

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Highlights of Vote Performance

V1: Summary of Issues in Budget Execution

Table V1.1: Overview of Vote Expenditures (US\$ Billion)

		Approved Budget	Released by End Q 2	Spent by End Q2	% Budget Released	% Budget Spent	% Releases Spent
Recurrent	Wage	19.570	9.173	9.173	46.9%	46.9%	100.0%
	Non Wage	11.901	8.609	8.609	72.3%	72.3%	100.0%
Dev.	GoU	0.000	0.000	0.000	0.0%	0.0%	0.0%
	Ext. Fin.	0.000	0.000	0.000	0.0%	0.0%	0.0%
GoU Total		31.470	17.782	17.782	56.5%	56.5%	100.0%
Total GoU+Ext Fin (MTEF)		31.470	17.782	17.782	56.5%	56.5%	100.0%
	Arrears	0.000	0.000	0.000	0.0%	0.0%	0.0%
Total Budget		31.470	17.782	17.782	56.5%	56.5%	100.0%
	<i>A.I.A Total</i>	0.000	0.000	0.000	0.0%	0.0%	0.0%
Grand Total		31.470	17.782	17.782	56.5%	56.5%	100.0%
Total Vote Budget Excluding Arrears		31.470	17.782	17.782	56.5%	56.5%	100.0%

Table V1.2: Releases and Expenditure by Program*

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	%Releases Spent
Program: 0306 Petroleum Commercial Management	8.46	6.29	6.29	74.3%	74.3%	100.0%
Program: 0349 Policy, Planning and Support Services	23.01	11.49	11.49	49.9%	49.9%	100.0%
Total for Vote	31.47	17.78	17.78	56.5%	56.5%	100.0%

Matters to note in budget execution

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Financing:

During the current financial year UNOC's budget ceiling represents only 39% of the required funding. A supplementary request of UGX 50.2Billion was requested for to support the under funding. As at end of Dec-2019 no additional funding was secured creating a huge challenge in the delivery of key planned work programs. In addition, during the BFP process for FY 2020/21, the same ceiling was maintained against a budget of UGX 104 Billion representing only 30% funding. It's expected that the Final Investment Decision (FID) will be taken during the next financial year. However, if UNOC is not facilitated, it will struggle to secure Government of Uganda's interests in the oil and gas projects.

Coupled with the under funding of UNOC operational budget, is the nil provision for funding of the company's equity in the oil and gas projects amounting to USD 845Million over a five period. The total capitalization required over this period equates to UGX 3.9Trillion. For UNOC to operate efficiently with the International Oil Companies, there's need to exit the vote system. To this end, several meetings have been held with Ministry Finance regarding the need to raise equity for UNOC and capitalization of the company.

Final Investment Decision:

Following the collapse of the Tullow farm down transaction at the end August 2019, there has been general slowdown in the sector. It's important to note that, for every year that FID delays further, the Present Value of GOU Revenues reduces by US\$ 450 – 500 Million, while the NPV of IOC Cashflows reduces by between US\$ 30 – 50 Million. Given the huge opportunity cost, it's important that the outstanding issues are resolved.

Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (Ushs Bn)

N/A
(ii) Expenditures in excess of the original approved budget

V2: Performance Highlights

Table V2.1: Programme Outcome and Outcome Indicators*

Programme : 06 Petroleum Commercial Management			
Responsible Officer: Chief Executive Officer			
Programme Outcome: Sustainable growth of State's commercial interests and driving national participation in the oil and gas sector			
Sector Outcomes contributed to by the Programme Outcome			
1 .Increased amount of revenue from Oil and Gas production			
Programme Outcome Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Level of investment in the oil and gas infrastructure	Percentage	14%	0%
Amount of revenue generated	Value	0.605	0.330

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Number of contracts signed with strategic investment partners	Number	5	2
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Table V2.2: Key Vote Output Indicators*

Programme : 06 Petroleum Commercial Management			
Sub Programme : 06 Upstream Interventions			
KeyOutPut : 01 Project Agreements			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Proportion of commercial terms and agreements completed	Percentage	70%	15%
Number of contracts in which UNOC is partnering in Service provision or delivery	Number	3	3
Acreage for Exploration and appraisal acquired	Text	One license (status of license application)	UNOC awaits feedback from the MEMD on its Exploration License Application
KeyOutPut : 02 Commercial Partnerships			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Number of viable partnerships established	Number	1	0
No. of Development Partners identified	Number	2	3
KeyOutPut : 03 Oil and Gas Infrastructure			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Proportion of Pre-Final Investment Decision (FID) Activities completed	Percentage	100%	30%
Proportion of funding secured	Percentage	100%	0%
%'tage Progress of Engineering Procurement Construction (EPC) Contract	Percentage	5%	0%
%'tage Progress of implementation of the Master plan for Kabaale Industrial Park and Kampala Storage Terminal	Percentage	0%	0%
Sub Programme : 07 Refinery and Industrial Parks			
KeyOutPut : 01 Project Agreements			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Proportion of commercial terms and agreements completed	Percentage	70%	30%
Number of contracts in which UNOC is partnering in Service provision or delivery	Number	1	1
Acreage for Exploration and appraisal acquired	Text		UNOC awaits feedback from the MEMD on its Exploration License Application

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KeyOutputPut : 02 Commercial Partnerships			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Number of viable partnerships established	Number		1
KeyOutputPut : 03 Oil and Gas Infrastructure			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Proportion of Pre-Final Investment Decision (FID) Activities completed	Percentage	90%	70%
Proportion of funding secured	Percentage	33%	0%
%'tage Progress of Engineering Procurement Construction (EPC) Contract	Percentage	30%	0%
%'tage Progress of implementation of the Master plan for Kabaale Industrial Park and Kampala Storage Terminal	Percentage	40%	10%
Sub Programme : 08 Pipelines and Storage Terminals			
KeyOutputPut : 01 Project Agreements			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Proportion of commercial terms and agreements completed	Percentage	95%	55%
Number of contracts in which UNOC is partnering in Service provision or delivery	Number		1
Acreage for Exploration and appraisal acquired	Text		UNOC awaits feedback from the MEMD on its Exploration License Application
KeyOutputPut : 02 Commercial Partnerships			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Number of viable partnerships established	Number	1	1
No. of Development Partners identified	Number		1
KeyOutputPut : 03 Oil and Gas Infrastructure			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Proportion of Pre-Final Investment Decision (FID) Activities completed	Percentage	0%	10%
Proportion of funding secured	Percentage	51%	0%
%'tage Progress of Engineering Procurement Construction (EPC) Contract	Percentage	51%	0%
Programme : 49 Policy, Planning and Support Services			
Sub Programme : 01 Office of the CEO			

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KeyOutputPut : 09 Corporate Governance			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Board composition	Text	Adequate Representation in terms of Gender and Diversity	Balanced representation with three females and four males
No. of Board Interface/Meetings held	Number	21	14
Sub Programme : 02 Finance and Administration			
KeyOutputPut : 01 Planning, Budgeting and Monitoring			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
%'tage implementation of the Strategic Plan	Percentage	50%	30%
Annual work plan and budgets developed	Number	1	1
Performance reports developed	Number	4	2
Absorption Capacity	Text	100%	100%
KeyOutputPut : 02 Finance Management			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Financial Statements prepared and compliance to Statutory obligations	Percentage	100%	100%
No. of monthly Joint Interest Billings between UNOC & its JV Partners	Number	2	0
No. of Joint Venture Audits conducted or participated in by UNOC	Number	1	1
Amount of funds secured for investment	Value	111.36	0
KeyOutputPut : 03 Procurement and Maintenance of assets and stores			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
%'tage implementation of the procurement plan and reporting	Percentage	100%	45%
Rate of maintenance of UNOC assets	Rate	100%	90%
KeyOutputPut : 07 Risk Management			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Approved Internal Audit Charter	Text	Approved and implemented	Approved
%'tage Implementation of Audit plans per functional area	Percentage	100%	50%
No. of Risk avoidance and mitigation strategies	Number	12	11
No. of Sarbanes & Oxley (SOX) controls developed	Number	12	11

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KeyOutputPut : 19 Human Resource Management Services			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
% of recruitment plan and retention plan met	Percentage	100%	50%
% of on time payment of salaries, pension and gratuity by the 28th of each month	Percentage	100%	100%
No. of team building initiatives undertaken	Number	4	2
No. of training days per employee, Succession Planning and number of promotions or job rotations implemented	Number	10	3
KeyOutputPut : 20 Records Management Services			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Approved ICT Strategy	Text	implemented	Draft under review
%'tage of implementation of the Document Control Management System	Percentage	100%	30%
%'tage of implementation of Disaster Recovery and Business Continuity Plans	Percentage	70%	0%
Sub Programme : 03 Audit			
KeyOutputPut : 07 Risk Management			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Approved Internal Audit Charter	Text	Approved for Implementation	Approved
%'tage Implementation of Audit plans per functional area	Percentage	100%	50%
No. of Risk avoidance and mitigation strategies	Number	10	11
No. of Sarbanes & Oxley (SOX) controls developed	Number	20	11
Sub Programme : 04 Legal and Corporate Affairs			
KeyOutputPut : 08 Legal and Advisory Services			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
No. of Commercial Agreements negotiated	Number	9	3
KeyOutputPut : 09 Corporate Governance			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
Board composition	Text	Four Male and Three Female	Four males and three females
No. of Board Interface/Meetings held	Number	21	21
KeyOutputPut : 10 Public Relations			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
No. of awareness campaigns to various stakeholders	Number	8	2

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No. of Corporate Social Responsibility (CSR) activities undertaken	Number	2	1
No. of Branding and Awareness initiatives executed	Number	10	3
Sub Programme : 05 Commercial Services			
KeyOutPut : 01 Planning, Budgeting and Monitoring			
Key Output Indicators	Indicator Measure	Planned 2019/20	Actuals By END Q2
%'tage implementation of the Strategic Plan	Percentage	50%	30%
Annual work plan and budgets developed	Number	1	1
Performance reports developed	Number	1	2
Absorption Capacity	Text	100%	100%

Performance highlights for the Quarter

Upstream

- Engagements to resolve the outstanding issues on the Tullow farm down transaction continued between His Excellency the President of Uganda and the Chief Executive Officer for Total E&P.

Refinery

- Front End Engineering and Designs study continued, and the completion of the study was negatively impacted by the termination of the Tullow farm down transaction. Completion of FEED is expected in July 2021.

Kabaale Petro-based Industrial Park (KIP)

- Transaction Advisory services secured and drafting of the Request for Proposals (RFP) commenced.
- The drafting of the Land Allocation Policy is near completion.

East Africa Crude Oil Pipeline (EACOP)

- Engaged in negotiations for Host Government Agreement, the Transportation Tariff Agreement and Shareholder Agreement aimed at protecting the Country's commercial interests
- Developed a draft Terms of Reference (ToR) for Petroleum Infrastructure Development Masterplan (PIDM).

Jinja Storage Terminal (JST)

- Review of the designs for the planned oil jetty and pipeline continued for cost optimization
- Continued to pursue transfer of land for Jinja Storage Terminal to UNOC
- Preparations for the Concept trial first transaction of petroleum products continued and awaiting the conclusion of the PPDA accreditation process that is expected in first quarter of year 2020.

Kampala Storage Terminal (KST)

- The draft ESIA report was reviewed and discussed for submission to National Environment Management Authority.
- Evaluation of the Expression of Interest (EOI) for KST strategic partner was completed.
- Land optimization technical engagements conducted for alignment of AGRC's land requirements for the receiving terminal at KST and the wider KST layout plan.

Financing

- UNOC's Project Concept Papers of its projects in Midstream and Downstream including the retooling projects were approved by the Ministry of Energy and Mineral Development. These were further submitted to Development Committee of MOFPED which is scheduled to take place January 2020.

