

## SCOPING STUDY FOR THE PERFORMANCE OF TANZANIA EXTRACTIVE INDUSTRIES AND PREPARATION OF 12<sup>TH</sup> TEITI REPORT FOR THE FISCAL YEAR 2019/2020



**FEBRUARY 2022**

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## LIST OF ABBREVIATIONS AND ACRONYMS

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APT	Additional Profit Tax
ASM	Artisanal and Small-Scale Mining
BRELA	Business Registrations and Licensing Agency
CAG	Controller and Auditor General
CSR	Corporate Social Responsibility
COVID-19	Corona Virus Disease-2019
DSE	Dar es Salaam Stock Exchange
EACOP	East Africa Crude Oil Pipeline
EIA	Environmental Impact Assessment
EITI	Extractive Industries Transparency Initiative
EMA	Environmental Management Act
EWURA	Water Utilities Regulatory Authority
GDP	Gross Domestic Product
IA	Independent Administrator
LCP	Local Content Plan
LCPTOGI	Local Content Policy of Tanzania for Oil and Gas Industry
LGA	Local Government Authority
LNG	Liquefied Natural Gas
MC	The Mining Commission
MDAs	Mineral Development Agreements
ML	Mining License
MNRT	Ministry of Natural Resources and Tourism
MoFP	Ministry of Finance and Planning
MoM	Ministry of Minerals
MPSA	Model Production Sharing Agreement
NBS	National Bureau of Statistics
NDC	National Development Corporation
NEMC	The National Environment Management Council
NNGP	National Natural Gas Policy
NOC	National Oil Company
NSSF	National Social Security Fund
PCL	Processing Licence
PEPs	Politically Exposed Persons
PML	Primary Mining License
PPF	Parastatal Pensions Fund
PSAs	Profit Sharing Agreements
PSSSF	Public Service Social Security Fund
PURA	Petroleum Upstream Regulatory Authority
REA	Rural Energy Agency
RFL	Refinery Licence

SDL	Skills and Development Levy
SL	Smelting License
SML	Special Mining License
SOEs	State-Owned Enterprises
SSRA	Social Security Regulatory Authority
STAMICO	State Mining Corporation
TANSORT	Tanzania Diamond Sorting Organization
TCIMRL	Tanzania China International Mineral Resources Limited
TEITA	Tanzania Extractive Industries (Transparency and Accountability)
TEITI	Tanzania Extractive Industries Transparency Initiative
TFS	Tanzania Forest Services
TMAA	Tanzania Minerals Audit Agency
TPDC	Tanzania Petroleum Development Corporation
TR	Treasury Registrar
TRA	Tanzania Revenue Authority
TZS	Tanzanian Shilling
USD	United States Dollar
VAT	Value Added Tax



## **ACKNOWLEDGMENT**

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The Independent Administrator (IA), Mzumbe University, acknowledges the dedicated cooperation of the TEITI Secretariat while carrying out this scoping study. In addition, the IA extends appreciation to the representatives of the Mining Commission, Tanzania Revenue Authority, Tanzania Petroleum Development Corporation, National Environment Management Council, Tanzania Forest Services, and Treasury Registrar for their readiness to provide the data required to carry out this scoping study.



## EXECUTIVE SUMMARY

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Tanzania joined the EITI in 2009 and became compliant with the EITI Rules in 2012. In the first Validation under the EITI Standard 2016, Tanzania was found to have achieved meaningful progress in implementing the EITI Standard in October 2017. The EITI International Secretariat assessed the progress made in addressing the 18 corrective actions established by the EITI Board following Tanzania's first Validation in 2017. On 16 June 2020, the Board decided that Tanzania has made meaningful progress with considerable improvements in implementing the 2016 EITI Standard. Tanzania's third Validation were scheduled to commence on 1 April 2022. However, due to impact of the COVID-19 pandemic on 8 December 2021, the EITI Board agreed a revised Validation schedule and the Validation of Tanzania is scheduled to commence on 1 April 2023.

The EITI requires implementing countries to prepare a reconciliation report of extractive companies' payments and government revenues from the extractive sector annually. Tanzania has published 11 TEITI reports covering government fiscal years 2008/09 to 2018/19. The reports show that Government has received \$3.78billion from the reconciled extractive companies. This is TEITI Scoping report covering the fiscal year 2019/20, which sets the foundation for preparing the 12<sup>th</sup> TEITI Report.

Operations in the extractive industry in 2019/20 indicate a significant increase in revenue collection compared to 2018/19. Specifically, in 2019/20 government collected TZS 1.97 trillion, while in 2018/19, the total government revenue was TZS 1.23 trillion. This increase in revenue is equivalent to 60.2 percent. This revenue growth is attributed to increased production and export performance of significant minerals and other sectoral development initiatives, including effective management of extractive industries operations.

In the years 2019 and 2020, the mining sector's contribution to Tanzania's Gross Domestic Product (GDP) was 5.1 and 6.7 percent, respectively. Tanzania realized the total minerals production, which had a value of TZS 7.3 trillion compared to 4.7 trillion and 3.7 trillion in the financial years 2018/19 and 2017/18, respectively. The growth in mineral production from 2018/19 to 2019/20 is equivalent to 35.6%. Similarly, the extractive industries provided employment to 332,468 people in 2019/20.

### **Receipts as Reported by Government Agencies**

Revenues collected by the government from extractive companies in 2019/20 was TZS 1.93 trillion as shown in the table below.

**Government receipts in 2019/20 (in TZS).**

Year	TRA	MC	TPDC	Total
2019/20	1,258,224,064,253.73	527,657,195,083.52	147,227,283,710.24	1,933,108,543,047.48

**Materiality Threshold and Reporting Entities**

- (i) The proposed materiality threshold for 2019/20 is TZS 1 billion (0.05%) of the preliminary government receipts of 1.93 trillion. This makes 40 reporting entities that contribute 89.9% of total government receipts from extractive industries during the year.
- (ii) The materiality thresholds proposed above mean that reporting entities that contributed 89.9% of the total government receipts will be included in the reconciliation report for 2019/20.

The table below shows the summary of the materiality threshold and the number of reporting entities for the fiscal year 2019/20.

**Materiality Threshold and Number of Reporting Entities**

Fiscal Year	Materiality Threshold		Number of Companies		Total
	Amount (TZS)	Percent	Mining	Oil and Gas	
2019/2020	1,000,000,000	0.05	36	6	40

A list of reporting entities recommended to be involved in the reconciliation report for 2019/20 is provided in Table 34.

**Recommendations**

The IA makes the following recommendations to the TEITI Committee.

**(i) Materiality Thresholds**

We recommend a materiality threshold of TZS 1 billion, which means all extractive companies that made payments above this threshold shall be required to participate in the reconciliation report. The payments that contributed less than the materiality threshold will be reported but not reconciled.

To reconcile company payments and government receipts, we recommend that the reporting entities justify any discrepancy between individual financial flows exceeding TZS 2 million. Similarly, we recommend that the reconciliation exercise be concluded when the discrepancy is less than one percent of the total reported company payments and government revenues.

**(ii) Reporting Entities**

In the fiscal year 2019/20, extractive companies made payments to different government entities (i.e., TRA, MoM, TPDC, TFS & MoFP). We recommend that these government entities, as well as NSSF and PSSF, disclose revenues collected

from the extractive companies. Also, LGAs that have received payments from extractive companies during this period should also disclose them.

### **(iii) Reporting Payments**

We recommend that statutory reporting entities should report the payments they received or paid in the proposed reporting templates according to the currency of payment made (i.e., either TZS or USD). However, the currency of publishing the payments made by the extractive companies in the final report will be Tanzanian Shillings. Further, we recommend that the rate for converting payments made in USD should be an annual average of the exchange rate of TZS 2,304.94 for the fiscal year 2019/20.

### **(iv) Reporting Templates and Management Sign-off**

Concerning reporting templates, we recommend that TEITI Committee review and approve the revenue streams to be used in the reconciliation exercise. Also, we recommend that a senior company or government officer of a respective reporting entity sign off the dully filled reporting templates. The signing authority should also attest that the data provided is complete and accurate.

### **(v) Information on the Impact of Covid-19 Pandemic on the Extractive Industry**

From December 2019 onwards, the extractive industries' operations experienced a downfall due to the outbreak of COVID-19. It is vital to gather and document the impact of COVID-19 on the extractive industries' performance. We recommend that the Committee review and approve the Questionnaire and interview guide for collecting data on the impact of the pandemic on extractive industries' performance.

### **(vi) Disaggregated Data**

The EITI requires disclosing disaggregated data of company payments and government revenues. It requires the publication of data in the EITI report by an individual company, government entity, and payment/revenue streams for each project. Therefore, we recommend that all reporting entities provide disaggregated data for each project as proposed in the reporting templates. We further recommend that report entities must use the reporting template provided by an IA; otherwise, a reporting entity will be regarded as failed to submit the requested information.

### **(vii) Information on Local Content, Corporate Social Responsibility, and Capital Expenditures**

The extractive companies must submit information on local content, corporate social responsibility, and capital expenditures. We recommend that all extractive

companies submit reporting templates that contain information on local content, corporate social responsibility, and capital expenditures.

**(viii) Data Quality and Assurance**

External auditors of extractive companies should certify that the payments reported in the reporting templates are drawn from accounts audited to international standards. On the part of the government agencies, the Office of CAG should certify that the revenues reported in the reporting templates are drawn from accounts audited to international standards and issue a confirmation letter to the IA to this effect. We believe that the approval of these data quality measures would ensure the quality, credibility, and integrity of data submitted by reporting entities.

**(ix) Confidentiality**

Data provided by reporting entities using reporting templates should remain confidential and used for the intended purpose only. Also, the draft TEITI report should remain confidential until the TEITI Committee authorizes its publication. We recommend adopting these measures by the TEITI Committee to maintain confidentiality and ultimately trust among the stakeholders.

## 1 INTRODUCTION

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The Extractive Industries Transparency Initiative (EITI) is a global coalition of Government Agencies, Extractive Companies, and Civil Society Organizations working together to improve transparency and accountability in managing revenues from natural resources. Tanzania joined the EITI in 2009 and became compliant with the EITI Rules in 2012. Tanzania's first Validation under the EITI Standard 2016 concluded on 25<sup>th</sup> October 2017. The EITI Board found that Tanzania had made meaningful progress in implementing the EITI Standard. The EITI Board identified eighteen (18) corrective actions to be assessed in a second Validation commenced on 25<sup>th</sup> April 2019. Tanzania's second Validation commenced on 1<sup>st</sup> January 2020 following an extension request approved by the EITI Board in October 2019. In June 2020, the EITI Board agreed that Tanzania had fully addressed ten of the eighteen corrective actions from the country's first Validation. Consequently, Tanzania was found to have made meaningful progress overall in implementing the 2016 EITI Standard, with considerable improvements across several individual requirements.<sup>1</sup>

The EITI requires implementing countries to prepare a report reconciling company payments and government revenues from the extractive sector annually. Tanzania has published eleven TEITI reports covering government fiscal years 2008/09 to 2018/19. This TEITI Scoping report covering the fiscal year 2019/20, which sets the foundation for preparing the 12<sup>th</sup> TEITI Report. The report provides contextual information on the mining, oil, and gas sectors in Tanzania, including recent developments in the sector. Also, it identifies government agencies that collected payments from the extractive companies, describes payment flows, reports payments made in 2019/20, and proposes materiality thresholds.

The report concludes by offering recommendations that allow the TEITI Committee to decide on the preparation of the reconciliation report. These recommendations include revenue streams to be covered in the report, materiality threshold, reporting templates, and procedures to ensure the credibility of data to be submitted by the reporting entities.

As provided in the Tanzania Extractive Industries (Transparency and Accountability) Act, 2015, the Committee engaged an Independent Administrator to conduct a scoping study of the Tanzania extractive industries performance and prepare the TEITI report for the fiscal year 2019/20.

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<sup>1</sup> The 2020 Tanzania validation report can be accessed at: <https://eiti.org/document/tanzania-validation-2020>

## **2 OBJECTIVE OF THE SCOPING STUDY**

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The scoping study aims at identifying the contents of the TEITI report to meet the requirements of the EITI Standard 2019. The study sets the basis for producing a timely, comprehensive, reliable, and understandable TEITI report. More specifically, the objectives of the study are to: -

- i. Provide a list of extractive companies that made material payments to the government that should be disclosed in the 2019/20 TEITI report.
- ii. Indicate a list of government entities that received material payments from extractive companies that should be disclosed in the 2019/20 TEITI report.
- iii. Describe barriers (if any) to full government disclosure of the total revenue from each benefit stream that government entities received from extractive companies in the fiscal year 2019/20.
- iv. Provide an overview of all extractive companies operating in Tanzania in respect to their sectoral focus (minerals, oil, and gas), nature and status of the operation (exploration/prospecting or exploitation/production or trading), and scale of operation (small scale, medium-scale and large scale);
- v. Collect information about the size of the extractive industry (oil and gas, minerals sector) in Tanzania;
- vi. Collect data and understand the different types of taxes, fees, charges payable in the mining, oil, and gas sectors;
- vii. Identify the types of payments and revenue streams existing in the extractive industry in Tanzania;
- viii. Identify the existence of in-kind payments, infrastructure provisions and other barter arrangements, and social payments and donations in Tanzania's extractive industry.
- ix. Provide a map outlining the payment flows within the extractive industry in Tanzania, including payments and transfers to/from local and district governments;
- x. Recommend the materiality threshold that should be used to determine the extractive companies to be covered in the 2019/20 TEITI report;
- xi. Provide recommended reporting templates following the scoping study results to be used in the 2019/20 TEITI report.

### **3 APPROACH AND METHODOLOGY**

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In the fiscal year 2019/20, five Government entities received payments related to taxes, fees, and charges payable from mining, oil, and gas companies. These Government entities include:

- i. The Mining Commission (MC)
- ii. Tanzania Revenue Authority (TRA)
- iii. Tanzania Petroleum Development Corporation (TPDC)
- iv. Treasury Registrar (TR)
- v. Tanzania Forest Services (TFS)

These entities were contacted on 15<sup>th</sup> October 2021 by the TEITI Secretariat and requested to provide data on all payments they received from extractive companies on or before 1<sup>st</sup> November 2021. The Independent Administrator (IA) did not receive all the needed data at once. As a result, the scoping study and the preparation of the report took place from 6<sup>th</sup> December 2021 to 4<sup>th</sup> February 2022.

The received data were analyzed to determine payments and revenue streams to get a perspective of payment flows made to the government. The analysis was also used to determine the materiality threshold which serves as the inclusion criterion for companies that will be involved in the TEITI reconciliation for the fiscal year 2019/20.



## 4 OVERVIEW OF THE EXTRACTIVE SECTOR

### 4.1 Key Features of the Extractive Industry

#### 4.1.1 Mining Sector

Tanzania is endowed with abundant and diverse occurrences of mineral deposits due to its favourable geological setting with lithostratigraphic and tectonic units that includes the Archaean Tanzania Craton, the Palaeoproterozoic Ubendian and Usagaran mobile belts, the Mesoproterozoic Karagwe –Ankolean, the Neoproterozoic Mozambique belt, the Phanerozoic sediments of the Karoo, Coastal basin and Cenozoic volcanic rocks. Major types of minerals found in Tanzania include gold, iron ore, nickel, copper, cobalt, silver, diamond, tanzanite, tin, ruby, garnet, limestone, soda ash, gypsum, salt, phosphate, coal, uranium, gravel, graphite, sand and dimension stones<sup>2</sup>. These minerals are described in Table 1.

