

FINDINGS OF 09th TEITI REPORT FOR THE YEAR ENDED 30TH JUNE, 2017

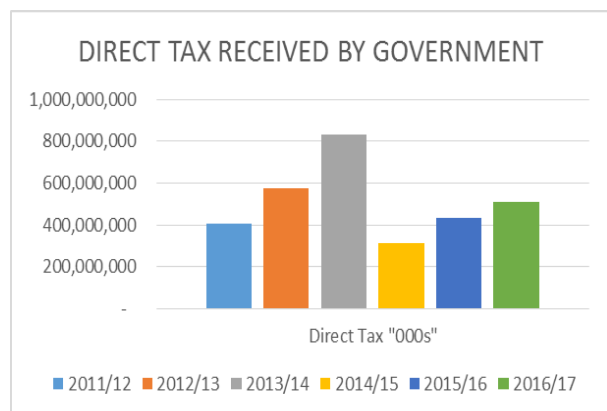
Number of companies reported is 41

Mining companies - 33

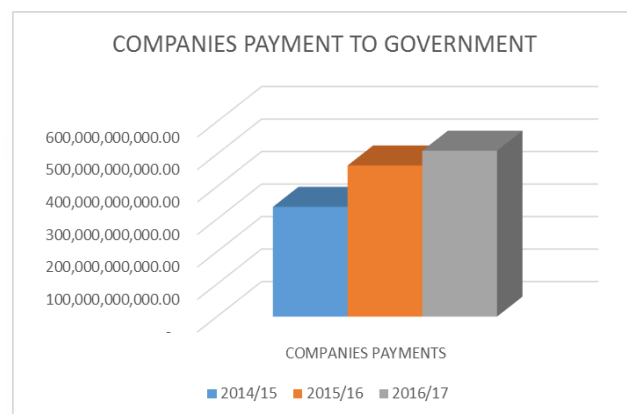
Oil and Gas companies – 8

Total receipts by government from the extractive industries

Revenue trend 2014/15 – 2016/17



TOTAL COMPANIES PAYMENT TO THE GOVERNMENT



What is TEITI

Tanzania Extractive Industry Transparency Initiative (TEITI) is the Tanzania Chapter of the global Extractive Industry Transparency Initiative (EITI) that set standards of transparency and accountability in Extractive Industry (EI).

Extractive Industry (EI) companies are those companies engaging in the extraction of minerals, oil and gas.