UNOC Operations

- The Board of Directors were appointed and continued to await Instruments of Power
- The branding of the 5-Year Corporate Strategy and assignment of Corporate Objective Owners was completed. The process of cascading of the 5-Year Corporate Strategic Plan to subsidiaries and departments commenced.
- The staff headcount increased by 7% bringing the total headcount to 111 by the end of December 2019 from 104 registered in quarter 1.
- Completed the Audit exercise of the Financial Statements for the Financial Year 2018/19.
- Continued to pursue its UNOC's accreditation from PPDA to enable it to undertake some of the activities such as Bulk Trading, selection of Strategic Partners among others.

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- Regular updates of the website and different social media platforms continued with the objective of enhancing the image and brand of UNOC.

The bullets below highlight UNOC's approach to Gender and Equity concerns from Board composition, staff recruitment, retention, training and business operations:

a) Recruitment

- Continued to carry out a transparent and equitable recruitment process for all applicants via skype and face- to face interview.
- UNOC's gender distribution for the 111 staff was; females 38% and males 62%
- No regional discrimination in UNOC's staffing and it as follows; Central (42%) Eastern (14%), Western (38%) and Northern (5%)
- UNOC received applications through post office/courier for applicants who are unable to deliver their applications physically to UNOC offices
- The process of setting up IT support infrastructure which in the future will provide for online submissions of applications is ongoing

b) Training

- Provided equal training opportunities to males and female staff within and abroad including leadership and management skills.
- Continued to provide technical support to three interns to enhance their skills with practical engagements.

c) Stakeholder Engagements

- Participated in HIV/AIDS 2019 National day celebrations to close gaps between the affected and non-affected female and male employees
- Continued to encourage women to participate in ESIA discussions such as Tilenga, Kingfisher, EACOP among others.
- UNOC engaged in the door to door cadastral surveys and valuations during Resettlement Action Plans where the minors and elderly who can't reach the Community grounds are considered to ensure inclusiveness. In addition, engagements in the Communal grounds are non-discriminatory thus involve women, youth, children, elderly and location.
- UNOC engaged in activities with various stakeholders in the media, Members of Parliament, Civil society groups, Media, Bunyoro Kitara, MDA's among others

d) Business operations

- UNOC promotes the use of local industries and service providers in the maintenance and provision of office services.
- UNOC conducted a supplier development training for service providers to promote National Content

e) Disability

- Special consideration is given to the persons with disability i.e. the deaf are communicated to through experts in sign language

V3: Details of Releases and Expenditure

Table V3.1: GoU Releases and Expenditure by Output*

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	%GoU Releases Spent
Program 0306 Petroleum Commercial Management	8.46	6.29	6.29	74.3%	74.3%	100.0%
<i>Class: Outputs Provided</i>	<i>8.46</i>	<i>6.29</i>	<i>6.29</i>	<i>74.3%</i>	<i>74.3%</i>	<i>100.0%</i>
030601 Project Agreements	8.14	6.08	6.08	74.7%	74.7%	100.0%
030602 Commercial Partnerships	0.10	0.07	0.07	73.3%	73.3%	100.0%
030603 Oil and Gas Infrastructure	0.23	0.14	0.14	60.6%	60.6%	100.0%
Program 0349 Policy, Planning and Support Services	23.01	11.49	11.49	49.9%	49.9%	100.0%
<i>Class: Outputs Provided</i>	<i>23.01</i>	<i>11.49</i>	<i>11.49</i>	<i>49.9%</i>	<i>49.9%</i>	<i>100.0%</i>
034901 Planning, Budgeting and Monitoring	0.21	0.11	0.11	53.5%	53.5%	100.0%
034902 Finance Management	2.41	1.51	1.51	62.6%	62.6%	100.0%
034903 Procurement and Maintenance of assets and stores	2.00	1.46	1.46	73.2%	73.2%	100.0%
034907 Risk Management	0.03	0.03	0.03	84.8%	84.8%	100.0%
034908 Legal and Advisory Services	0.10	0.05	0.05	50.0%	50.0%	100.0%
034909 Corporate Governance	0.04	0.03	0.03	95.8%	95.8%	100.0%
034910 Public Relations	0.10	0.05	0.05	50.0%	50.0%	100.0%
034919 Human Resource Management Services	18.09	8.22	8.22	45.5%	45.5%	100.0%
034920 Records Management Services	0.03	0.02	0.02	66.7%	66.7%	100.0%
Total for Vote	31.47	17.78	17.78	56.5%	56.5%	100.0%

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Table V3.2: 2019/20 GoU Expenditure by Item

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	%GoU Releases Spent
Class: Outputs Provided	31.47	17.78	17.78	56.5%	56.5%	100.0%
211101 General Staff Salaries	15.81	7.38	7.38	46.7%	46.7%	100.0%
211102 Contract Staff Salaries	3.76	1.79	1.79	47.7%	47.7%	100.0%
211103 Allowances (Inc. Casuals, Temporary)	2.31	1.97	1.97	85.0%	85.0%	100.0%
212201 Social Security Contributions	1.96	1.21	1.21	62.0%	62.0%	100.0%
213001 Medical expenses (To employees)	0.65	0.57	0.57	88.2%	88.2%	100.0%
213004 Gratuity Expenses	0.94	0.94	0.94	100.0%	100.0%	100.0%
221001 Advertising and Public Relations	0.10	0.05	0.05	50.0%	50.0%	100.0%
221002 Workshops and Seminars	0.26	0.13	0.13	50.0%	50.0%	100.0%
221003 Staff Training	0.32	0.16	0.16	50.0%	50.0%	100.0%
221004 Recruitment Expenses	0.01	0.01	0.01	100.0%	100.0%	100.0%
221005 Hire of Venue (chairs, projector, etc)	0.03	0.03	0.03	100.0%	100.0%	100.0%
221007 Books, Periodicals & Newspapers	0.02	0.01	0.01	50.0%	50.0%	100.0%
221008 Computer supplies and Information Technology (IT)	0.15	0.07	0.07	50.0%	50.0%	100.0%
221009 Welfare and Entertainment	1.84	1.16	1.16	63.0%	63.0%	100.0%
221011 Printing, Stationery, Photocopying and Binding	0.12	0.12	0.12	100.0%	100.0%	100.0%
221014 Bank Charges and other Bank related costs	0.06	0.03	0.03	50.0%	50.0%	100.0%
221017 Subscriptions	0.03	0.03	0.03	100.0%	100.0%	100.0%
222001 Telecommunications	0.23	0.11	0.11	50.0%	50.0%	100.0%
222003 Information and communications technology (ICT)	0.00	0.00	0.00	50.0%	50.0%	100.0%
223002 Rates	1.34	1.06	1.06	79.0%	79.0%	100.0%
223004 Guard and Security services	0.13	0.06	0.06	50.0%	50.0%	100.0%
223005 Electricity	0.24	0.12	0.12	50.0%	50.0%	100.0%
223006 Water	0.04	0.02	0.02	50.0%	50.0%	100.0%
224004 Cleaning and Sanitation	0.08	0.04	0.04	50.0%	50.0%	100.0%
225001 Consultancy Services- Short term	0.27	0.15	0.15	56.1%	56.1%	100.0%
226002 Licenses	0.00	0.00	0.00	100.0%	100.0%	100.0%
227001 Travel inland	0.22	0.12	0.12	53.8%	53.8%	100.0%
227002 Travel abroad	0.38	0.26	0.26	66.8%	66.8%	100.0%
227004 Fuel, Lubricants and Oils	0.16	0.16	0.16	97.9%	97.9%	100.0%
228002 Maintenance - Vehicles	0.02	0.02	0.02	100.0%	100.0%	100.0%
Total for Vote	31.47	17.78	17.78	56.5%	56.5%	100.0%

Table V3.3: GoU Releases and Expenditure by Project and Programme*

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	%GoU Releases Spent
Program 0306 Petroleum Commercial Management	8.46	6.29	6.29	74.3%	74.3%	100.0%
<i>Recurrent SubProgrammes</i>						
06 Upstream Interventions	3.82	2.98	2.98	78.0%	78.0%	100.0%

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07 Refinery and Industrial Parks	2.23	1.62	1.62	72.6%	72.6%	100.0%
08 Pipelines and Storage Terminals	2.41	1.69	1.69	70.2%	70.2%	100.0%
Program 0349 Policy, Planning and Support Services	23.01	11.49	11.49	49.9%	49.9%	100.0%
<i>Recurrent SubProgrammes</i>						
01 Office of the CEO	0.00	0.00	0.00	81.6%	81.6%	100.0%
02 Finance and Administration	22.58	11.26	11.26	49.9%	49.9%	100.0%
03 Audit	0.01	0.01	0.01	100.0%	100.0%	100.0%
04 Legal and Corporate Affairs	0.24	0.13	0.13	56.6%	56.6%	100.0%
05 Commercial Services	0.18	0.09	0.09	50.0%	50.0%	100.0%
Total for Vote	31.47	17.78	17.78	56.5%	56.5%	100.0%

Table V3.4: External Financing Releases and Expenditure by Sub Programme

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	US\$ Thousand
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Program: 06 Petroleum Commercial Management

Recurrent Programmes

Subprogram: 06 Upstream Interventions

Outputs Provided

Output: 01 Project Agreements

		Item	Spent
Production Sharing Agreement for exploration licence negotiated and signed for the benefit of all Ugandans	UNOC still awaits a response from MEMD on the submitted application.	211101 General Staff Salaries	2,519,560
Commercial and legal agreements negotiated and executed for benefit of all Ugandans	Applied for Qualification (AFQ) to the Ministry of Energy & Mineral Development to participate in the second licensing round as part of the preparatory activities .	211102 Contract Staff Salaries	226,800
		221002 Workshops and Seminars	10,000
		221008 Computer supplies and Information Technology (IT)	25,000
		227001 Travel inland	23,083
	Engagement with potential partners in areas of exploration and others commenced	227002 Travel abroad	80,000
	Efforts to formalize UNOC's back in to the Joint Operating Agreement (JOA) continued		
	Commercial agreements that are pre-requisite for FID with an objective of negotiating the best terms for all Ugandans.		

Reasons for Variation in performance

The termination of the Tullow farm down Sale Purchase Agreement to Total E&P and CNOOC led to a slow down in activities in the Upstream

Negotiation of the Production Sharing Agreements (PSA) awaits award of Exploration License.

Total	2,884,443
Wage Recurrent	2,746,360
Non Wage Recurrent	138,083
<i>AIA</i>	0

Output: 02 Commercial Partnerships

	Item	Spent
Commercial partnership identified and evaluated	221002 Workshops and Seminars	4,000
Commercial partnership arrangement negotiated	221005 Hire of Venue (chairs, projector, etc)	4,000
	221008 Computer supplies and Information Technology (IT)	1,000
	221017 Subscriptions	3,000
	226002 Licenses	2,000
	227001 Travel inland	2,000
	227002 Travel abroad	4,000
	227004 Fuel, Lubricants and Oils	1,694

Reasons for Variation in performance

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
		Total	21,694
		Wage Recurrent	0
		Non Wage Recurrent	21,694
		<i>AIA</i>	0

Output: 03 Oil and Gas Infrastructure

		Item	Spent
Tilenga and Kingfisher (Upstream) Projects Final Investment Decision (FID) achieved	Participated in the Finance Partners Meetings (FPM) and Technical Committee meetings (TCM) to review and consider the operators' proposed 2020 work program budgets .UNOC awaits feedback from PAU.	225001 Consultancy Services- Short term	12,000
Field development commenced while offering equal business opportunities to Ugandan service providers		227001 Travel inland	13,042
		227002 Travel abroad	47,475
Safety Standards while executing activities adhered to	Conducted two (2) all staff QHSE awareness and training sessions with focus on personal security and Land transportation safety		
Various project contracts awarded while optimizing national participation			

Reasons for Variation in performance

Award of contracts await clarity on the Final Investment Decision

The activities for Tilenga RAP-2 (well pads, water abstraction station), RAP-3 (new access roads and flow lines), RAP-4 (feeder pipeline) and RAP-5 (road upgrades) were suspended thus no activities took place in the Quarter.