**Table 1: Description of the major types of minerals found in Tanzania<sup>3</sup>**

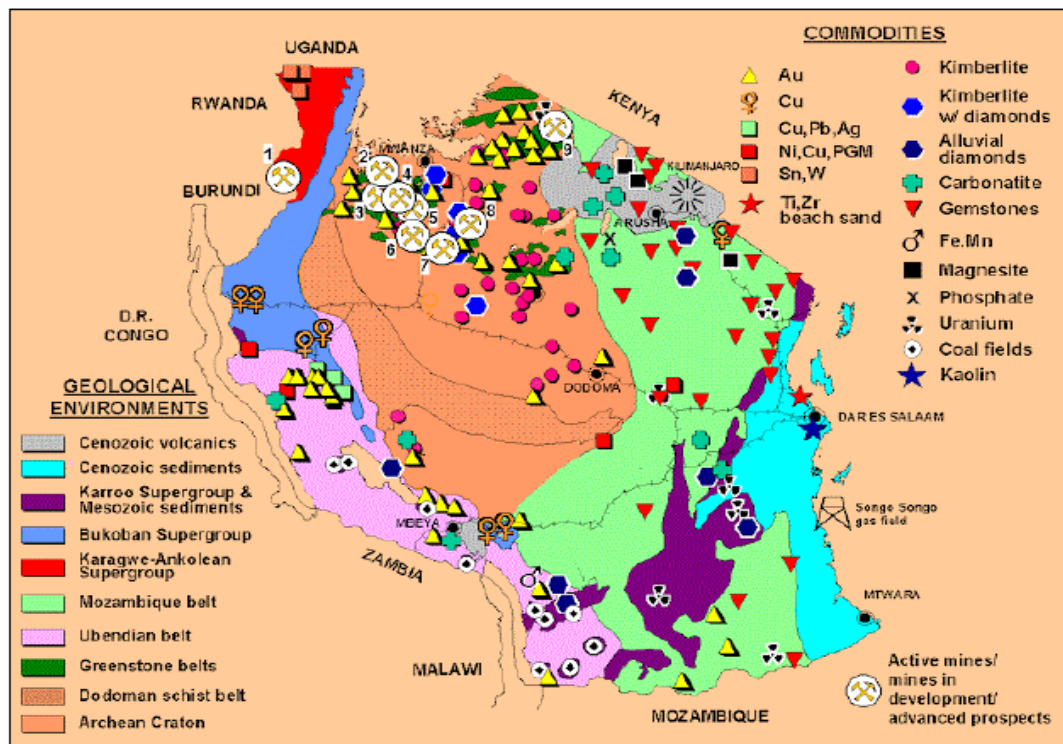
SN	Mineral Category	Major Mineral Types
1.	Metallic minerals	Gold, Iron ore, Silver, Copper, Nickel, Platinum, Tin, Aluminium, Lead, Silver, Cobalt, Lithium, Manganese, Mercury, Titanium, Tungsten
2.	Gemstones	Zinc, Diamond, Tanzanite, Ruby, Garnet, Emerald, Sapphire, Alexandrite, Amazonite, Amethyst, Aquamarine, Anyolite, Opal, Tourmaline, Kyanite, Magnesite, Moonstone
3.	Industrial minerals	Kaolin, Phosphate, Gypsum, Diatomite, Bentonite, Vermiculite, Limestone, Salt, Asbestos, Feldspar, Graphite, Fluorite, Corundum, Pozzuolana.
4.	Energy minerals	Coal, Uranium, Thorium, Helium
5.	Building materials	Stone aggregates, Sand

The minerals shown in Table 1 are found in different locations within the country. Figure 1 illustrates the locations of some of these minerals in the country.

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<sup>2</sup> <https://www.trade.gov/country-commercial-guides/tanzania-mining#:~:text=Tanzania%20is%20the%204th%20largest,quarter%20in%20the%20previous%20year.>

<sup>3</sup> <https://www.tumemadini.go.tz/uploads/files/Minerals%20Available%20in%20Tanzania.pdf>



**Figure 1: Mineral Occurrence Map in Tanzania**

Source: Mining Commission Annual Report 2018/19.

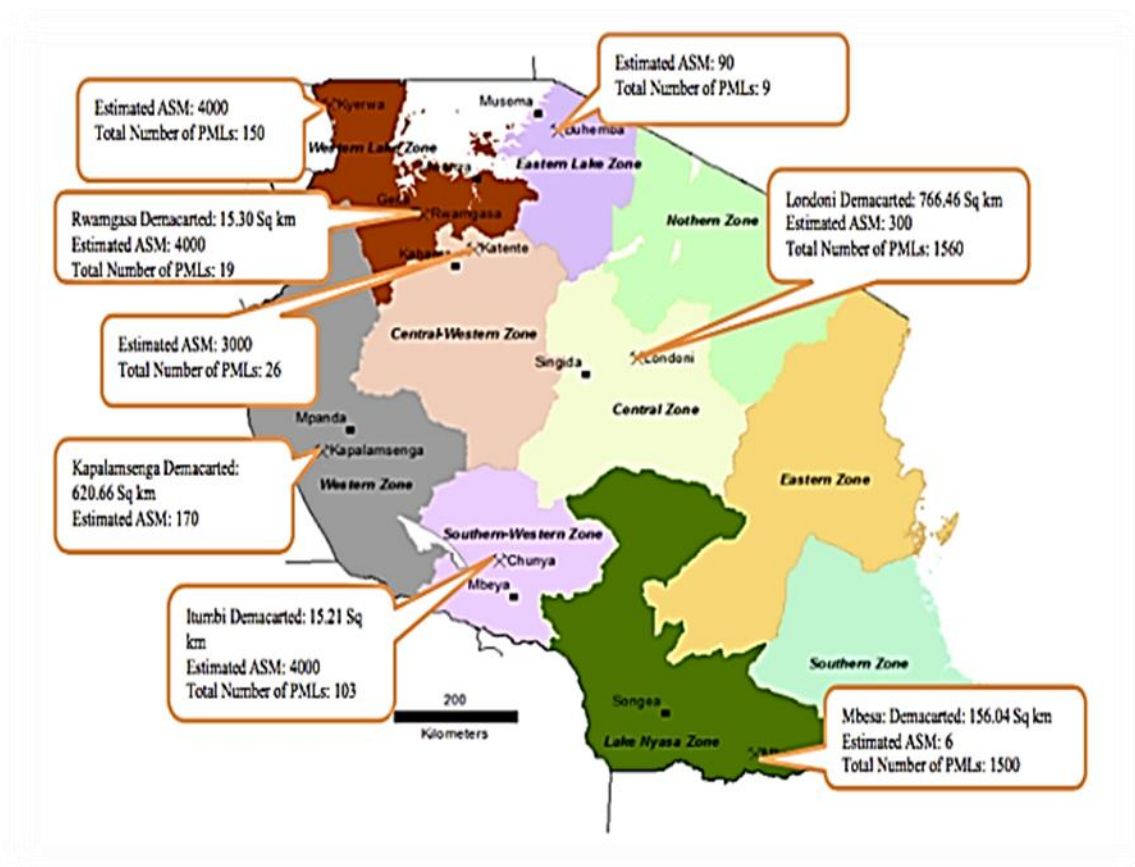
In terms of commercial significance, gold is the leading mineral, and Tanzania is the 4<sup>th</sup> largest producer of this mineral in Africa after South Africa, Ghana, and Mali. The major gold mines in the country include Geita Gold Mine (GGM) in Geita Region, North Mara Gold Mine (NMGM) in Mara Region, Bulyanhulu Gold Mine (BGM) and Buzwagi Gold Mine (BZGM) in Shinyanga Region. Others are New Luika Gold Mine (NLGM) in Songwe Region and Stamigold Biharamulo Mine (SBM) in Kagera Region.

Similarly, Gold mines of various scales are being developed in various parts with gold reserves. In 2021, Nyanzaga Gold project is the latest gold project to be developed in the country. It is situated in Archaean greenstones of the Lake Victoria Gold fields, approximately 60km southwest of the city of Mwanza in the Sengerema District.

#### **4.1.1.1 Artisanal and Small-Scale Mining**

ASM practices in Tanzania were first recognized by the Mining Acts of 1979 and 1998. Such recognition opened avenues for the formalization of ASM in the country. The Mining Act, 1998 introduced specific Licences for Tanzanian small-scale miners, namely Primary Mining Licences (PMLs). Later, the Mineral Policy, 2009 and the Mining Act, 2010 introduced relevant changes for small-scale mining, that defines ASM as prospecting or mining operations with a PML "whose capital investment is less than USD 5 million. Notable changes in the amended framework included:

- Applying for PMLs was facilitated, among others, by decentralizing administration to Zonal and Resident Mining Offices.
- The changes introduced a requirement for PML holders to submit an Environmental Protection Plan (EPP). The purpose of the EPP is to enable a PML owner to prepare an implementation plan upon which the management of the environment will be ensured. It also allows the PML owner to comply with the relevant legislation, regulations and standards for environmental management
- The Act established designated areas for small-scale mining operations. As of 2019, the country had designated 36 areas representing over 280,000 hectares as shown in Figure 2.



**Figure 2: Designated areas for small-scale mining in the 10 mining zones**

Source: Merket, 2019

Following the legal transformation in the mining sector brought by amendment of the Mining Act, Cap 123 in 2017, ASM's contribution increased substantially. The National Action Plan for Artisanal and Small-Scale Gold Mining (2020-2025) reported that ASM directly employs more than 1.2 million people (about 3% of the total

national population), constituting more than 90% of the mining labour force in the country. Moreover, ASM offers indirect employment to about 7.2 million people.<sup>4</sup> The ASGM sub-sector is estimated to produce between 5.3 and 9.8 tonnes of gold per year (about 12-22% of the national annual gold production).

#### **4.1.1.2 Development in Mineral Exploration Activities**

The mining sector in Tanzania is still developing and it carries a huge growth potential due to existence of mineral deposits in various parts of the country. Various companies have been prospecting and exploring different types of minerals through prospecting Licences. By the time this scoping study is conducted, the MC statistics show that 499 active Prospecting Licences exploring over 40 types of minerals in the country have been issued. About 75.5 percent of these Licenses prospect and explore five types of minerals namely Gold (264 licenses), Coal (43 Licenses), Nickel and Graphite (25 Licenses each) and Helium (20 Licenses).

#### **4.1.2 The Oil and Gas Sector**

Tanzania has a huge potential for oil and gas resources. As of February 2022, oil has not been discovered, but exploration activities are ongoing in different parts of the country. On the other hand, natural gas production is carried out in Songosongo and Mnazi Bay areas.

According to PURA's statistics of Gas Initially in Place (GIIP) of December 2017, Tanzania's natural gas reserves were estimated at 57.54 trillion cubic feet.<sup>5</sup> Following the significant discoveries of natural gas reserves, the Government has been introducing changes to the policy and legal framework of the oil and gas sub-sector over the years. The changes to the policy and legal framework are intended to maximize the country's benefits from its gas reserves.

##### **4.1.2.1 Recent Developments in the Oil and Gas Sector**

The Oil and Gas sub-sector has been growing since the discovery of gas reserves in the country. The Ministry of Energy has initiated various projects to promote the development of the sector. Key projects that have been initiated recently and are in the various stages of implementation include The East Africa Crude Oil Pipeline (EACOP) project, transportation and distribution of the natural gas project, Liquefied Natural Gas (LNG) project, and Natural Gas Utilization Master Plan project.

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<sup>4</sup> [https://www.vpo.go.tz/uploads/publications/en-1592551170-ASGM%20National%20Action%20Plan\\_Tanzania\\_2020.pdf](https://www.vpo.go.tz/uploads/publications/en-1592551170-ASGM%20National%20Action%20Plan_Tanzania_2020.pdf)

<sup>5</sup> National Environment Statistics Report (NESR, 2017) – Tanzania Mainland

### **i. The East Africa Crude Oil Pipeline Project**

Tanzania's oil and gas sector is expected to benefit from the EACOP project. This project will transport crude oil from Hoima, in Uganda, to Tanga port, in Tanzania. The project is owned by five partners whereby Total SA and China National Offshore Oil Corporation each own 35% of the project, Uganda National Oil Pipeline Company owns 15%, and TPDC owns 15%. The project will cover 1,443 km across Uganda and Tanzania, and it is expected to transport 230,000 barrels of crude oil per day. The official signing of the contracts for the implementation of the project was done on 11<sup>th</sup> April 2021 in Uganda in the presence of the heads of state of both countries.

### **ii. Transportation and Distribution of Natural Gas Project**

The country has started constructing infrastructure for transportation and distribution of natural gas in Dar es Salaam and Coast regions. Upon completion, the project will construct infrastructure for distributing Compressed Natural Gas (CNG) at the University of Dar es Salaam, Ubungu, Kivukoni, Muhimbili National Hospital, and Kibaha Hospital. Infrastructure in these centres will enable the distribution of CNG to domestic and industrial customers and vehicles using gas.

During the presentation of the Ministry of Energy budget for 2020/21, the Minister for Energy informed the Parliament that the project has completed the construction of 18 kilometers truck lines that could connect 100,000 customers in Dar es Salaam.

### **iii. Liquefied Natural Gas Project**

Shell, operator of blocks 1 and 4 (with partners Ophir, Pavillion) and Equinor, operator of block 2 (Partner; ExxonMobil), have resumed talks on host government agreement (HGA) with the Government through TPDC and a special government negotiation's team (GNT). While the HGA will govern tax, legal and commercial framework for the proposed LNG project, parties to the agreement continue to find and come up with the most cost-effective and efficient way to develop a multi-billion-dollar Liquefied Natural Gas (LNG) project. The project will liquify natural gas into liquid for domestic consumption and export.

### **iv. Implementation of Natural Gas Utilization Master Plan**

The country implementing the Natural Gas Utilization Master Plan (NGUMP) that focuses on guiding better utilization of natural gas, improving infrastructure for natural gas distribution, and ensure that each economic sector benefits from the utilization of natural gas. Through this plan, 18.7 million cubic feet of natural gas will be consumed in the country for electricity and fertilizer production as well as domestic and industrial uses. By the time this scoping study is conducted, the project has attained the following milestones:

- Preparation of the Draft Natural Gas Promotion Plan (DNGPP).
- Verification of the preliminary analysis of domestic demand for natural gas.
- Preliminary economic and technical analysis of the technological approaches for transportation and distribution of natural gas, and
- Preliminary analysis of the model project for distributing natural gas in Dodoma City.

#### 4.1.2.2 Discovery and Exploration of Oil and Gas in Tanzania

Discoveries of new natural gas reserves have been made in both offshore and onshore areas. Gas discoveries in offshore have been made in Block 1,2,3 and 4, while discoveries in onshore areas have been made in Mkuranga, Nyuni, Ruvuma, and Ruvu.<sup>6</sup> The status of gas exploration activities in these areas is shown in Table 2.

**Table 2: Details of Gas Discovery and Exploration Status**

Discovery Block	Discovery Well	Year of Discovery	Operator	Status	Estimated Gas Reserve (TCF)
<b>Discovery and exploration in onshore areas</b>					
Mkuranga	Mkuranga-1	2007	M&P	Developed	0.2
Nyuni	Kiliwani-N	2008	Ndovu Resource	Production started	0.07
Ruvuma	Ntorya-1 and Ntorya -2	2012	Ndovu Resource	Under exploration	0.466
Ruvu	Mambakofi-1	2015	Dodsal	Under exploration	2.17
<b>Discovery and exploration in offshore areas</b>					
Block 1	Chaza-1	2011	BG Tz	Under exploration	0.47
	Jodari-1	2012	BG Tz	Under exploration	3.53
	Jodari North-1	2012	BG Tz	Under exploration	
	Jodari South-1	2012	BG Tz	Under exploration	
	Mzia-1	2012	BG Tz	Under exploration	8.5
	MZIA-2	2013	BG Tz	Under exploration	
	Mzia- 3	2013	BG Tz	Under exploration	
	Mkizi -1	2013	BG Tz	Under exploration	0.6
	Taachui-1	2014	BG Tz	Under exploration	1.10
Block 2	Zafarani-1	2012	Statoil	Under exploration	6.0
	Zafarani-2	2012	Statoil	Under exploration	
	Lavani-1	2012	Statoil	Under exploration	3.6
	Lavani-2	2012	Statoil	Under exploration	1.4
	Tangawizi-1	2013	Statoil	Under exploration	5.4
	Mronge -1	2013	Statoil	Under exploration	2.5
	Piri-1	2014	Statoil	Under exploration	3.0

<sup>6</sup> <https://www.pura.go.tz/documents/gas-discoveries>



Discovery Block	Discovery Well	Year of Discovery	Operator	Status	Estimated Gas Reserve (TCF)
	Giligiliani-1	Aug-14	Statoil	Under exploration	1.7
	Mdalasini	Mar-15	Statoil	Under exploration	1.8
Block 3	Papa-1	2012	BG Tz	Under exploration	2.0
Block 4	Chewa-1	2010	BG Tz	Under exploration	1.8
	Pweza-1	2010	BG Tz	Under exploration	1.9
	Ngisi – 1	2013	BG Tz	Under exploration	0.8

### 4.1.3 Improved Management of Local Content in Extractive Industries

Implementation of the local content in the extractive industries is guided by the Petroleum (Local Content) Regulations of 2017 in the oil and gas sub-sector and Mining Local Content Regulations, 2018 in the mining sector.

In the extractive sector, the local content implementation is realized in locally purchased goods and services, employment, and training opportunities offered to Tanzanians.

In the mining sector, the Local Content Committee coordinates local content, which is responsible for ensuring measurable and continuous growth in local content in all mining activities. Other specific functions of the Local Content Committee include:

- Overseeing, coordinating, and managing the development of local content.
- Prepare guidelines for local content plans and reporting.
- Making appropriate recommendations to the Commission for smooth implementation of the local content regulations.
- Setting minimum standard requirements for local content in local content plans where applicable.
- Undertake public education and undertake local content monitoring and audit.

