



**PETROLEUM AUTHORITY
OF UGANDA**

OIL AND GAS REGULATORY FRAMEWORKS

Presented to

Bank of Namibia's 2026 Annual Symposium

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UGANDA



NAMIBIA



PRESENTATION OUTLINE

1. UGANDA'S OIL AND GAS JOURNEY AT A GLANCE

2. THE STATE OF THE OIL AND GAS INDUSTRY TODAY

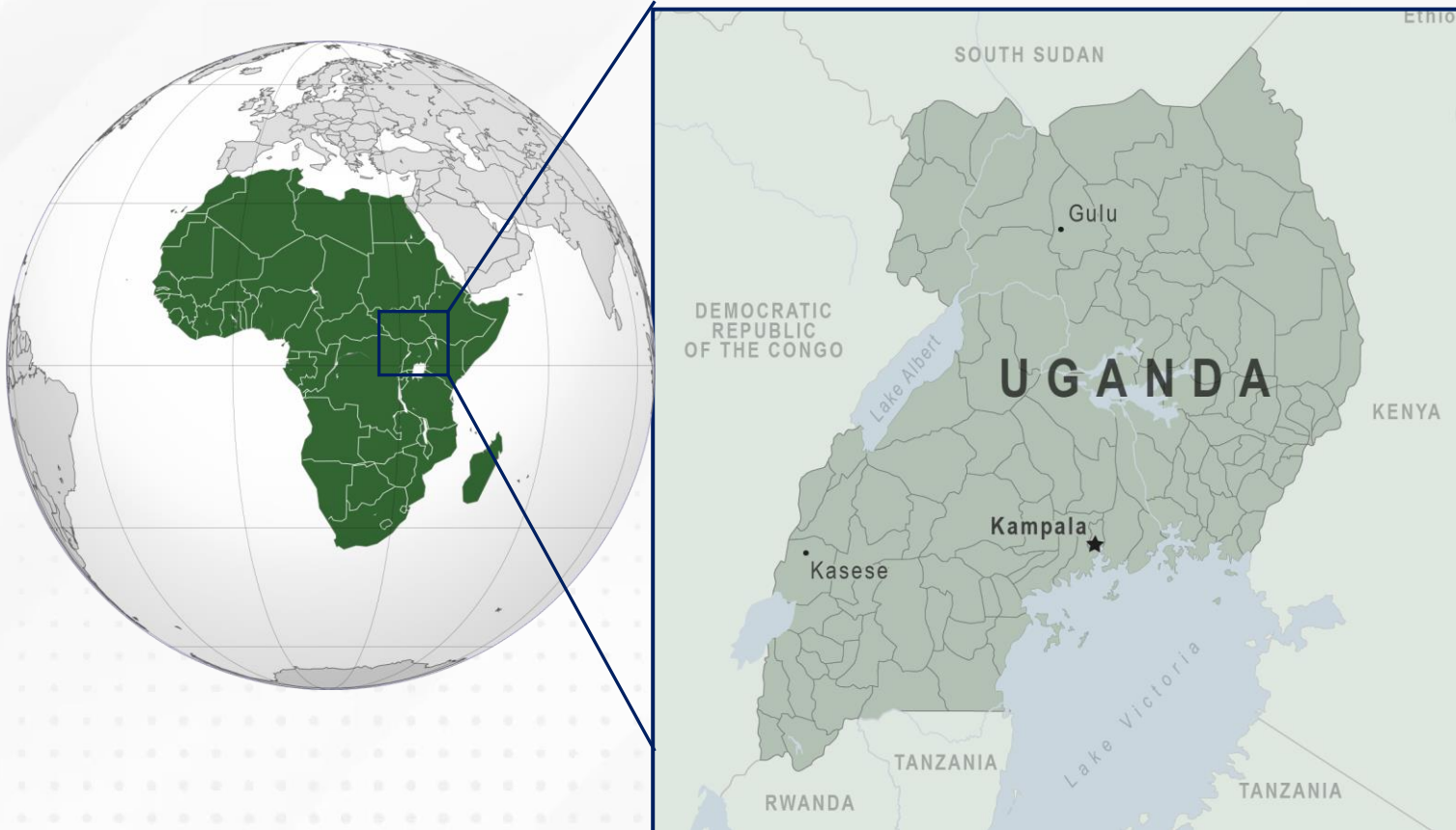
3. OIL AND GAS MANAGEMENT – THE STRATEGIES

4. CONCLUSION



1. UGANDA'S OIL AND GAS JOURNEY AT A GLANCE

Country Overview



- 1300km from the Indian Ocean coast
- Area: 242,000km²
- GDP (2024): US\$61.3Billion
- Population (2024): 48.00million
- GDP Per Capita (2025): About US\$1,200
- GDP Growth Rate (2025): About 4.6%
- One of the 10 fastest growing economies in Africa
- Liberalized economy, all sectors open for investment
- The equator passes through Uganda

Wildlife & nature: National parks, game reserves and nature parks.

Landscapes & water: Mountain ranges, hot springs and waterfalls.

Welcoming reputation: Recognized by the BBC as one of the world's **nine** friendliest countries in 2017.

1. UGANDA'S OIL AND GAS JOURNEY AT A GLANCE

Formation of the Petroleum Unit in the Ministry of Energy and Mineral Development in 1985, which later becomes a department in 1991.

1985

Enactment of the First Petroleum Act in 1985

1985

First specialised training of Government staff in UK on request by H.E, the President of Uganda.

1987

Licensing of entire Albertine Graben to Petrofina in 1991. Petrofina leaves in 1993 without working.

1991

Licensing Exploration Area-3 (Semlik basin) of Heritage Oil and Gas Uganda Ltd (HOGUL) in 1997

1997

HOGUL acquires first seismic data in 1998 in Semlik area.

1998

HOGUL drills Turaco-1 in 2001. Turaco confirms Natural gas on flow testing. However, Natural Gas was contaminated with Carbon dioxide.