Total	72,516
Wage Recurrent	0
Non Wage Recurrent	72,516
<i>AIA</i>	0
Total For SubProgramme	2,978,654
Wage Recurrent	2,746,360
Non Wage Recurrent	232,294
<i>AIA</i>	0

Recurrent Programmes

Subprogram: 07 Refinery and Industrial Parks

Outputs Provided

Output: 01 Project Agreements

		Item	Spent
Refinery Project Agreements (RPA) that ensure benefit to all Ugandans negotiated	Reviewed Albertine Graben Refinery Consortium's (AGRC's) proposal for the amendment of the Project Framework Agreement (PFA) pre-FID activities' schedules.	211101 General Staff Salaries	1,280,840
		211102 Contract Staff Salaries	226,800
		221002 Workshops and Seminars	18,000
		221008 Computer supplies and Information Technology (IT)	5,000
		225001 Consultancy Services- Short term	4,000
		227002 Travel abroad	38,389

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	US\$ Thousand
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Reasons for Variation in performance

	Total	1,573,029
	Wage Recurrent	1,507,640
	Non Wage Recurrent	65,389
	AIA	0

Output: 02 Commercial Partnerships

	Item	Spent
Strategic Partner for KIP development procured	221002 Workshops and Seminars	2,000
FEED Project Management Consultant (PMC) for the refinery procured	221005 Hire of Venue (chairs, projector, etc)	4,000
	221017 Subscriptions	2,000
	226002 Licenses	2,400
	227001 Travel inland	4,000
	227002 Travel abroad	698

Reasons for Variation in performance

	Total	15,098
	Wage Recurrent	0
	Non Wage Recurrent	15,098
	AIA	0

Output: 03 Oil and Gas Infrastructure

	Item	Spent
KIP land surveyed and demarcated	225001 Consultancy Services- Short term	20,000
FEED for the refinery completed	227002 Travel abroad	12,000
Government Commercial value in the refinery protected	227004 Fuel, Lubricants and Oils	1,388
Funding for the 40% Government's Equity share in the refinery secured		
KIP development progressed		
	The due diligence exercise on the two shortlisted potential partners for KIP was completed.	
	Secured Solicitor General's approval of the framework contracts for the Transaction Advisory services.	
	The drafting of the Land Allocation Policy for KIP is near completion	
	The road cross sections showing different roads as the Master Plan recommendations adjacent to where CAA houses are to be located were completed and submitted to the MOWT for design and execution.	
	The FEED studies progressed with 65 - 70% of the technical component completed.	
	Three (3) UNOC Staff seconded for knowledge transfer training in the FEED studies in Milan, Italy and a report submitted.	
	Consolidated the Refinery Project Concept Paper into the updated profile of Project 1184 Construction for Oil Refinery under MEMD which was	

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

submitted to the Development Committee for approval.

Continued to engage MoFPED on 40% equity contribution for the refinery however this should be tied upon the delivery of the preliminary FEED by the AGRC.

Participated in engagements with AGRC and GoU on drawing up a schedule for the skillsets for the next round of collocation for purposes of GoU teams participating in the FEED studies.

The process of MEMD seeking NEMA's acknowledgement of the Environmental Baseline Study on the Hoima-Kampala multiproduct pipeline undertaken by Ramboll continued.

A request for submission of Terms of reference for the ESIA consultancy was sent to AGRC

Further engagements with Stanbic Bank continued on the process of developing the Refinery Macro-economic study for the Refinery

Undertook a risk assessment workshop for all security agencies.

Preliminary design to access the water requirements for KIP. i.e. water demand and pipe sizing according to the master plan continued .

Power supply works progressed with the proposed route for the High Voltage transmission from a substation in KIP to the Airport substation being identified .This awaits validation by the MoWT.

The review of the ToRs and the advert inviting EOIs for the feasibility and detailed engineering design for sewerage and waste water within the KIP was completed

Coordinated discussions on the provision of access roads within KIP so as to obtain funding to implement these roads.

Completed the review of the ToRs and the advert inviting EOIs for the feasibility and detailed engineering design for the office and guest house block

Involved Bunyoro Kitara Kingdom and the Ministry of Agriculture on the utilisation of KIP land for agricultural activities that can feed and support the

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

industrial park as well as utilizing the water from the refinery for irrigation.

Completed the technical evaluation for the provision of Consultancy services for ESIA for KIP

Reasons for Variation in performance

Progress of activities awaits confirmation of funding
Request by AGRC for amendment of the PFA project
pre-FID activities schedules 1 and 2 which extends the delivery of the Final FEED to July 2021.

Total	33,388
Wage Recurrent	0
Non Wage Recurrent	33,388
<i>AIA</i>	0
Total For SubProgramme	1,621,515
Wage Recurrent	1,507,640
Non Wage Recurrent	113,875
<i>AIA</i>	0

Recurrent Programmes

Subprogram: 08 Pipelines and Storage Terminals

Outputs Provided

Output: 01 Project Agreements

Participate in negotiation of various agreements relevant to Pipeline and protect government value
Downstream Petroleum Trading Agreements negotiated

Continued to take part in the EACOP Project Tariff and Transportation Agreement (TTA) discussions.
Six (6) Standard Operating Procedures (SOPs) were fully developed and are to be tested with the Concept Trial transaction (upon legal endorsement).

Reviews of the Terminals operations SOPs is on-going.

Item	Spent
211101 General Staff Salaries	1,332,200
211102 Contract Staff Salaries	226,800
221002 Workshops and Seminars	29,388
225001 Consultancy Services- Short term	20,000
227002 Travel abroad	16,000

Reasons for Variation in performance

Total	1,624,388
Wage Recurrent	1,559,000
Non Wage Recurrent	65,388
<i>AIA</i>	0

Output: 02 Commercial Partnerships

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	US\$ Thousand
Lake transport promoted	A Joint Venture meeting was held and the implementation schedule for lake transport operations was agreed upon.	Item	Spent
Strategic business interests in downstream trading evaluated	However, it has not been possible to meet the schedule due to continued delays in Kenya Maritime Authorities to approve the vessel Voyage	221002 Workshops and Seminars	4,000
Strategic Partner(s) with support from the Transaction Advisor procured	Received an offer from a potential partner, HYRAX Ltd for the Lubricants Business .This offer is under review.	221005 Hire of Venue (chairs, projector, etc)	4,000
		221017 Subscriptions	21,600
		226002 Licenses	100
		227001 Travel inland	4,000
		227004 Fuel, Lubricants and Oils	96
	Continued to wait for PPDA's conclusion on the accreditation process.		
	Concluded negotiations for the KST Transaction Advisory Services with Stanbic bank consortium .		
	Undertook a Market Price Re-assessment for KST Transaction Advsiory (TA) services.The report is under review.		

Reasons for Variation in performance

Total	33,796
Wage Recurrent	0
Non Wage Recurrent	33,796
<i>AIA</i>	0

Output: 03 Oil and Gas Infrastructure

AGIs progressed	Following the suspension of the project works, the procurements around Above	Item	Spent
EPC awarded	Ground Installations (AGIs) Construction were halted until there is clarity on FID.	225001 Consultancy Services- Short term	32,696
Rehabilitation works undertaken	Following the suspension of the project works, the procurements below were halted until there is clarity on FID.		
EPCm activities conducted	a) Logistics		
Early Civil Works undertaken	b) Pipeline Construction		
Stocks at JST increased	d) EPcmC		
Assets handed over to UNOC Managed and Developed	Reviewed and provided feedback to concerns raised by AGRC on the proposed land offer for KST as a receiving storage facility for the refinery.		
FEED, ESIA, RAP and Geotechnical surveys progressed			
Viability of natural oil gas assessed	Further stakeholder engagements were initiated in to align AGRC land requirements for the receiving terminal at KST and the wider KST layout plan.		
Downstream business plan developed and implemented	All activities in Early Civil Works were put on hold following the suspension of the project		
Funding secured	Participated in the Joint Technical Committee discussions with One		
KST developed and managed			

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Petroleum Limited (OPL) in which the new proposal by OPL to use the URC pier and build a pipeline to JST was reviewed. A report arising from these discussions is under compilation.

Submitted the concept proposal to request for Government funding/ investment in the oil jetty and connecting pipeline at JST to the development Committee (DC) of MOFPED for consideration. In this project, UNOC will upgrade the facility and leave operatorship to OPL. Engaged MEMD and the MoLHUD to fast track the process of registration of the land in respect to Plots 1 at JST and resolution of the issues concerning ownership of the Plots 2-6 Mutibwa Road which was issued to Habib Oil Limited under lease by the Jinja District Land Board.

Received the ESIA certificate for Tanzania in December 2019 whereas that of Uganda is expected in Q1 2020.

Engagements involving UNOC, MEMD, PAU, Pipeline Project Team (PPT) and RAP contractor were held to discuss the draft RAP report.

Received comments from the Chief Government Valuer (CGV) on all RAP valuation reports and submission of the revised reports to CGV is expected in January 2020.

Incorporated comments from Attorney General's Office into the revised draft Bilateral Agreement.

Submitted the revised Bulk Trading concept paper to MoFPED's Development Committee for consideration.

The updated Concept Note for the EACOP project was submitted to the Development Committee (DC) of MOFPED for consideration. UNOC awaits a communication from DC regarding the date to discuss the Concept Note.

Internal review and discussion of the draft ESIA report was completed in preparation for submission to NEMA for approval.

Reasons for Variation in performance

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
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All activities in Early Civil Works were put on hold following the suspension of the project
Following the suspension of the project works, the procurements below were halted until there is clarity on FID.

- a) Logistics
- b) Pipeline Construction
- d) EPcmC

Following the suspension of the project works, the procurements around Above Ground Installations (AGIs) Construction were halted until there is clarity on FID.

Total	32,696
Wage Recurrent	0
Non Wage Recurrent	32,696
<i>AIA</i>	0
Total For SubProgramme	1,690,880
Wage Recurrent	1,559,000
Non Wage Recurrent	131,880
<i>AIA</i>	0

Program: 49 Policy, Planning and Support Services

Recurrent Programmes

Subprogram: 01 Office of the CEO

Outputs Provided

Output: 09 Corporate Governance

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
Strategic Plan Implemented	Development of a schedule for cascading UNOC's Tier 1 Strategy to Tier 2 was completed. So far 5 Departments have been engaged to understand the Corporate Strategy: HR, Upstream, Legal and Corporate Strategy, Finance and CEO's office. URHC, NPC and Commercial Department are due for January 2020	Item	Spent
Strategic Monitoring Matrix Developed and Updated		222003 Information and communications technology (ICT)	500
UNOC Projects Marketed both locally and internationally		227002 Travel abroad	1,725
Business development process overseen/supervised	Designing and branding of the Corporate strategy document is near completion .		
	Continued to engage in local and international business sessions to promote UNOC and its projects for the benefit of all Ugandans.		
	Commenced the assignment of responsibility centers to the Corporate objectives and strategic initiatives .		
	A schedule assigning objectives and initiatives to the responsible and accountable team leaders was approved.		
	Completed the procurement and evaluation process for acquiring a service provider for the EBPM Cloud Based Modelling tool.		
	Conducetd the EBPM tool pilot tests in the procurement unit to map the procurement process for macro-procurements. More pilot tests are planned to ascertain the capacity of the tool.		