In carrying out mining operations, contractors, sub-contractors, Licencee or other allied entities must prepare and submit a Local Content Plan (LCP) that the Mining Commission should approve. The Local Content Committee evaluates the submitted LCP to verify whether such plans have complied with the local content guidelines before the approval of the Commission.

As of October 2021, LCP of 357 contractors and sub-contractors were approved by the MC. A list of contractors and sub-contractors whose LCP were approved is attached as Appendix 11.

## 4.2 Policy, Legal and Regulatory Framework

The operations of players in mining, oil and gas sector are guided by various policies, laws, and regulations. The policy, legal, regulatory and institutional



frameworks for the mining sub-sector are different from those of the oil and gas sub-sector. These frameworks are described in the following sections.

#### **4.2.1 Policy and Legal Framework of the Mining Sector**

The mining sector's legal framework constitutes the Mineral Policy of 2009, the Mining Act [CAP. 123 R.E. 2019], other related Acts, and various mining regulations. The applicability of each legal instrument in the mining sector is as follows:

##### **4.2.1.1 Policies Applicable in the Mining Sector**

###### **4.2.1.1.1 The Mineral Policy of 2009**

The Mineral Policy of 2009 sets the vision for the mineral sector by 2025. The key objectives of the Policy are to:

- Continue attracting private investments in exploration and mining.
- Enhance Government participation in strategic projects in the mining sector.
- Emphasize the integration of the mineral sector with other sectors of the economy.
- Establish a fiscal regime that balances benefits with investments competitiveness.
- Support mineral beneficiation and marketing.
- Underpin development of small-scale miners.
- Promote public participation in mining activities.
- Guide investors towards sustainable exploitation of mineral resources of Tanzania in a win-win manner.

##### **4.2.1.2 Laws Applicable in the Mining Sector**

###### **4.2.1.2.1 The Mining Act RE 2019 (CAP 123)**

The Mining Act RE 2019 (Cap.123), provides comprehensive guidance to the mining operations in the country. The Act was amended several times and revised in 2019. Key changes introduced during those amendments and revision include:

- Increased the royalty rate from 4 to 6 percent for mineral exports such as gold, copper, silver, and platinum.
- A clearing fee of 1 percent (as a new requirement) on the value of all minerals exported outside Tanzania
- Changed the shareholding structure requirements whereby all Mining Licence or Special Mining Licence holders are required to give the Government at least a 16 percent free carried interest in their companies' capital.
- Entitled the Government to acquire (in total) up to 50 percent of the shares in a mining company, proportional with the quantified value of tax expenditures incurred by the Government in favour of the mining company.

- Established the Mining Commission, which replaced the Mining Advisory Board (Board) and Tanzania Mineral Audit Agency.
- Provisions requiring the mineral rights holders to buy goods and services produced in Tanzania

In 2021, the Written Laws (Miscellaneous Amendments) (No 4) 2021 introduced further changes to the Mining Act RE 2019 (CAP 123). The changes include:

- Amended to strengthen the Government's participation in the management of its 16% free carried interest shares in mining companies holding mining licences or special mining licenses.
- Amended to facilitate the establishment of special arrangements which entitle the Government to directly participate in the mining operations for the purposes of safeguarding the interests of the Government.

#### **4.2.1.2.2 The Natural Wealth and Resources Contracts (Review and Re-negotiation of Unconscionable Terms) Act, 2017**

The Natural Wealth and Contracts (Review and Re-negotiation of Unconscionable Terms) Act, 2017, allowed the Government to review and re-negotiate agreements entered between the Government and mining companies before enacting the Natural Wealth Act. Further, Section 4 and 6 of this Act provide powers to the National Assembly to review arrangements and agreements made by the Government, and where necessary, direct the Government to re-negotiate any unconscionable terms identified, particularly those that restrict the Government's sovereignty over its natural resources.

#### **4.2.1.2.3 The Natural Wealth and Resources (Permanent Sovereignty) Act, 2017**

The Natural Wealth and Resources (Permanent Sovereignty) Act, 2017, introduced the requirement of settling disputes, especially those that relate to the extraction, exploitation, acquisition, or use of natural wealth and resources that are to be settled within Tanzania. Before the enactment of this Act, parties were free to choose the governing law and jurisdiction concerning dispute resolution.

#### **4.2.1.2.4 The Tanzania Extractive Industry (Transparency and Accountability) Act, 2015**

Tanzania Extractive Industries (Transparency and Accountability) Act, 2015<sup>7</sup> and its amendment of 2021<sup>8</sup> was enacted to ensure transparency and accountability of

<sup>7</sup> <http://parliament.go.tz/polis/uploads/bills/acts/1452053429-ActNo-23-2015-Book-21-25.pdf>

<sup>8</sup> [https://www.agctz.go.tz/uploads/documents/sw-1634293952-THE%20WRITTEN%20LAWS%20\(MISCELLANEOUS%20AMENDMENTS\)%20\(NO.%204\)%20ACT,%202021.pdf](https://www.agctz.go.tz/uploads/documents/sw-1634293952-THE%20WRITTEN%20LAWS%20(MISCELLANEOUS%20AMENDMENTS)%20(NO.%204)%20ACT,%202021.pdf)

players in the extractive industry in Tanzania. Among other matters, section 4 of the Act established a Committee, which is an oversight body for promoting and enhancing transparency and accountability in the extractive industry. Section 5 to 10 of the Act provides other matters concerning the functional arrangement of the Committee. Moreover, section 10 (2) (b) and (c) of the Act empowers the Committee to obtain information from extractive companies and statutory recipients concerning their operations.

In addition, sections 15 (1) to (3) of the Act set a requirement for extractive industry companies to provide information on local content, corporate social responsibility, and capital expenditure incurred. Similarly, section 16 (1) (a) and (b) requires the Committee to publish the information of extractive industry companies, including disclosure of contracts and beneficial ownership. Section 23 of the Act sets out penalties for individuals and companies, which fail to produce a document or information required under the law. An individual could pay a fine of up to TZS 10.0 million, while a body corporate could be fined a maximum of TZS 150.0 million.

In 2021, the Written Laws (Miscellaneous Amendments) No. 4 Act, 2021 amended section 5 of the TEITA Act to reduce the number of TEITA Committee members from 15 to 8.

#### **4.2.1.2.5 Income Tax, Act 2004 and its Amendments of 2018**

The Income Tax Act contains specific provisions that apply to the mining industry. Although mining companies continue to be subjected to the 30 per cent corporate income tax on their taxable profits, the income tax regime has introduced ring-fencing requirements along the value chain and changes regarding deduction and depreciation. There is no limit on the carry-forward period for tax losses though, losses from one mining licence area can only be offset against profits from the same mining licence area. However, the offset of losses brought forward is limited to 70 per cent of current year taxable profit before brought forward losses if an entity has had tax losses in the preceding four years.

As per this Act, mining companies are required to withhold tax when making payments in relation to dividends (10 per cent), interest (15 per cent), service fees provided by non-residents (15 per cent), and local professional and consultancy services (5 per cent).

#### 4.2.1.2.6 The Finance Act, 2020

The Finance Act, 2020 introduced changes to the Income Tax Act, Business Registration and Licensing by repealing Section 16(2) of the Companies Act, the Vocational Education and Training Act, Cap 82, and the Mining Act, Cap 123. These changes introduced requirements that are applicable to the mining sector as follows:

- *Income Tax Act:* The Finance Act, 2020 introduced a new requirement concerning taxation of a beneficial owner or agent of a non-resident person by amending sections 4 and 6 of the Income Tax Act.
- *Business Registration and Licensing Agency (BRELA):* The Finance Act, 2020 abolished the requirement of the seal by the Commissioner of Oaths when incorporating a company or renewing a registration by repealing section 16 (2) of the Companies Act.
- *The Vocational Education and Training Act, Cap 82:* The Finance Act, 2020 reduced the Skills Development Levy from 4.5 percent to 4 percent to relieve employers' overheads.
- *The Mining Act, Cap 123:* The Finance Act, 2020 introduced a new provision that requires the applicant for a new or renewal of mining licence to have Taxpayer Identification Number (TIN) and Tax Clearance from TRA.
- *The Companies Act, Cap 202 and the Anti-Money Laundering Act, Cap. 423:* The Finance Act, 2020 introduced the concept of beneficial ownership in order to establish parameters for identifying owners and beneficiaries in various entities for tax purposes.

#### 4.2.1.3 Regulations Applicable in the Mining Sector

Following the amendments to the Mining Act, the Minister for Minerals issued several Regulations to enforce the implementation of the Mining Act. Table 3 presents a description of Regulations applicable in the mining sector.

**Table 3: Description of Regulations Applicable in the Mining Sector**

SN	Regulation	Purpose and role of the Regulation
1.	The Mining Act (Mineral Rights) Regulations, 2018	These Regulations address the application of mineral rights, renewal, primary mining licences, and size of mining areas and mining expenditure, among others. The existence of these Regulations revokes the Mining (Minerals Rights) Regulations of 2010.
2.	The Mining (Minerals and Mineral Concentrates Trading) Regulations, 2018 as amended in 2019	These Regulations were introduced to guide the exportation and trading of mineral concentrates. Under the provisions of these Regulations, holders of mining and special mining licences, holders of processing, refining and smelting licences and holders of dealer's

SN	Regulation	Purpose and role of the Regulation
		licences may export or import minerals subject to obtaining an export or import permit issued by an authorised person.
3.	The Mining (Local Content) Regulations, 2018 as amended in 2019	The Regulations require that licence holders, contractors and subcontractors or licencees must ensure that local content requirements, including minimum local content levels, are complied with.
4.	The Mining (Radioactive Minerals) Regulations, 2018	These Regulations apply to mining activities in relation to exploration, mining processing, tailing, storage, transportation, acquisition, disposal and exportation of radioactive minerals. The Regulations aim at enhancing radiological safety, security and environmental protection. The Regulations repeal and replace the Mining (Radioactive Minerals) Regulations, 2010 as gazetted under GN N0. 407 of 2010
5.	The Mining (Mineral Beneficiation) Regulations, 2018 as amended in 2019	These Regulations provide for the beneficiation and processing of minerals. They further provide for application and granting of a processing, smelting or refining licence. As per the Regulations, the licence holder has the right to process, smelt or refine minerals and, for that purpose, is allowed to buy, acquire, sell and dispose of minerals (including exporting them).
6.	The Mining (Geological Survey) Regulations, 2018	These Regulations provide for administrative matters (establishment of the Board, functions, appointment, powers and duties of officers) of the geological survey of Tanzania. They also stipulate powers of the geological survey officers, general obligations on the geological survey, geological survey archives and collections, as well as source of funds of the Geological Survey Tanzania (GST), and general provisions.
7.	The Mining (Audit and Inspection of Records) Regulations, 2018	The Regulations are on records keeping, audit and inspection of these records, and other matters incidental to these requirements
8.	The Mining (Mimerani Controlled Area) Regulations, 2019	The Regulations established a security committee for the controlled area, the committee's duties, and identify the controlled area. They also set a requirement for mineral rights holders to fence the mineral rights area. The Regulations also outline security measures for people who enter the controlled area.
9.	The Mining (Diamond Trading) Regulations,	The Regulations provide for control and supervision of Diamond prospecting and mining as well as the

SN	Regulation	Purpose and role of the Regulation
	2019	procedure for dealing (export and import) of Diamonds. In addition, they also stipulate obligations for keeping information, records and registers for Diamond trading.
10.	Tanzania Extractive Industries (Transparency and Accountability) Regulations, 2019 <sup>9</sup>	The Regulations require all extractive companies to keep and disclose records of payments, exploration, prospecting, award or transfer of licences. They also require disclosure of capital expenditure at every stage of investment, volumes of production and export data regarding each licence.
11.	The Mining (Lapidary) Regulations, 2020	The Regulations guide Lapidary activities in the country. They address matters related to the application of a licence to lapidary activities, inspection, training and keeping of records, as well as surrender and termination of the lapidary licence.
12.	The Mining (Mineral and Gem Houses) Regulations, 2019	The Regulations provide for the establishment and operations of Mineral and Gem houses as well as procedures for acquisition, transportation and storage of minerals.
13.	Mining (Minimum Shareholding and Public Offering) Regulations of 2016 as amended in 2020	The Regulations mandate that 30 per cent of a shareholding by holders of special mining licences be locally owned and that a minimum local shareholding should be obtained through a public offer made under the Capital Markets Securities Authority.
14.	The Mining (Safety, Occupational Health and Environment Protection) Regulations, 2010	These Regulations regulate safety, health and environment in all mines and quarry during exploration, evaluation, development, construction and production, and closure and reclamation. The said Regulations define the power and duties of the inspector related to compliance assurance.
15.	The Mining (Environmental Protection for Small Scale Mining) Regulations, 2010	These Regulations apply specifically to primary mining licence holders and are not applicable to prospecting activities or medium and large-scale mining activities.
16.	The Mining (Environmental Protection for Small Scale Mining) Regulations,	The Regulations empower the 'Authorized Officer' to enter a small scale mine any time to monitor and assess effects on the environment. In non-compliance with the Environment Protection Plan and other provisions of these regulations, the holder of the small-scale mine has

<sup>9</sup> <https://www.madini.go.tz/wp-content/uploads/2019/02/TEITA-REGULATIONS-GN-NO.141-OF-2019.pdf>

SN	Regulation	Purpose and role of the Regulation
	2010	to take all reasonable action to mitigate those impacts and inform the zonal/RMO officer or pay a fine of up to TZS 100,000 for every breach.
17.	The Environmental Impact Assessment and Audit Regulations 2005 (the ESIA Regulations)	The Regulations set out how the Environmental Impact Assessment (EIA) and audit for mining projects should be conducted.
18.	The Mining (Mineral Rights Applications by Tender) Regulations, 2020	These Regulations shall apply to the applicants applying for mineral rights on the same area and date or the reserved area for application by tender.

#### **4.2.1.4 Regulatory and Institutional Framework of the Mining Sector**

The regulatory and institutional framework of the mining sector comprises different institutions and regulatory bodies. These entities include the Ministry of Minerals (MoM), the Ministry of Natural Resources and Tourism (MNRT), the National Environment Management Council (NEMC), Tanzania Revenue Authority (TRA), the Mining Commission (MC), and the TEITA Committee.

##### **i. The Ministry of Minerals**

The Ministry of Minerals is the apex body that regulates the activities of the mining sector (large-scale, small-scale, and artisanal miners) and enforces the implementation of the Mining Act, Cap 123. The Ministry is responsible for issuing mineral rights, enforcing laws and regulations for mining, and protecting of environment-including undertaking environmental monitoring and auditing. The Ministry is also responsible for overseeing the implementation of the TEITA Act, 2015.

##### **ii. Ministry of Natural Resources and Tourism**

The Ministry of Natural Resources and Tourism enforces laws and regulations for forestry resources management, forest conservation, and tourism. It regulates mining activities in forests and other protected areas by issuing permits to conduct mining activities in such areas.

##### **iii. Ministry of Lands, Housing and Human Settlement**

National Land Policy, 1997, the Village Land Act, Cap 114, and the Land Act, Cap 113 as amended in 2004 empower the Ministry of Land, Housing and Human Settlement to undertake land survey and oversee land use management. In that regard, the Ministry is a pivotal government organ for determining the mining areas



and grant legal approval for mining activities in designated areas with mineral reserves.

#### **iv. The Mining Commission**

The Mining Commission has taken over all operational functions performed by the Minerals Division under the Ministry of Energy and Minerals and all functions performed by the Tanzania Minerals Audit Agency (TMAA) and Tanzania Diamond Sorting Organization (TANSORT). The Commission is responsible for advising the Minister on all matters related to the mining sector. Furthermore, the Commission aims to enhance the management of the mining sector and ensure that the Government benefits from the mining sector's income. Detailed functions of the Commission are provided in Section 22 of the Mining Act, Cap 123.<sup>10</sup>

#### **v. Tanzania Extractive Industries Transparency Initiative Committee**

Tanzania Extractive Industries Transparency Initiative (TEITI) Committee seeks to create transparency and accountability in the management of the extractive industry in Tanzania. The TEITA Act, 2015 and its attendant Regulations of 2019 empower the Committee to solicit and publish extractive companies' financial, production, and beneficial ownership information.

#### **vi. State Mining Corporation**

State Mining Corporation (STAMICO) is an arm of the government to participate in mining activities. As a State-Owned Enterprise (SOE), STAMICO is expected to operate competitively in the mining sector and contribute to the national income. Specifically, STAMICO's responsibilities are to oversee Government interests in large scale mines, invest in the mining sector through mineral prospecting, development and operate mines, mineral trading, value addition, providing services in the management of mines, drilling, consultancy support to small scale mining and other related mining business.