2001

Licensing of Exploration Area 2 to Hardman Resources Ltd in 2001

2001

2022

- Final Investment Decision (FID) in February 2022.
- Development phase kicked off.
- Second licensing round.

2017

First Licensing round for Petroleum Exploration

2016

Petroleum Regulations issued in 2016 & Issuance of Petroleum Production Licences.

2015

Start of the Petroleum Authority of Uganda & Uganda National Oil Company in 2015

2014

MoU between GoU & Licensees for commercialisation of discovered O&G.

2013

Enactment of the Petroleum (Exploration, Development & Production) Act, 2013, Petroleum (Refining, Conversion, Transmission Act 4 and Midstream Storage) Act, 2013

2008

Passing of the National Oil and Gas policy in 2008.

2007-2011

Discovery of Kingfisher, Mputa-Waraga-Nzizi, Kasamene, Jobi-Rii and many others in Buliisa area.

2006

First commercial discovery at Mputa-1 in 2006

2004 - 2007

- Exploration Area 1 licensed to HOGUL in 2004
- Exploration Area 5 licensed to Neptune Petroleum (U) Ltd
- Exploration Area 4B licensed to Dominion Petroleum (U) Ltd.

1. UGANDA'S OIL AND GAS JOURNEY AT A GLANCE

In a snapshot



Preparatory period
Before 2020

Design phase + FID
2020 - 2022

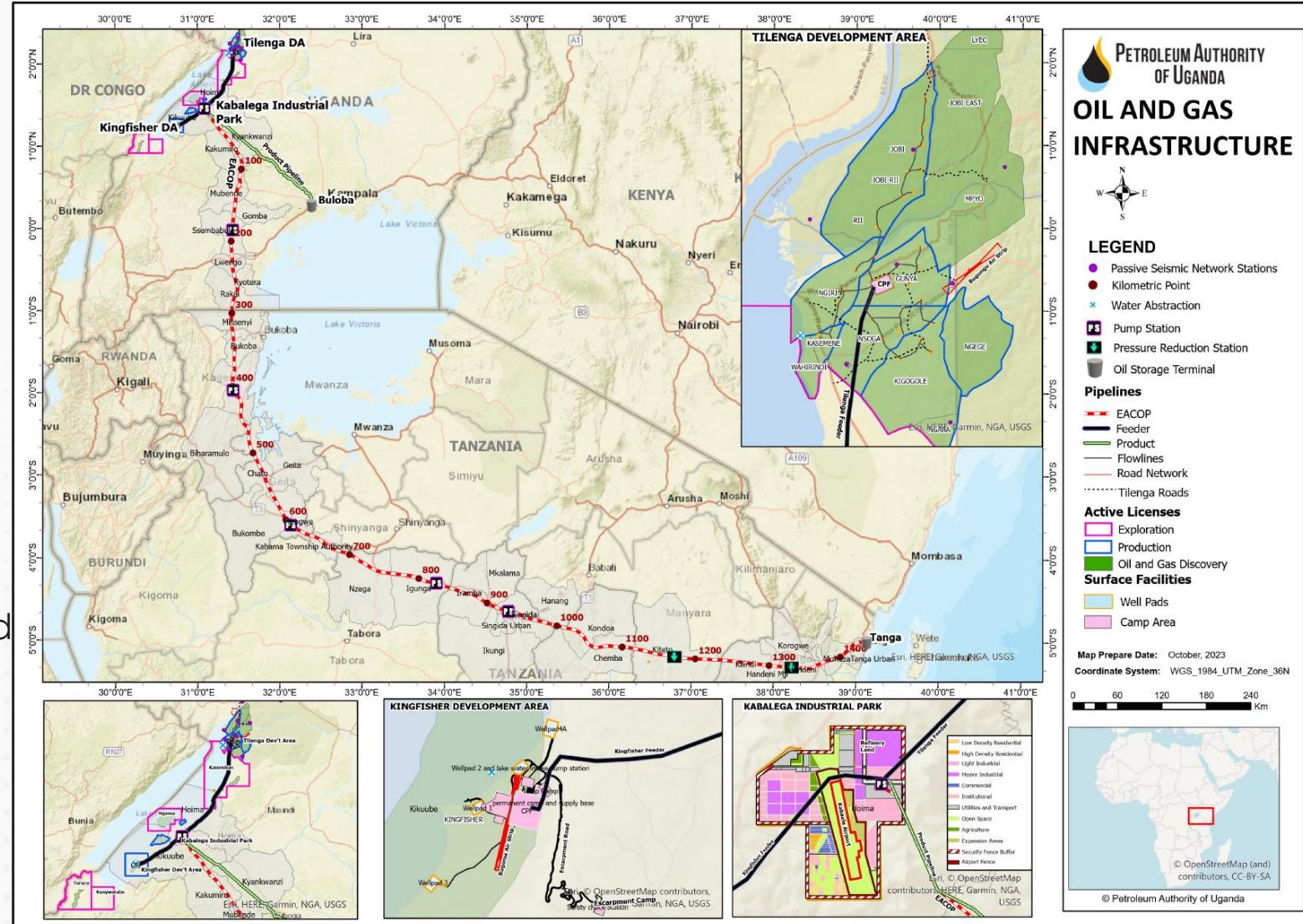
Development
2023 - 2026

**First Oil /
Production**
2027 & Beyond

2. THE STATE OF THE OIL AND GAS INDUSTRY TODAY

KEY FIGURES

- **21** Oil and Gas Discoveries
- **88%** Exploration Drilling Success Rate
- **6.65** Billion Barrels Originally in Place
- **1.65** Billion Barrels of Recoverable resources
- **1.039** Billion Reserves for mature projects
- **2** Petroleum production projects
 - Kingfisher
 - Tilenga
- **9** Production Licences over **14** Fields
- **1** active Exploration Licence
- **80%** of the Albertine Graben is unlicensed
- **3** commercialization projects
 - East African Crude Oil Pipeline
 - Crude Oil Refinery
 - Liquefied Petroleum Gas
- **3** unexplored basins



2. THE STATE OF THE OIL AND GAS INDUSTRY TODAY

Oil Treatment Area



Power Generation Area



Gas Compression Area



EIT West Building

Construction Progress of the Tilenga CPF

TILENGA PROJECT - – 76% complete

Located – Onshore Lake Albert

Operator - TotalEnergies EP Uganda B.V.