Reasons for Variation in performance

Total	2,225
Wage Recurrent	0
Non Wage Recurrent	2,225
AIA	0
Total For SubProgramme	2,225
Wage Recurrent	0
Non Wage Recurrent	2,225
AIA	0

Recurrent Programmes

Subprogram: 02 Finance and Administration

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	US\$ Thousand
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Outputs Provided

Output: 01 Planning, Budgeting and Monitoring

		Item	Spent
Budget performance for the Company analyzed and optimized	Six (6) variance reports June-December have been prepared and submitted to inform management's decisions. This is a monthly analysis process.	221008 Computer supplies and Information Technology (IT)	7,500
Annual and quarterly work plans developed and costed		227004 Fuel, Lubricants and Oils	15,000
Planning and budgeting activities engaged in	Six (6) project concept notes were submitted in IBP for consideration by the Development Committee. UNOC awaits feedback to this effect.		
Periodical performance reports to various stakeholders developed			
Business Units, subsidiaries and Departments supported to incorporate gender and equity aspects in the activities	Submitted the FY2020/21 BFP to MoFPED for consideration. Review of several responses from the Natural Responses committee on the BFP are ongoing.		
	Participated in several budget engagements with MoFPED on budgeting priorities for FY 2020/21. These included the cluster meeting on infrastructure and the Inter-Ministerial meeting in which it was agreed that oil and gas subsector is included among the priority areas.		
	Actively participated in several engagements with NPA and other key actors on the development of NDP III. A zero draft was produced and UNOC continues to participate in several consultations aiding NDP III completion.		
	A management Information pack was developed to give a detailed analysis of UNOC's expenses and to address any issues of concern in regards to the expenses incurred. Updating of the pack is a continuous exercise.		
	Developed and updated the Procurement Monitoring Tracker for FY 2019/20. This is aimed at monitoring the performance of the procurement plan against actual expenditure. The process of relocation of funds in the FY 2019/20 procurement plan commenced as well.		
	Compliance and submission of Quarter 1 to the PBS was completed and data gathering for quarter 2 commenced. Continuous support was rendered to all departments to ensure the agreed upon quarter 2 workplan outputs are tracked and implemented.		
	Prepared and submitted Monthly		

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Company performance reports for the months of October, November and December 2019.

Emphasized the relevancy of incorporating Gender and Equity aspects in UNOC'S programing. This was during the all Staff Quarterly staff meetings. More strategies are being put in place to ensure the Gender and Equity concept is embedded in UNOC's plans ,budgets and reports.

Supported Project Managers in the alignment of Gender and Equity aspects with UNOC's project concept notes that were developed.

Focused the development of FY 2020/21 Budget Framwework Paper on various gender responsive aspects like age, location, sex, disability aspects among others.

Reasons for Variation in performance

Total	22,500
Wage Recurrent	0
Non Wage Recurrent	22,500
<i>AIA</i>	0

Output: 02 Finance Management

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
Financial Statements prepared and compliance to statutory obligations	The Audit of the Financial Statements for the Financial Year 2018/19 by the Office of the Auditor General was completed to which an exit meeting was held. The Final Accounts will be tabled for signature at the next Annual General Meeting.	Item 221003 Staff Training	Spent 29,820
Funding for investment secured		221007 Books, Periodicals & Newspapers	10,000
Joint Venture Audits conducted and reports prepared		221009 Welfare and Entertainment	1,070,977
		221011 Printing, Stationery, Photocopying and Binding	80,000
Monthly Joint Interest Billings and cash calls between UNOC and its JV Partners reviewed	Following the registration for the GPA account, UNOC was granted access rights and login details to URA's "Asycuda World" Customs System, an automated system for customs processing and clearance of UNOC's imports and exports.	221014 Bank Charges and other Bank related costs	30,000
		222001 Telecommunications	50,000
		223004 Guard and Security services	32,195
		227001 Travel inland	73,062
		227002 Travel abroad	50,000
	Secured the TIN for the National Pipeline Company (NPC) to be used during its business operations and for future tax compliance aspects.	227004 Fuel, Lubricants and Oils	80,000
	The company in the Quarter filed its Final Corporate Income tax for the year ended 30 June 2019 as well as a NIL provisional Corporate Income Tax return for the Financial year ending 30th June 2020. This is a continuous process as we comply with the statutory obligations.		
	Timely remittance of all statutory deductions to URA and NSSF effected.		
	Commenced the development of concept notes for UNOC projects that require financing. More engagements are being held to secure financing of UNOC's projects.		

Reasons for Variation in performance

Total	1,506,054
Wage Recurrent	0
Non Wage Recurrent	1,506,054
<i>AIA</i>	0

Output: 03 Procurement and Maintenance of assets and stores

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
Procurement plan developed and executed	Continued the implementation of the Procurement Plan and major procurements include; motor vehicles, Group Personal Accident (GPA)	Item 221008 Computer supplies and Information Technology (IT)	Spent 25,000
Asset Management Plan Implemented	Insurance, Accounting Software, IT, Transaction Advisory services for KST, Consultancy services for ESIA for KIP, Strategic partner for KST, Accreditation of UNOC among other key procurements	221009 Welfare and Entertainment 222001 Telecommunications 223002 Rates 223005 Electricity 223006 Water	89,944 40,000 1,057,390 120,000 18,000
Proper store management	Asset Register updated continuously.	224004 Cleaning and Sanitation	42,000
	Stock valuation has been completed for all inventory in place. This is a continuous process aimed at establishing the value of stock at hand anytime.	227004 Fuel, Lubricants and Oils 228002 Maintenance - Vehicles	50,000 22,216
	Receiving, issuing out and re-stocking of stores has been done and this is a continuous activity to minimise stock-out issues and activity disruptions.		
	Updating of store records has also been done and the process is continuous.		
	The final draft of Standard operating Procedures (SOP's) for Receipt, issuance and stock taking of Inventory were submitted and are pending review and approval by management.		

Reasons for Variation in performance

Total	1,464,550
Wage Recurrent	0
Non Wage Recurrent	1,464,550
<i>AIA</i>	0

Output: 07 Risk Management

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	US\$ Thousand
Risk assessment carried out	Commenced rolling out Risk Management Sensitization across UNOC departments .So far HR and NPC departments have been completed. Cascading of the risk management framework across other departments is ongoing.	Item 221002 Workshops and Seminars 221011 Printing, Stationery, Photocopying and Binding	Spent 5,000 17,420
	Prepared the Risk Management Plan to unpack the Risk Management framework. This is awaiting Accounting Officer's approval.		
	Finalized populating the Risk Universe and incorporated it in the draft Risk Management framework.		
	Reviewed the completeness of the Control Framework.		

Reasons for Variation in performance

Total	22,420
Wage Recurrent	0
Non Wage Recurrent	22,420
AIA	0

Output: 19 Human Resource Management Services

		Item	Spent
National Content Strategy Implemented in compliance with the National Content regulations	Conducted a field visit to the Uganda Petroleum Institute-Kigumba (UPIK) with an objective of partnering with the Institute as well as supporting the Institute to build its capacity .This is part of UNOC's National Content initiatives.	211101 General Staff Salaries	2,248,200
Staff training plans developed and implemented		211102 Contract Staff Salaries	1,111,800
Staff team building initiatives developed and implemented		211103 Allowances (Inc. Casuals, Temporary)	1,966,006
Recruitment plan developed and implemented	Engaged in discussions for the development of Industry Enhancement Centre in Uganda for ease of certifying available local skills .	212201 Social Security Contributions	1,212,693
Career Development Plans developed and implemented		213001 Medical expenses (To employees)	570,000
Staff retention plans and programs developed and implemented	Attended the 5th meeting of the Industry Enhancement Centre (IEC) Technical Work Group where the design concept for the online Portal was finalized.	213004 Gratuity Expenses	939,600
National Content Strategy & Plans developed		221003 Staff Training	131,574
Staff salaries and gratuity paid		221004 Recruitment Expenses	6,000
UNOC's Visibility & Image promoted locally and Internationally	Represented UNOC at the GIZ-E4D/SOGA National Content steering committee, the GIZ round table and the Bid management Graduation in which discussions on the possible and best ways to promote National Content were held.	223004 Guard and Security services	32,195
	Participated in the Market Price Assessment Committee meetings to	227002 Travel abroad	5,000

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

conclude the assignment regarding procurement of Transaction Advisory services for Kampala Storage Terminal (KST).

Coordinated the development of UNOC/Stanbic Memorandum of Understanding process aimed at formalizing the relationship between UNOC and Stanlib on implementing the SME Incubator program.

Continued skilling of young people in the Oil and Gas sector and as such continuous support was rendered to the remaining three (3) female interns in this reporting period.

Several Cultural initiatives were undertaken as a drive to putting in place a systematic approach to institute and develop the right culture that will support the execution of the company strategy.

Continued to carry out inclusive induction programs for all new staff in all areas across the entire petroleum value chain as well as UNOC's core operational areas.

A comprehensive concept paper on the first UNOC-in house training program in the Oil and Gas sector was developed and submitted to management for consideration and approval. The program is intended to provide all staff with Oil and Gas fundamentals.

Continued to undertake inhouse knowledge sharing sessions in various disciplines for all staff in risk management, culture transformation, security and safety, Refinery business process and project Phases among others.

Two (2) informative all staff quarterly meetings were held and such meetings are scheduled in the next quarters.

Two (2) participatory all staff quarterly team building events were held and two (2) other team building events will be held in FY 2019/20 to enhance staff performance.

Available vacancies at UNOC were advertised in all National recognized media platforms encouraging all Ugandans especially women and disabled who are eligible to apply.

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

8 additional staff commenced work during the quarter, 62% males and 38% females with representation from all Ugandan regions.

Current headcount is 111 and employee distribution by end of quarter was 38% and 62% females and males respectively

UNOC continues to offer user friendly arenas for interviews for successfully shortlisted candidates in and out of the country ie. via Skype.
Received 90% of the staff Performance appraisals and individual career development opportunities identified for execution. Preparations to commence Mid-year performance reviews kick started in December 2019.

Performance Management refresher training for all staff was held in the 2nd Quarter to relay its relevancy to all staff. Continuous support to all staff is available and regularly updated.

Consolidation of all Career development plans was done and was implemented through training across all levels .Process is continuous

The Company continued to remit NSSF for all female and male staff through the quarter in a timely manner .

UNOC staff continued to remit a % of their gross pay to the Provident Fund.

Continued to provide Health and Group Personal Insurance to new and existing staff throughout the quarter.

The Company continues to offer equal lunch meals to all its female and male staff and non-staff members without focusing on age , region of origin or position held in the company.

Health tips continued to be provided to staff via different formal communication channels. This was followed by wellness body checks and Fitness classes provided to all staff for health benefits at the organization premises. Initiatives are underway to introduce more corporate games / activities for staff.

Represented UNOC in the commemoration of the 2019 National AIDS Day celebrations in Kayunga in harmony with staff who have been impacted by HIV/AIDS scourge. UNOC

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

will continue participating in other such activities.

Engagements with staff are on-going for the review of the Human Resource Policy as a strategy of building an inclusive policy incorporating the rights of both female and male employees.

Continued to offer a serene working environment to all staff (i.e. the required tools and equipment) including Personal Protective Equipment and wear for field activities.

Draft 5-year National Content Plan developed and submitted however reviews and consultations are still being done.

Countinous update of the National Content Strategy.

Prompt salary payments have been done in Quarter 1 and 2 in compliance with the statutory date of 28th of each month. Organized and attended the UNOC Quarterly Supplier Development Workshop which aimed at sharing guidelines of submitting winning bids. More of such workshops will be held to ensure Ugandan Suppliers are fully capacitated.

Represented UNOC at PAU's Supplier Workshop for Pipeline Districts on opportunities available for community suppliers. Benchmarking efforts with other institutions done to ensure the information passed on to suppliers is relevant and updated.

Reasons for Variation in performance

Actualization of the training plan is constrained by funds availability.

Due to budget constraints ,some retention strategies like UNOC contributing a certain percentage to the provident fund was not possible in the quarter.

