



INTERNAZIONALE  
MARMI E MACCHINE  
CARRARA SPA



# **UGANDA'S MINERAL SECTOR**

## **STATUS AND INVESTMENT OPPORTUNITIES WITH PARTICULAR REGARDS TO DIMENSION STONES AND CONSTRUCTION MATERIALS**

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**UGANDA**





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STONECHANGE 2016







## LOCATION

Area: 241,551 Sq. Km

Water: 41,028 Sq. Km

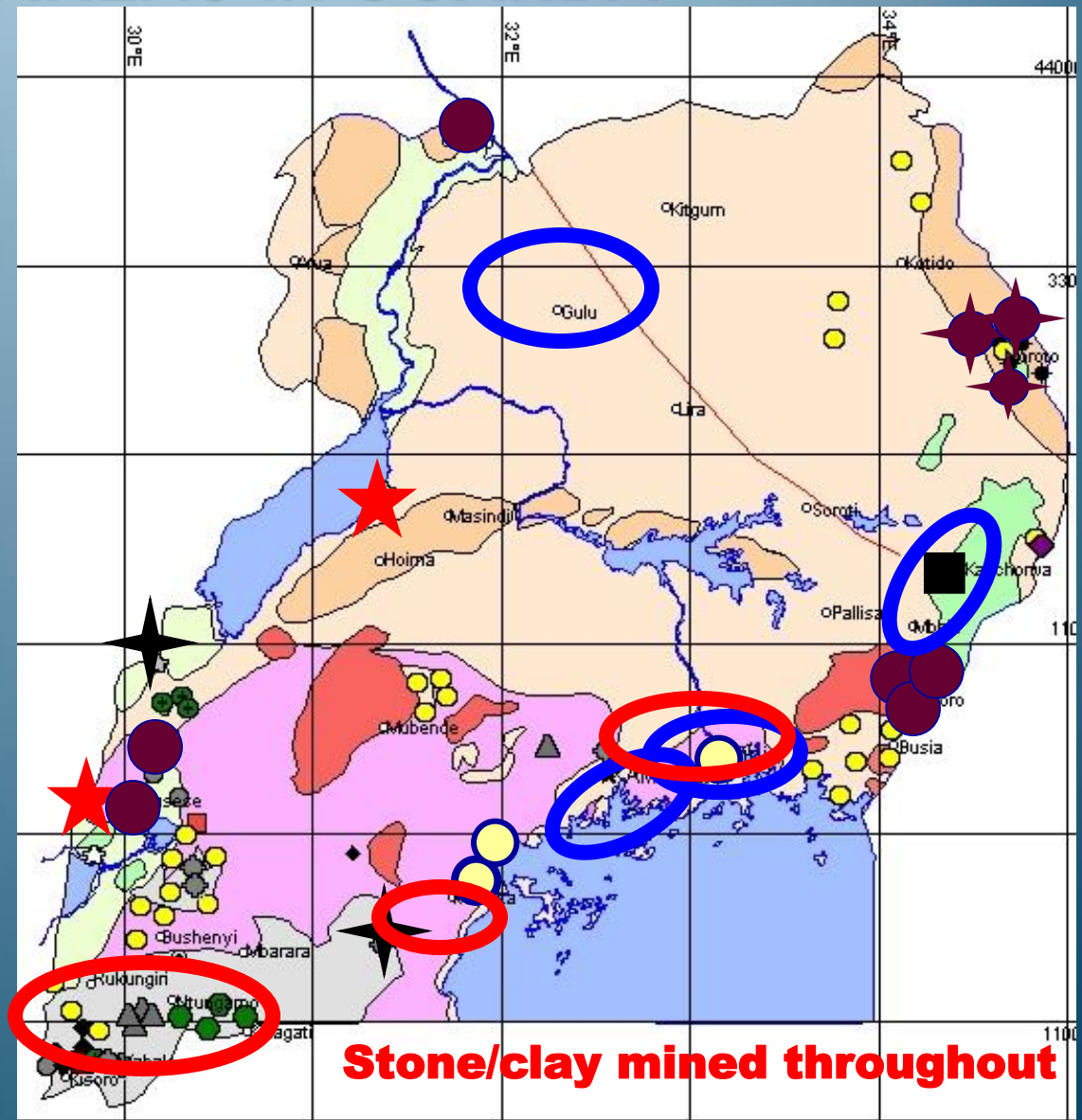
Population: 35 Million

# MINING AREAS IN UGANDA

- |   |                |
|---|----------------|
|  | <b>gold</b>    |
|  | <b>tin</b>     |
|  | <b>wolfram</b> |
|  | <b>coltan</b>  |

