



TANZANIA



Implementation Status of the MPF by Tanzania

10th February, 2012

THE TANZANIA MODEL OF REPORTING IMPLEMENTATION STATUS OF THE MPF

THEME	RECOMMENDED IGF POLICY	STRATEGIES AND IMPLEMENTATION STATUS
Legal and Policy Environment	Government to generate baseline geological information and make sure that it is available to all actors on an equal footing.	<ul style="list-style-type: none"> • State policies, laws, regulations, Standards, strategies, initiatives in place; • Highlight achievements and challenges (if any).
	Mining codes and standard to be revised and updated to reflect changing knowledge and best practice.	<ul style="list-style-type: none"> • xxxxxxxx • xxxxxxxx
	xxxxxxxxxxxxxxxxxxxxxxxxxxxx xxxxxx	<ul style="list-style-type: none"> • xxxxxxxxxxxxxxxxxxxxxxxx xxxxxx



The IGF Mining Policy Framework:

THEMES:

- 1. Legal and Policy Environment**
- 2. Financial Benefit Optimization**
- 3. Socio-economic Benefit Optimization**
- 4. Environmental Management**
- 5. Post-Mining Transition**
- 6. Artisanal and Small Scale Mining (ASM)**



1. LEGAL AND POLICY ENVIRONMENT

IGF POLICY RECOMMENDATION

A. The Government to generate baseline geological information and make sure that it is available to all actors on an equal footing.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- The Government established the Geological Survey of Tanzania (GST) in 2005, which is responsible for the acquisition and storage of geo-scientific data and information used in the mineral sector and other sectors of the economy. GST is active in promoting mineral exploration and mining in Tanzania.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

- GST provides high quality and cost effective geo-scientific data and information to stakeholders in order to promote mineral exploration and mining activities. Such information, which is found in soft and hard format, is readily accessible to individuals at prices prescribed in the GST website (www.gst.go.tz). Price list (charges for laboratory services, geochemical and geophysical digital data, geological maps, geo-publications, etc are available online.
- Geological maps covering 90% of the 322 Quarter Degree Sheets (QDS) of Tanzania are available. The published maps are available in different scales of 1:100000 (29%), 1:1250000 (48%), 1:250000 (3%). 10 % of the maps have not yet been published.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

- Other information available from GST include:
 - high resolution airborne geophysical surveys data for selected areas, and
 - geological and mineral occurrence information in Tanzania, useful in selecting prospective areas for search of minerals.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

IGF POLICY RECOMMENDATION

B. Mining codes and standard to be revised and updated to reflect changing knowledge and best practice.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Tanzania revised its mining code in 2010 after experiencing the following challenges:
 - i. Low integration of the mining sector with other sectors of the economy,
 - ii. Low contribution of the mining sector to the GDP compared to the sector growth,
 - iii. Low capacity of the Government to effectively administer and regulate the sector, and
 - iv. Low revenue paid to the Government by the mining companies compared to what they reap.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

- The Mineral Policy of 2009 and the new Mining Act of 2010 were response to challenges faced and experience gained during the 12 years' implementation of the Mining Act, 1998.
- Key new features of the Mining Act, 2010 include the following:
 - i. Co-existence of mineral rights, for example a Primary Mining Licence for Building Materials granted in an area subject to a Mining Licence for other minerals other than building materials - Section 7(2).
 - ii. Small scale mining for all minerals (including gemstones) is exclusive for Tanzanians - Section 8(2). Where development of gemstone resources require specialized skills and high level of investment, non-Tanzanians may participate to a level not more than 50%.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

- iii. Government may negotiate with any mineral right holder to acquire free-carried interest and state participation in any mining operations under a Special Mining License - Section 10(1 & 2).
- iv. Government to develop standard model for Mineral Development Agreement - Section 10(4).
- v. Mineral development agreements to be reviewed by parties after every five years - Section 12.
- vi. Expired or relinquished areas under prospecting licenses to be held for four months by the licensing authority to determine whether the area is suitable for small-scale mining - Section 15(2).
- vii. Duration of Special Mining License is capped at the expected life of the ore body indicated in the feasibility study or such period as the applicant may request, or whichever period is shorter - Section 43.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