Total	8,223,068
Wage Recurrent	3,360,000
Non Wage Recurrent	4,863,068
<i>AIA</i>	0

Output: 20 Records Management Services

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
Efficient Document Control Control Management System developed and implemented	Continued to file documents in accordance with the created Functional/activity filing structure.	Item 221008 Computer supplies and Information Technology (IT)	Spent 10,000
Disaster recovery and Business Continuity Plans (BCP) developed	The collection of historical documentation about each of UNOC's projects is ongoing and spreadsheets were generated which capture the contents of each project file as well as the location.	221011 Printing, Stationery, Photocopying and Binding	10,000
Information, Communication and Technology (ICT) Strategy implemented	Maintained updated document registers .		
	Continued to track responses to different stakeholders.		
	October to December 2019 monthly statistical data generated .		
	Continued to monitor compliance for consistence .		
	Document control evaluations are ongoing for procurement of courier services to ease communication with the grassroot offices.		
	Procurement process is ongoing.		
	Backing up of user- computer data in Microsoft Cloud based system implemented.		
	On premise file storage server system fully implemeted.		
	Disaster recovery is in design and consultation stages.		
	Procurement for the backup internet link, and E1 for Telephony was completed, and contracts were signed off.		
	Contracts were signed for the procurement of IT hardware including Laptops, docking stations, TVs, Mice & Keyboards combo, UPS. Screens, Tvs, mice and keyboards were delivered however more deliveries are expected.		
	Phase two of the Infrastructure related procurements was started with market assessments being done to develop a good impression of the price changes. These include Network Access Control, Data Loss Prevention, Premise Access Control and Surveillance, Service Desk System, and Disaster Recovery system.		

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QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
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Reasons for Variation in performance

Full implementation of the ICT has been constrained by inadequate financing .

Total	20,000
Wage Recurrent	0
Non Wage Recurrent	20,000
AIA	0
Total For SubProgramme	11,258,592
Wage Recurrent	3,360,000
Non Wage Recurrent	7,898,592
AIA	0

Recurrent Programmes

Subprogram: 03 Audit

Outputs Provided

Output: 07 Risk Management

	Item	Spent
The process of establishing UNOC assets register evaluated	Completed the Assets Management Audit report and a pre-exit meeting is scheduled to take place.	221011 Printing, Stationery, Photocopying and Binding
Internal Controls for financial reporting reviewed	Developed audit issues tracker and discussed it with Management	5,449
The process of fencing Kabaale industrial park land and coordination of the various activities in the industrial park evaluated	Completed and updated the draft Governance audit observation.	
The process of UNOC backing in to the Joint Operating Agreement reviewed		
Audit Plans developed.		
Existence and effectiveness of the quality, health, safety and environment policy and guidelines evaluated	Continued to update the three (3) year Audit plan.	
Joint Venture Audit in the Joint Operation Agreement Framework undertaken	Field visits to Jinja Storage Terminal (JST) and Kampala Storage Terminal (KST) were also undertaken.	
Audit Working Paper Management		
Software Tool acquired		
Company's procurement process evaluated	Completed audit programs for executing planned Financial and Procurement audit.	
The development and activities in the down-stream phase evaluated		
The service level agreements and strategic partnerships for value creation to Ugandans evaluated		
Advisory Services and engagement of subject matter experts when required.	Advisory review undertaken for the sale of test crude oil.	
	Participated in the development of the Human resource policy.	

Reasons for Variation in performance

Total 5,449

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	US\$ Thousand
		Wage Recurrent	0
		Non Wage Recurrent	5,449
		AIA	0
		Total For SubProgramme	5,449
		Wage Recurrent	0
		Non Wage Recurrent	5,449
		AIA	0

Recurrent Programmes

Subprogram: 04 Legal and Corporate Affairs

Outputs Provided

Output: 08 Legal and Advisory Services

Commercial Agreements negotiated for all projects for optimization of value for all Ugandans	Prepared a memorandum on the status of the joint application agreement between CNOOC Uganda Limited and UNOC regarding the direct application for an exploration block in the Albertine Graben area in preparation of the upcoming agreement negotiations.	Item	Spent
		221002 Workshops and Seminars	25,000
		225001 Consultancy Services- Short term	25,000
Legal offices set up to meet Advocates Act requirement	Prepared several mutual non- disclosure and confidentiality agreements for information sharing purposes.		
	Continued to offer support in negotiations for various projects agreements such as Host Government Agreements, Shareholder Agreement, Tariff and Transportation Agreement among others.		
	Prepared the draft application forms to Uganda Land Commission for allocation of KIP and KST land to UNOC.		
	Secured a funding extension of the Africa Legal Support Facility (ALSF) and the legal team is working with ALSF to ensure that the Letter of Engagement of the consortium to provide advisory services for the EACOP project is executed .		
	Supported the drafting and preparation of the draft bilateral agreement to cater for the conduct of joint activities by Uganda and Tanzania for purposes of progressing the Natural Gas Pipeline project.		
	Conducted preliminary due diligence exercises on the proposed consortium to supply UNOC with petroleum products for its bulk trading venture. A term sheet for the proposed business arrangement was prepared and UNOC awaits a		

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

response from the consortium.

Drafted an implementation agreement to aid the implementation of the JST Joint Venture Agreement which is intended to cover operational aspects, including proposed usage of JST by UNOC, development of the additional facilities such as the jetty and pipeline. Following an internal review and confirmation of proposals therein, this will be discussed and negotiated with the One Petroleum Consortium.

Reviewed the Memorandum of Understanding between Total Uganda Limited and One Petroleum Limited in respect to sharing of resources during management of responses in respect to emergency situations in and around JST area.

Reasons for Variation in performance

	Total	50,000
Wage Recurrent		0
Non Wage Recurrent		50,000
AIA		0

Output: 09 Corporate Governance

	Item	Spent
Board meetings for UNOC and its Subsidiaries held and facilitated	Completed the Board Evaluation process and the final report was submitted to the Board Chairman.	221005 Hire of Venue (chairs, projector, etc) 20,000
Board evaluations undertaken	Continued to provide secretarial services to Board members during the preparation of the end of inaugural Board term report to be submitted to shareholders.	221011 Printing, Stationery, Photocopying and Binding 4,000
	Supported the preparation process of the 2019 Annual Report scheduled to be presented to the shareholders at UNOC's upcoming Annual General Meeting .	222001 Telecommunications 1,000
		227004 Fuel, Lubricants and Oils 7,000

Reasons for Variation in performance

	Total	32,000
Wage Recurrent		0
Non Wage Recurrent		32,000
AIA		0

Output: 10 Public Relations

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	UShs Thousand
Stakeholder engagements conducted with sensitivity to Gender and Equity issues and reports submitted	Supported and managed the inaugural stakeholder engagement with URA as part of the annual stakeholder engagement plan geared towards improving relations and creating awareness of UNOC operations.	Item 221001 Advertising and Public Relations	Spent 51,250
Branding activities undertaken	Attended and had brand presence at 3 public hearings on EACOP ESIA gatherings to solicit public views in Kakumiro, Mubende and Kyotera respectively geared towards understanding the community needs.		
Media engagements conducted	Represented UNOC at the 2nd Annual symposium on the Intellectual Property Technology and Innovation geared towards raising UNOC's profile and the Oil and Gas industry.		
	Actively participated in the Parliamentary Symposium and Training on Petroleum Development, People and Biodiversity Conservation in Uganda .		
	The development of a five (5) year Stakeholder Buy-In Strategy (SBIS) which will present a stakeholder buy-in plan (SBIP) for stakeholder management and a framework to better planning, delivery and monitoring the effectiveness of engagements is in its final stages.		
	Represented UNOC in a workshop for the political and technical leadership from the Oil Districts of Hoima, Buliisa, Kiryandongo, and Masindi organized by BAPANECO		
	As part of the annual communications and media relations plan for FY 2019/20, several talk shows on television and radios tackling the youth and the old, vulnerable and the disabled, Oil and Gas rich areas among other aspects were tackled in several informative sessions on the progress of Oil and Gas activities.		
	Regular updates of the website, Facebook, twitter among other social media platforms continued with the objective of enhancing the image and brand of UNOC.		

Reasons for Variation in performance

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Annual Planned Outputs	Cumulative Outputs Achieved by End of Quarter	Cumulative Expenditures made by the End of the Quarter to Deliver Cumulative Outputs	US\$ Thousand
		Total	51,250
		Wage Recurrent	0
		Non Wage Recurrent	51,250
		AIA	0
		Total For SubProgramme	133,250
		Wage Recurrent	0
		Non Wage Recurrent	133,250
		AIA	0

Recurrent Programmes

Subprogram: 05 Commercial Services

Outputs Provided

Output: 01 Planning, Budgeting and Monitoring

		Item	Spent
Strategic and Commercial objectives developed and implemented	Preparation for cascading through assignment of the objectives.	221002 Workshops and Seminars	32,500
	Continued updating of the UNOC's Integrated Model (IntEM) with support of Taylor DeJongh an independent	222001 Telecommunications	21,991
Modelling /structuring of the financing options for the Refinery conducted Commercial Terms and Agreements negotiated	Investment Banking firm to provide strategic, finance and corporate advisory services for UNOC projects.	225001 Consultancy Services- Short term	36,781
Implementation Agreements after end of FEED for the Refinery completed Business Development for Potential Investors of KIP supported Various studies undertaken	Continuous discussions are ongoing with Taylor Dejongh to further the quality and development of the IntEM.		
	Economic modelling of the four outstanding issues regarding UNOC's back-in into the JOA continued with the objective of determining UNOC's bargaining position.		
	Continued to participate in negotiations of the JOAs regarding UNOC's back-in into the JOA in order to manage the participating interest of the State		
	Discussions on the Tariff and Transportation Agreements, Shareholders Agreement and the Primary Capacity Rights Agreements (TTA, SHA& PCRA,) continued.UNOC's preliminary comments on the agreements are currently being reviewed by all UNOC's EACOP Advisors.		
	Participated in several Joint venture engagements i.e. Technical Committee meetings, Human Resource Meetings ,Financial Technical Meetings ,Advisory Committee Meetings to discuss technical work programs,manpower issues and budget proposals.		
	Secured an advance of \$20 million from		

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Cumulative Outputs and Expenditure by End of Quarter

Africa Finance Corporation (AFC) for the construction of Uganda's crude oil refinery paving way for the start of the \$4.27 billion project.

Continued to support KST in the identification of a strategic partner and Transaction Advisory services and the development of the Project Implementation Strategy and Schedule for the project.

The team continued to support the engagements regarding the KST-Refinery interface for commercial value optimization.

Supported negotiations for securing the KST Transaction Advisory services as well as the market price assessment process.

Supported the evaluation of bids for the procurement of a strategic partner for KST.

FEED for Refinery Project ongoing and expected to be completed in 2020

Supported the completion of the bid evaluation process for the provision of Consultancy services for ESIA for KIP.

Continued to support the development of the draft Land Allocation Policy .

Reasons for Variation in performance

	Total	91,272
	Wage Recurrent	0
	Non Wage Recurrent	91,272
	AIA	0
	Total For SubProgramme	91,272
	Wage Recurrent	0
	Non Wage Recurrent	91,272
	AIA	0
	GRAND TOTAL	17,781,837
	Wage Recurrent	9,173,000
	Non Wage Recurrent	8,608,837
	GoU Development	0
	External Financing	0
	AIA	0

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
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Program: 06 Petroleum Commercial Management

Recurrent Programmes

Subprogram: 06 Upstream Interventions

Outputs Provided

Output: 01 Project Agreements

		Item	Spent
	The Application was submitted and UNOC continues to wait for the response.	211101 General Staff Salaries	1,759,780
Negotiation of PSA for 1st application completed	Applied for Qualification (AFQ) to the Ministry of Energy & Mineral Development to participate in the second licensing round as part of the preparatory activities .	211102 Contract Staff Salaries	113,400
		221002 Workshops and Seminars	5,000
Exploration Licence for the 2nd application awarded		221008 Computer supplies and Information Technology (IT)	12,500
		227001 Travel inland	11,542
Exploration data analyzed, and technical proposal submitted.	Engagement with potential partners in areas of exploration and others commenced		
Commercial and legal agreements for Tilenga & Kingfisher projects required for taking FID executed.			
	Efforts to formalize UNOC's back in to the Joint Operating Agreement (JOA) continued.		
	Discussions of the 9 major commercial agreements that are pre-requisite for FID continued with an objective of negotiating the best terms for all Ugandans.		

Reasons for Variation in performance

The termination of the Tullow farm down Sale Purchase Agreement to Total E&P and CNOOC led to a slow down in activities in the Upstream

Negotiation of the Production Sharing Agreements (PSA) awaits award of Exploration License.

