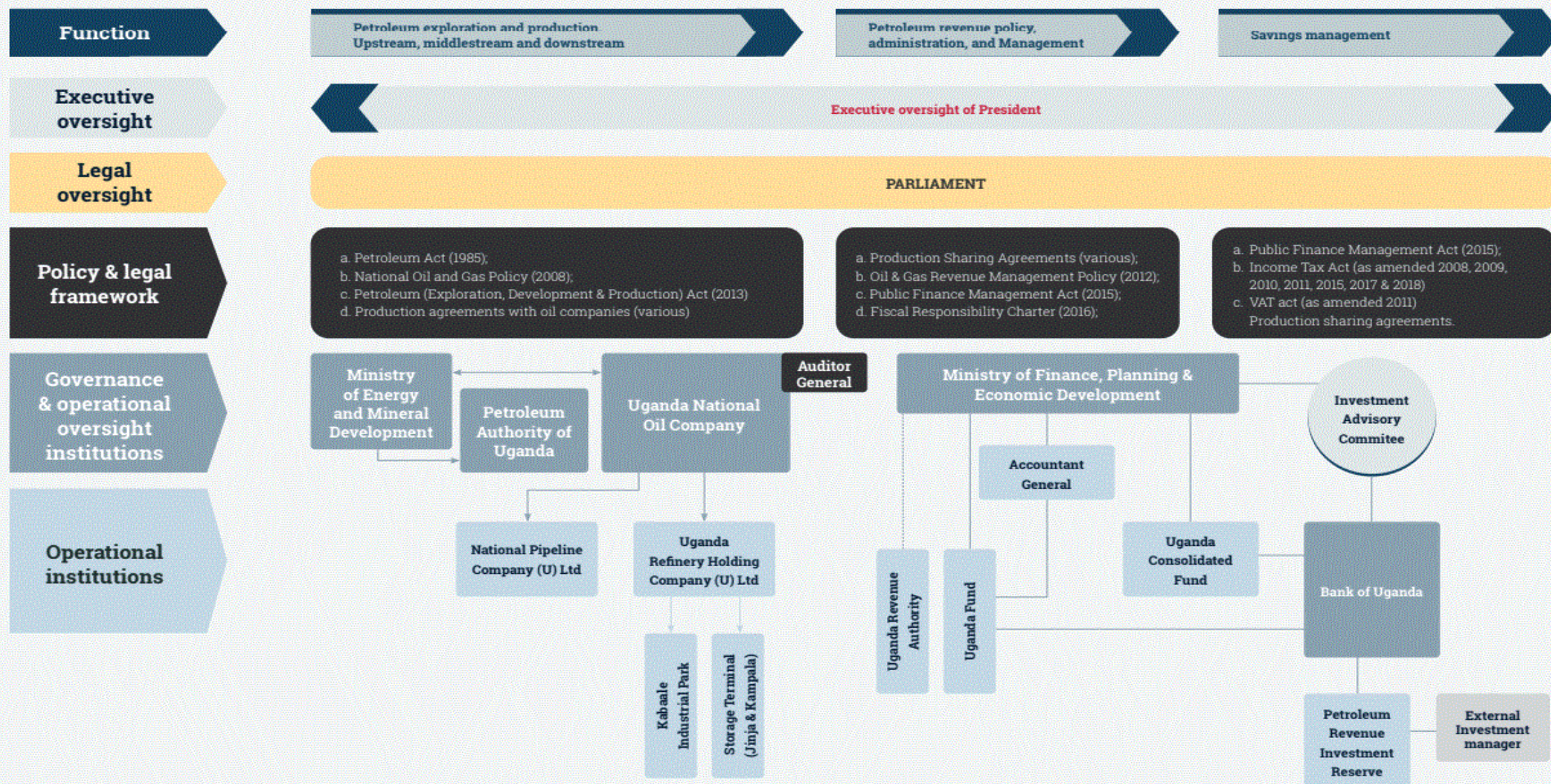


Upstream

Midstream



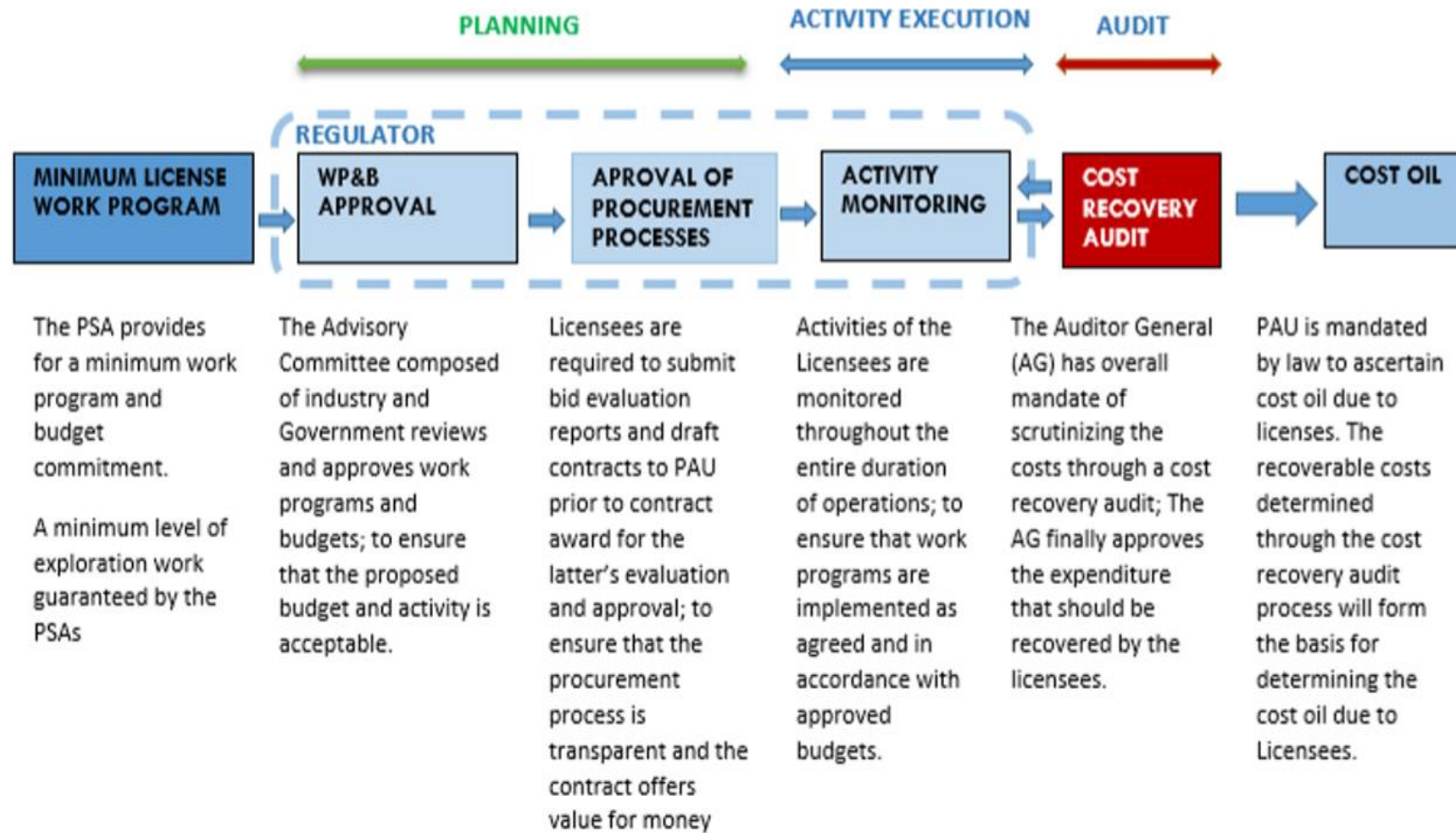
OIL AND GAS OVERSIGHT FRAME WORK



Regulatory framework governing the sector