Comprises 6 fields: -Jobi-Rii, Ngiri, Gunya in), Kasamene-Wahrindi, Kigogole-Ngara and Nsoga

RESERVES: 890MMbbl

EXPECTED PEAK PRODUCTION: 190,000bopd

DEVELOPMENT STRATEGY: 1 CPF (190kbopd capacity), 420 Wells, 188km flowlines, Lake Water Abstraction, 95Km feederline



KINGFISHER PROJECT – 80% complete

Located –Offshore L. Albert

Operator - CNOOC

Comprises 1 field – Kingfisher

Reserves - 186Mbbbl

EXPECTED PEAK PRODUCTION: 40,000bopd

DEVELOPMENT STRATEGY:

1 CPF (40kbopd capacity), 31 Wells (20 OP, 11 WI), 4 Well pads, ~19Km flowlines, Lake Water Abstraction, 46.7Km feeder line.



EAST AFRICAN CRUDE OIL PIPELINE -94% complete

PARTICIPATING INTERESTS: TotalEnergies (62%), CNOOC (8%), UNOC (15%), TPDC (15%)

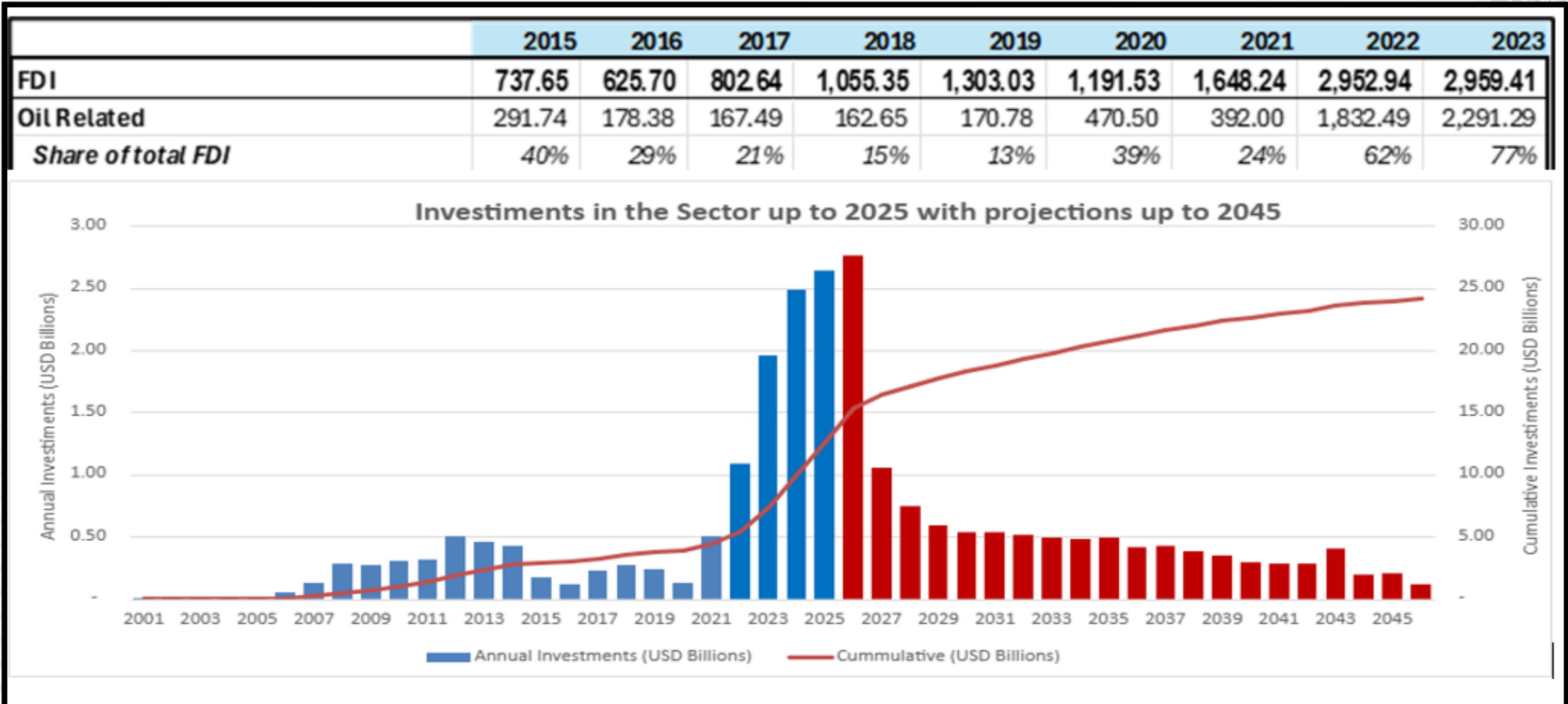
DEVELOPMENT STRATEGY: 1443km long, 24" Diameter crude oil pipeline from Kabaale to Tanga, 2Mbo storage Marine terminal, and 1.8km jetty

2. THE STATE OF THE OIL AND GAS INDUSTRY TODAY

Investments to Date

A total of US\$12.3 billion invested by the end of 2025

About US\$2.77 billion is expected to be invested in 2026



3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.1 Legal and Contractual Framework -Early Efforts

I. Creation of the Petroleum Unit in GSMD in 1984

II. Petroleum Act (1985)

- Reaffirmed ownership
- Created a licensing regime
- Created the department of exploration and production
- Used as a regulatory tool

III. Directional policy of 1986

- Train Government scientists in petroleum related disciplines
- Investment Promotion
- Monitoring and Regulation