#### **vii. Geological Survey of Tanzania**

The Geological Survey of Tanzania (GST) is a government body responsible for all matters related to geological activities other than prospecting, exploration and mining activities. The amendment of the Mining Act of 2010 through the Written Laws (Miscellaneous Amendments) Act, No. 7 of 2017 vested new functions to GST in addition to already existing functions. Some of its core functions include:<sup>11</sup>

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<sup>10</sup> <https://www.tumemadini.go.tz/pages/functions>

<sup>11</sup> <https://tanzlii.org/tz/legislation/act/2017/7-0>

- a) Undertake the geological mapping of Tanzania, and may for that purpose, engage contractors.
- b) Provide data concerning Tanzania's geology and mineral resources and generally assist members of the public seeking information concerning geological matters.
- c) Maintain such laboratory, library and record facilities as may be necessary for the discharge of its functions.
- d) Provide geo-scientific advice, information and data to the Government.

#### **viii. National Environment Management Council**

The Council is responsible for providing environmental education and raising public awareness on environmental management. Also, it advises the Government on environmental matters, performs environmental audits in all sectors to ensure compliance with environmental laws and regulations, and enforces pollution control measures. The Council is an important instrument for ensuring the operations of mining activities are environmentally friendly.

#### **ix. Tanzania Revenue Authority**

The Authority is responsible for administering tax laws to assess, collect, and account for all revenues to which those laws apply. It is also responsible for monitoring and ensuring the collection of fees, levies, charges or any other tax collected by any ministries, departments or divisions of the government as revenue for the government. TRA is responsible for collecting tax and accounting for all revenues from the mining activities in the mining sector.

#### **x. Business Registration and Licensing Agency (BRELA)**

The broad function of BRELA is to register new companies, regulate and facilitate businesses activities in Tanzania. A company or an individual intending to conduct mining business in Tanzania must obtain a business licence before applying for the mineral rights from the MC.

#### **4.2.1.5 Impact of the Mining Sector Reforms**

The legal, regulatory, and institutional reforms introduced in the Mining sector since 2017 have impacted the sector positively. The key impact as a result of these reforms include:

- a) *Increased implementation of mineral value addition activities in the country:*  
The amendment of the Mining Act, Cap 123, gave the Government a lien to all mineral concentrates, a measure that stimulated stakeholders to invest in

mineral value addition activities. To date, the country has established three precious metals refineries namely Geita Gold Refinery, Mwanza Precious Metals Refinery, and Eyes of Africa.

- b) *Increased commitment of mining companies to CSR and local content:* The amendments of the Mining Act, Cap 123, has set provisions for mining companies to increase commitment on local content implementation and streamlined the CSR initiatives of the mining companies. As a result, the CSR activities are implemented as per the CSR plans prepared jointly between the mining companies and local authorities.
- c) *Establishment of Mineral Joint Ventures:* Twiga Minerals Corporation and Tembo Minerals Corporation Limited have been founded as a result of amendments of the Mining Act, Cap 123. The Government owns 16 per cent free-carried interest in each of these companies.
- d) *Increased Government revenue.* The establishment of Minerals Market and Mirerani designated controlled area has increased revenue collection and reduced mineral smuggling.
- e) The reforms have clearly demonstrated the will of the government to formalize Artisanal and small-scale mining activities. The measures undertaken so far have started to yield results as the contribution of Artisanal and small scale miners have total mineral production, especially gold has increased significantly.

The reforms increased the contribution of the Mining sector to the country's GDP from 3.8% in 2014 to 6.7% in 2020. The MoM projected that the sector could contribute 10% of the country's GDP by 2025.

#### **4.2.2 Legal Framework of the Oil and Gas Sector**

The legal framework of the oil and gas sector is made up of various policies, laws, and regulations. The main legal instruments include the National Natural Gas Policy (NNGP) of 2013, the National Energy Policy of 2015, and the National Investment Policy of 1996. Others include the Oil and Gas Revenue Management Act of 2015, the Petroleum Act of 2015, and the Petroleum (Local Content) Regulations of 2017. Similarly, the exploration and production of oil and gas are guided by the Model Production Sharing Agreement for Petroleum (MPSA) of 2013.

##### **4.2.2.1 Policies Applicable in the Oil and Gas Sector**

###### **4.2.2.1.1 The National Energy Policy, 2015**

The National Energy Policy, 2015 has considered the key issues addressed in the National Natural Gas Policy (NNGP) of 2013 and the Local Content Policy of Tanzania

for the Oil and Gas Industry (LCPTOGI) of 2014. The Policy was prepared to address the following key issues:

- *Restructuring of the State-owned utility company -TANESCO:* The Policy proposes for the State-owned utility company to be unbundled into independent generation, transmission, and distribution companies. However, to date, this Policy has not been implemented. The State-owned utility company still performs the three functions.
- *Prioritization of the local market for oil and gas products:* The Policy recommends that the local market be prioritised over export markets to promote domestic utilisation of oil and gas products.
- *Mobilization of financial resources:* The policy points out the necessity of mobilising adequate financial resources for implementing energy programmes and projects. Through this Policy, the Government aspired to establish a favourable investment climate that would attract private investments in the energy sector.
- *Energy pricing:* Through this Policy, the Government aims to have efficient and effective energy pricing for the sustainability of the energy sector. However, the main challenges are the fluctuations of exchange rates, inflation, and the ability of consumers to afford energy prices.
- *Public Private Partnership:* The policy advocates for Public-Private Partnership (PPP) undertaken to bring rapid growth in the energy sector and ensure speedy structuring and financing of PPP projects in this sector.

#### **4.2.2.1.2 The National Investment Policy of 1996**

The National Investment Policy of 1996 aims to promote, attract, and facilitate Foreign Direct Investment (FDI) in the country, including the oil and gas sector. Since the capacity of local firms to participate in the exploitation of oil and gas resources is low, the Policy creates a conducive environment for international oil and gas companies to invest in oil and gas projects, thereby allowing the country to benefit from its oil and gas resources. Currently, the Policy is under review to improve the investment climate in the country.

#### **4.2.2.2 Laws Applicable in the Oil and Gas Sector**

##### **4.2.2.2.1 Petroleum Act, 2015**

The Act provides for the regulation of upstream, midstream, and downstream activities of the petroleum sub-sector. Section 11 of the Act establishes Petroleum Upstream Regulatory Authority (PURA), which is mandated to monitor and regulate the upstream petroleum segment in Tanzania mainland. Likewise, section 8 of the Act establishes the TPDC as the National Oil Company (NOC). TPDC acts as an

aggregator with exclusive rights to purchase, collect and sell natural gas from producers. Legally, TPDC must maintain a participating interest of not less than 25 per cent in each oil and gas project operating in Tanzania. It can form subsidiary companies that could facilitate TPDC to carry out specific petroleum operations or related activities. Cap 414, provides powers to Energy and Water Utilities Regulatory Authority Act, to exercise powers in respect of midstream and downstream oil activities in Tanzania under the Petroleum Act, 2015. In addition, the Act establishes an Oil and Gas Bureau within the office of the President to advise the Cabinet on strategic matters about the oil and gas economy in the country.

#### **4.2.2.2.2 The Oil and Gas Revenues Management Act, 2015**

The Oil and Gas Revenue Management Act, 2015 is the principal legislation that guides the management of revenues from the Oil and Gas Sector. The Act establishes the Natural Gas Revenue Fund (NGRF) to ensure fiscal and macroeconomic stability, guarantee the financing of investment in the Oil and Gas sector, enhance social and economic development through oil and gas operations, and safeguard resources for future generations. The fund receives contributions from royalties, government profit share, dividends, and corporate income tax on exploration, production and development of oil and gas resources. The fund became operational effectively from May 2017, and in this reporting period, TPDC contributed TZS 66,449,000,000 to the fund.

#### **4.2.2.2.3 The Natural Wealth and Resources Contracts (Review and Re-negotiation of Unconscionable Terms) Act, 2017**

The Natural Wealth and Contracts (Review and Re-negotiation of Unconscionable Terms) Act, 2017, allows the Government to review and re-negotiate agreements entered between the Government and the other party (including mining, oil and gas companies) in the extraction, exploitation, acquisition, and the use of natural wealth and resources. Section 4 and 6 of this Act provide powers to the National Assembly to review and re-negotiate arrangements and agreements made by the Government relating to natural wealth and resources, and where necessary, direct the Government to re-negotiate any unconscionable terms identified, particularly those that restrict the Government's sovereignty over its natural resources.

#### **4.2.2.2.4 The Natural Wealth and Resources (Permanent Sovereignty) Act, 2017**

The Natural Wealth and Resources (Permanent Sovereignty) Act, 2017, aims to ensure that the interest of the people of the United Republic of Tanzania is protected and benefits its people regarding the use of natural wealth and resources. The President of the United Republic of Tanzania is entrusted with its people's natural

wealth and resources. All activities and undertakings relating to that subsector will be conducted by the Government. The Act also ensures value creation and addition in natural wealth and resources by promoting local beneficiation of raw materials, which will create employment and skills transfer. Section 11 of the Act provides for strict adjudication of all disputes arising from the exploration, exploitation, acquisition and use of natural wealth and resources by judicial bodies or institutions established in the United Republic of Tanzania according to the laws of Tanzania. Before the enactment of the Natural Resources Act, parties were free to choose the governing law and jurisdiction concerning dispute resolution.

#### **4.2.2.3 Regulations and Other Instruments of the Oil and Gas sector**

##### **4.2.2.3.1 The Petroleum (Local Content) Regulations of 2017**

The Petroleum (Local Content) Regulations of 2017 provide the ways in which the government can maximize attainment of the country's benefits from current gas projects and potential future oil and gas projects. They promote job creation through the engagement of local experts in oil and gas activities and the utilization of local goods and services. In addition, they guide the participation of the local community in the oil and gas sector.

##### **4.2.2.3.2 Model Production Sharing Agreement for Petroleum of 2013**

The Model Production Sharing Agreement for Petroleum (MPSA) of 2013 serves as the basic framework for negotiations between foreign oil companies, the Government, and TPDC. The model agreement sets out terms under which exploration and production activities can take place. Under the MPSA, exploration and production companies incur operational expenses and then apportion the profit from oil and gas income with TPDC. Key provisions of the MPSA that are beneficial to the country include those related to state participation in oil projects by at least 25 per cent and the right of the government to receive royalty and additional profit tax.

Similarly, the MPSA of 2013 emphasizes the capacity building of local staff through training by increasing the annual training expenditure budget requirement from a minimum of \$150,000 under the MPSA of 2008 to a minimum of \$500,000. However, this contractual requirement is for new arrangements and might differ from the active or existing agreements entered before 2008. In general, the MPSA of 2013 guarantees the interests of TPDC in oil and gas accomplishments. However, the MPSA 2008, 2013 have not affected the agreements already in place, i.e. agreements before 2008. The parliament under the Natural Wealth and Resources Contracts (Review and Re-Negotiate of Unconscionable Terms) Act, 2017, Sec 4, 5, 6 and 7 exercised its powers to call on and review the terms of the existing PSAs.

#### **4.2.2.4 Regulatory and Institutional Framework of the Oil and Gas sector**

The country's oil and gas sector is regulated by the Ministry of Energy (MoE), Ministry of Finance and Planning (MoFP), PURA, Energy and Water Utilities Regulatory Authority (EWURA), and BoT.

##### **4.2.2.4.1 Ministry of Energy**

The Ministry of Energy is the highest supervisory organ of energy issues in the country and is responsible for coordinating and setting appropriate policies, laws, and Regulations to ensure sustainable development of the sector. Despite this noble responsibility, the MoE is responsible for managing institutions under its jurisdiction. These institutions include the TPDC, EWURA, PURA, Tanzania Electrical Supply Company (TANESCO), and Rural Energy Agency (REA).

##### **4.2.2.4.2 Ministry of Finance and Planning**

The MoFP is a part of a coordinated system that aims at strengthening transparency and proper use of revenue derived from the energy sector. It develops policies that promote the attainment of national output from the oil and gas sector. The Ministry provides exemptions on Value-Added Tax (VAT) and other taxes on various devices used to store, export, and distribute gas.

##### **4.2.2.4.3 Petroleum Upstream Regulatory Authority**

PURA is the regulatory authority established under Section 11 of the Petroleum Act, 2015 (Act No. 21 of 2015) to regulate and monitor petroleum upstream operations and LNG activities in the Mainland Tanzania and provide advisory services to the Government and the Minister for Energy.

##### **4.2.2.4.4 Energy and Water Utilities Regulatory Authority**

EWURA is responsible for technical and economic regulation of the electricity, petroleum, natural gas, and water sectors in Tanzania pursuant to Cap 414 and other sector legislation. EWURA is also responsible for promoting effective competition and economic efficiency in the energy sector, protecting the interests of consumers, and promoting the availability of regulated services to all consumers.

##### **4.2.2.4.5 Bank of Tanzania**

BoT participation in the oil and gas sector has been identified in the National Natural Gas Policy of 2013. One of the key responsibilities of the BoT is to control inflation that may originate from oil and gas activities. It achieves that goal by issuing relevant financial procedures for oil and gas operations. Similarly, as per section 8 of the Petroleum Revenue Management Act, 2015, BoT maintains and operates a



Natural Gas Revenue Fund account. As a result, BoT is involved directly in managing the funds from the oil and gas sector.

## 4.2 Fiscal Regime

### 4.2.1 Fiscal Regime of the Mining Sector

According to the Mining Act, the Tanzanian Government generates revenue from companies operating in the mining sector through taxation, fees, and other duties according to the Mining Act, Cap 123. Table 4 presents a summary of the fiscal regime for the Mining sector.

**Table 4: Fiscal terms for the Mining Sector**

SN	Fiscal category	Description
1.	Royalty	Mining companies pay royalties to MC. From July 2017, the amendments made to the Mining Act, Cap 123 set the royalty rate of 6% for diamond and gemstones and 6% for metallic minerals such as copper, gold, silver, and platinum.
2.	Inspection and clearing fees	Mining companies pay 1% of the value of all mineral exports to MC as inspection fees.
3.	Free carried interest shares	The amendments made to the Mining Act in 2017 introduced a requirement for Mining Licence and Special Mining Licence holders to give the Government not less than 16% free carried interest shares in their companies' capital.
4.	Corporate Tax	Mining companies are charged corporate tax at the same fixed rate of 30% of taxable income as per the Income Tax Act, Cap 233 [R.E. 2008]
5.	Value Added Tax	VAT is a pass-through tax that applies at every transaction point. The rate is 18% of all taxable goods and services. All suppliers of goods and services with a turnover of at least TZS 40 million must be registered for VAT purposes. In the Mining sector, VAT refunds are provided for mineral exports, but amendments to the VAT Act in 2017 mean that refunds are no longer provided for exports of ore and concentrates.
6.	Depreciation allowance for capital expenditure	The third schedule of the Income Tax Act, Cap 233 [R.E. 2008] as amended by the Finance Act 2016, set the depreciation allowance at 20% per year for five years.
7.	Loss carry-forwards	If a corporation made a loss from the corporation's business, it is allowed to be deducted for five consecutive years and in the third year will be taxed at the rate of 0.3% on turnover.
8.	Withholding tax on dividends	As per the first schedule of the Income Tax Act, Cap 233 [R.E. 2008], mining companies listed in the Dar es Salaam Stock Exchange market pay a withholding tax of 5 percent on dividends. Other companies not listed in this market are obliged to pay a withholding tax of 10 percent on dividends.
9.	Withholding tax on interest	Withholding tax on interest on foreign loans is at the rate of 10 percent, and accrued interest is deemed a payment; therefore,

SN	Fiscal category	Description
		withholding tax thereon is payable.
10.	Withholding tax on payment for technical services and on management fees	When mining companies pay technical service or the management fee to a resident person are obliged to charge a withholding tax of 5 percent and a 15 percent when paying such fee to a non-resident person. However, entities with Mineral Development Agreements (MDAs) signed before 2014 pay a withholding tax at the rate of 3%.
11.	Customs duty on imports of mining equipment and supplies	Under the terms of the Customs Traffic Act, import duty payable by a mining company or its subcontractors is zero percent during exploration and in the first year of operation; thereafter, it will not exceed 5 percent.
12.	Capital Gains Tax	The capital gains tax rate is 30% for corporate entities in Tanzania.

#### 4.2.2 Fiscal Regime of the Oil and Gas Sector

As it is in the mining sector, the Tanzanian Government generates revenue from companies operating in the oil and gas sector through taxation, fees, and other duties as stipulated in the Income Tax Act, 2004, Oil and Gas Revenue Management Act, 2015, and MPSA of 2013. Table 5 presents a summary of the fiscal regime for the oil and gas sector.