- ix. Mining entities are obliged to give preference to local procurement of goods and services - Sections 10(4)(e), 44(v) and 49(h).
- x. Requirement for mining entities to provide for the posting of a rehabilitation bond to finance the costs of rehabilitating and making safe the mining area on termination of mining operations - Section 47(f).
- xi. Mineral royalties to be paid at 4% of gross value in the case of metallic minerals sold or consumed; at 5% of gross value in the case of rough gemstones; 5% of gross value in the case of Uranium; 1% of in the case of gem (cut gemstones); and 3% of gross value in the case of other minerals - Section 87.
- xii. Requirement for implementation of plan on compensation, relocation and resettlement of the owners or occupiers of the land before commencement of mining operations - Section 97.
- xiii. Requirement for listing with a domestic stock exchange - Section 110.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

IGF POLICY RECOMMENDATION

C. Mining code to deal with exploration, mining and closure management matters

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Sections 36, 47, and 52 of the Mining Act, 2010 provide clear and wide-ranging obligations to holders of prospecting, special mining and mining licenses respectively.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

IGF POLICY RECOMMENDATION

D. Data and reporting requirements by mining entities to be made explicit.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Section 100 of the Mining Act, 2010 stipulates clearly reporting requirements by holders of prospecting and mining licenses whereas the Second Schedule of the Act outlines explicitly the information to be submitted to the licensing authorities.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

IGF POLICY RECOMMENDATION

E. Data Permitting Process:

- Consultation with communities and stakeholders.
- Permit application to include closure plans and adequate financial assurance for closure .

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Sections 41 and 50 of the Mining Act, 2010 provide requirements for granting of a special mining and mining licence respectively. One of the requirements is submission of the Environmental Certificate issued in terms of the Environmental Management Act, 2004.



1. LEGAL AND POLICY ENVIRONMENT (cont'd)

- Regulation 206 of the Mining (Safety, Occupational Health and Environmental Protection) Regulations, 2010 provides requirements for mine closure plans to be submitted by applicants of special mining and mining licenses.
- Section 81(1), (2) and (3) of the Environmental Management Act, 2004 requires applicants of mineral rights to undertake Environmental and Social Impacts Assessment (ESIA) before approval of their projects.
- Regulation 17 of the Environmental Impacts Assessment and Audit Regulations, 2005 requires consultation with stakeholders to be done during execution of ESIA.
- Regarding financial assurance for closure, Section 47 (f) of the Mining Act, 2010 and Regulation 206 of the Mining (Safety, Occupational and Environmental Protection) Regulations, 2010 gives guidance on posting of adequate financial assurance for mine closure by holders of special mining licenses and mining licenses.



2. FINANCIAL BENEFIT OPTIMIZATION

IGF POLICY RECOMMENDATION

A. Government to optimize return from mining activities by local and foreign investors in a manner that reflects the different realities they face.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Mineral Development Agreements (MDAs) are signed between the Government and large scale investors at mutual understanding, mainly to create security of tenure for the investor;
- Fiscal terms for mining projects provided by tax statutes (national taxes) Mining Code (mining royalties and lease rents) and local levies (local regulations) which are highly balanced to optimize returns to investors and public. Special concessions (MDAs) which reflect different realities are given to large scale investors.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

- Concessions are given in accordance with Section 10 of the Mining Act, 2010. As matter of enhancing benefits and multiplier effect from large scale mining projects, the Act stipulates the following basic features of MDAs:
 - i. to stabilize fiscal terms to legislations prevailing at the time of signing the agreement;
 - ii. to articulate environmental and land compensation rules to be adhered to by the investor;
 - iii. to amplify the legal responsibility of the investor to procure goods and services available in Tanzania;
 - iv. to guarantee employment, training and succession of Tanzanians; and
 - v. to provide for free-carried interest and state participation in strategic mining projects.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

- Section 66 (a) and (b) of the Mining Act, 2010 stipulates stiff penalties for late payment of royalty and annual rent by mineral right holders. Under this section, penalties for late payment of royalty and fees have been stiffened to 25% and 50% of amount due for individual and corporate body respectively.
- The Government has put in place the Public Private Partnership Policy in order to sensitize the economic development in the mineral sector through value chain creation in mineral business.
- Section 10 (1) and (2) of the Mining Act, 2010 requires Government to maximize its shares of benefits by entering into free-carried interest in new strategic mining projects.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