Total	1,902,222
Wage Recurrent	1,873,180
Non Wage Recurrent	29,042
<i>AIA</i>	0

Output: 02 Commercial Partnerships

Criteria for evaluation of potential commercial partners developed.	Item	Spent
	221002 Workshops and Seminars	2,000
	221008 Computer supplies and Information Technology (IT)	500
	227001 Travel inland	1,000
	227002 Travel abroad	2,000

Reasons for Variation in performance

Total	5,500
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Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	US\$ Thousand
		Wage Recurrent	0
		Non Wage Recurrent	5,500
		AIA	0

Output: 03 Oil and Gas Infrastructure

	Item	Spent
Final Investment Decision for the projects takenThe 2020 Work programs and budget for the projects approved	Participated in the Finance Partners Meetings (FPM) and Technical Committee meetings (TCM) to review and consider the operators' proposed 2020 work program budgets .UNOC awaits feedback from PAU.	225001 Consultancy Services- Short term 6,000
Resettlement Action Plan for critical areas (RAP1) implemented.		227001 Travel inland 6,521
Resettlement Action Plan Studies for other areas (RAP 2 to 5) conductedSafety Standards during activities adhered toContracts (EPC, drilling, shared services, enabling infrastructure etc) for the projects awarded	Conducted two (2) all staff QHSE awareness and training sessions with focus on personal security and Land transportation safety	

Reasons for Variation in performance

Award of contracts await clarity on the Final Investment Decision

The activities for Tilenga RAP-2 (well pads, water abstraction station), RAP-3 (new access roads and flow lines), RAP-4 (feeder pipeline) and RAP-5 (road upgrades) were suspended thus no activities took place in the Quarter.

Total	12,521
Wage Recurrent	0
Non Wage Recurrent	12,521
AIA	0
Total For SubProgramme	1,920,242
Wage Recurrent	1,873,180
Non Wage Recurrent	47,062
AIA	0

Recurrent Programmes

Subprogram: 07 Refinery and Industrial Parks

Outputs Provided

Output: 01 Project Agreements

	Item	Spent
Refinery Project Agreements to protect national interests negotiated	Reviewed Albertine Graben Refinery Consortium's (AGRC's) proposal for the extension of the amendment of the Project Framework Agreement (PFA) pre-FID activities' schedules.	211101 General Staff Salaries 890,420
		211102 Contract Staff Salaries 113,400
		221002 Workshops and Seminars 9,000
		221008 Computer supplies and Information Technology (IT) 2,500
		225001 Consultancy Services- Short term 2,000
		227002 Travel abroad 19,194

Reasons for Variation in performance

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	US\$ Thousand
		Total	1,036,514
		Wage Recurrent	1,003,820
		Non Wage Recurrent	32,694
		<i>AIA</i>	0

Output: 02 Commercial Partnerships

		Item	Spent
Due diligence for KIP Strategic Partner undertaken	The due diligence exercise on the two shortlisted potential partners for KIP was completed.	221002 Workshops and Seminars	1,000
Engagements with other potential investment partners continued	Secured Solicitor General's approval of the framework contracts for the Transaction Advisory services.	227001 Travel inland	2,000
Refinery project optimally designed to achieve value for Ugandans		227002 Travel abroad	349

Engagement in the management of technical interfaces with the FEED Operator ensured

Reasons for Variation in performance

Total	3,349
Wage Recurrent	0
Non Wage Recurrent	3,349
<i>AIA</i>	0

Output: 03 Oil and Gas Infrastructure

		Item	Spent
The entire KIP land as per the Master Plan surveyed and demarcated	Held engagements with MoLHUD and Total E&P to harmonize the coordination system to be used in KIP following receipt of a signed survey report from the Commissioner-MoLHUD .	225001 Consultancy Services- Short term	10,000
FEED (FEL 3) studies for the refinery finalized		227002 Travel abroad	6,000
ESIA studies for the refinery carried out	The drafting of the Land Allocation Policy for KIP is near completion		
The Detailed CVA for the benefit of all Ugandan completed	The road cross sections showing different roads as the Master Plan recommendations adjacent to where CAA houses are to be located were completed and submitted to the MOWT for design and execution.		
Funding for 40% Government Equity share in the refinery secured.	The FEED studies progressed with 65 - 70% of the technical component completed.		
Key support infrastructure during construction phase constructed	Consolidated the Refinery Project Concept Paper into the updated profile of Project 1184 Construction for Oil Refinery under MEMD which was submitted to the Development Committee for approval.		
ESIA for KIP land undertaken	Continued to engage MoFPED on 40% equity contribution for the refinery however this should be tied upon the delivery of the preliminary FEED by the AGRC.		
Key Investment options to progress KIP developments identified			
Stakeholder engagements continued			

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Participated in engagements with AGRC and GoU on drawing up a schedule for the skillsets for the next round of collocation for purposes of GoU teams participating in the FEED studies.

The process of MEMD seeking NEMA's acknowledgement of the Environmental Baseline Study on the Hoima-Kampala multiproduct pipeline undertaken by Ramboll continued.

A request for submission of Terms of reference for the ESIA consultancy was sent to AGRC.

Further engagements with Stanbic Bank continued on the process of developing the Refinery Macro-economic study for the Refinery.

Undertook a risk assessment workshop with all security agencies.

Preliminary design to access the water requirements for KIP. i.e. water demand and pipe sizing according to the master plan continued .

Power supply works progressed with the proposed route for the High Voltage transmission from a substation in KIP to the Airport substation being identified .This awaits validation by the MoWT.

The review of the ToRs and the advert inviting EOIs for the feasibility and detailed engineering design for sewerage and waste water within the KIP was completed

Coordinated discussions on the provision of access roads within KIP so as obtain funding to design and build these roads.

Completed the review of the ToRs and the advert inviting EOIs for the feasibility and detailed engineering design for the office and guest house block

Involved Bunyoro Kitara Kingdom and the Ministry of Agriculture on the utilisation of KIP land for agricultural activities that can feed and support the industrial park as well as utilizing the water from the refinery for irrigation.

Completed the technical evaluation for the provision of Consultancy services for ESIA for KIP

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	US\$ Thousand
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Reasons for Variation in performance

Progress of activities awaits confirmation of funding
Request by AGRC for amendment of the PFA project
pre-FID activities schedules 1 and 2 which extends the delivery of the Final FEED to July 2021.

Total	16,000
Wage Recurrent	0
Non Wage Recurrent	16,000
AIA	0
Total For SubProgramme	1,055,863
Wage Recurrent	1,003,820
Non Wage Recurrent	52,043
AIA	0

Recurrent Programmes

Subprogram: 08 Pipelines and Storage Terminals

Outputs Provided

Output: 01 Project Agreements

Agreements relevant to Pipeline negotiated to protect government value	Continued to take part in the EACOP Project Tariff and Transportation Agreement (TTA) discussions.	Item	Spent
Downstream trading guidelines on procurement of petroleum products and marketing reviewed and approved	Six (6) Standard Operating Procedures were fully developed and are to be tested with the Concept Trial transaction for bulk trading.	211101 General Staff Salaries	902,900
		211102 Contract Staff Salaries	113,400
		221002 Workshops and Seminars	14,694
		225001 Consultancy Services- Short term	10,000
		227002 Travel abroad	8,000

Reasons for Variation in performance

Total	1,048,994
Wage Recurrent	1,016,300
Non Wage Recurrent	32,694
AIA	0

Output: 02 Commercial Partnerships

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
Lake transport for petroleum products promoted	A Joint Venture meeting was held and the implementation schedule for lake transport operations was agreed upon. However, it has not been possible to meet the schedule due to continued delays in Kenya Maritime Authorities to approve the vessel Voyage	Item 221002 Workshops and Seminars	Spent 2,000
Engagements with relevant stakeholders held to align and promote lake transport Strategic business in downstream trading evaluated Strategic partner identified	Received an offer from a potential partner, HYRAX ltd for the Lubricants Business .This offer is under review. Continued to wait for PPDA's conclusion on the accreditation process. Concluded negotiations for the KST Transaction Advisory Services with Stanbic bank consortium. Undertook a Market Price Re-assessment for KST Transaction Advsiory (TA) services.The report is under review.	227001 Travel inland	2,000

Reasons for Variation in performance

Total	4,000
Wage Recurrent	0
Non Wage Recurrent	4,000
AIA	0

Output: 03 Oil and Gas Infrastructure

Above ground works progressed EPC for EACOP awarded	Above Ground Installations (AGIs) Construction were halted until there is clarity on FID.	Item 225001 Consultancy Services- Short term	Spent 16,348
Rehabilitation works to enhance security of supply carried out EPCm activities for the pipeline conducted Construction for Early Civil Works (access roads to the construction camps and pumping stations) undertaken	EPC activities were put on hold until there is clarity on FID. Reviewed and provided feedback to concerns raised by AGRC on the proposed land offer for KST as a receiving storage facility for the refinery.		
Rehabilitation works to enhance security of supply carried out	Further stakeholder engagements were initiated in to align AGRC land requirements for the receiving terminal at KST and the wider KST layout plan.		
Construction of an oil jetty progressed			
Construction works of a pipeline connecting JST and the oil Jetty at Lake Victoria progressed			
Assets handed over to UNOC managed and developed FEED, ESIA, RAP and Geotechnical surveys for EACOP progressed Feasibility study for Natural gas pipeline engaged in Downstream business plan developed Equity funding for EACOP secured Feasibility studies, surveys, and detailed engineering designs of the storage facilities undertaken	Activities in Early Civil Works were put on hold . Participated in the Joint Technical Committee discussions with One Petroleum Limited (OPL) in which the new proposal by OPL to use the URC pier and build a pipeline to JST was reviewed.		

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

ESIA for the terminal undertaken	A report arising from these discussions is under compilation.
Secured adequate funds to finance stake in the Terminal	<p>Submitted the concept proposal to request for Government funding/ investment in the oil jetty and connecting pipeline at JST to the development Committee (DC) of MOFPED for consideration. In this project, UNOC will upgrade the facility and re-negotiate operatorship provisions. Engaged MEMD and the MoLHUD to fast track the process of registration of the land in respect to Plots 1 at JST and resolution of the issues concerning ownership of the Plots 2-6 Mutibwa Road which was issued to Habib Oil Limited under lease by the Jinja District Land Board.</p> <p>Received the ESIA certificate for Tanzania in December 2019 whereas that of Uganda is expected in Q1 2020.</p> <p>Engagements involving UNOC, MEMD, PAU, Pipeline Project Team (PPT) and RAP contractor were held to discuss the draft RAP report.</p> <p>Received comments from the Chief Government Valuer(CGV) on all RAP valuation reports and submission of the revised reports to CGV is expected in January 2020.</p> <p>Incorporated comments from Attorney General's Office into the revised draft Bilateral Agreement .</p> <p>Submitted the revised Bulk Trading concept paper to MoFPED's Development Committee for consideration.</p> <p>The updated Concept Note for the EACOP project was submitted to the Development Committee (DC) of MOFPED for consideration. UNOC awaits a communication from DC regarding the date to discuss the Concept Note.</p> <p>Internal review and discussion of the draft ESIA report was completed in preparation for submission to NEMA for approval.</p> <p>Submitted the KST project concept note to Development Committee of MoFPED for consideration.</p>

Reasons for Variation in performance

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
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All activities in Early Civil Works were put on hold following the suspension of the project
Following the suspension of the project works, the procurements below were halted until there is clarity on FID.

- a) Logistics
- b) Pipeline Construction
- d) EPcmC

Following the suspension of the project works, the procurements around Above Ground Installations (AGIs) Construction were halted until there is clarity on FID.