## **Industrial Minerals:**

- limestone
- ✦ marble
- ✦ kaolin
- vermiculite
- sand
- stone quarries
- clay
- ★ salt





**INVESTMENT OPPORTUNITIES:** Marble: >300 million tons;  
Colour - Pure white, smoky white and pink



**Granite: Several varieties**







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## KEY CHARACTERISTICS OF STONE QUARRIES

## MINING (Extraction)

### 1. Artisanal Mining Methods



Use of sledgehammers to create/exploit fractures and/or break big rocks

Wood burnt in small fractures or adjacent to rock



Big rock fractures more to make “transportable” rock



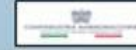




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**Big rocks crushed into small rocks (to desired size)**

## COMMUNUTION (Crushing)



**Lorries come to buy rock to meet local construction needs**





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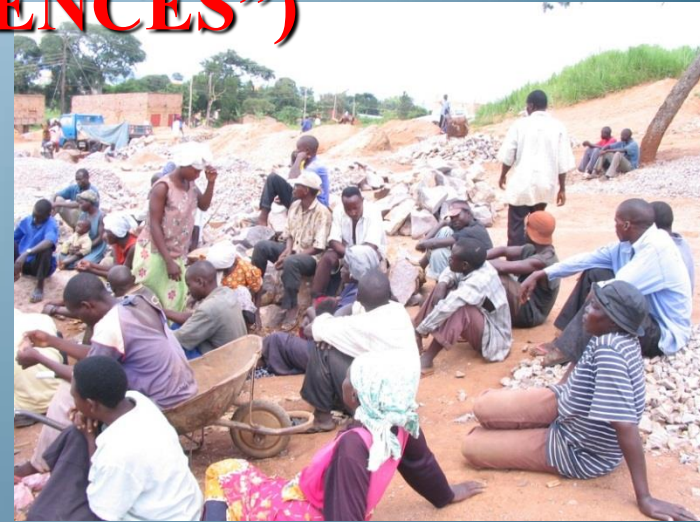
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# PRIMARY IMPACTS (“CONSEQUENCES”)

## Environmental, Social and Occupational:

- Wood consumption
- Land disturbance (typically localized)
- Very disorganized, competitive
- Highly labour intensive , low income
- Rock falls/ land collapses, etc. BUT:



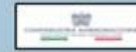
- Pollution with domestic waste (often many people – no facilities)
- High % of children start working as soon as they can hold a hammer or carry a rock!







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## 2. Adding value – Marble, Granite and other stones



**DAO Marble Quarry in  
Karamoja, NE Uganda**



**Slates**







# SIGNIFICANCE OF MINING IN UGANDA

- **Royalties from Mining:**
  - 1997 - US\$ 77.6 million (USD ~43,000)
  - 2005 - US\$ 2.8 billion (USD ~1.6 million)
  - ~70% from industrial minerals
- **ASM > 130,000 employed, biggest workforce: Industrial and “Building Minerals**
- **Dimension stone imports amounts to millions USD (despite in-country resources)**
- **Construction industry demands (growing at 6%/yr)**





# INVESTMENT CLIMATE AND CONCLUSION

## Fiscal and macro-economic framework.

- **Liberalized markets: Reduced state interventions**
- **A number of incentives for mineral sector**
- **Exploration expenditure 100% deductible**
- **Zero-rate duty on mining equipment.**
- **Variable Rate Income Tax (VRIT) for mining companies.**



**Substantial Stone Potential; Uganda is still Virgin and Under-Exploited. Good Market due to increase in Population and Living Standards and the Global Demand for Stone Materials**