B. Government to optimize resource revenues to society in times of high commodity prices and reduce during times of low prices.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Currently there is an on-going debate in the country on introduction of windfall tax, which is greatly supported by the International Monetary Fund (IMF). A study is being carried out to guide Government's decision on the subject matter. Tanzania, being net recipient of FDIs has to be a bit cautious in introducing such a tax so as to avoid the risk of reducing its attractiveness or driving away potential investors, but rather remain competitive in terms of investment attraction and at the same time continue to earn a fair share from the industry.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

C. Seek to integrate the mineral sector with other sectors of the economy so as to optimize the contribution of the mineral sector.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Para 5.2 of the Mineral Policy, 2009 addresses this matter by outlining four strategies aimed at promoting integration between the mineral sector and other sectors of the economy, so as to maximize the contribution of the mineral sector to the economy.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

The strategies are:

- Government to develop and implement coordinated programmes to increase integration of the mineral sector with other sectors of the economy;
- Government, where feasible, to develop essential infrastructure in areas where there is a potential for establishing a new mine;
- Government to require mining companies to procure locally goods and services; and
- Government to support and promote Tanzanians to supply quality goods and services to the mining industry.
- Sections 34(1)(f), 41(4)(g) and 49(2)(h) of the Mining Act, 2010 seeks integration of the mineral sector with other sectors of the economy by requiring mineral right holders to submit their procurement plans of goods and services available locally.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

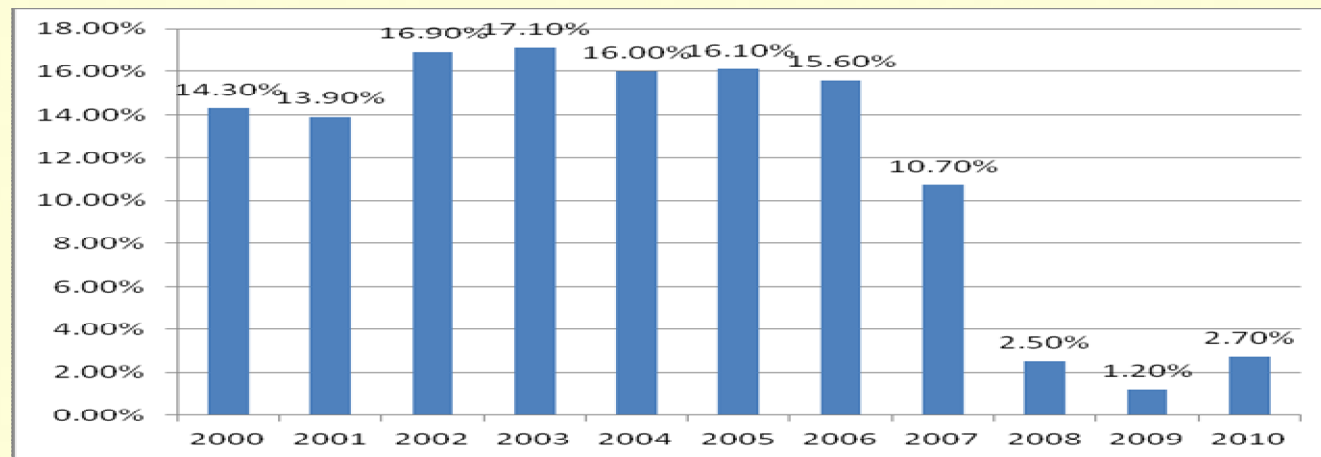
IGF POLICY RECOMMENDATION

D. Maintain sufficient flexibility to ensure a win-win situation between Government and miners.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