Total	16,348
Wage Recurrent	0
Non Wage Recurrent	16,348
<i>AIA</i>	0
Total For SubProgramme	1,069,342
Wage Recurrent	1,016,300
Non Wage Recurrent	53,042
<i>AIA</i>	0

Program: 49 Policy, Planning and Support Services

Recurrent Programmes

Subprogram: 01 Office of the CEO

Outputs Provided

Output: 09 Corporate Governance

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
Strategic plan reviewed and updated	Development of a schedule for cascading UNOC's Tier 1 Strategy to Tier 2 was completed. So far 5 Departments have been engaged to understand the Corporate Strategy: HR, Upstream, Legal and Corporate Strategy, Finance and CEO's office. URHC, NPC and Commercial Department are due for January 2020	Item	Spent
Developed Company policies reviewed and sanctioned		222003 Information and communications technology (ICT)	250
UNOC projects marketed and promoted locally and internationally			
Strategic plan implementation monitored	Designing and branding of the Corporate strategy document is near completion .		
Business Development process supervised	Continued to engage in local and international business sessions to promote UNOC and its projects for the benefit of all Ugandans.		
	Commenced the assignment of responsibility centers to the Corporate objectives and strategic initiatives .		
	A schedule assigning objectives and initiatives to the responsible and accountable team leaders was approved.		
	Completed the procurement and evaluation process for acquiring a service provider for the EBPM Cloud Based Modelling tool.		
	Conductd the EBPM tool pilot tests in the procurement unit to map the procurement process for macro-procurements. More pilot tests are planned to ascertain the capacity of the tool.		

Reasons for Variation in performance

Total	250
Wage Recurrent	0
Non Wage Recurrent	250
AIA	0
Total For SubProgramme	250
Wage Recurrent	0
Non Wage Recurrent	250
AIA	0

Recurrent Programmes

Subprogram: 02 Finance and Administration

Outputs Provided

Output: 01 Planning, Budgeting and Monitoring

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

		Item	Spent
Budget performance analysis conducted	October to December 2019 monthly		
Periodic work plans, and budgets prepared	budget variance analysis reports were prepared and submitted.	221008 Computer supplies and Information Technology (IT)	3,750
Planning and budgeting engagements contributed to Periodical performance reports prepared Sessions to enhance the understanding of staff on gender and equity issues/concepts for conducted	Supported Project Managers in the preparation and alignment of UNOC's project concept notes. These were submitted to the MEMD and MOFPED for consideration and approval.		
Support departments, business units and subsidiaries incorporate Gender and equity aspects in the activities	Prepared and submitted the FY 2020/21 Budget Framework Paper to MOFPED for consideration. Review of several responses from the Natural Resources Committee are ongoing.		
	Participated in several budget engagements with MoFPED on budgeting priorities for FY 2020/21. These included the cluster meeting on infrastructure and the Inter-Ministerial meeting in which it was agreed that oil and gas subsector is included among the priority areas.		
	Supported the development of NDP III Oil and Gas performance objectives that will guide the sector for the next 5 years.		
	Developed a management Information Information pack aimed at identifying highly valued cost centers , analyzing expenditure trends in detail. Cost minimization strategies were submitted for Management's consideration.		
	Developed and updated the Procurement Monitoring Tracker for FY 2019/20. This is aimed at monitoring the performance of the procurement plan against actual expenditure.		
	Prepared and submitted the FY 2019/20 1st quarter performance report against the agreed upon quarter 1 workplans .		
	Prepared and submitted Monthly Company performance reports for October, November and December 2019.		
	Emphasized the relevancy of incorporating Gender and Equity aspects in UNOC'S programing. This was during the all Staff Quarterly staff meetings.		
	Supported Project Managers in the alignment of Gender and Equity aspects with UNOC's project concept notes that were developed.		
	Focused the development of FY 2020/21 Budget Framewework Paper on various gender responsive aspects like		

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

age,location,sex,disability aspects among others.

Reasons for Variation in performance

	Total	3,750
Wage Recurrent		0
Non Wage Recurrent		3,750
AIA		0

Output: 02 Finance Management

		Item	Spent
Financial Statements prepared and submitted	The Audit of the Financial Statements for the Financial Year 2018/19 by the Office of the Auditor General was completed to which an exit meeting was held.	221003 Staff Training	14,910
Statutory obligations complied with		221007 Books, Periodicals & Newspapers	5,000
Proportion of funding for investment secured	Registered a Gross Payment Account (GPA) account with URA Customs department in preparation for the customs importation of refined petroleum produce for Bulk Trading purpose. This is expected to facilitate and expedite UNOC's Bulk Trading business and eliminate any trade barriers.	221009 Welfare and Entertainment	535,489
Joint Venture audits conducted		221014 Bank Charges and other Bank related costs	15,000
Joint venture audit reports prepared		222001 Telecommunications	25,000
Participation of UNOC in joint venture engagements ensured	Secured the TIN for the National Pipeline Company (NPC) to be used during its business operations and for future tax compliance aspects.	223004 Guard and Security services	16,097
	UNOC filed its Final CIT Return for the Financial Year ended 30 June 2019 which amounted to a tax loss of UGX 23.4 Billion. The tax loss for the year is mainly explained by accelerated tax depreciation of Capital Expenditure (CAPEX) which is in excess of the chargeable income for tax purposes. The Company now has an unutilized tax loss carried forward amounting to UGX 38.2 Billion which is expected to be recoverable from future taxable income.	227002 Travel abroad	25,000
	UNOC also filed a NIL provisional Corporate Income Tax (CIT) return for the Financial Year ending 30th June 2020 because of the unutilized carried forward tax losses and low taxable income projections for the tax year.		
	Timely remittance of all statutory obligations to URA and NSSF effected in the three month's period.		
	Commenced the development of concept notes for UNOC projects that require financing		

Vote:311 Uganda National Oil Company (UNOC)

QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
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Reasons for Variation in performance

	Total	636,496
	Wage Recurrent	0
	Non Wage Recurrent	636,496
	AIA	0

Output: 03 Procurement and Maintenance of assets and stores

		Item	Spent
Procurement plan developed and approved	Continued the implementation of the Procurement Plan and major procurements include; motor vehicles, Group Personal Accident (GPA) Insurance, Accounting Software, IT, Transaction Advisory services for KST, Consultancy services for ESIA for KIP, Strategic partner for KST, Accreditation of UNOC among other key procurements	221008 Computer supplies and Information Technology (IT)	12,500
Procurement plan implemented Asset Management implemented		222001 Telecommunications	20,000
Proper store management		223002 Rates	628,695
		223005 Electricity	60,000
		223006 Water	9,000
	Maintained an updated Asset Register.	224004 Cleaning and Sanitation	21,000
	Stock valuation has been completed for all inventory in place.		
	Stores are fully stocked with minimal stock outs and maximum quantities to be stored were set .		
	The final draft of Standard operating Procedures (SOP's) for Receipt ,issuance and stock taking of Inventory were submitted and are pending review and approval by management.		

Reasons for Variation in performance

	Total	751,195
	Wage Recurrent	0
	Non Wage Recurrent	751,195
	AIA	0

Output: 07 Risk Management

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QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
Risk matrix reviewed and updated	Commenced rolling out Risk Management Sensitization across UNOC departments	Item	Spent
Risk assessment carried out and mitigation strategies developed	.So far HR and NPC departments have been completed.	221002 Workshops and Seminars	2,500
	Prepared the Risk Management Plan to unpack the Risk Management framework. This is awaiting Accounting Officer's approval.		
	Finalized populating the Risk Universe and incorporated it in the draft Risk Management framework.		
	Reviewed the completeness of the Control Framework.		

Reasons for Variation in performance

Total	2,500
Wage Recurrent	0
Non Wage Recurrent	2,500
AIA	0

Output: 19 Human Resource Management Services

		Item	Spent
National Content Strategy Implemented	Conducted a field visit to the Uganda Petroleum Institute-Kigumba (UPIK) with an objective of partnering with the Institute as well as supporting the Institute to build its capacity .This is part of UNOC's National Content initiatives.	211101 General Staff Salaries	373,300
Staff training plan developed and implemented providing equal opportunities		211102 Contract Staff Salaries	512,400
Staff team building activities conducted		211103 Allowances (Inc. Casuals, Temporary)	1,083,603
Recruitment plan developed and implemented with equal opportunities to all Ugandans		212201 Social Security Contributions	500,000
Career Development Plans developed and implemented	Engaged in discussions for the development of Industry Enhancement Centre in Uganda for ease of certifying available local skills .	213001 Medical expenses (To employees)	185,000
Staff retention plans and programs developed and implemented with sensitivity to gender and equity issues		213004 Gratuity Expenses	939,600
National Content Strategy & Plans development process concluded and in place	Attended the 5th meeting of the Industry Enhancement Centre (IEC) Technical Work Group where the design concept for the online Portal was finalized.	221003 Staff Training	65,787
Salaries and gratuity paid promptly to respective staff		223004 Guard and Security services	16,097
UNOC's Visibility & Image promoted locally and Internationally	Represented UNOC at the GIZ-E4D/SOGA National Content steering committee, the GIZ round table and the Bid management Graduation in which discussions on the possible and best ways to promote National Content were held.	227002 Travel abroad	2,500
	Participated in the Market Price Assessment Committee meetings to conclude the assignment regarding procurement of Transaction Advisory services for Kampala Storage Terminal (KST).		
	Coordinated the development of		

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QUARTER 2: Outputs and Expenditure in Quarter

UNOC/Stambic Memorandum of Understanding process aimed at formalizing the relationship between UNOC and Stanlib on implementing the SME Incubator program.

Continued to enhance the skills of the remaining three (3) female interns attached to UNOC.

Several Cultural initiatives were undertaken as a drive to putting in place a systematic approach to institute and develop the right culture that will support the execution of the company's strategy.

Conducted inclusive induction programs for all the new staff recruits covering governance structure, Culture, Human Resource as well as core operational areas of UNOC.

A comprehensive concept paper on the first UNOC-in house training program in the Oil and Gas sector was developed and submitted to management for consideration and approval. The program is intended to provide all staff with Oil and Gas fundamentals.

Continued to undertake inhouse knowledge sharing sessions in various disciplines for all staff in risk management, culture transformation, security and safety, Refinery business process and project Phases among others.

Held an all staff quarterly meeting on 10th December 2019 in which progress on key Company projects, policies and activities was given.

Held the 4th all staff Quarterly staff team building event which included an inspiration talk on culture transformation to enhance team performance.

Available vacancies at UNOC were advertised in all National recognized media platforms encouraging all Ugandans especially women and disabled who are eligible to apply.

8 additional staff commenced work during the quarter, 62% males and 38% females with representation from all Ugandan regions.

Current headcount is 111 and employee distribution by end of quarter was 38% and 62% females and males respectively.

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QUARTER 2: Outputs and Expenditure in Quarter

For inclusiveness, UNOC continues to offer user friendly arenas for interviews for successfully shortlisted candidates in and out of the country ie. via Skype. Received 90% of the annual and probation staff performance appraisals in which individual career development opportunities were identified for execution.

Development of performance objectives for FY 2020/21 commenced in the period with guidance from the Performance Management refresher training held in the 2nd Quarter.

Career development plans implemented through training across all levels

The Company continued to remit NSSF for all female and male staff through the quarter in a timely manner.

UNOC staff continued to remit a % of their gross pay to the Provident Fund.

Health and Group Personal Insurance were provided to all staff throughout the quarter.

The Company offers equal lunch meals to all its female and male staff and non-staff members without focusing on age, region of origin or position held in the company.

Health tips continued to be provided to staff via different formal communication channels. This was followed by wellness body checks and Fitness classes provided to all staff for health benefits at the organization premises.

Represented UNOC in the commemoration of the 2019 National AIDS Day celebrations in Kayunga in harmony with staff who have been impacted by HIV/AIDS scourge.

Engaged staff in the review of the Human Resource Policy as a strategy of building an inclusive policy incorporating the rights of both female and male employees.

Serene working environment provided to all staff (i.e. the required tools and equipment) including Personal Protective Equipment and wear for field activities.

Draft 5-year National Content Plan developed and submitted however

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QUARTER 2: Outputs and Expenditure in Quarter

reviews and consultations are still being done.

Updated the draft National Content Strategy to align it to the approved UNOC Strategic plan.