Why TEITI

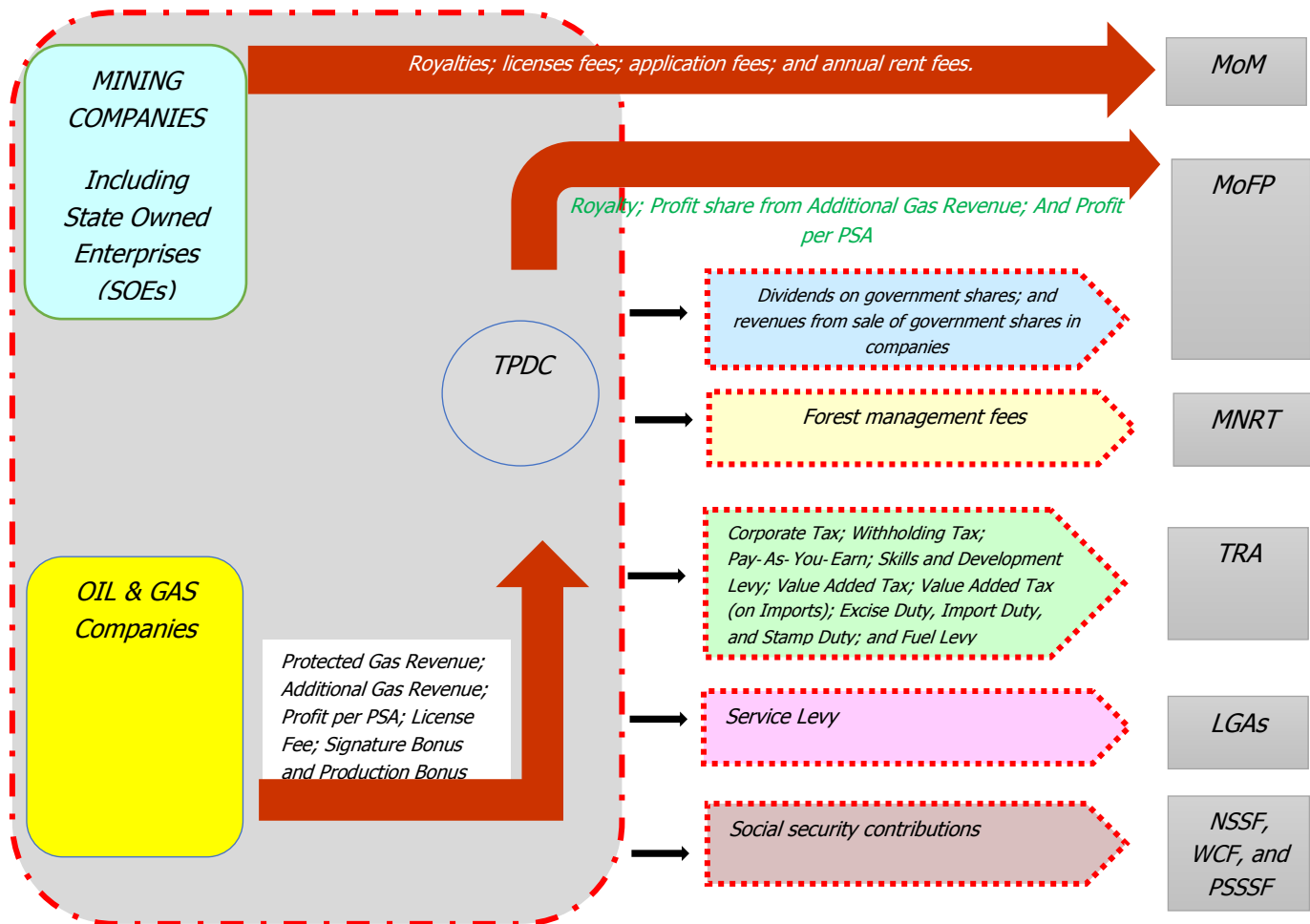
TEITI is needed to enhance transparency and accountability of payments made by companies and revenues received by the government from the oil, gas and mining sectors. Furthermore TEITI is there to increase public awareness by publishing the payments and the revenues accrued from EI.

Overview

The 9th TEITI report which covers fiscal year 2016/2017 provides an overview of the extractive sector in Tanzania along with the latest policy and regulatory developments and reconciliation of company payments and government receipts from July 1, 2016 to June 30, 2017.

The reporting entities participated in this reconciliation included extractive companies (dealing with mining, oil, and gas), and government agencies. During the TEITI Committee meeting held on 24th November 2019, the Committee approved a materiality threshold of TZS 900 million. As a result, seventy two (72) companies met the materiality threshold. This number of companies scoped includes three (3) State-Owned Enterprises (SOEs). The contribution of these seventy two (72) reporting entities amounted to 95.52% of the total government revenue collected from the extractive companies in 2016/17. Hence, all seventy two (72) companies were required to fill and submit reporting templates. However, only forty one (41) extractive companies submitted filled templates within the given time. The contribution of these 41 extractive companies amounted to 88.78% of the total government revenue from the mining, oil, and gas sector in 2016/17.

FLows OF PAYMENTS MADE BY EXTRACTIVE COMPANIES TO GOVERNMENT AGENCIES



TOTAL GOVERNMENT RECEIPTS BY SECTOR FOR THE YEAR 2016/2017



***Oil and Gas Tzs 103 Billions
represent 20.30% of the Total government
receipts from extractive sector***

***Minerals Tzs 405 Billions
represent 79.69% of the Total
government receipts from extractive sector***

CONTRIBUTION OF 15 LARGE COMPANIES TO THE GOVERNMENT RECEIPT IN 2016/2017

GEITA GOLD MINING LIMITED	184.4 Billions
NORTH MARA GOLD MINE LIMITED	92.1 Billions
PAN AFRICAN ENERGY TANZANIA LIMITED	54.3 Billions
BULYANHULU GOLD MINE LIMITED	40.4 Billions
PANGEA MINERALS LIMITED	32.4 Billions
M&P EXPLORATION PRODUCTION TANZANIA LIMITED	28.5 Billions
SHANTA MINING COMPANY LIMITED	15.9 Billions
TANZANIA PETROLEUM DEVELOPMENT CORPORATION	9.5 Billions
WILLIAMSON DIAMONDS LTD.	9.2 Billions
AUMS (T) LIMITED	7.5 Billions
NYAMIGOGO	5.8 Billions
SHELL EXPLORATION TANZANIA LIMITED	4.3 Billions
NDOVU RESOURCES LIMITED.	3.9 Billions
MANTRA TANZANIA LIMITED.	2.7 Billions
AFRICAN EXPLOSIVES (T) LTD.	2.1 Billions