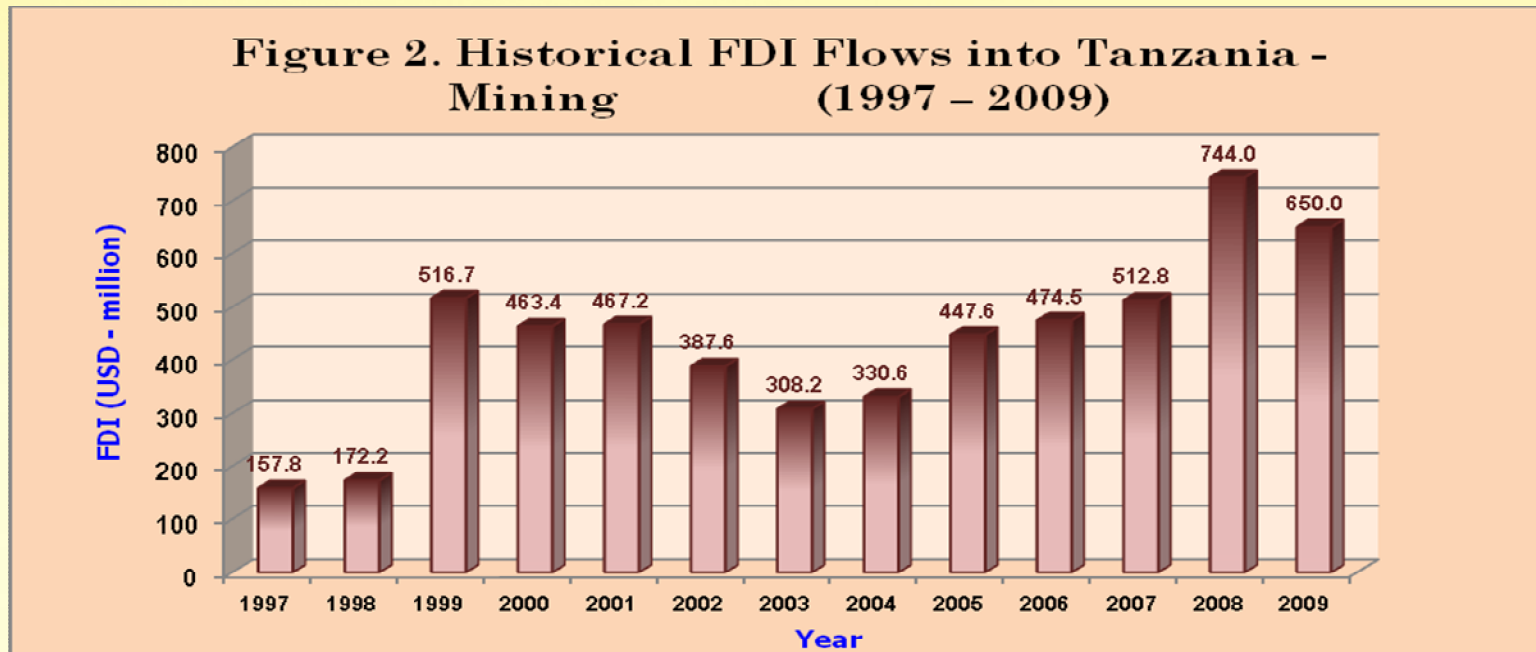
- Since 1997, the Government has put in place a competitive and stable fiscal regime in the mineral sector to provide conducive investment climate in the sector.

Percentage growth of the mineral sector (2000 - 2010)



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

Percentage growth of the mineral sector (2000 - 2010)



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

E. Corporate tax to be based on net profit.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- In Tanzania, corporate tax is charged at 30% of net profits of an entity. For comparison purposes, corporate tax rates for a few selected countries are as follows:
 - In Canada, federal income tax rates varies progressively between 15% and 29% of net profits;
 - In South Africa, corporate tax is 28% of net profits, with an additional 10% 'STC' (Secondary Tax on Companies) tax payable on net dividends (dividends paid less dividends received);
 - In Ghana, an increase in corporate tax rate has been proposed this year for mining companies from 25% to 35% of net profits.
 - In Australia, corporate tax is 30% of net profits.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

F. Fiscal regime for the mining sector not to be discriminative.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

Comparative analysis of tax rates applicable to the mining sector against other sectors

Tax Element	Mining Industry	Other Industry
1. Capital Allowance	Mining companies are granted 100% capital allowance on prospecting and development capital expenditure.	No such incentive
2. VAT Relief	VAT relief has been granted to both imports and domestic Purchases.	No VAT relief except for special persons as per 3 rd Schedule of VAT Act, Cap. 148.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

Tax Element	Mining Industry	Other Industries
3. Withholding Tax on technical services for Resident companies	3% charged on payments	5% charged on payments
4. Withholding Tax on technical services for Non-Resident companies	3% charged on payments	15% charged on Payments
5. Fuel Levy	Charged TZS 200 per litre and claim refund after consumption	Charged TZS 200 per litre with no refund.
6. Excise Duty on AGO	Charged TZS 314 per litre and claim refund after consumption	Charged TZS 314 per litre with refund.
7. Local Government Levy	USD 200,000 annually	0.3% charged on annual turnover
8. Management fee - Resident	3% charged on payments subject that it does not exceed 2% of total operating costs the amount shall not exceed 20%	5% charged on payments