**Table 5: Fiscal terms for the Oil and Gas Sector**

SN	Fiscal Category	Description
1	Royalty	<ol style="list-style-type: none"> <li>1. Royalty for oil and gas is paid to TPDC as provided for in section 113 of the Petroleum Act, 2015. Royalty is on a sliding scale depending on the area where the hydrocarbon is being exploited, with the rate being 12.5% in the onshore and shelf areas and 7.5% in the offshore areas.</li> <li>2. The Petroleum Act and MPSA of 2013 require payment of royalty out of gross production before the operation of the sharing formula.</li> </ol>
2	Cost Recovery Limit	Cost recovery is limited to 50% of production (net of royalties) in any period. The model gas terms provide a more generous 70% limit. Profit hydrocarbons are shared based on production volumes.
3	Petroleum Profit	This is the amount of oil or gas revenue remaining after royalty and cost recovery has been deducted. Petroleum profit is shared between the National Oil Company (NOC), the Tanzania Petroleum Development Corporation (on behalf of the government), and the Contractor on pre-agreed proportions. The MPSA 2013 contains benchmarks for profit-sharing which are not binding.
4	Additional Profit Tax	Additional Profit Tax (APT) is payable by a contractor subject to Article 17 of the MPSA 2013 and is calculated based on the Development Area of the contractor. Payment of APT is a contractual obligation rather than a tax that is enshrined in the tax laws. APT will vary with the real rate of return earned by the Contractor on the net cash flow from the Development Area.

SN	Fiscal Category	Description
		Contractors pay an APT of 25% of the first accumulated net cash position and 35% of the second accumulated net cash position.
5	Income Tax	<ol style="list-style-type: none"> <li>1. A contractor pays income tax as corporate tax as per the Income Tax Act, Cap 332 [R.E. 2008]</li> <li>2. If the contractor consists of more than one legal entity, each entity is required to calculate and pay its income tax separately and submit a separate return.</li> <li>3. Resident Company is taxed at 30% on its worldwide income. A non-resident is taxed 30% on its Tanzanian sourced income. A new company is taxed at 25% if it is listed on the Dar es Salaam Stock Exchange (DSE) and the general public holds at least 30% of its shares.</li> </ol>
6	Branch Profit Tax	Branch profit tax applies to repatriated income. Repatriated income is calculated according to a specific formula based on movements in the branch balance sheet and the maintenance of a form of tax retained earnings account.
7	Withholding tax	This is the amount of a service or goods provider's pay withheld by the taxable entity and sent directly to the government as partial payment of income tax. The rate is 5% from the payment of resident providers of technical or management services. The dividend is taxed 10%, but 5% for companies listed at DSE or in case 25% of shares owned by residents.
8	Annual Rental Fee	The contractor pays the following rental fees indexed to US\$ inflation rates (as per MPSA 2013): <ol style="list-style-type: none"> <li>i. 50 US\$/sq. km for the initial exploration period;</li> <li>ii. 100 US\$/sq. km for the first extension period; and</li> <li>iii. 200 US\$/sq. km for the second extension period</li> </ol>
9	Import Duty Exemption	All equipment and material imported for use in petroleum operations can be imported free of all duties and import taxes and can be re-exported free of any export duty or tax. Expatriates enjoy similar privileges in respect of their personal effects.
10	Capital Gains Tax	Capital Gain Tax applies in case of corporate re-organization and/or there is an acquisition of assets. Transfer of shares subject to Capital Gain Tax is charged at the rate of 30% of turnover. Since July 2012, indirect share transfer may be taxed. The change of ownership by 50% is treated under the Income Tax as a realization of asset/liabilities.
11	Value Added Tax (VAT)	VAT is a pass-through tax that applies at every transaction point. The rate is 18% of all taxable goods and services. All suppliers of goods and services with turnover at least TZS 40 million must be registered for VAT purposes. The oil and gas exploration companies are exempted from the VAT to extent provided in their respective PSAs.
12	Bonuses	International Oil Companies pay two types of bonuses: signature and production bonuses. These are front-end loaded taxes payable upfront to the State. Bonuses were initially introduced by Article 11

SN	Fiscal Category	Description
		(c) of the MPSA 2013. The same is provided in PA under Section 115 and Section 116. The signature bonus rate is not less than \$2.5million, and production bonus is not less than \$5million. Bonuses are not recoverable under the PSA, but they are deductible for tax purposes
13	Ring Fencing	Ring-fencing has been introduced for purposes of separating income and losses arising from different operations. Contract expenses are ring-fenced within the Contract Area. The recoverable Contract expenses must have been incurred prior to the commencement of production. Activities in different contract areas are treated as separate operations and are taxed separately as per Section 20 of the Finance Act 2013, Section 118 PA 2015, Section 19 of Income Tax Act, 2004, Article 12(c) MPSA 2013
14	Transfer Pricing	All arrangements between separate mining and petroleum operations and other activities should reflect the arm's length principle. This principle requires associated persons to transact with each other independently and on an equal basis. The Ministry of Finance and Planning has issued detailed transfer pricing regulations to support the transfer pricing provision in the Income Tax Act. PSAs also generally include their own detailed transfer pricing rules, which apply for the purposes of sharing profit derived from oil or gas and calculating cost recovery.
15	Training and research fees	Contractors in the oil and gas sector pay training and research fees of US\$ 500,000 per annum to TPDC for purposes of enhancing the development of oil and gas subsector as per Section 114 of the Petroleum Act, 2015.

### 4.3 Contribution of the Extractive Industry to the Economy

According to the National Bureau of Statistics (NBS), mining and quarrying sector involves the mining of coal and lignite and extraction of peat, crude petroleum, and natural gas. Thus, this section presents the contribution of extractive sector to the Gross Domestic Product (GDP) and employment.

#### 4.3.1 Contribution to Gross Domestic Product

In the financial year 2019/20, the mining and quarrying (inclusive of natural gas) continued to show growth compared to previous years. In the financial year 2019/20, the contribution of mining and quarrying sector to GDP was 6.7%<sup>12</sup> compared to the financial years 2018/19 and 2017/18 when the sector contributed

<sup>12</sup> <https://www.parliament.go.tz/news/taarifa-ya-hali-ya-uchumi-wa-taifa-kwa-mwaka-2020-na-mpango-wa-maendeleo-wa-taifa-wa-mwaka-2021-22>

5.1% and 4.8%, respectively. These statistics indicate there is steady growth of the mining and quarrying sector.

### 4.3.2 Contribution to Employment

According to NBS, in the financial year 2019/20 the mining and quarrying sector (inclusive of natural gas) contributed to total direct employment of 332,468 people. The contribution to total direct employment by sector is shown in Table 6.

**Table 6: Contribution to Total Direct Employment by Sector in the Financial Year 2019/20**

SN	Sector	Direct Employment (Number of People)
1.	Agriculture	4,798,259
2.	Health	987,161
3.	Mining and Quarrying	332,468
4.	Communication	192,069
5.	Construction	104,844
6.	Industry and Trade	86,246
7.	Natural Resources and Tourism	61,296
8.	Livestock	36,238
9.		
10.	Fishing	35,473
11.	Transportation	24,611
12.	Education, Science and Technology	21,501
13.	Information, Culture, Arts and Sports	1,018

Source: National Bureau of Statistics<sup>13</sup>

## 4.4 Production and Exports

### 4.4.1 Production and Export of Minerals

#### i. Production of Minerals

The Government of Tanzania has continued to implement policies, laws, and regulations to improve the economic performance of the mining sector. The Government aspires to increase the mining sector's contribution to the national economy, and it has taken various initiatives to that effect. As a result, the sector has witnessed a consistent increase in mineral production in the past few years. In the financial year 2019/20 Tanzania realized the total minerals production worthy TZS 7.3 trillion compared to 4.7 trillion and 3.7 trillion in the financial years 2018/19 and 2017/18, respectively. The growth in mineral production from 2018/19 to 2019/20 is equivalent to 35.6%. The production of gold from both large, medium, small-scale operations dominated other minerals production when considering the

<sup>13</sup> [https://www.nbs.go.tz/nbs/takwimu/na/Muhtasari\\_wa\\_Pato\\_la-Taifa\\_Robo\\_ya\\_Kwanza\\_2020.pdf](https://www.nbs.go.tz/nbs/takwimu/na/Muhtasari_wa_Pato_la-Taifa_Robo_ya_Kwanza_2020.pdf)

value of each type of mineral separately. Table 7 shows the production of minerals and values for this financial year.

**Table 7: Production of Minerals in Financial Year 2019/20**

Type of Mineral	Unit of Measure	Weight	Average Price	Value (TZS)
<b>Bricks (Mud)</b>	Tonnes	98,098.81	18,494.45	1,814,283,580.47
<b>Bricks (Stones)</b>	Tonnes	19,012.42	47,466.68	902,456,368.98
<b>Gold (Large &amp; Medium Scale)</b>	kg	38,202.20	113,875,275.39	4,350,285,656,507.05
<b>Silver</b>	kg	12,289.90	1,261,307.95	15,501,342,270.06
<b>Gold (Small Scale)</b>	Kg	15,327.22	98,763,007.29	1,513,761,852,252.65
<b>Diamond (Large Scale &amp; Dealers)</b>	Cts	307,039.69	410,905.62	126,164,335,682.19
<b>Tanzanite (Rough)</b>	Kg	4,606.66	6,488,565.63	29,890,626,501.55
<b>Tanzanite (Beads)</b>	Kg	35,371.25	76,597.62	2,709,353,569.56
<b>Tanzanite (Cut &amp; Polished)</b>	Cts	107,308.93	297,748.57	31,951,080,907.93
<b>Limestone</b>	Tonnes	5,922,795.76	18,653.02	110,478,026,891.65
<b>Lime</b>	Tonnes	5,047.88	193,588.20	977,209,041.50
<b>Salt</b>	Tonnes	82,730.01	129,078.26	10,678,645,242.89
<b>Clay</b>	Tonnes	573,978.92	10,501.60	6,027,699,666.93
<b>Sand</b>	Tonnes	8,485,367.71	10,257.75	87,040,768,637.21
<b>Gypsum</b>	Tonnes	315,836.84	51,880.16	16,385,666,405.46
<b>Tin (Cassiterite)</b>	Kg	12,403.46	19,988.89	247,931,367.42
<b>Aggregates</b>	Tonnes	4,507,889.35	27,943.93	125,968,155,572.06
<b>Graphite</b>	Tonnes	7,146.00	1,084,336.47	7,748,668,420.00
<b>Ruby</b>	Kg	2,765.81	47,531.05	131,461,895.12
<b>Kaolin</b>	Tonnes	56,601.99	31,131.47	1,762,103,333.33
<b>Coal</b>	Tonnes	635,609.47	233,165.80	148,202,388,677.35
<b>Feldspar</b>	Tonnes	119,555.96	42,740.75	5,109,911,751.61
<b>Dolomite</b>	Tonnes	24,952.20	24,018.26	599,308,330.00
<b>Other Gemstones</b>	Kg	2,050,514.74	24,255.27	49,735,786,508.13
<b>Sapphire</b>	Kg	270,331.96	16,449.50	4,446,825,705.41
<b>Green Garnet</b>	Kg	7,187.35	22,636.29	162,695,036.73
<b>Murum</b>	Tonnes	9,620,662.31	2,485.61	23,913,239,331.89
<b>Pozzolana</b>	Tonnes	178,929.03	13,957.65	2,497,428,330.00
<b>Magnesite</b>	Tonnes	58,687.93	25,973.73	1,524,344,383.00
<b>Stones</b>	Tonnes	615,629.98	12,983.22	7,992,857,297.92
<b>Copper Ore</b>	Tonnes	126.32	3,223,903.34	407,237,391.69
<b>Iron</b>	Tonnes	25,098.08	71,567.50	1,796,206,778.00
<b>Building Materials</b>	Tonnes	4,997,938.75	12,810.27	64,024,953,832.29
<b>CO2</b>	Kg	12,393,095.2	1,181.85	14,646,785,326.07

Type of Mineral	Unit of Measure	Weight	Average Price	Value (TZS)
		2		
<b>Other Minerals</b>	Tonnes	275,294.04	95,930.28	26,409,033,025.01
<b>Granite Blocks</b>	Tonnes	13,425.28	343,449.32	4,610,901,682.61
<b>Marble</b>	Tonnes	7,102.38	172,125.79	1,222,502,597.07
<b>Ore concentrate</b>	Tonnes	25,448.04	21,163,142.17	538,560,382,719.43
<b>TOTAL</b>				<b>7,336,290,112,818.20</b>

Source: The Mining Commission of Tanzania (2021)

### i. Export of Minerals

In the financial year 2019/20, the country recorded a total mineral export value of TZS 5.59 trillion where gold dominated other minerals as indicated in **Table 10**. **Table 8** shows the major exports of gold by company where Geita Gold Mining Limited leads other companies. Collectively, small and medium miners' exports have a value of TZS 1.14 trillion which far beyond other individual large-scale companies. On the other side, gemstones, silver and coal followed as one of the major exports.

**Table 8: Major Gold Exports by Company in 2019/20**

Type of Mineral	Unit of Measure	Export Quantity	Export Value TZS
Gold (Medium and Small Scale)	Kg	8,904	1,140,291,964,804.00
Gold (Geita Gold Mining Limited)	Kg	17,364	2,370,776,630,514.27
Gold (North Mara Gold Mine Limited)	Kg	9,152	1,142,468,286,866.08
Gold (Bulyanhulu Gold Mine Limited)	Kg	993	125,832,966,728.56
Gold (Pangea Minerals Limited – Buzwagi)	Kg	2,970	373,174,900,346.93
Gold (Shanta Mining Company Limited)	Kg	2,397	304,409,163,492.27
Gold (Stamigold Biharamulo Gold Mine)	Kg	343	43,639,510,544.52
<b>TOTAL</b>		<b>42,123</b>	<b>5,500,593,423,296.63</b>

**Source:** The Mining Commission of Tanzania (2022)

Table 9 shows the export of silver which has taken a third position behind gold and gemstones in the total export value of minerals in the financial year 2019/20. Export of silver is dominated by North Mara Gold Mine Limited followed by Shanta Mining Company Limited, and Geita Gold Mining Limited. Small and medium scale miners are in third position followed by Bulyanhulu Gold Mine Limited and Pangea Minerals Limited-Buzwagi.

**Table 9: Major Silver Exports by Company in 2019/20**

Type of Mineral	Unit of Measure	Export Quantity	Export Value TZS
Silver (Geita Gold Mining Limited)	Kg	1,906	2,570,770,596.42
Silver (North Mara Gold Mine Limited)	Kg	3,340	4,515,406,172.82



Silver (Bulyanhulu Gold Mine Limited)	Kg	1,390	1,890,643,034.51
Silver (Pangea Minerals Limited – Buzwagi)	Kg	1,302	1,780,757,453.79
Silver (Shanta Mining Company Limited)	Kg	2,426	3,336,429,145.80
Silver (Stamigold Biharamulo Gold Mine)	Kg	49	68,545,283.17
Silver (Medium and Small-Scale Miners)	Kg	47,463	1,928,448,070.00
<b>TOTAL</b>		<b>57,876</b>	<b>16,090,999,756.51</b>

Source: The Mining Commission of Tanzania (2022)

Table 10 shows the aggregated value of mineral exports in the financial year 2019/20. There is a slight increase of mineral exports compared to 2018/19 financial year where the total export value was 4.7 trillion. The increase of value of export comes after the Government has taken measures to curb illegal mineral trading within the country and around its borders.

**Table 10: Major Exports by Mineral in 2019/20**

Type of Mineral	Unit of Measure	Export Quantity	Export Value TZS
Gold	Kg	42,123	5,500,593,423,296.63
Silver	Kg	57,876	16,090,999,756.51
Aggregates	Ton	23,065	684,349,721.00
Coal	Ton	125,572.31	14,231,551,564.04
Granite	Ton	830.69	287,350,391.58
Limestone	Ton	16,000	320,000,000.00
Marble	Ton	315	291,230,035.50
Phosphate	Ton	1,834	786,562,707.90
Gemstone	Gram	2,189,167,232	58,411,462,959.79
<b>TOTAL</b>			<b>5,591,696,930,432.95</b>

Source: The Mining Commission of Tanzania (2022)

#### 4.4.2 Production and Export of Oil and Gas

Tanzania has not discovered oil reserve and it imports oil for domestic consumption from major oil producing countries. However, exploration activities are ongoing in different parts of the country.