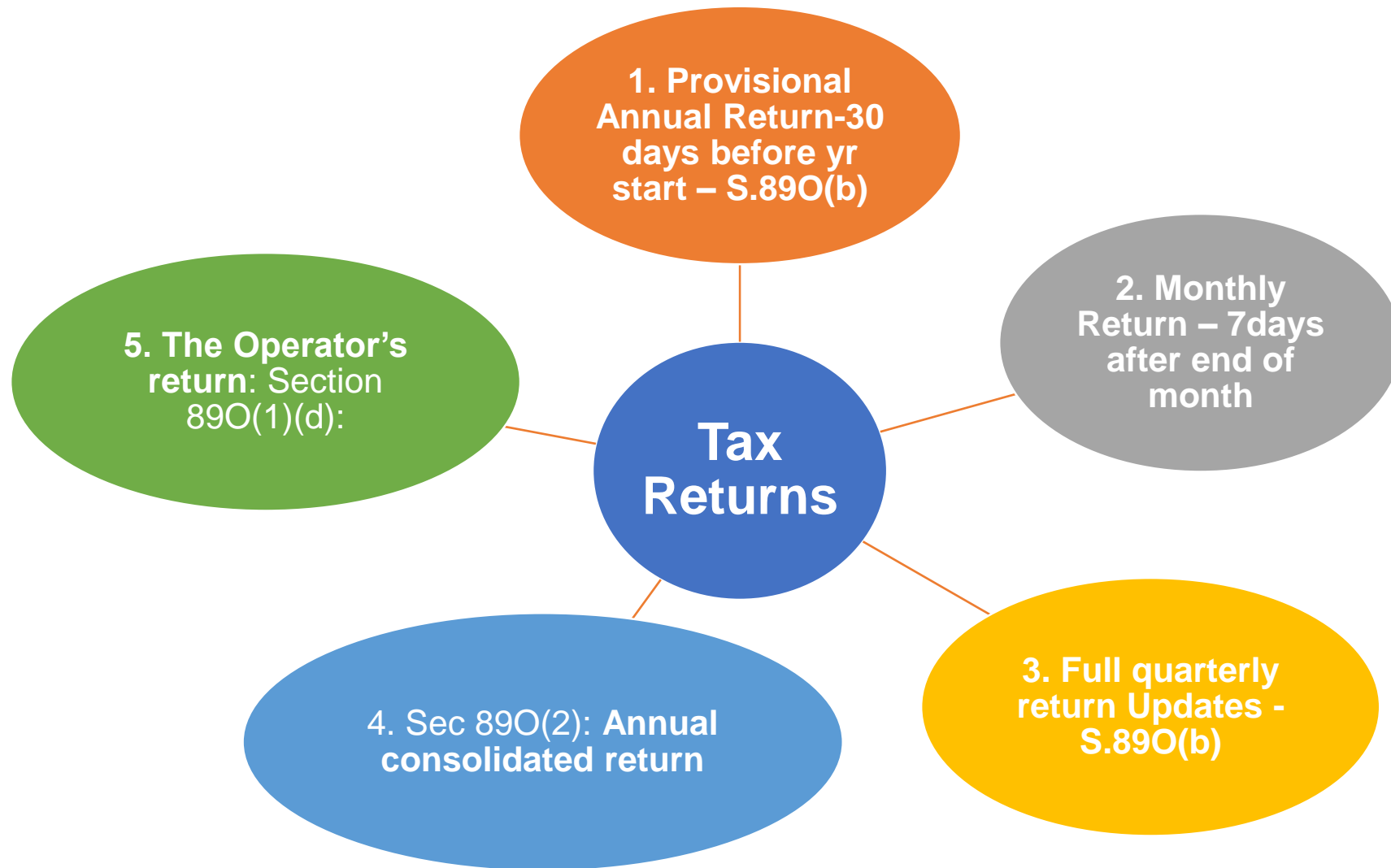
1. Petroleum Exploration, Development and Production Act 2013
2. The Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act
3. Productions Sharing Agreements
4. Income Tax Act
5. Value Added Tax Act
6. National Oil and Gas Policy 2008
7. Public Finance Management Act 2015