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

Tax Element	Mining Industry	Other Industries
9. Management fee - Non resident	3% charged on payments	15% charged on payments
10. Import duty	5% charged on Cost, Insurance and Freight (CIF) value after one year anniversary	25% charged on CIF value
11. Interest	Not charged especially with MDA	10% charged on payments



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

G. Government strengthen its capacity to negotiate financial terms and conditions of MDAs, and to administer tax system and agreements, to deal with transfer pricing issues, and to audit the results .

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Negotiations of MDAs is done by a steering committee which comprises of highly knowledgeable senior Government Officials from different relevant ministries depending on the nature of the project
- Decision by the Government to establish TMAA was in a way aimed at addressing needs through strengthened capacity in conducting comprehensive audits.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

Status of Double Taxation Agreements

Contracting Party	Current Status under ITA Cap. 332	Status under ITA, 1973/ ITA, 2004	Remarks
Botswana	Concluded but not signed	September, 2005	To be signed
Canada	Initiated but not Negotiated	Signed on 15 th December, 1995	To be reviewed
South Africa	Signed and concluded	19 th October, 2004	Approved by Cabinet
Zambia	Signed and concluded	2 nd March, 1968	To be reviewed



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

H. Government to provide an open and transparent data on tax and royalty flows and how the benefits have been distributed at the local, regional and national levels.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Tanzania joined EITI on 16th February, 2009 and since then TEITI produced its first report on 11th February, 2011. Major finding in that first report was difference of TZS 46.5 billion between revenues confirmed to have been received by the Government from mining entities and payments reported by mining entities. This figure is equivalent to USD 36 million.
- Further reconciliation done recently by a consultant (BDO) on revenue received by the Government from mining entities cut down the un-reconciled figure to USD 376,000 only.



2. FINANCIAL BENEFIT OPTIMIZATION (cont'd)

- Cumulatively, revenue collected by the Government from the mining industry from year 1998 to 2010 amounts to TZS 823.62 billion. Distribution of such revenue is centralized in a way that all revenue is channeled in one common pool.



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION

IGF POLICY RECOMMENDATION

A. Government to integrate mines and mining into the local and national fabrics and make socio-economic planning of the permitting processes.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Para 5.9 of the Mineral Policy, 2009 emphasizes the need for involvement of local communities in development of mining projects and encourages mining companies to increase corporate social responsibilities;
- As of December, 2010 mining companies have spent USD 8 million on CSR initiatives which include education, infrastructure, health, water supply etc. Most of the mining companies carry out such initiatives through consultation with local communities surrounding the mines;
- Sections 96 and 97 of the Mining Act, 2010 provides general requirements for compensation, relocation and resettlement of the owner or occupier of the land prior to commencement of mining operations.



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

B. Consultation with affected stakeholders a requirement of the permitting process and at every stage of mining cycle.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Sections 41(4)(d) and 52(d) of the Mining Act, 2010 require mineral right holders to propose plans for relocation and compensation to affected land owners within mining areas in accordance with the Land Act;
- Regulation 17 of the Environmental Impacts Assessment and Audit Regulations, 2005 requires consultation with stakeholders to be done during Environmental and Social Impacts Assessment (ESIA).



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

C. Making the original permit subject to regular review to reflect new goals and changing conditions .

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Section 12 of the Mining Act, 2010 provides periodic performance review of development agreement after every five years;
- Sections 43 and 49(2) (e) of the Mining Act, 2010 define validity of special mining and mining licenses respectively, whereas Section 48 of the Act outlines areas of amendments to a special mining licence.



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

D. Making education a national priority.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Since education is a full-scale sector in governance structure of Tanzania, all matters pertaining to education are addressed through the Education and Training Policy of 1995 rather than the Mineral Policy of 2009 and the Mining Act of 2010. However, Para 5.12 of the Mineral Policy, 2009 and Sections 44(d)(iii), 47(b), 50(c) and 52(e) of the Mining Act, 2010 provide general guidance for specific training to develop Tanzanians in the field of mining disciplines.
- The Government through the Ministry of Energy and Minerals is parenting Dodoma Madini Institute, which caters for middle cadre/semi-professional, vocational, trades in mining occupations.