Besides, Tanzania has continued to produce significant volumes of natural gas. In 2019/20, Mnazi Bay and Songosongo gas fields continued to produce natural gas as it was in previous years. The country produced a total of 68,923.76 Mmscf of natural gas from the two gas fields worthy TZS 501 billion. The production of natural gas in 2019/20 has increased compared to 2018/19 where the production was 61,419.49 Mmscf. Table 12 indicates the production of natural gas per project/company in 2019/20.

**Table 11: Production of Natural Gas in 2019/20**

Company	Gas Field	Production (Mmscf)	Value (TZS)
<b>Maurel &amp; Prom Company Limited</b>	Mnazi Bay	24,325.09	190,574,045,851.49

<b>Pan African Energy Tanzania Limited</b>	Songosongo	44,598.67	311,214,247,355.21
<b>TOTAL</b>		<b>68,923.76</b>	<b>501,788,293,206.71</b>

Source: Tanzania Petroleum Development Corporation, 2021

As per TPDC, Tanzania has not started to export natural gas. Thus, whole of natural gas produced from Mnazi Bay and Songosongo was consumed domestically.

**Table 12: Production of Natural Gas in 2019/20**

Company	Gas Field	Production (Mmscf)	Value TZS
Maurel & Prom Company Limited	Mnazi Bay	24,325.09	190,574,045,851.49
Pan African Energy Tanzania Limited	Songosongo	44,598.67	311,214,247,355.21
<b>TOTAL</b>		<b>68,923.76</b>	<b>501,788,293,206.71</b>

Source: Tanzania Petroleum Development Corporation, 2021

As per TPDC, Tanzania has not started to export natural gas. Thus, natural gas produced from Mnazi Bay and Songosongo is consumed domestically.

## 4.5 State-Owned Enterprises

Tanzania participates in the mining, oil and gas sectors through its State-Owned Enterprises (SOEs). It participates in the mining sector through STAMICO and NDC. On the other hand, it participates in the oil and gas sector through TPDC. These SOEs were established by the Public Corporations Act, 1969.

### 4.5.1 State Mining Corporation

STAMICO was re-established through the Public Corporations (Establishment) (Amendment) Order, 2015, as a means for the country to participate in large-scale mining, invest in the mining sector, and operate mines as well as undertaking mineral trading and value addition activities. STAMICO provides services in the management of mines, drilling, and consultancy services to small-scale mining and other related mining business on behalf of the Government.

STAMICO operate various projects in form of subsidiaries, associates, own operating projects, and other strategic projects. These projects are presented in Table 13

**Table 13: Projects operated by STAMICO**

SN	Project Category	Project Name	Project details	Project status
1.	Subsidiary Companies	STAMIGOLD Company Ltd	Operates Biharamulo gold mine. STAMICO owns 99% and TR 1% of STAMIGOLD Company Limited shares	Operational phase
		Tin Company Ltd	The project conducts Tin trading activities at Kyerwa district. STAMICO owns 99% of Kyerwa Tin Company Ltd.	Operational phase
2.	Associate Companies	Buckreef Gold Company Limited	This entity is owned by STAMICO (45%) and Tanzania American International Development Corporation 2000 (TANZAM 2000) (55%)	Operational phase

3.	Own Operating Projects	Kabulo coal mine	STAMICO undertake coal mining activities at Kabulo ridge within the Kiwira coalfield at Songwe region.	Operational phase
4.	Other investment	Itetemea Mining Company	In this project, STAMICO owns 10% interest with TANCAN 90% ownership.	Operational phase
5.	strategic projects	Mwanza Precious Metals Refinery	STAMICO owns 25% of this refinery while Rozella General Trading LLC and ACME Consultant Engineers PTE Ltd own 75%	Operational phase
		Potential projects	STAMICO's potential projects include Kiwira Coal to Power, Buhemba Gold Mine, STAMIGOLD (Gold Tailings), Ukena Zomozi and Chigongwe Stone Quarry.	Preparation phase

#### 4.5.2 National Development Corporation

NDC is the SOE that was re-established in 1965 to catalyse economic development in all sectors of the economy.<sup>14</sup> NDC participates in the extractive industry through five projects that are under different stages of establishment and implementation. These projects include Engaruka Basin Soda ash, Liganga iron ore, Mchuchuma coal to electricity, Ngaka coal, and Katewaka Coal mining. Details of these projects are summarized in Table 14.

**Table 14: Description of the NDC Projects in the Mining Area**

SN	Project Category	Project Name	Description of the Project	Project Status
1	Iron and steel metallurgical complex	Liganga iron and steel project	The project is in Ludewa District. The project is being implemented by Tanzania China International Mineral Resources Ltd (TCIMRL) as an integrated project with Mchuchuma coal project. TCIMRL is a joint venture company between the government through NDC and Sichuan Hongda Group of China. <sup>15</sup>	The project has attained the following milestones by June 2021. <ul style="list-style-type: none"> <li>- Feasibility and ESIA studies have been completed.</li> <li>- ESIA Certificates, License for mining Iron and Water Right for use of Lupali River have been obtained.</li> <li>- Strategic Investor Status Certificate and subsequently Performance Contract and its Addendum for Incentive Package were signed between the Government through Tanzania Investment Centre (TIC) and TCIMRL</li> </ul>
2	Power/Energy projects	Mchuchuma coal to electricity project	The project is located at Mchuchuma area, Ludewa District, Njombe Region. This project involves establishment of a coal mine with production capacity of 3 million tonnes per annum, building of 600MW Thermal Power station, and constructing a 220 kVa Transmission line between Mchuchuma and Liganga. The	The project has attained the following milestones by June 2021. <ul style="list-style-type: none"> <li>- Drilling exploration was completed in 2012/13 and has established coal reserve of 428 million tons.</li> <li>- Feasibility, Environmental and Social Impact Assessment (ESIA) studies have been completed.</li> <li>- ESIA Certificates, License for mining Coal and Water Rights for</li> </ul>

<sup>14</sup> <https://ndc.go.tz/about-us>

<sup>15</sup> <https://ndc.go.tz/heavy-industries/iron-steel-complex>

SN	Project Category	Project Name	Description of the Project	Project Status
			project is being implemented by Tanzania China International Mineral Resources Limited (TCIMRL), which is a joint venture Company between the government through NDC and Sichuan Hongda Group Limited. <sup>16</sup>	<p>use of Katewaka and Mchuchuma Rivers have been obtained.</p> <ul style="list-style-type: none"> <li>- Strategic Investor Status Certificate and subsequently Performance Contract and its Addendum for Incentive Package were signed between the Government and TCIMRL.</li> <li>- As of June 2021, the Government is reviewing the project including the issue of incentives</li> </ul>
		Katewaka coal to electricity project	The Project is located close to the Muhumbi Village, Katewaka Ward in Ludewa District, Njombe Region. It involves opening up a surface open cast coalmine of 1.5 mil tons per annum for supply to local industries and to the neighboring countries. <sup>17</sup>	The project is under preparation. Terms related to Joint Venture agreement and supporting infrastructures are in progress and are not finalized.
		Ngaka coal mining project	The project is being implemented by Tancoal Energy Ltd, a Joint Venture Company between NDC and Intra Energy Corporation Ltd of Australia. The project is located in Ngaka area, Mbinga district, about 1,100 km from Dar es Salaam. The Ngaka coal field has a measured coal reserve of 423 million tons with a calorific value ranging from 4,780 to 8,000Kcal/kg. Mining operations started in August 2011, with a capacity of below 30,000 per month. Following Government ban on coal importation in 2016, Tancoal acquired extra mining equipment to increase production and now Tancoal is capable to produce up to 100,000 tons per month. The main customers of coal are local cement factories located in Tanga, Mbeya, Dar es Salaam and Mtwara and some is exported to neighboring countries of Malawi, Kenya, Uganda, Zambia and Rwanda. <sup>18</sup>	NDC has initiated discussions with TANESCO on how best to utilize coal resources for power generation.
3	Chemical Industries	Engaruka Basin Soda ash project	The project is located at Engaruka Basin, Monduli District, Arusha Region. The project will involve pumping of sodium carbonate solution (brine) from aquifers (underground brine reserves) to the extraction plant for producing soda ash. <sup>19</sup>	<p>The project has attained the following milestones by June 2021</p> <ul style="list-style-type: none"> <li>- Project land has been demarcated whereas Monduli District Council has agreed to offer 27,000 hectares for the project.</li> <li>- Field works for land survey and</li> </ul>

<sup>16</sup> <https://ndc.go.tz/heavy-industries/power-production>

<sup>17</sup> <https://ndc.go.tz/heavy-industries/power-production>

<sup>18</sup> <https://ndc.go.tz/heavy-industries/power-production>

<sup>19</sup> <https://ndc.go.tz/heavy-industries/chemical-industries>

SN	Project Category	Project Name	Description of the Project	Project Status
				valuation of properties have been completed and - Preparation of Survey and Valuation Reports is being finalised.

As a shareholder, NDC does not take part in the operations of these projects. The joint venture company for each project is responsible for the management of operations of a respective project.

#### 4.5.3 Tanzania Petroleum Development Corporation

TPDC is the National Oil Company and carries out specialized operations in the petroleum value chain through its subsidiary companies, namely, the Gas Company Tanzania Limited (GASCO) and TANOIL Investments Limited. These entities were established as limited companies wholly owned by TPDC. Similarly, TPDC carries a stake of not less than 25% in each of the oil and gas projects in the country.

TPDC undertook five upstream projects in West Songosongo (WSS) Block. These include West Songosongo project, Block 4/1B and 4/1C project, Stratigraphic Nomenclature project, Eyasi Wembere project, and Liquefied Natural Gas (LNG) Project. Table 15 below provides details of these upstream projects.

**Table 15: Description of the TPDC Upstream Projects**

SN	Upstream project	Project activities	Project Status
1	Songosongo Project	The project carried out exploration activities in West Songosongo Block, including integration and interpretation of AGG and seismic data to ascertain hydrocarbon prospectively. TPDC owns 29% of the shares in this project.	Operational stage
2	Mnazi Bay Gas Project	Mnazi Bay project is a 756 square km gas field that lies between the Ruvuma and the Offshore Block 1 concessions. This project is operated by Maurel & Prom, but TPDC owns 20% of the shares in a joint venture arrangement.	Operational stage
3	Northern Mnazi Bay	TPDC carries exploration activities in the North Mnazi Bay Block whereby it expects to drill two wells. As of April 2021, TPDC has completed a preliminary evaluation of geological and geophysical data and solicitation of a drill management consultant.	Preparation stage
4	Block 4/1B and 4/1C project	Project activities completed include geochemical and biostratigraphic analysis and interpretation of selected samples from Block 1 offset wells.	Preparation stage
5	Eyasi Wembere project	TPDC undertakes exploration activities by doing geological, geophysical, and geochemical analyses to confirm the existence of gas. As of June 2020, TPDC has completed the drilling of two wells at Kining'inya-Igunga and Nyaranja-Meatu using TPDC and STAMICO experts. Also, it has carried out Environmental Impact	Preparation stage

SN	Upstream project	Project activities	Project Status
		Assessment and offered project awareness to the community around the project area.	
6	Liquefied Natural Gas (LNG) project	TPDC on behalf of the government is planning to develop this project in partnership with five International Oil Companies (Shell Exploration and Production Tanzania Ltd-SEPTL, Ophir, Pavilion, Statoil, and ExxonMobil).	Negotiation stage

## 4.6 Licences

As per requirement 2.2 of EITI standard 2019, all implementing countries must disclose the process of awarding and transferring mining and petroleum licences as well as the recipients of such rights. The Mining Act, [CAP. R.E. 2019] and Petroleum Act, 2015 provide guidance on the procedure for awarding and transferring licences.

### 4.6.1 Allocation of Mining Licences

The process of awarding and transferring mineral licences enhances transparency in the extractive sector. Apart from guiding the process of awarding and transferring mineral rights, Mining Act, [CAP. R.E. 2019] provides qualifications for mineral rights applicants. Table 16 summarizes the qualifications for individual and corporate applicants.

**Table 16: Qualifications for Awarding Mineral Rights**

Individuals Applicants	Corporate Applicants
1. Age not less than 18 years	1. Must have postal and physical address;
2. He/she has never been bankrupt	2. Must be registered under the Companies Act in the country;
3. Not a defaulter in existing mineral right, expired or cancelled;	3. Audited financial statement must be submitted during application;
4. He/she has never been convicted within previous ten years with an offence in which dishonesty is an element and has not been sentenced to imprisonment or to a fine not exceeding twenty million shillings.	4. Must not be in liquidation other than liquidation that forms part of scheme for reconstruction or amalgamation of the holder;
5. A foreigner must have been resided within the country for at least 4 years.	5. Among its directors or shareholders one of the persons who would be disqualified under clause 2.1 (ii), (iii) and (iv)

Source: The Mining Commission<sup>20</sup>

Similarly, the Act guides the procedures for awarding mining licences in the United Republic of Tanzania. The procedures and conditions for awarding mineral rights differ depending on the type of mining licences. As per the Mining Commission,

<sup>20</sup> <http://tumemadini.go.tz/pages/mining-licences-services>

there are about eight (8) mining licences which can be granted to qualified applicants. These licences include:

- i. Prospecting Licence (PL)
- ii. Special Mining Licence (SML)
- iii. Mining Licence (ML)
- iv. Primary Mining Licence (PML)
- v. Processing Licence (PCL)
- vi. Smelting Licence (SL)
- vii. Refinery Licence (RFL)
- viii. Broker's and Dealer's Licences

Prospecting Licence and Special Mining Licence are issued by the Mining Commission upon the approval by the Cabinet while other remaining licences are granted by the Commission depending on the type of minerals the applicants is intending to extract. As per Section 28 of the Mining Act, Cap 123, R.E. 2019, the Prospecting Licence (PL) is granted to the applicants who intend to extract one of the six groups of minerals, namely; metallic minerals, gemstones, industrial minerals, building minerals, energy minerals, and Kimberlitic diamonds. Table 17 summarizes the types and description of different mining licences provided in the United Republic of Tanzania.

**Table 17: Types of Mining Licences**

Type of Licence	Description
Prospecting Licence	Prospecting Licences (PL) are issued to individuals/entities which wish to conduct prospecting operations. PL is initially issued for a period not exceeding 4 years. The first renewal shall have a duration of three (3) years. The second renewal is for the period of 2 years then expired and reverted to the Government or proceeded with the application of MLs or SMLs before expiry.
Special Mining Licence	Special Mining Licence (SML) is issued to only large mining operations with over US\$100 million in investments to produce minerals. The SML allows the extraction of minerals in the maximum area size of 35 sq. km, for superficial deposits, the maximum area shall be 70 sq. km (7.000 hectares. Granted for a maximum of ten (10) years and estimated life of ore body or such period as the applicant may request whichever period is shorter (Mineral Rights): Regulations, 2018 [G.N. NO. 1 of 2018]. The SML is renewable if the application to renew is received not later than one (1) year before expiration.
Mining Licence	Mining Licence (ML) is issued to medium scale mining operation, whose capital investment is between US\$100,000 and US\$ 100,000,000 or its equivalent in Tanzanian shillings. The licence duration is not exceeding 10 years. ML is renewable if the application to renew is received not later than six (6) months before the expiration of the licence. The maximum area allowed is 10 sq. km.
Primary Mining Licence	Primary Mining Licence (PML) is only granted to Tanzanian nationals/entities. It is given for seven (7) years and may be renewed for the same duration. The PML holders are allowed to undertake prospecting and mining activities for an area of the maximum size of 10 hectares for all minerals excluding gemstones and 5 hectares for building materials. The holders of PML may renew their



Type of Licence	Description
	licences three (3) months Not later than three (3) months before its expiration, the holders of PML may request to renew their licences.
Processing Licence	In consultation with the Minister and the Mining Commission, the mineral right holders are required to set aside a certain percentage of minerals for processing, smelting, or refining within the United Republic of Tanzania. The processing licence (PCL) is given for the period not exceeding ten (10) years and shall be subject to renewal.
Smelting and Refinery Licence	The Smelting and Refinery Licence may be issued to individuals or entities for the period not exceeding 25 years. These licences shall be subject to renewal.

Source: Mining Act, 2015

Apart from these mining rights, Part V of the Mining Act, Cap 123, R.E. 2019 outlines other types of mining licences issuable to individuals and entities that are not directly involved in the mining operations. Table 18 shows different mineral rights related to dealing with minerals.