CONTRIBUTION OF REVENUE STREAMS TO GOVERNMENT RECEIPTS

SN	Description of the payment	Amount (TZS)	Weight (%)
	Payments made to the Ministry of Energy and Minerals (MEM)	176,784,891,938.08	34.76
1	Royalties for minerals	167,057,555,901.90	32.84
2	Royalties for oil and gas	4,421,240,000.00	0.87
3	Annual rental fee	2,659,000,655.34	0.52
4	License and permit fee	2,634,936,970.84	0.52
5	Application and preparation fee	12,158,410.00	0.00
	Payments made to the Tanzania Petroleum Development Corporation (TPDC)	48,279,872,947.68	9.49
6	Profit per Production Sharing Agreement	22,273,398,099.40	4.38
7	License Charges/fees	1,216,908,088.38	0.24
8	Training Fees	1,968,697,196.99	0.39
9	Tariff on gas transport through SONGAS pipeline	22,820,869,562.91	4.49
	Payments made to the Tanzania Revenue Authority (TRA)	274,907,746,146.45	54.05
10	Corporation Tax (including provisional ax and advance tax)	160,440,482,134.08	31.54
11	Skills and Development Levy (SDL)	23,005,562,262.45	4.52
12	Excise Duty paid to LTD	23,435,366,420.92	4.61
13	Import Duty paid to CED	28,351,694,235.00	5.57
14	Fuel Levy paid to CED	4,366,814,142.00	0.86
15	Vehicle Reg Tax	87,275,000.00	0.02
16	Railroad Dev Levy	13,144,639,564.00	2.58
17	Customs Processing Fee	4,493,677,427.00	0.88
18	Petroleum levy (kerosene, gas oil, and motor spirit)	17,582,234,961.00	3.46
	Payments made to the Local Authorities	8,651,600,262.00	1.70
19	Service Levy	8,649,400,262.00	1.70
20	Other Local Taxes, Fees and Levies	2,200,000.00	0.00
TOTAL		508,624,111,294.21	100.00

PRODUCTION AND VALUE OF GAS IN 2016 AND 2017

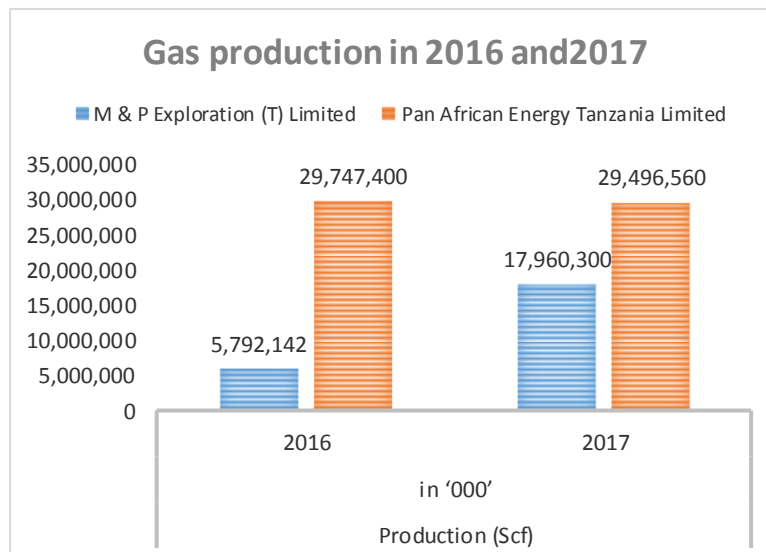


GAS PRODUCTION IN TANZANIA IN 2016 AND 2017

Company	Gas Field	Production (Scf) in '000'		Value (USD)	
		2016	2017	2016	2017
M & P Exploration (T) Limited	Mnazi Bay	5,792,142	17,960,300	13,818,715	19,466,121
Pan African Energy Tanzania Limited	Songosongo	29,747,400	29,496,560	38,172,718	22,795,142
TOTAL		35,539,542	47,456,860	51,991,433	42,261,263

