

level first, the proposed Action (as well as the Action implemented in Rwanda) take this learning into consideration by promoting harmonized national data bases and traceability solutions which will then inform the creation of regional structures more easily.

With regard to previous interventions similar in purpose to Specific Objective 2, it is now clear that more emphasis on programme and project preparatory phases prior to implementation is crucial for reaching the Action's Objectives and Impact. The embedding of the Action in the policy environment of Uganda, organisational capacity to implement the project and provide the assurances for sustainability and appropriate future budgeting are the main lessons learnt.

### 3.5 The Intervention Logic

**The intervention logic with respect to Specific Objective 1** is that the intervention will enhance the conditions for investments into the mining sector (**output 1.1**) by increasing the availability of geological data, developing investment guidelines, and improving investor aftercare and protection. If domestic and international actors have better access to relevant information and support-services, transaction cost will be reduced and they can make better-informed investment decisions into the mining sector. Second, the intervention will support the formalization of the artisanal and small-scale mining sector (**output 1.2**). This includes the registration of mining operations, the organisation of miners into associations and cooperatives, and capacity-development on responsible mining and regulatory frameworks. If these conditions are met, the inclusion of ASM in the formal tax and regulatory supervision system is facilitated, creating a link which improves the direct economic contribution of the sector to the overall economy on the one hand, and the safety and recognition of ASM operations in Uganda on the other hand. Third, ASM formalization will be complemented by increased capacities of mining actors for mineral processing and value addition (**output 1.3**). This will be achieved through technical support to mineral beneficiation centres, capacity-building and support to policy reforms. The intervention will strengthen links along the processing value chain (cooperatives, exporters, smelters, mineral beneficiation centres, financial institutions) using the Value Links approach. If the interlinkages between these actors can be smoothened such that economic activity is stimulated, this will benefit the sector but also the social dimension of the intervention by creating decent and inclusive jobs. Fourth, to improve the oversight capacities of national regulatory authorities (**output 1.4**), the intervention will support capacity-building of the DGSM and other relevant Ugandan authority representatives to enforce the legal framework and conduct mine site inspections accordingly. If the national oversight authorities are better equipped to enforce laws and policies, this will strengthen the compliance of the mining sector with international standards as well as increase its direct contribution to GDP, thereby enhancing its investment attractiveness. Fifth, the intervention will also enhance the application of responsible sourcing standards in the mining sector set by the EU, OECD and ICGLR (**output 1.5**). To achieve this, the intervention will support DGSM in the development and implementation of a digital chain of custody system for mineral supply chains, and support actors revise their due diligence standards. If systematic compliance with international standards can be proven, the international market access of Ugandan minerals is secured, creating a business case for investments by companies which are under increasing global scrutiny to source from conflict-free backgrounds. Sixth, the intervention will aim at developing sufficient amounts of detailed geological data on CRM prospects and package these data in such a way that it can be successfully marketed to would-be (European) investors in the mining sector (**output 1.6**). Such data plays a critical role in de-risking larger investments in the mining sector thereby leading to a more transparent, vibrant and transformed sector that can create jobs and spur economic development in a sustainable way.

If these outputs are fulfilled and the underlying assumptions of cooperation and transparency hold, the specific objective of empowering mining actors in Uganda to contribute to sustainable economic development can be met, creating a case for business to invest in the Ugandan mining sector as a safe, stable and reliable partner (**Impact**).

**The intervention logic with respect to Specific Objective 2** is that the Action supports the rolling out of the interventions to be financed under the MIP 2021-2027 with identification/formulation/scoping/feasibility and/or any other preparatory studies of relevance. Tentatively, the thematic areas contemplated for support include: digitalisation, renewable energy, green industrialisation, smart mining, sustainable mobility, natural resources management, waste management and water & sanitation.