**Table 18: Dealers Mineral Licences**

Type of Licence	Description
Dealer Licence	A Dealer Licence (DL) allows the buying and trading of minerals within or outside the country from the authorized mineral brokers. Dealer Licence in respect of gemstones requires the applicant to commit to acquire and utilize, in case of a Tanzanian five (5) lapidary machines and thirty (30) for foreigners within 3 (three) months from the date the licence was granted. The dealer licence can be in respect of the following minerals; gold, metallic minerals, coloured gemstones, diamond, coal, industrial minerals, and building materials. This licence allows the dealer to export minerals. DL is valid for the maximum period of twelve (12) months and shall expire on 30 <sup>th</sup> June of each year. DL is subject to renewal and the applicant shall apply for the renewal one month before expiration.
Broker Licence	A Broker Licence (BL) is issued to an individual/firm which wants to buy, acquire minerals from the authorized miner and sell to a licenced dealer in Minerals and Gem Houses. The licence does not allow the Broker to export minerals. The maximum period for BL is twelve (12) months. As such, the licence will expire on 30 <sup>th</sup> June of each year. The holder of BL may apply for renewal one month before expiration.

Source: Mining Act, 2015

The procedures and conditions for issuing mining licences slightly differ depending on the types of licences. The Mining Commission has fully disclosed all important procedures and conditions of issuing and renewing mining licence.<sup>21</sup>

<sup>21</sup> <http://tumemadini.go.tz/pages/mining-licences-services>

#### 4.6.1.1 Mineral Rights

After a detailed description of types, conditions and procedures of issuing mineral rights, this part presents the approaches of awarding and transferring mineral rights. Part II of the Mining Act, Cap 123, R.E.2018, provides the general approaches of awarding and transferring mineral rights in the United Republic of Tanzania.

##### i. Approaches for Granting Mineral Rights

The Mining Act, [Cap 123, R.E.2018], provides main approaches of granting and transferring mineral rights. As per the Act, granting of mineral rights is guided by two general approaches. The first approach is "*first-come-first-served*," where the applicant is first required to identify a mining area of interest which at the time of application is not occupied by any other mineral rights holder. Then, he/she will proceed to lodge an application to the Mining Commission through the public register. In case the applicant has fulfilled the requirements outlined in part IV and V of the Act, he/she will be given the mineral rights for a particular mining area.

In some scenarios, the approach of "*first-come-first-served*" may be ineffective when two or more applicants have identified and applied for the same mining area at the same time. In principle, all applicants deserve to be granted a licence for that particular mining area. Unfortunately, to avoid conflicts the law does allow one mining area to be allocated to two or more applicants. Thus, whenever this situation occurs, all applicants will be informed about their applications of the same mining area at the same time, and the Mining Commission will announce a tender where these applicants alone have to compete by submitting bids. The Mining Commission will select the bidder who has relatively better technical expertise and financial capability. Table 19 presents the technical and financial criteria used by the Mining Commission to award mineral rights:

**Table 19: Technical and Financial Requirements for Awarding Mineral Rights**

No.	Technical Criteria	Financial Criteria
1	Submission of mineral deposit data	Individual or Corporate investment capability between \$100,000 to \$100,000,000 depending on the type of licence and size of mining operations for Mining Licence (ML) and Special Mining Licence (SML)
2	Programme for mining operations	
3	Expected infrastructure requirements	
4	Environmental Impact Assessment (EIA) report and certificate.	

Source: Mining Commission

The second approach for granting mineral rights is different from the first approach. In this approach, the Mining Commission will initiate an open tendering process. By considering public interests, the Minister of Minerals may call for applications for the Prospecting Licence (PL), Mining Licence (ML), or Special Mining Licence (SML) through the *Gazette* or local newspaper. Applicants will be required to submit their

bids, then, after the deadline, the Mining Commission will proceed to evaluate the submitted competing bids. The Mining Commission will then select the bid which is likely to promote expeditious and beneficial development of the mineral resources of the area. In this approach, the main criteria for selecting the successful bidder are technical expertise and financial resources, and proposed mining program. Other criteria include the amount of expenditure which the applicant plans to commit, and applicant's previous experience in conducting mining operations of the related magnitude.

In the financial year 2019/20, the Mining Commission issued a total of 4,208 licences. Table 20 indicates the different types of licences awarded in the mining sector for the same financial year. According to the Mining Commission, the process of awarding these licences took the first approach of *first-come-first-served*.

**Table 20: Licences Awarded in the Mining Sector in 2019/20**

SN	Licence Type	Quantity
1	Prospecting Licence	155
2	Retention Licence	-
3	Special Mining Licence	-
4	Mining Licence	21
5	Primary Mining Licence	3,998
6	Broker's Licence	-
7	Dealer's Licence	-
8	Smelting Licence	2
9	Refinery Licence	3
10	Processing Licence	29
	<b>TOTAL</b>	<b>4,208</b>

Source: The Mining Commission

## ii. Transfer of Mineral Rights

Apart from providing the legal guidance on granting licences, the Mining Act, [Cap 123, R.E.2018] provides directives on the transfer of mineral rights from one mineral right holder to another. Nonetheless, the Act also provides a condition that all mineral rights for Special Mining Licence (SML) and Mining Licence (ML) cannot be transferred without the consent of the Licencing Authority. During transfer of mining licences, the Mining Commission normally evaluates the application based on the technical and financial capabilities of the applicant of mineral rights. On the technical criteria, the applicant must provide an extensive development report of the granted mineral right area. Moreover, the transferee must also provide and proof of his/her mining capability. In evaluating applications, the Mining Commission will use similar financial criteria similar to the ones used to grant licences. Table 21 presents the technical and financial criteria used by the Mining Commission to transfer of mineral rights.

**Table 21: Technical and Financial Requirements for Transfer of Mining Rights**

SN	Technical Criteria	Financial Criteria
1	Proposed mining activities	Investment capability between \$100,000 to \$100,000,000 depending on the size of operations and type of mining Licence for Mining Licence (ML) and Special Mining Licence (SML)
2	Programme for mining operations	
3	Expected infrastructure requirements	
4	Environmental Impact Assessment (EIA) report and certificate.	

Source: Ministry of Minerals

In the financial year 2019/20, the Mining Commission transferred a total of 62 different licences as indicated in the Table 22.

**Table 22: Licences Transferred in the Mining Sector in 2019/2020**

SN	Type of Licence	Quantity
1	Prospecting Licence	8
2	Retention Licence	-
3	Special Mining Licence	-
4	Mining Licence	7
5	Primary Mining Licence	47
6	Broker Licence	-
7	Dealer Licence	-
8	Smelting Licence	-
	<b>TOTAL</b>	<b>62</b>

### iii. Effectiveness of Approaches to Grant Mining Licences

Apart from “*first-come-first-served*” being ineffective when two or more applicants of mineral rights apply for the same mining area at the same time, the two approaches are generally regarded as effective in the quest of enhancing transparency in the mining sector. It is regarded that way because the entire process of granting or transferring mineral rights is executed in a very transparent manner. The openness of the processes reduces the probability of misuse of authorities in awarding or transferring licences. This is possible because all applications are lodged and processed through a publicly accessible system (Mining Cadastre). The system also permits individuals or corporates to appeal in an event where one of the applicants is not satisfied with how the process was executed and the final decision of awarding/transferring the mineral rights to another individual or corporate. The Mining Commission and Ministry of Minerals (MoM) have provided the detailed procedures and requirements for applying and issuing mineral rights in Tanzania. Each type of licence requires different procedures and requirements.<sup>22</sup> The mining

<sup>22</sup> <https://www.madini.go.tz/wp-content/uploads/2017/12/procedures-for-applying-for-mineral-rights-in-tanzania.pdf>.

register contains all information about all transferred, awarded, and cancelled mineral rights.<sup>23</sup>

#### **iv. Suspension and Cancellation of Mineral Rights**

The Section 63 (1) of the Mining Act, [Cap 123, R.E.2018] rules on the procedures and conditions which may force the Mining Commission to suspend or cancel the mineral rights from the current mineral rights holder. Some of the factors that will force the Mining Commission to suspend or cancel mineral rights include the failure of the licence holder to comply with any related laws and regulations, or other agreed conditions during the issuance of the licence. However, to ensure justice is served, the Mining Commission will take further steps by serving the rights holder with a notice of intent in writing which states the reasons for suspension or cancellation of the mining licence. Nonetheless, Section 65 of the Act also provides an opportunity for mineral right holders to appeal against the decision. However, for an appeal to be accepted, the mineral rights holder shall within sixty (60) days from the date of suspension/cancellation decision file the appeal for judicial review to the High Court.

#### **4.6.1.2 Mining Licence Registry**

Parts III of the Mining Act, Cap 123, directs the Mining Commission to develop and maintain a Mining Cadastre. The Cadastre is important tool in administering the mineral rights in Tanzania. It receives and processes all applications for mineral rights and mining licences, administers mineral rights and mineral processing licences, and maintains public cadastral maps and cadastre registers. The cadastre register has been developed in a way that it allows applicants of mining licences and holders of valid licences (Division A, B, C, and D) to renew, relinquish, cancel, and make online transactions. The Mining Commission has enhanced the functionality of the Online Mining Cadastre Transactional Portal (OMCTP) as it now permits users to apply and pay the fees online. According to the Mining Commission, the improved OMCTP has enhanced the process and improved transparency regarding all matters related to mining licences.<sup>24</sup> As per EITI standard 2019, requirement 2.3 directs that all implementing countries should make the register or cadastre systems publicly available. In response to this requirement, the Mining Commission developed and maintains the mining cadastre which is publicly available.<sup>25</sup>

However, the access to the cadastre has been categorized into two levels depending on the type and purpose of the system users. The first level of access is available

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<sup>23</sup> <https://portal.madini.go.tz/site/CustomHtml.aspx?PageID=d7f3f61d-4689-4280-a59a-b865f002dd60>.

<sup>24</sup> Jarida la Madini. Toleo la 4, Mei 2020.

<sup>25</sup> <https://portal.madini.go.tz/site/CustomHtml.aspx?PageID=d7f3f61d-4689-4280-a59a-b865f002dd60>.

upon registration to holders of valid mining licence class A, B, C and D. The applicants of these licences are required to go through a formal registration process to access the system. The Mining Commission deliberately designed this process to control the potential misuse of the system (OMCTP). The second level of access to the Mining Cadastre is available for public uses. The public may access the cadastre map which shows the number of issued licences, owners of licence, date of application and expiry, licence type and number, the mining area, applications of mining licences, and many more.<sup>26</sup>

#### 4.6.2 Allocation of Petroleum Licences

The Petroleum Act, 2015, provides legal guidance in all matters related to awarding and transferring of oil and gas licences in the United Republic of Tanzania. The Act administers all upstream, midstream, and downstream petroleum activities in the country. Table 23 presents all issuable oil and gas licences in the country:

**Table 23: Types of Oil and Gas Licences**

SN	Licence Type	Description
1	Exploration Licence	Exploration Licences are awarded to the National Oil Company to conduct exploration operations. The National Oil Company must apply for the licence to the Minister in respect of any block. The application shall not state more than forty (40) blocks. The duration of the Exploration Licence is four (4) years from the date in which the licence was granted. The holder of Exploration Licence may apply for extension in respect of any block in the exploration area. Exploration Licence may be extended to a period of not more than three (3) years in the first extension and not more than two (2) years in the second extension. The Minister may, upon receiving advice from PURA, grant or reject licence extension due to various conditions stipulated in Section 59 of the Petroleum Act, 2015.
2	Development Licence	Development Licence is issued to the holders of valid exploration Licences of certain blocks where petroleum has been discovered. "A holder of an Exploration Licence whose Licence is in force in respect of blocks that constitute a location may, within two years in case of crude oil and three years in case of natural gas from the date on which the blocks were declared to be location or such further period as the Minister allows, make application for development licence in respect of such blocks which contain petroleum reservoir or a part of a petroleum reservoir." The Development Licence can be extended once. The application should be submitted not later than twelve (12) months before the expiration of the licence. The Minister, upon receiving advice from PURA, may grant or refuse to grant the Development Licence under certain conditions as provided in Section

<sup>26</sup> [Tanzania Mining Cadastre Portal - Supported by Spatial Dimension - Developers of FlexiCadastre \(madini.go.tz\)](http://madini.go.tz)

SN	Licence Type	Description
		75 of the Petroleum Act, 2015.

Source: Petroleum Act, 2015

#### **4.6.2.1 Petroleum Rights**

This part presents issues and processes related to issuance and transfer of petroleum rights. In the United Republic of Tanzania, issues related to issuance and transfer of petroleum rights in the country are guided by the Petroleum Act, 2015.

##### **i. Awarding of Petroleum Rights**

This part briefly describes the process of awarding petroleum rights. Sub-part II of the Petroleum Act, 2015 provides the directives on how to award petroleum rights in the country. The Act provides all powers to the responsible Minister who can grant or reject the issuance of petroleum rights after receiving an advice from Petroleum Upstream Regulatory Authority (PURA). The Act rules that all exclusive rights to petroleum operations in the country must be given to the National Oil Company referred to as Tanzania Petroleum Development Corporation (TPDC). The Act continues by ruling that all petroleum rights issued to TPDC are not transferrable to any other person(s). Being a National Oil Company does not waive the company from applying for petroleum rights. Thus, to obtain these rights, the National Oil Company must lodge its application through the formal channel. After receiving the application, PURA will evaluate the same as directed by Sub-part II of the Petroleum Act, 2015. In case the National Oil Company does not have the capability to conduct petroleum operations, the Act provides a room that permits TPDC to enter into partnership with a Tanzanian or foreign entity through a public and competitive tendering process or direct award of a block. However, before entering into such partnerships, TPDC has to receive Minister's consent. In case TPDC entered into such partnerships, the Act rules that the Corporation must maintain the participating interest of not less than 25% unless it is instructed otherwise.

The Act stipulates that for a company to conduct petroleum operations in Tanzania outside the scope of a reconnaissance permit shall do so together with the National Oil Company. The Act further governs that for a company to partner with TPDC must be a registered body corporate under the Companies Act or any written law, and such entity is of recognized capacity, technical knowledge, and financial capability. Also, the Act permits two or more applicants to enter into a partnership agreement for conducting petroleum operations. Such agreements shall be submitted to the Minister of Energy as one of the preliminary requirements before establishing a partnership. Then, after receiving advice from PURA, the Minister may, on behalf of the Government, enter into an agreement with TPDC and its partner(s). However, the Minister will not do so unless the Cabinet has approved. Before such agreements



come into effect, PURA shall prepare the Model of Production Sharing Agreement (MPSA) between TPDC and its partners. Then, PURA will submit the MPSA to the Minister, who will then submit it to the Cabinet for approval. The Cabinet will go discuss the submitted MPSA, then, they will approve it when they are satisfied that such agreements will benefit the Government and the country at large. The approved MPSA will be the guiding tool for all subsequent negotiations between TPDC and its partners.

Towards enhancing transparency in petroleum operations, the Acts prohibits any petroleum agreement to be executed unless it has gone through an open and competitive public tendering process. In case there is a need to initiate direct negotiations, the Minister has to make the broader circulation of the invitation of tender or intention to initiate the same. In a circumstance when whole or part of the area tendered through a competitive public tendering process has not become effective, and it is for public interests, then, the Minister after receiving advice from PURA, and Cabinet's approval, may initiate direct negotiations with the qualified or eligible entity. The Minister may, by regulations, prescribe the manner of conducting the tendering process. Also, the Minister may, by notice published in a *Gazette*, declare certain blocks to be reserved for public interest or directly awarded to TPDC. As per the Act, no granting of a petroleum licence for all reserved blocks shall be caused unless such a reservation is amended or revoked by the Minister through a *Gazette*.<sup>27</sup>

As per EITI standard 2019, requirement 2.2, the implementing countries shall disclose the approaches of awarding licence. In this regard there is one main approach of awarding petroleum rights in an open acreage in the United Republic of Tanzania. The common and permissible approach is open and competitive tendering. Table 24 shows the conditions which must be fulfilled by the entity applying for petroleum licences.

**Table 24: The Criteria for Awarding Petroleum Rights**

SN	Type of Licence	Criteria
1	Exploration Licence	<p>The applicant's proposals for work and minimum expenditure in respect of the block specified in the application.</p> <p>Provide particulars of technical and petroleum industry qualifications of the applicant and his employees.</p> <p>Provide particulars of technical and petroleum industry resources available to the applicant.</p> <p>Submit particulars of kinds of financial resources available to the applicant, including the capital, credit facilities, and</p>

<sup>27</sup> <https://www.pura.go.tz/documents/acts>

SN	Type of Licence	Criteria
		guarantees.
		Submit a proposal on the local content plan related to the training and employment of citizens of Tanzania.
2	Development Licence	<p>Provided directly to a holder of Exploration Licence if he meets the conditions stipulated in the Act and Regulations. In case the applicant does not hold an Exploration Licence in respect of a block, may be given a Development Licence if he satisfies the Minister that the block contains a petroleum reservoir, and there are no Exploration or Development Licences of the block which is in force during the time of application.</p> <p>The holder of the Exploration Licence applying for a Development Licence must provide evidence that the block contains a petroleum reservoir or part of a petroleum reservoir.</p> <p>Development plan proposal which its details are provided in Section 67 of the Petroleum Act, 2015</p>

Source: Petroleum Act, 2015

Regarding the issuance of petroleum rights, in the financial year 2019/20 PURA did not award any new petroleum licences. All licences for ongoing oil and natural gas operations in the country were issued before this financial year.