Upstream Cost Monitoring

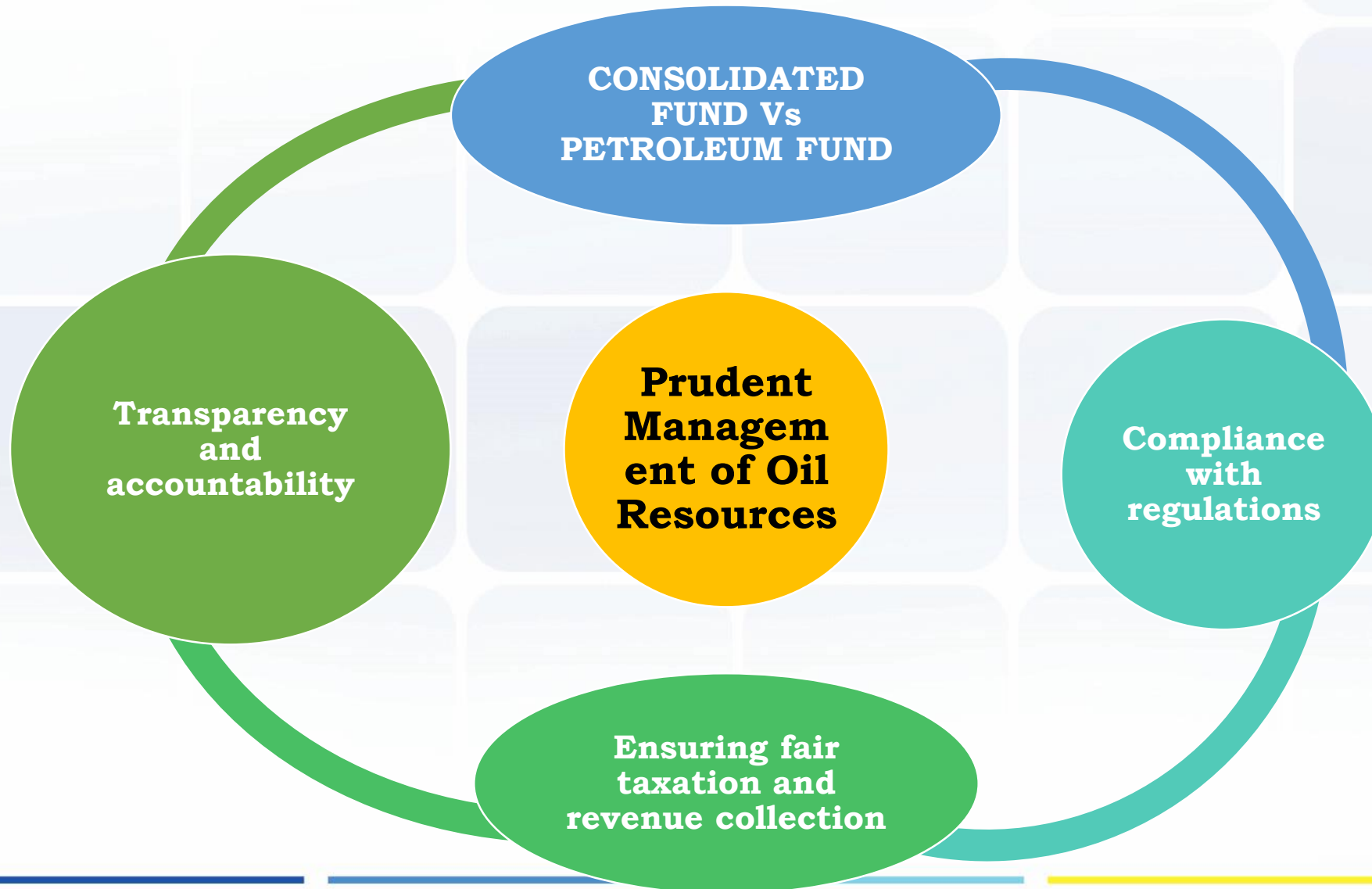


Note: The URA does not audit cost oil but reviews costs to determine allowable deductions

Petroleum Returns and timing



Why reporting on costs and revenues is crucial



Different cost schedules and returns

Returns:

- Licensees receive fiscalised receipts and invoices (EFRIS)
- Value Added Tax(VAT) -Returns
- Withholding Tax(WHT)- Returns
- PAYE- Returns
- Financial Statement
- Transfer pricing Report
- Related party transaction disclosures

Cost schedules:

- Quarterly procurement report(contracts & Purchase orders)
- Quarterly Payment reports
- Annual statement of Expenditure

Petroleum Revenues

The Uganda Revenue Authority is mandated with the collection of all petroleum revenue. (Public Finance Management Act 2015) Petroleum Revenue includes;

- Royalty
- Surface rentals
- Fees
- Bonus
- Income Taxes
- Profit sharing-refinery sales

- Income tax on profits from pipeline levy
- Capital gains
- Revenue for sale of govt share of production

EI Revenues Reporting

PFM Act 2015 also requires that;

- I. All petroleum revenues are transferred into the Petroleum Fund.
 - II. Revenues from other mineral are deposited into the Consolidated Fund.
 - III. Uganda Revenue Authority assesses and audits EI companies for correct taxes due.
- **Revenue for exclusive contractors.** Taxes on profits of exclusive oil and gas contractors reported as petroleum revenue.

THANK YOU!