IV. Regulations (1993) for the sector

V. Energy Policy of 2002

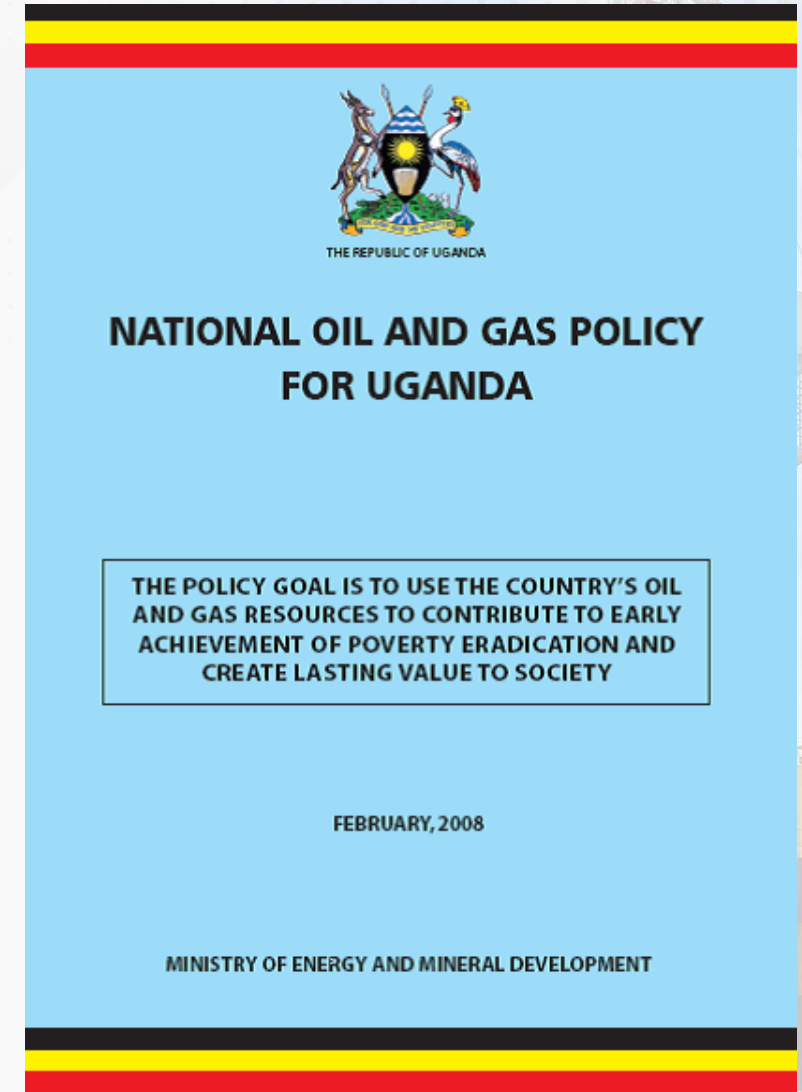
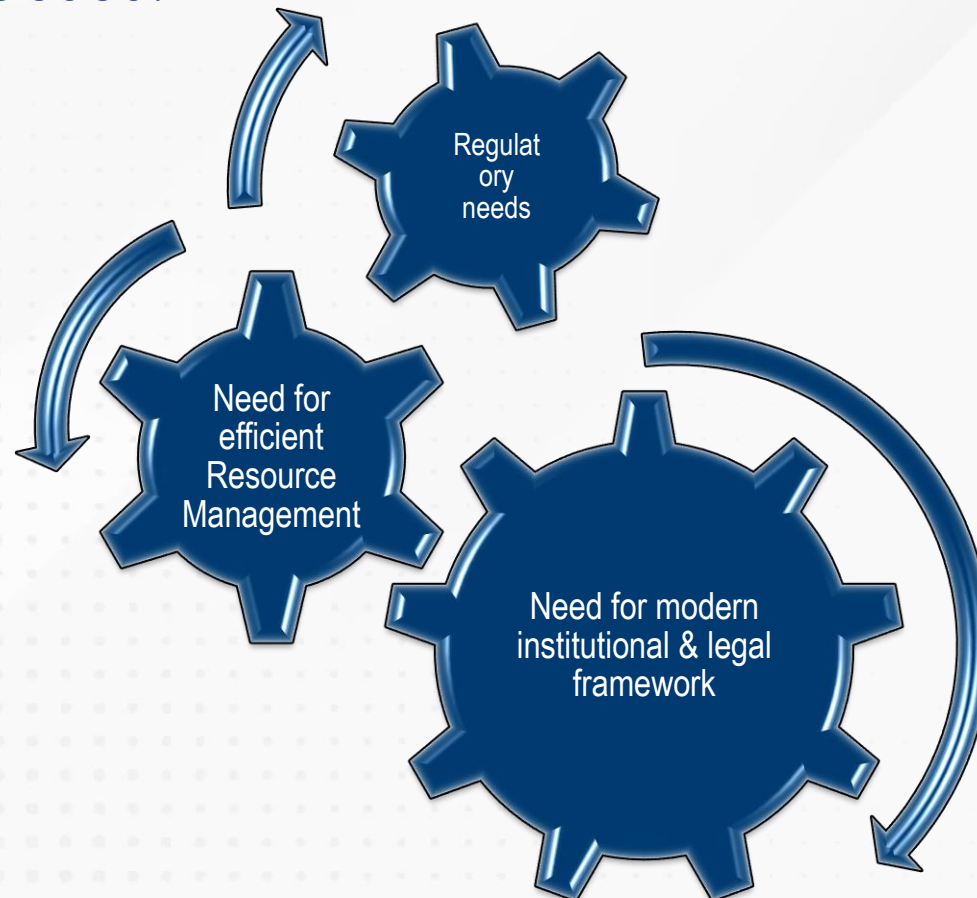
- Consolidated the policy tools developed before

VI. However, commercial discovery in 2006 changed the dynamics

3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.1 Legal and Contractual Framework - The Birth of a New Policy