Prompt payment of salaries to all staff achieved in compliance with the statutory date of 28th of each month of payment.

Organized and attended the UNOC Quarterly Supplier Development Workshop which aimed at sharing guidelines of submitting winning bids. The workshop was well attended by over 160 participants across the country.

Represented UNOC at PAU's Supplier Workshop for Pipeline Districts on opportunities available for community suppliers.

Reasons for Variation in performance

Actualization of the training plan is constrained by funds availability.

Due to budget constraints ,some retention strategies like UNOC contributing a certain percentage to the provident fund was not possible in the quarter.

Total	3,678,287
Wage Recurrent	885,700
Non Wage Recurrent	2,792,587
<i>AIA</i>	0

Output: 20 Records Management Services

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QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
Functional/ Activity filing structure created	Continued to file documents in accordance with the created Functional/activity filing structure.	Item 221008 Computer supplies and Information Technology (IT)	Spent 5,000
Physical & e-filing of documents	The collection of historical documentation about each of UNOC's projects is ongoing and spreadsheets were generated which capture the contents of each project file as well as the location.		
Document registers (manual & spreadsheets) maintained and updated			
Responses to different stakeholders tracked			
Periodic statistical data on document mobility generated	Maintained updated document registers .		
Compliance monitored and descriptive attributes to ensure consistency or standardization verified	Continued to track responses to different stakeholders.		
Document Control Management System procured Disaster recovery and Business Continuity Plans (BCP) implemented	October to December 2019 monthly statistical data generated .		
ICT Strategy implemented	Continued to monitor compliance for consistence .		
	Document control evaluations are ongoing for procurement of courier services to ease communication with the grassroot offices. Procurement process is ongoing. Backing up of user- computer data in Microsoft Cloud based system implemented.		
	On premise file storage server system fully implemeted.		
	Disaster recovery is in design and consultation stages. Procurement for the backup internet link, and E1 for Telephony was completed, and contracts were signed off.		
	Contracts were signed for the procurement of IT hardware including Laptops, docking stations, TVs, Mice & Keyboards combo, UPS. Screens, Tvs, mice and keyboards were delivered.		
	Phase two of the Infrastructure related procurements was started with market assessments being done to develop a good impression of the price changes. These include Network Access Control, Data Loss Prevention, Premise Access Control and Surveillance, Service Desk System, and Disaster Recovery system.		

Reasons for Variation in performance

Full implementation of the ICT has been constrained by inadequate financing .

Total 5,000

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QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	US\$ Thousand
		Wage Recurrent	0
		Non Wage Recurrent	5,000
		AIA	0
		Total For SubProgramme	5,077,228
		Wage Recurrent	885,700
		Non Wage Recurrent	4,191,528
		AIA	0

Recurrent Programmes

Subprogram: 03 Audit

Outputs Provided

Output: 07 Risk Management

	Item	Spent
Internal Controls for financial reporting reviewed and report submitted Audit Plans developed.	Completed the Assets Management Audit report and a pre-exit meeting is scheduled to take place.	
Procurement process continued	Developed audit issues tracker and discussed it with Management	
Company's procurement process evaluatedThe development and activities in the down-stream phase evaluatedThe service level agreements and strategic partnerships for value creation to Ugandans evaluatedAdvisory services in Audit process engaged where necessary	Completed and updated the draft Governance audit observation.	
	Continued to update the three (3) year Audit plan.	
	Field visits to Jinja Storage Terminal (JST) and Kampala Storage Terminal (KST) were also undertaken.	
	Completed audit programs for executing planned Financial and Procurement audit.	
	Participated in the development of the Human resource policy.	

Reasons for Variation in performance

Total	0
Wage Recurrent	0
Non Wage Recurrent	0
AIA	0
Total For SubProgramme	0
Wage Recurrent	0
Non Wage Recurrent	0
AIA	0

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QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	US\$ Thousand
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Recurrent Programmes

Subprogram: 04 Legal and Corporate Affairs

Outputs Provided

Output: 08 Legal and Advisory Services

Commercial Agreement negotiations participated in and supported	Prepared a memorandum on the status of the joint application agreement between CNOOC Uganda Limited and UNOC regarding the direct application for an exploration block in the Albertine Graben area in preparation of the upcoming agreement negotiations.	Item	Spent
	Prepared several mutual non- disclosure and confidentiality agreements for information sharing purposes.	221002 Workshops and Seminars	12,500
	Continued to offer support in negotiations for various projects agreements such as Host Government Agreements, Shareholder Agreement, Tariff and Transportation Agreement among others.	225001 Consultancy Services- Short term	12,500
	Prepared the draft application forms to Uganda Land Commission for allocation of KIP and KST land to UNOC.		
	Secured a funding extension of the Africa Legal Support Facility (ALSF) and the legal team is working with ALSF to ensure that the Letter of Engagement of the consortium to provide advisory services for the EACOP project is executed .		
	Supported the drafting and preparation of the draft bilateral agreement to cater for the conduct of joint activities by Uganda and Tanzania for purposes of progressing the Natural Gas Pipeline project.		
	Conducted preliminary due diligence exercises on the proposed consortium to supply UNOC with petroleum products for its bulk trading venture. A term sheet for the proposed business arrangement was prepared and UNOC awaits a response from the consortium.		
	Drafted an implementation agreement to aid the implementation of the JST Joint Venture Agreement which is intended to cover operational aspects, including proposed usage of JST by UNOC, development of the additional facilities such as the jetty and pipeline. Following an internal review and confirmation of proposals therein, this will be discussed		

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QUARTER 2: Outputs and Expenditure in Quarter

and negotiated with the One Petroleum Consortium.

Reviewed the Memorandum of Understanding between Total Uganda Limited and One Petroleum Limited in respect to sharing of resources during management of responses in respect to emergency situations in and around JST area.

Reasons for Variation in performance

	Total	25,000
	Wage Recurrent	0
	Non Wage Recurrent	25,000
	<i>AIA</i>	0

Output: 09 Corporate Governance

		Item	Spent
Board engagements organised and facilitated	Completed the Board Evaluation process and the final report was submitted to the Board Chairman.	222001 Telecommunications	500
Board evaluations undertaken	Continued to provide secretarial services to Board members during the preparation of the end of inaugural Board term report to be submitted to shareholders.		
	Supported the preparation process of the 2019 Annual Report scheduled to be presented to the shareholders at UNOC's upcoming Annual General Meeting .		

Reasons for Variation in performance

	Total	500
	Wage Recurrent	0
	Non Wage Recurrent	500
	<i>AIA</i>	0

Output: 10 Public Relations

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QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
Stakeholder engagements responsive to Gender and Equity issues conducted	Supported and managed the inaugural stakeholder engagement with URA as part of the annual stakeholder engagement plan geared towards improving relations and creating awareness of UNOC operations.	Item 221001 Advertising and Public Relations	Spent 25,625
Branding activities undertaken	Attended and had brand presence at 3 public hearings on EACOP ESIA gatherings to solicit public views in Kakumiro, Mubende and Kyotera respectively geared towards understanding the community needs.		
Media engagements undertaken	Represented UNOC at the 2nd Annual symposium on the Intellectual Property Technology and Innovation geared towards raising UNOC's profile and the Oil and Gas industry.		
	Actively participated in the Parliamentary Symposium and Training on Petroleum Development, People and Biodiversity Conservation in Uganda .		
	The development of a five (5) year Stakeholder Buy-In Strategy (SBIS) which will present a stakeholder buy-in plan (SBIP) for stakeholder management and a framework to better planning, delivery and monitoring the effectiveness of engagements is in its final stages.		
	Represented UNOC in a workshop for the political and technical leadership from the Oil Districts of Hoima, Buliisa, Kiryandongo, and Masindi organized by BAPANECO		
	As part of the annual communications and media relations plan for FY 2019/20, several talk shows on television and radios tackling the youth and the old, vulnerable and the disabled, Oil and Gas rich areas among other aspects were tackled in several informative sessions on the progress of Oil and Gas activities.		
	Regular updates of the website, Facebook, twitter among other social media platforms continued with the objective of enhancing the image and brand of UNOC.		

Reasons for Variation in performance

Total	25,625
Wage Recurrent	0

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QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	US\$ Thousand
		Non Wage Recurrent	25,625
		AIA	0
		Total For SubProgramme	51,125
		Wage Recurrent	0
		Non Wage Recurrent	51,125
		AIA	0

Recurrent Programmes

Subprogram: 05 Commercial Services

Outputs Provided

Output: 01 Planning, Budgeting and Monitoring

		Item	Spent
Strategic and Commercial objectives developed and implemented	Preparation for cascading through assignment of the objectives.	221002 Workshops and Seminars	16,250
Modelling /structuring of the financing options for the Refinery conducted	Continued updating of the UNOC's Integrated Model (IntEM) with support of Taylor DeJongh an independent	222001 Telecommunications	10,995
Commercial Terms and Agreements negotiated	Investment Banking firm to provide strategic, finance and corporate advisory services for UNOC projects.	225001 Consultancy Services- Short term	18,391
Implementation Agreements after end of FEED for the Refinery completed	Continuous discussions are ongoing with Taylor Dejongh to further the quality and development of the IntEM.		
Business Development for Potential Investors of KIP supported	Economic modelling of the four outstanding issues regarding UNOC's back-in into the JOA continued with the objective of determining UNOC's bargaining position.		
Crude Oil Marketing Study undertaken	Continued to participate in negotiations of the JOAs regarding UNOC's back-in into the JOA in order to manage the participating interest of the State		
Commercial Viability Assessment studies for the Refinery undertaken	Discussions on the Tariff and Transportation Agreements, Shareholders Agreement and the Primary Capacity Rights Agreements (TTA, SHA& PCRA,) continued. UNOC's preliminary comments on the agreements are currently being reviewed by all UNOC's EACOP Advisors.		
	Participated in several Joint venture engagements i.e.. Technical Committee meetings, Human Resource Meetings ,Financial Technical Meetings ,Advisory Committee Meetings to discuss technical work programs, manpower issues and budget proposals.		
	Secured an advance of \$20 million from Africa Finance Corporation (AFC) for the construction of Uganda's crude oil refinery paving way for the start of the \$4.27 billion project.		

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QUARTER 2: Outputs and Expenditure in Quarter

Continued to support KST in the identification of a strategic partner and Transaction Advisory services and the development of the Project Implementation Strategy and Schedule for the project.

The team continued to support the engagements regarding the KST-Refinery interface for commercial value optimization.

Supported negotiations for securing the KST Transaction Advisory services as well as the market price assessment process.

Supported the evaluation of bids for the procurement of a strategic partner for KST.

Supported the completion of the bid evaluation process for the provision of Consultancy services for ESIA for KIP.

Continued to support the development of the draft Land Allocation Policy .

Continued to support engagements with Oil Marketing Companies (OMCs) in the development and commercialization of bulk trading.

Supported the development of a draft proposal for identifying and selecting the best fit strategic supply partner for bulk trading.

The proposal will also guide on the support to be rendered to MEMD on the supply partner options available to UNOC.

Continued to support the development of the Bulk Trading Processes and Standard Operating Procedures (SOPs) .

Reasons for Variation in performance

Total	45,636
Wage Recurrent	0
Non Wage Recurrent	45,636
<i>AIA</i>	0
Total For SubProgramme	45,636
Wage Recurrent	0
Non Wage Recurrent	45,636

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QUARTER 2: Outputs and Expenditure in Quarter

Outputs Planned in Quarter	Actual Outputs Achieved in Quarter	Expenditures incurred in the Quarter to deliver outputs	UShs Thousand
		AIA	0
		GRAND TOTAL	9,219,687
		Wage Recurrent	4,779,000
		Non Wage Recurrent	4,440,687
		GoU Development	0
		External Financing	0
		AIA	0

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QUARTER 3: Revised Workplan

<i>UShs Thousand</i>	Planned Outputs for the Quarter	Estimated Funds Available in Quarter (from balance brought forward and actual/expected releaes)
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