Scf in '000' = Million standard cubic feet

GAS PRODUCTIONS TREND 2016 – 2017



PRODUCTION AND VALUE OF MINERALS IN 2016/2017

TYPE OF MINERAL	UNIT	UNIT PRICE (TZS)	TOTAL (WEIGHT)	TOTAL VALUE (TZS)
Gold	kg	73,502,684.91	43,759.99	3,216,476,759,838.89
Diamond	kg	549,278.63	249,911.05	137,270,798,016.00
Silver	ct	1,275,427.85	14,767.64	18,835,053,622.27
Copper	lbs	5,231.25	10,395,693.40	54,382,519,484.83
Limestone	tons	116,892.51	4,004,241.73	468,065,849,169.00
Salt	tons	97,535.73	148,637.80	14,497,495,848.57
Sandstone/Clay/Red soil	tons	16,960.39	4,646,806.23	78,811,655,123.52
Gypsum	tons	63,147.28	181,080.34	11,434,730,549.75
Aggregates	tons	23,906.68	6,070,808.37	145,132,887,071.66
Marble	tons	148,753.59	255,568.95	38,016,799,406.29
Tin	tons	17,343.36	180,064.80	3,122,928,741.49
Kaolin	tons	101,215.92	2,326.80	235,509,204.23
Galena	kg	5,235.60	185,231.00	969,795,423.60
Bauxite	tons	141,928.08	8,299.00	1,177,861,111.87
Tanzanite	ct	6,538,260.43	8,817.88	57,653,579,442.60
Coal	tons	87,496.29	429,709.85	37,598,019,450.90
Other Gemstones	tons	47,154.04	1,589,732.59	74,962,321,927.47
Phosphates	tons	97,773.00	213,306.00	20,855,567,114.26
Dolomite	tons	21,147.48	6,836.47	144,574,090.49
Pozzolana	tons	24,052.72	138,051.49	3,320,513,789.69
Sand, Stones & Bricks	tons	15,616.82	5,628,598.59	87,900,825,792.70
CO2	tons	1,446.53	7,557,612.79	10,932,322,581.22
Copper Ores	kg	557,490.53	2,013.04	1,122,250,884.23
Iron Ores	kg	48,454.41	16,555.53	802,188,387.36
Other Minerals	tons	212,220.00	1,411,965.85	299,647,392,663.88
TOTAL				4,783,370,198,736.77