- Commercial discovery of petroleum introduced new challenges not anticipated by the Energy Policy of 2002.
- Key challenges included:



3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.1 Legal and Contractual Framework -Uganda's Case – Lessons and Strategies

- **Efficient to separate upstream, midstream and downstream legislation or as may be determined**

- **Model Agreements set the pace**

- Establish and maintain a stable, predictable, and sustainable legal, fiscal, and contractual framework**
 - Provides certainty to investors
 - Safeguards the long-term interests of the country
 - Roles can't change every day (These are long term investments)
- Provide for evolving industry dynamics,**
 - Technology advancements,
 - National development priorities,
 - International best practices.
- Petroleum agreements and contracts**
 - Progressive is always attractive
 - Reflect Efficient resource development
 - Negotiable and non-negotiable aspects
 - Negotiated by multidisciplinary teams;
 - Technical, commercial, legal, environmental, economic and fiscal expertise

3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.2 - Institutional Framework for Resource Management



- **Clearly Separated policy-making/licensing, regulation, and commercial functions**
- Human Resource and Institutional **Capacity building** are critical for credible institutions, accountable professionals and effective governance
- Avoid duplication
- Oil and gas regulator must possess adequate **independence, autonomy, and resources** to effectively discharge its mandate in a professional, transparent, and impartial manner, free from undue political influence
 - ✓ Decision making autonomy
 - ✓ Technical capacity – data, software
 - ✓ Should match the IOC pace
 - ✓ Capacity to effectively administer, monitor, and enforce petroleum laws, regulations, and contractual obligations
- If it fits, provide for **strategic State Participation** in petroleum activities through an appropriate national oil company
 - ✓ Important tool for Local Content
 - ✓ Critical in building technical capacity
 - ✓ Important in resource management

3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.3 Institutional Framework for Petroleum Revenue Management



MoFPED

- Policy Formulation
- Execution of the Fiscal rule
- 49% Shareholder of UNOC



BOU

- Custodian of the Petroleum Fund
- Custodian of the Petroleum Revenue Investment Reserve
- Supports Contract Negotiation



URA

- Petroleum revenue administration
- Petroleum revenue collection



- Administer Petroleum Agreements and support Petroleum revenue administration
 - Oversee the measurement of produced petroleum to estimate and assess royalty and profit oil due to the State and approve of the exercise
- Supports URA in determination of Petroleum Tax

Other Government Ministries, Departments and Agencies undertake their respective roles

3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

01



Resource Management

Overseeing exploration, development, optimal recovery and commercialization of petroleum resources.

02



Cost Monitoring & Economic Analysis

Verifying petroleum costs and assessing the economics of projects.

03



Petroleum Data Management

Collecting, storing, and safeguarding national petroleum data.

04



Health, Safety, Security, Social & Environment

Protecting people, communities, and the environment across operations to achieve harmonious coexistence.

05



National Participation

Maximizing national/local participation, jobs, and local content.

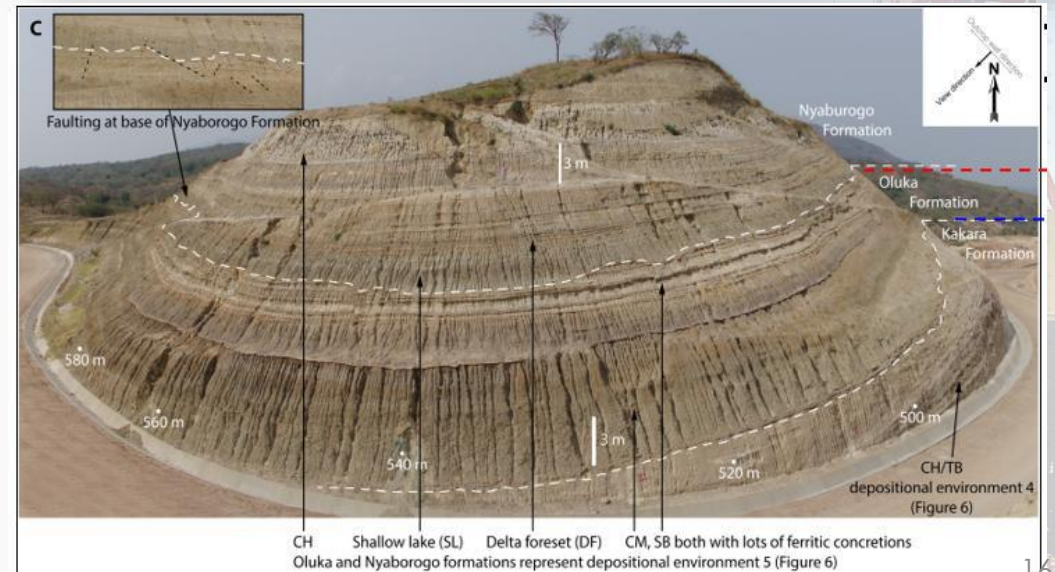
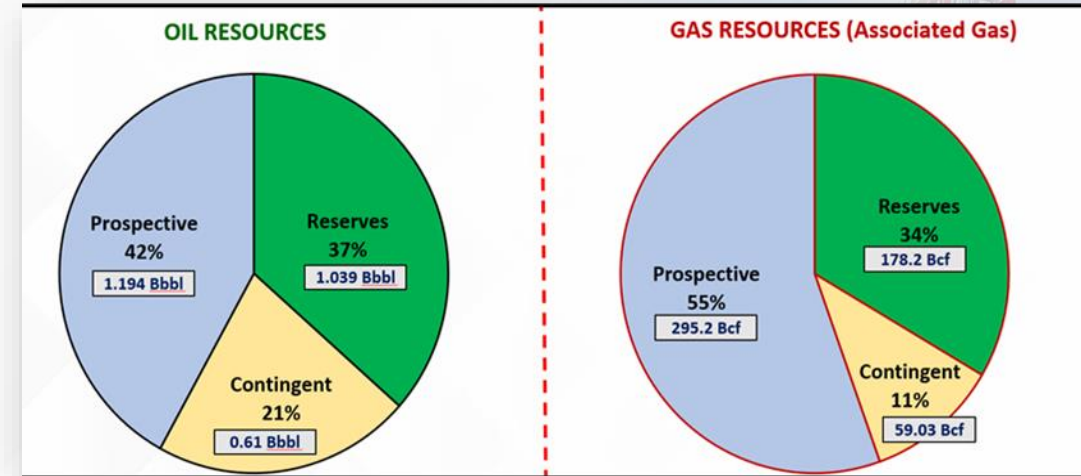
Regulating Uganda's petroleum sector for shared national benefit