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

E. Addressing community health and occupational health and safety matters.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Section 112 (i - k) of the Mining Act, 2010 provides all matters relating to sanitation, health and safety standards applicable to mining areas;
- The Mining (Safety, Occupational Health and Environment Protection) Regulations, 2010 provide guidance on OHS matters.



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

F. Government to ensure employment of host nationals is a priority and a requirement during permitting process.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Sections 47(b) and 51(e) of the Mining Act, 2010 places a responsibility for mine operators to implement succession plans on expatriate employees.

Status of Employment: Number of Tanzanians versus Expatriates in Large Scale Mining Projects

Year	Number of Tanzanians	Number of Expatriates
2005	2,689	145
2006	5,976	395
2007	6,999	460
2008	7,139	567
2009	6,917	583
2010	7,361	145



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

G. Promote Local Procurement of goods and services .

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Para 5.2 of the Mineral Policy, 2009 addresses local procurement of goods and services by mining entities; supports and promotes Tanzanians to supply goods and services.
- Sections 34(1)(f), 41(4)(g), 44(4)(v) and 49(2)(h) of the Mining Act, 2010 require mineral right holders to submit their procurement plans of goods and services available in the country.



3. SOCIO-ECONOMIC BENEFIT OPTIMIZATION (cont'd)

IGF POLICY RECOMMENDATION

H. Have policies and laws which ensure respect to human rights and protection of cultural heritage.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Section 73 of the Environmental Management Act, 2004 requires any matter or activity relating to protection and conservation of natural and cultural heritage to take into account necessary requirements for the protection of environment.



4. ENVIRONMENTAL MANAGEMENT

IGF POLICY RECOMMENDATION

A. Having appropriate environmental standards in place for surface and ground water management. Appropriate penalties should be put in place in case standards are compromised.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Part III and Part VII of the Environmental Management (Water Quality Standard) Regulations, 2007 provide water quality standards and penalties respectively.



4. ENVIRONMENTAL MANAGEMENT (cont'd)

IGF POLICY RECOMMENDATION

B. Require mining entities to submit Environmental Impacts Statements (EIS) and Environmental Management Plans (EMP).

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Section 81(1), (2) and (3) of the Environmental Management Act, 2004 requires the applicant of a mineral right to undertake Environmental and Social Impacts Assessment (ESIA) before approval of respective mining project.



4. ENVIRONMENTAL MANAGEMENT (cont'd)

IGF POLICY RECOMMENDATION

C. Require mining entities to conduct environmental monitoring on biodiversity and publish reports that are readily accessible to the public.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Section 66 (1) of the Environmental Management Act, 2004 requires the Minister responsible for Environment to ensure that conservation of biological diversity is attained by project proponents.



4. ENVIRONMENTAL MANAGEMENT (cont'd)

IGF POLICY RECOMMENDATION

D. Ensure waste dumps, tailings storage facilities and other similar structures are well planned, designed and operated.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Regulations 177 and 178 of the Mining (Safety, Occupational Health and Environment Protection) Regulations, 2010 require mining entities to ensure that waste dumps and tailings storage facilities are well designed, operated and maintained.



4. ENVIRONMENTAL MANAGEMENT (cont'd)

IGF POLICY RECOMMENDATION

E. Require mining entities to commission an independent expert to review plans and designs of waste storage facilities.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Regulation 46(3) of the Environmental Impacts Assessment and Audit Regulations, 2005 requires environmental auditor or environmental inspector who shall be an expert or a firm of experts registered in accordance with the Environmental (Registration of Environmental Experts) Regulations, 2005 to conduct environmental audit, which will include review of plans and designs of waste storage facilities.



4. ENVIRONMENTAL MANAGEMENT (cont'd)

IGF POLICY RECOMMENDATION

F. Ensure that emergency preparedness programs are developed, and are part of the environmental impacts assessment of any mining project.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Regulation 51 of the Mining (Safety, Occupational Health and Environment Protection) Regulations, 2010 requires mining entities to develop mine rescue emergency plans; and conduct training for mine rescue.