EXPORT OF MINERALS

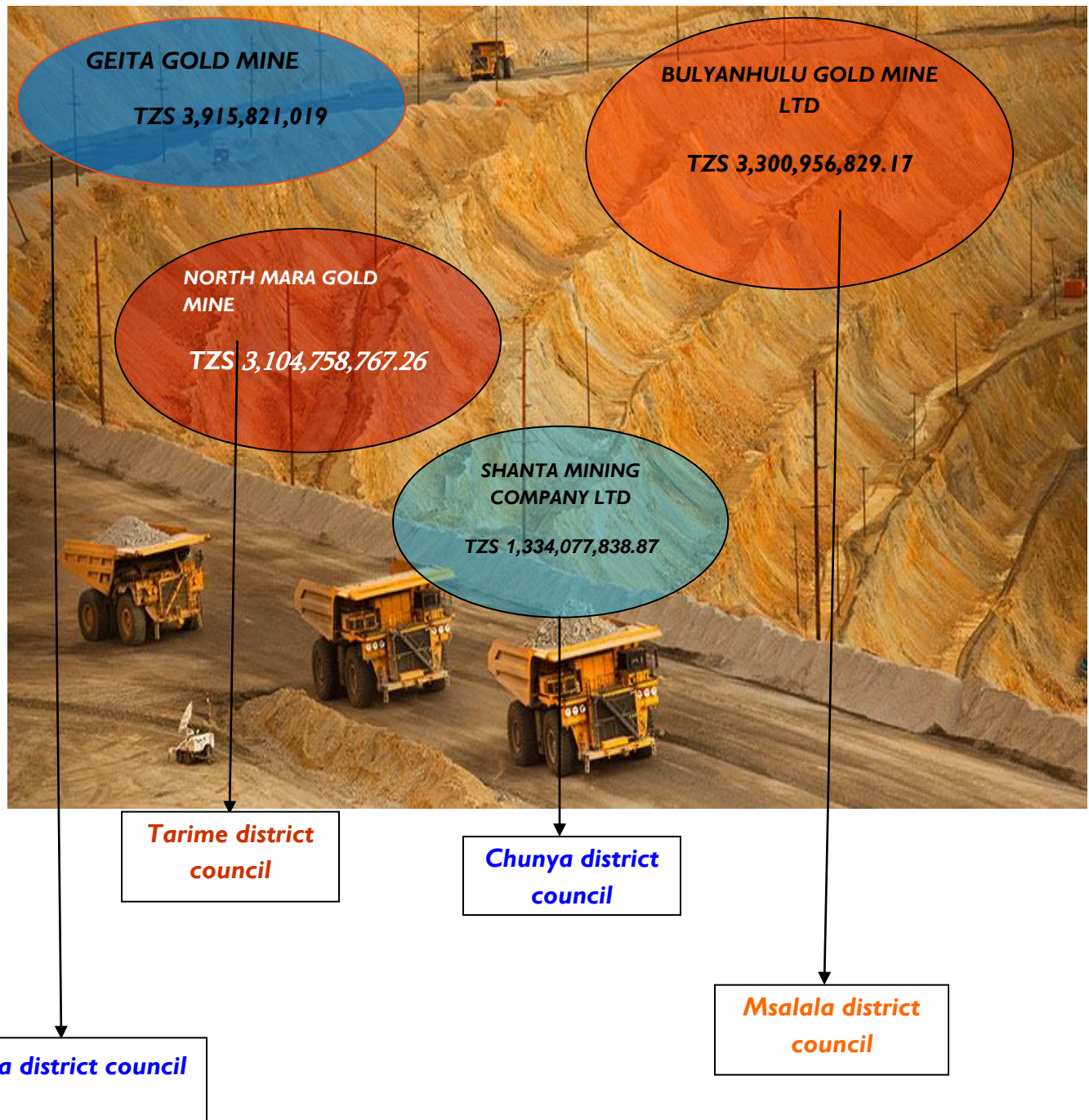
MINERAL TYPE	UNIT	EXPORT QUANTITY		EXPORT VALUE (USD '000')	
		2016	2017	2016	2017
Diamond (Rough)	Carat ('000')	239,305	304,456	85,090	67,510
Gold	Grams ('000')	45,155	43,490	1,824,815	1,636,535
Gemstones	Grams ('000')	2,944,107	1,185,697	60,483	53,596
Salt	Ton	145,718	100,017	4,806	3,803
Phosphate	Ton	23,658	1,351	721	585
Limestone	Ton ('000')	4,170	3,301	22,710	27,610
Tin Ore	Ton	138	91	1,499	1,037
Gypsum	Ton	213,744	123,675	6,279	3,187
Coal	Ton	276,030	563,053	11,580	22,250
Graphite	Ton	1,180	128	2,132	18
Silver	Grams ('000')	17,984	10,911	9,901	5,850
Copper	Pounds ('000')	16,247	2,934	35,421	7,741
Industrial Minerals	Ton	4,769,577	708,047	78,491	29,896
Bauxite	Ton	74,660	12,090	1,242	898
Total				2,145,170	1,860,516

EMPLOYMENT DATA REPORTED BY SEVENTEEN (17) EXTRACTIVE COMPANIES

SN	COMPANY/INDIVIDUAL	FOREIGN	LOCAL	TOTAL
1	GEITA GOLD MINING LIMITED	74	1,682	1,756
2	BULYANHULU GOLD MINE LIMITED	82	1,256	1,338
3	PANGEA MINERALS LTD	7	704	711
4	SHANTA MINING COMPANY LIMITED	26	732	758
5	M&P EXPLORATION PRODUCTION TANZANIA LIMITED	8	79	87
6	AUMS (T) LIMITED	79	142	221
7	WILLIAMSON DIAMONDS LTD.	14	786	800
8	NDOVU RESOURCES LIMITED.	1	-	1
9	EQUINOR TANZANIA AS	15	18	33
10	PANAFRICAN MINING SERVICES (TANZANIA) LIMITED.	12	119	131
11	MANTRA TANZANIA LIMITED.	4	19	23
12	TANCOAL ENERGY LIMITED	3	187	190
13	ORECORP TANZANIA LIMITED	2	1	3
14	DODSAL HYDROCARBONS & POWER (TANZANIA) LTD.	3	4	7
15	BUSOLWA MINING LIMITED	1	1	2
16	HENAN AFRO-ASIA GEO-ENGINEERING (TANZANIA) CO. LTD.	28	-	28
17	STAMIGOLD	0	401	401
TOTAL		359	6,131	6,490

LEVIES AND FEES PAID TO LOCAL GOVERNMENT BY

a) Mining companies



b) Oil and gas companies