3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.1 -Resource Management

- To support and approval process for **Field Development Planning**
- Continuously **undertake independent evaluation** and verification of petroleum resource volumes to ensure **accurate estimation and reporting of the country's petroleum reserves and resources**
- Conduct 24/7 monitoring and regulation of petroleum operations to maintain full visibility of activities, **track progress, identify emerging issues**, and facilitate timely regulatory interventions where necessary.
- Undertake studies and implement initiatives aimed at achieving **sustainable production and enhanced oil recovery**, thereby maximizing resource recovery and long-term value from petroleum assets.
- Conduct geological, geophysical, and petroleum studies to identify, evaluate, and document **areas with petroleum potential to support future licensing** rounds and attract investment in petroleum exploration and development.

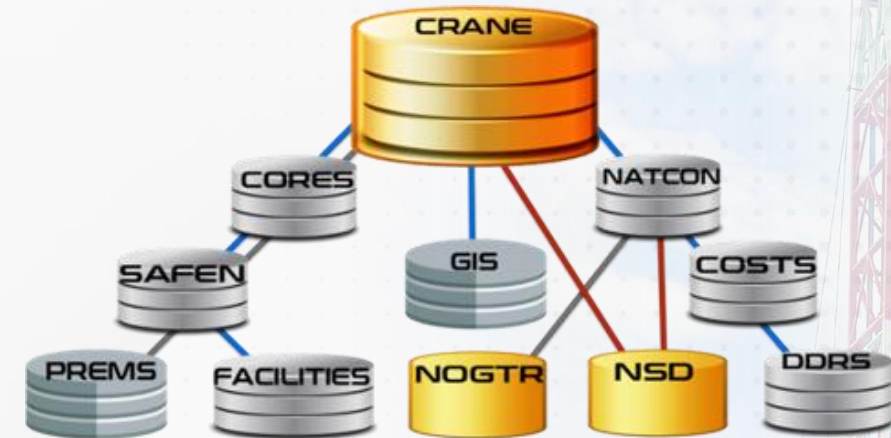


3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.2 - Petroleum Data Management

- A country's petroleum sector is only as good as the **quality and availability** of its data.
- Not only used for regulation of the sector, but also for **investment promotion, taxation, evaluation of recoverable costs, national planning and research**, among other things.
- Important to **regulate the acquisition, processing, interpretation, receipt, archiving** and dissemination of the country's oil and gas data.
- Important to put in place a data management framework
- **How long do you take to have access** to data after it has been acquired
- **Basing decision-making on data**, evidence, and technical expertise, ensuring that subject matter experts play a central role in policy and operational decisions.



REFERENCE DATA FAMILY



3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.3 - Environment, Health, Safety and Social Management

- Effective regulation of environmental, health, and safety (EHS) aspects is critical in ensuring the **harmonious coexistence of petroleum activities** and ecosystems.
- Regulate to ensure the safety of workers, facilities, and operations through robust oversight, compliance monitoring, and enforcement of industry best practices.
- Ensure that all petroleum activities comply with stringent **national and international Environmental and Social Impact Assessment (ESIA) requirements** and obtain the necessary approvals and certifications before project implementation.
- Promote and monitor the **integration of Safety in Design principles throughout the project lifecycle, including detailed engineering design, construction, commissioning, and operational phases, to minimize risks** and enhance asset integrity.
- What's the **Host country responsibility** in providing security to oil and gas operations? Safeguarding personnel, infrastructure, and petroleum resources while ensuring uninterrupted operations.
- Important to **prevent but also prepare for response to possible accidents – spills** (Oil spill response at Company, regional and national levels)



3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.4 - National Content

- Achieve **in-country value creation and retention** whilst **ensuring competitiveness**, efficiency and effectiveness
- Definition of **Local Content Vs Nationality**
- Legal and regulatory framework supporting national content:
 - Requirements and expectations should be **based on real capacity in-country** – otherwise risk consumption of wealth and costly project implementation
- Deliberate and targeted national human capital development, accreditation and certification in Oil and Gas disciplines
- **Collaborative effort** with IOCs and Contractors
- Develop the competitiveness of national enterprises and encourage JVs
- A national **Supplier Database** can be important
- However, avoid **project cost and schedule escalation**

Important to recognize that value creation begins well before first oil production through participation of local firms and citizens



Employment of citizens



Capacity building



Enterprise development



Use of locally produced goods and services



Transfer of knowledge & technology

3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.4 - National Content



Employment: 21,000 direct; 35,000 Indirect; 100,000 Induced jobs. 89% are Ugandans; 63% in management, 93% in technical, 98% 'in support'. 6,000+ from the host districts



Capacity Building : 14 Government and Private training institutions acquired international accreditation to provide certified training programs. Over 14,000 Ugandans trained in MUK, UPIK, TASC, etc



SMEs capacity building: Over 4000 SMEs trained in Health, Safety and Environment, Bid Management, Financing, Corporate Governance, among others



Use of locally produced goods and services; Between 2017 to 2025, the licensees **awarded contracts worth USD 7.2 billion, out of which USD 2.2 (27%) went to Ugandan entities**



Technology transfer: Over 35 JVs or partnerships have obtained contracts in the sector thus facilitating technology transfer. contracts worth US\$338.8million Numerous technical software and equipment has been handed over, especially to training institutions



Value retention prospects; Development of the **petroleum based industrial park;** by products from the refinery. Central Processing Facilities and Refinery are major efforts to support further value addition from the sector.