5. POST-MINING TRANSITION

IGF POLICY RECOMMENDATION

A. Ensure that closure plans are prepared by mining entities to high standard and are updated regularly, and have the institutional capacity to monitor and enforce mine closure provisions.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Section 47(d) of the Mining Act, 2010 requires holders of special mining license to prepare and update mine closure plans.
- Regulation 206(1) of the Mining (Safety, Occupational Health and Environment Protection) Regulations, 2010 requires holders of special mining and mining licenses to prepare and submit mine closure plans.
- Regulation 206(4) of the Mining (Safety, Occupational Health and Environment Protection) Regulations, 2010 requires mining entities to review and update their mine closure plans.



5. POST-MINING TRANSITION (cont'd)

IGF POLICY RECOMMENDATION

B. Require provision of adequate financial assurance prior to commencement of mine operations.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Regulation 207 of the Mining (Safety, Occupational Health and Environment Protection) Regulations, 2010 requires mining entities to post environmental rehabilitation bond during mining phase. However, there is no legal provision which require applicants to give financial assurance during permitting process.



5. POST-MINING TRANSITION (cont'd)

IGF POLICY RECOMMENDATION

C. Put mechanism to deal with orphaned and abandoned mines .

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- There is no legal provision that deals with orphaned and abandoned mines.



6. ARTISANAL AND SMALL SCALE MINING (ASM)

IGF POLICY RECOMMENDATION

A. Create a clear legal framework and regulator mechanism to support and facilitate sustainability of ASM.

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- The Government established Small Scale Section under the organization structure of the Ministry of Energy and Minerals (MEM) to administer all matters pertaining to small scale mining in the country.
- The Government established a loan scheme under MEM to issue soft loans to small scale miners.
- The Government through MEM is supporting small scale miners through a World Bank Program under Sustainable Management of Mineral Resource Project (SMMRP).



6. ARTISANAL AND SMALL SCALE MINING (ASM) cont'd

- Small scale miners are also assisted by the Government through a training centre called Matundasi Demo Mine and Plant Project located in Chunya District, Mbeya Region. At this center, ASM learn how to conduct mining and mineral processing activities using existing simple, but advanced technologies.
- Small scale miners are offered extension services by various Government institutions such as Minerals Division under MEM, TMAA, State Mining Corporation (STAMICO) and GST.
- The Government is assisting ASM by identifying mineral rich areas and demarcating them exclusively for small scale miners.
- Other initiatives taken by the Government include Kimberly Certificate and Certificate of Origin for Tanzanite, which in one way or another greatly safeguards interests of medium and small scale miners.



6. ARTISANAL AND SMALL SCALE MINING (ASM) cont'd

IGF POLICY RECOMMENDATION

B. Reduce social and environmental impacts of artisanal and small scale mining activities (ASM).

STRATEGIES AND IMPLEMENTATION BY TANZANIA

- Part II and Part IV of the Mining (Environmental Protection for Small Scale Mining) Regulations, 2010 outline requirements aimed at reducing social and environmental impacts resulting from small scale mining activities.
- The Government has been collaborating with other local and international partners to address environmental impacts caused by ASM. E.g. the Government collaborated with the UNIDO to carry out technical training on mercury impacts to ASM through Global Mercury Project. The project started in January, 2002. Main achievements include: raising awareness among artisanal and small-scale miners more especially women, on dangers of mercury; training manual for ASM; introduction of cheap equipment like retorts using simple technology, etc.



6. ARTISANAL AND SMALL SCALE MINING (ASM) cont'd

- Monitoring on ASM activities is mainly done by the Minerals Division through its upcountry regional offices scattered all over the country. Also, TMAA collaborates with the Minerals Division to monitor and audit such activities in order to reduce environmental impacts.
- The Minerals Division conducts various training programmes aimed at minimizing such impacts.
- Women are also engaged in mining activities and own licences. Interests of women in Tanzania are spearheaded by Tanzania Women Miners Association (TAWOMA).



RECOMMENDED FUTURE STEPS

- ◆ Agree on a common model to give feedback on implementation of the MPF by member countries.
- ◆ Conduct an assessment (a survey) on how member countries are implementing the MPF.
- ◆ The Implementation Team to develop a concrete Action Plan to realize the MPF.
- ◆ The IGF Secretariat in collaboration with the Implementation Team to come up with strategies to publicize the MPF at the upcoming Asian Mining Indaba in October, 2012 and other key future international mining meetings and exhibition shows. We should have good quality published copies of the MPF.



THANK YOU