Driving Socio-economic transformation through value retention.

3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.4 - National Content

Initiatives.

- **Support to training institutions;**
 - Software and training equipment to universities, etc
 - Training of trainers
- **Skilling;**
 - Identify the needs for each phase of the projects
 - Specific IOC budgets and work programs for training of nationals
 - Identification of manpower certifications
 - Crane Operators, welders, foremen, heavy goods drivers, etc.
 - In Uganda
 - USD 6,834,766 invested in skilling the directly the employed in the sector in 2025
 - Over 250 young engineers trained for operations phase



3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.5 - Costs and Economic Analysis

- Important to **control costs of petroleum operations**
 - Review IOC annual work programmes and budgets
 - Audit project books
 - Evaluate IOC contracting process before contract execution
 - Monitor implementation of approved activities to ensure compliance with regulatory requirements
 - Lower-cost projects benefit IOCs and host Govts
- These contribute to safeguarding value by checking practices such as gold-plating and transfer pricing, which can increase project costs and reduce national benefits
- Routine economic and financial analyses assess the impact of key decisions on project viability, supporting licensing processes, contract negotiations, licence renewals, and investment decisions.



3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.6 – stakeholder Management

There will be many myths and alarming proganda about the Industry

- It's important to move your population with you
- Keep an open-door policy for information dissemination purposes

Many campaigners are up to no good

- Can be both internal and external
- Information vacuum is a goldmine for these
- EACOP Campaigners

Protect Investors from undue Pressure

- Important for Host Government to manage the political and civic agitators
- Information dissemination and stakeholder management should be a collaborative effort between Government and IOCs



3. OIL AND GAS MANAGEMENT – THE STRATEGIES

3.6 Identify and focus on key aspects that need to be regulated

3.6.6 – stakeholder Management

Implementation across six communication and stakeholder pillars

Media Relations

Regular briefings, media training and field visits, the weekly Oil and Gas Journal, broadcast programmes, articles, advertising and multimedia campaigns.

Community Relations

Regular engagements; host-community and local-government consultations; workshops; youth and partnerships; national-content and CSR outreach.

Targeted Engagements

Members of Parliament, Government Agencies, companies, ambassadors, exhibitions and conferences, technical trainings, professional bodies

Digital Communication

social-media guidance and content planning, integrated campaigns, influencer amplification, digital tools, enabled collateral and real-time engagement tracking.

Engagements with Civil Society Organisations

Joint annual conferences; CSO courtesy engagements; human-rights dialogue; and field engagements

Strategic Partnership and International Relations

Benchmarking and information-sharing with regulators, governments, foreign missions and national institutions, plus international fora that support investment and cooperation.

4. CONCLUSION

- The oil and gas sector has significant potential to contribute to national development through revenue generation, employment creation, business growth, skills development, capacity building, and technology transfer.
- Realizing this potential requires a strong coordination across Govt responsible agencies in extractives, environment, tax collection, finance/planning, revenue management, local governments, etc
- Important to focus on regulating key aspects of the sector, including petroleum resource management, health, safety and environmental protection, national content development, infrastructure development, operational efficiency, and decommissioning and abandonment activities.
- It is important to establish and maintain a robust legal, institutional, and regulatory framework supported by competent and dedicated personnel, transparent governance systems, and a predictable investment environment that promotes investor confidence while safeguarding national interests.
- Important to ensure prudent utilization of petroleum revenues, promoting value addition and local participation, and leveraging petroleum resources to drive broader economic diversification and sustainable development.
- Ultimately, what you keep asking for, is what you receive.

THANK YOU



**PETROLEUM AUTHORITY
OF UGANDA**



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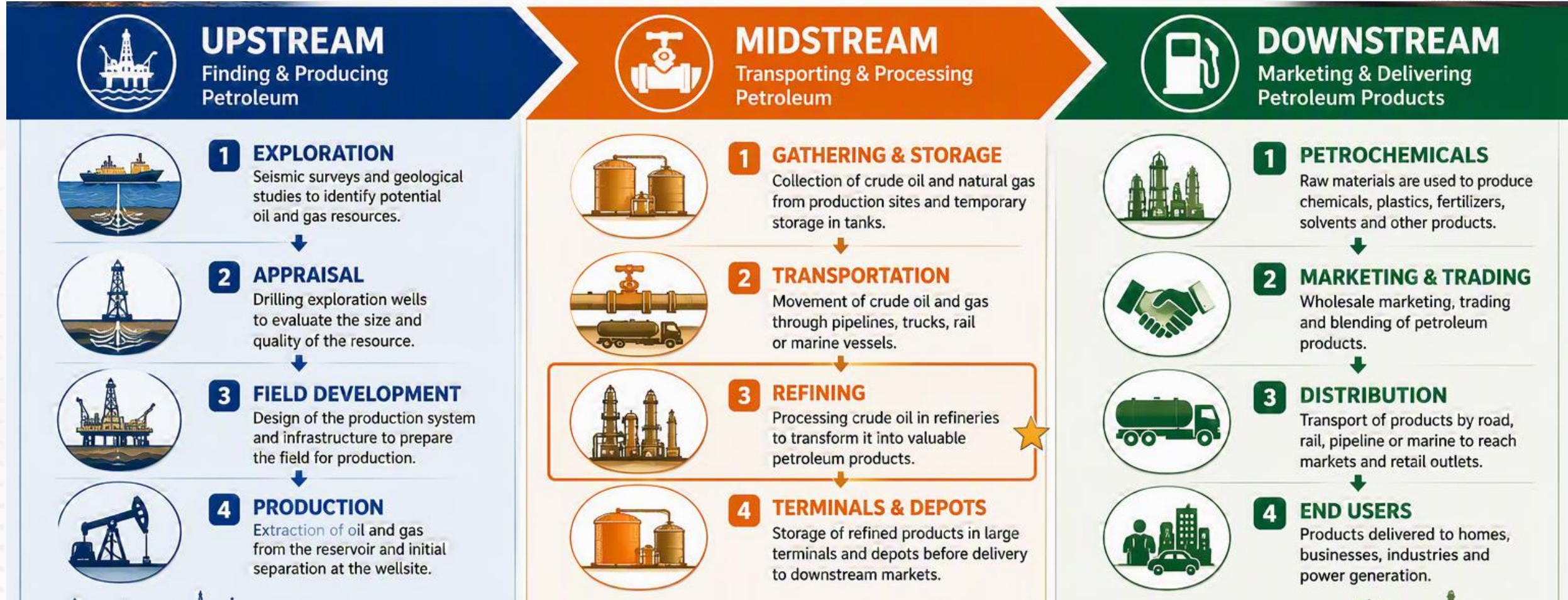
[@PAU_Uganda](#) [Petroleum Authority of Uganda](#)

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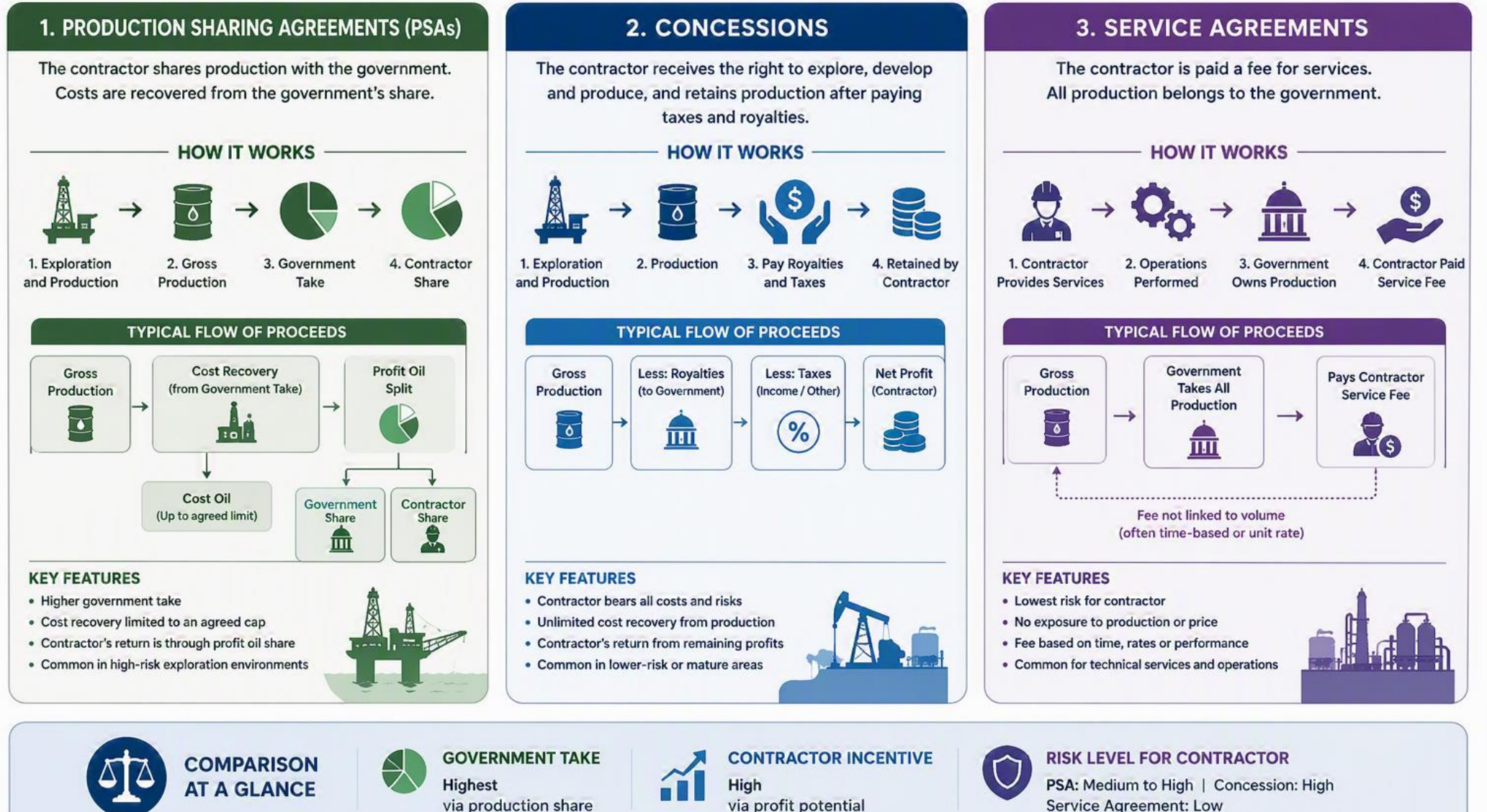
REGULATION OF THE OIL AND GAS INDUSTRY

Areas that require regulation



REGULATION OF THE OIL AND GAS INDUSTRY

Contractual Framework Used in the Industry – Guide Regulation



REGULATION OF THE OIL AND GAS INDUSTRY

Approaches to Regulation

Prescriptive/ Command and control Regulation

- Sets strict, detailed technical and procedural rules
- It is very clear and easy to inspect
- May discourage innovation
- Suitable for Production Sharing Agreements

Performance Based Regulation

- sets a desired outcome and tells the companies the goals they have to achieve
- It encourages companies to use new technologies and find cheaper, safer ways to work.
- It can be harder for regulators to monitor
- Suitable for concessions or Service Agreements

Hybrid Regulation

- Enforces strict, mandatory rules for high-risk baseline issues (like blowout preventer design) while allowing flexibility for daily site operations and environmental goals
- Each country can customize it to fit its needs
- Suitable for any fiscal system since it can be customized