## **ii. Transfer of Petroleum Rights**

As indicated in sub-section (i) above, the Petroleum Act, 2015 does not allow the transfer of exclusive petroleum rights granted to TPDC. As per the Act, these rights cannot be transferred to any other person(s). However, Sections 85 and 86 of the under certain circumstances allow the transfer of petroleum rights. It allows interest in a licence to be created by an instrument in writing. The Minister must approve the transfer of an interest in a licence. The application for approval of a transfer of licence by the Minister must satisfy several conditions. The application for transfer must indicate the ability of transferee capability in discharging transferor obligations, certificate of incorporation or compliance by the transferee, and transfer agreements between transferee and transferor. Also, it requires the tax clearance certificate from Tanzania Revenue Authority (TRA), an integrity pledge by the transferee, and particulars of technical and industrial qualifications of the transferee and their employees. Moreover, the transferee must provide details regarding all kinds of financial resources available to him/her, including the capital, credit facilities, and guarantees. Furthermore, the process requires the applicant to provide the particulars of available technical and industrial resources, a proposal regarding how the project plans to train Tanzanians, and other issues which the Minister may deem

necessary before transferring a licence. According to PURA, in the financial year 2019/20 there were no transferred petroleum licence.

### **iii. Surrender, Cancellation, and Suspension of Petroleum Rights**

The Petroleum Act, 2015 also provides an opportunity to a licence holder who wants to surrender all or any of the blocks. Any licence holder may do so by applying to surrender a certain or all blocks to the Minister. Then, the Minister will issue the certificate of surrender whenever all conditions for surrender are satisfied. For the Minister to reach a decision for such surrender, he/she must receive an advice from PURA. However, the Act does not permit the certificate of surrender to be granted to the licence holder who is in default. In case the applicant who wants to surrender any block had any outstanding liability, the decision to surrender shall not affect any liability incurred before the surrender came into force.

Regarding the cancellation and suspension of petroleum rights, the Act provides powers to the Minister to suspend or cancel the rights if the licence holder is in default. The holder of the petroleum rights will be notified in writing the intention or decision to cancel or suspend his/her licence. Section 83 of the Act provides a detailed information which may compel the Minister to suspend or cancel any petroleum rights.

#### **4.6.2.2 Petroleum Registry**

Regarding the transfers and registration of petroleum licences, Section 84 (1) – (6) of the Petroleum Act, 2015 directs PURA to establish and maintain a Registry of petroleum agreements, licences, permit authorizations, and any change in the interests of an existing petroleum agreement, permit, or licence. The law stipulates that the registry shall contain the information on the petroleum licence, permit, or petroleum agreements, including applications for grants, assignments, renewal, surrender, termination, and revocation. Also, the Act guides that the Registry has to contain information about court decisions, including arbitration, award, deeds or instruments related to the licence. It is further directed that information recorded in the Petroleum Registry unless otherwise as provided by the law. It is a role of PURA to make sure that any person may request to access information in the Petroleum Registry. Despite the guidance from the Act on the establishment of the Petroleum Registry, as of now, the Registry is not online which limits the public to access such information.

#### **4.6.3 Contract Disclosure**

As per requirement 2.4(a) of EITI standard 2019, the implementing countries are required to disclose any new contract entered, granted or amended from January

2021. Therefore, contract disclosure for extractive industries is crucial in pursuit of enhancing transparency in the mining, oil, and gas operations. Parallel to EITI standard 2019, the TEITA Act, 2015 also requires the TEITA committee to disclose concessions, contracts, and licences relating to mining, oil, and natural gas operations in the country. In response to these requirements, TEITI has started to engage Government entities responsible in implementing the contract disclosure requirements to discuss the ways to implement this requirement effectively. To this end, the implementation roadmap has been prepared and published.<sup>28</sup> Efforts are under way to ensure that all oil, natural gas and mining contracts are disclosed.

The country has begun to sign mining contracts and disclose mining licences publicly as a step toward full disclosure of the contracts. In October 2021, the government issues publicly special mining licenses to Tembo Nickel Corporation Limited for the Kabanga Nickel project. The government is expected to collect an estimated 7.5 billion US dollars (about 17.2 Trillion Shillings) through various fees and taxes over the next 33 years from the Kabanga Nickel mining project. Also, the projects is expected to offer direct employment to 978 people.

In December 2021, the government signed publicly the contract for Nyanzaga Gold project, which is owned and operated by OreCorp Limited through its Tanzanian subsidiary companies OreCorp Tanzania Limited and Nyanzaga Mining Company Limited.

#### **4.7 Beneficial Ownership**

Requirement 2.5 of the EITI Standard demands extractive companies to disclose information of beneficial owners (i.e. natural persons who owns interests in the extractive companies). Disclosure of beneficial ownership aims at reducing illegal practices and conducts in the extractive industries such as tax evasion, corruption, illicit financial flows and outcomes of conflict of interests. Besides, it enhances transparency and accountability of extractive companies, adherence to the rule of law, and revenue collection by unveiling shadow companies, which are likely to evade tax payment.

In Tanzania, BRELA maintains a register containing information of all legally registered companies operating in Tanzania pursuant to Companies Act, Cap 212 and Business Registration and Licensing Authority Act, 2007. The information contained in the register includes corporate entity's full name, legal status, year of

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<sup>28</sup> <https://www.teiti.go.tz/storage/app/uploads/public/60d/c11/125/60dc111252093547408015.pdf>

incorporation, and list of directors. On the other hand, major oil, gas, and mining companies are public companies listed in international stock markets, which maintain strict requirements of ownership disclosure. Disclosure of Beneficial owners of extractive companies is systematically done during TEITI reporting on annual basis.

## 5 COLLECTIONS AND PAYMENTS IN THE EXTRACTIVE INDUSTRY

Extractive companies pay taxes and other non-tax payments to the government of Tanzania.

### 5.1 Receiving Entities

The following entities represent agencies that collect payments from mining, oil and gas companies.

#### 5.1.1 The Mining Commission

The Ministry of Minerals (MoM) sets policies and strategies for exploiting mineral resources. On the other hand, the Mining Commission (MC) is responsible for issuing licenses and collecting mining revenues such as royalties, permit fees, annual rental fees, and other charges from mining companies including state-owned enterprises (SOEs).<sup>29</sup> Table 25 shows the types of payments received by the MC.

**Table 25: Types of Payments Received by the MC**

Type of Fee	Base	Rate/ Amount	Payment System
<b>ROYALTIES</b>			
i. Uranium	Gross value <sup>30</sup>	5%	Paid on export or local consumption upon delivery
ii. Gemstone and diamond	Gross value	6%	Paid on export or local consumption upon delivery
iii. Metallic minerals such as copper, gold, silver, and platinum group minerals	Gross value	6%	Paid on export or local consumption upon delivery
iv. Gem	Gross value	1%	Paid on export or local consumption upon delivery
v. Other minerals, including building materials, salt, all minerals within the industrial minerals group	Gross value	3%	Paid on export or local consumption upon delivery
<b>LICENSE APPLICATION FEES (NON-REFUNDABLE)</b>			
i. Prospecting license (PL) for metallic minerals, energy minerals and kimberlitic diamond	PL	USD 300	Paid on application
ii. Prospecting license for building	PL	USD 300	Paid on application

<sup>29</sup>For more information visit on: <https://www.madini.go.tz/act-policy-and-useful-doc/>

<sup>30</sup> "Gross value" according to subsection 87(6) means the market value of minerals as determined through valuation pursuant to section 100B of the Mining Act, 2010 (R.E. 2018).

Type of Fee	Base	Rate/ Amount	Payment System
materials and gemstones excluding kimberlitic diamond			
iii. Prospecting license for industrial minerals	PL	USD 200	Paid on application
iv. Retention license	RL	USD 4,000	Paid on application
v. Special Mining license	SML	USD 5,000	Paid on application
vi. Mining License	ML	USD 2,000	Paid on application
vii. Mining license for building materials	ML	USD 2,000	Paid on application
viii. Primary mining license	PML	TZS 50,000	Paid on application
ix. Transfer of primary license	PML	USD 200	Paid on application
x. Transfer of shares in a primary mining license	PML	USD 500	Paid on application
xi. Transfer of mineral rights other than primary mining license	PML	USD 3,000	Paid on application
xii. Search in register, for everyone hour or part thereof	Number of searches	USD 50	Paid on application
xiii. Registration of any document in the office of the Commissioner for Minerals	Number of documents to be registered	USD 500	Paid on application
xiv. Approval of any document by the Minister as provided in the Mining Act	Number of documents to be approved	USD 500	Paid on application
<b>LICENSE RENEWAL FEES (APPLICATION FEES FOR RENEWAL OF:)</b>			
i. Prospecting license for metallic minerals, energy minerals and kimberlitic diamond	PL	USD 300	Paid on renewal
ii. Retention license	SL	USD 4,000	Paid on renewal
iii. Special mining license	SML	USD 5,000	Paid on renewal
iv. Mining license	ML	USD 2,000	Paid on renewal
v. Mining license for building materials and industrial minerals	ML	USD 2,000	Paid on renewal
vi. Primary mining license	PML	TZS 100,000	Paid on renewal
<b>APPLICATION FOR A CERTIFICATE OF SUSPENSION OF:</b>			
i. Work in the mineral rights under division C	Number of mineral rights	TZS 50,000	Paid on application
ii. Work in mineral right other than mineral rights under division C	Number of mineral rights	USD 200	Paid on application
<b>APPLICATION FOR A CERTIFICATE OF AMALGAMATION OF:</b>			
i. Primary mining licenses	Number of amalgamation transaction	TZS 200,000	Paid on application
<b>APPLICATION FOR A CERTIFICATE OF SURRENDER OF:</b>			
i. Part or whole of the primary mining license area	Number of certificates	TZS 50,000	Paid on application
ii. Part or whole of the area of a mineral right other than a primary mining license	Number of certificates	USD 500	Paid on application
<b>PREPARATION FEES FOR:</b>			
i. Prospecting license for all minerals	PL	USD 500	Paid upon receipt of offer
ii. Mining license for all minerals	ML	USD 1,000	Paid upon receipt of offer
iii. Special mining license	SML	USD 2,000	Paid upon receipt of offer
iv. Retention license	RL	USD 2,000	Paid upon receipt of offer
v. Primary mining License	PML	TZS 50,000	Once application is

Type of Fee	Base	Rate/ Amount	Payment System
			approved
<b>ANNUAL RENTS PAYABLE FOR ALL MINERAL RIGHTS OTHER THAN MINERAL RIGHTS UNDER DIVISION D</b>			
i. Prospecting license for metallic minerals, energy minerals, kimberlitic diamonds, building materials and gemstones, for initial period PL	Licence area	USD 100/sq.km	Paid annually
ii. Annual rent for first renewal of a prospecting license	Licence area	USD 150/sq.km	Paid annually
iii. Annual rent for second renewal of a prospecting license	Licence area	USD 200/sq.km	Paid annually
iv. Retention license	Licence area	USD 2,000/sq.km	Paid annually
v. Special mining license	Licence area	USD 5,000/sq.km	Paid annually
vi. Mining License for metallic minerals, energy minerals, gemstones and kimberlitic diamonds	Licence area	USD 3,000/sq.km	Paid annually
vii. Mining license for building materials and industrial minerals	Licence area	USD 2,000/sq.km	Paid annually
<b>ANNUAL RENTS FOR MINERALS UNDER DIVISION D</b>			
i. Primary mining license for all minerals other than gold, kimberlitic diamonds and gemstones, subject to a minimum of TZS 20,000/= for each licensed area having less than 2 hectares (TZS 80,000/=)	License area	TZS 40,000/Hect	Paid annually
ii. Primary mining license for gold, kimberlitic diamonds or gemstones, subject to a minimum of TZS 80,000/= for each licensed area having less than 2 hectares TZS 160,000/=)	License area	TZS 80,000/Hect	Paid annually
<b>FEES FOR DEALING IN MINERALS<sup>31</sup></b>			
i. Application fees for dealer license (non-refundable)	DL	USD 200	Paid on application
ii. Application fees for broker license (non-refundable)	BL	TZS 50,000	Paid on application
iii. License fees for dealer license - Gold, Metallic Minerals and Coloured Gemstones	DL	USD 1,000	Paid on application
iv. License fees for dealer license - Diamonds	DL	USD 2,000	Paid on application
v. License fees for dealer license - Coal and Industrial Minerals	DL	USD 500	Paid on application
vi. License fees for a Broker license	BL	TZS 200,000	Paid on application
vii. Application fee for renewal for a Dealer license	DL	USD 100	Paid on application
viii. Application fee for renewal for a Broker license	BL	TZS 50,000	Paid on application
ix. Renewal of Dealer license - Gold, Metallic Minerals and Coloured Gemstones	DL	USD 800	Paid on application

<sup>31</sup> The-Mining-Mineral-Trading-Regulations-2010 (R.E 2017), First Schedule, Fees for Dealing in Minerals



Type of Fee		Base	Rate/ Amount	Payment System
x.	Renewal of Dealer license - Diamonds	DL	USD 1,500	Paid on application
xi.	Renewal of Dealer license - Coal and Industrial Minerals	DL	USD 300	Paid on application
xii.	Renewal of Broker license	BL	TZS 160,000	Paid on application
<b>FEES FOR EXPORT AND IMPORT OF MINERALS</b>				
i.	Application fees for the export permit of minerals	Permit	USD 100	Paid on application
ii.	Application fees for import permit of minerals	Permit	USD 300	Paid on application
iii.	Application fees for Special export permit of minerals for non- resident	Permit	USD 2,000	Paid on application
iv.	Application fees for Special export permit of minerals for tourist	Permit	USD 200	Paid on application
v.	Application fees for Special export permit of minerals purchased at a Gem Trade Fair	Permit	USD 200	Paid on application
vi.	Application fees for import permit of minerals imported for a Gem Trade Fair	Permit	USD 200	Paid on application
<b>FEES FOR PROCESSING, SMELTING AND REFINING LICENCES</b>				
i.	Application for processing license, smelting license or refinery license	License	USD 200	Paid on application
ii.	Preparation fee for processing license, smelting license or refinery license	License	USD 200	Paid on application
iii.	The annual license fee for processing license, smelting license or refinery license	License	USD 1,000	Paid on application
iv.	Application fee for renewal of processing license, smelting license or refinery license	License	USD 200	Paid on application

Source: Tanzania Mining Industry's Investor Guide, 2015 and The Mining Act, 2010 [R.E. 2019]

### 5.1.2 Tanzania Revenue Authority

The Tanzania Revenue Authority (TRA) is regulated by law and is responsible for administering impartially various non-sector taxes of the Central Government. The taxes include corporate income tax, skills development levy, value-added tax, import duty and excise duty as shown in Table 26.

**Table 26: Taxes and Payments Received by TRA**

Tax Category	Tax Type	MDA <sup>32</sup> Holders		Non-MDA Holders	
		Tax Base	Rate	Tax Base	Rate
Corporate Tax	Provisional Corporate Tax	Estimated Profit	30%	Estimated Profit	30%
	Final Corporate Tax	Taxable Profit	30%	Taxable Profit	30%
Turnover Tax/ Levy	Alternative Minimum Tax (AMT)	No	No	Turnover	0.3%

<sup>32</sup> Mining Development Agreement (MDA)

Tax Category	Tax Type	MDA <sup>32</sup> Holders		Non-MDA Holders	
		Tax Base	Rate	Tax Base	Rate
Withholding Taxes <sup>33</sup>	• Dividend payments	Payments	10%	Payments	10%
	• Interests	No	No	Payments	10%
	• Technical Services <sup>34</sup> (Resident)	Payments	3%	Payments	5%
	• Technical Services (Non-Resident)	Payments	3%	Payments	15%
	• Management Fees (Resident)	Payments	3%	Payments	5%
	• Management Fees (Non-Resident)	Payments	3%	Payments	15%
	• Rental (Resident)	Payments	10%	Payments	10%
	• Rental (Non-Resident)	Payments	15%	Payments	15%
	• Insurance Premium (Applicable to Non-Resident only)	Payments	5%	Payments	5%
	• Natural Resources Payments	Payments	15%	Payments	15%
	• Service Fees (Applicable to Non-Resident only)	Payments	15%	Payments	15%
Capital Gain Tax (Company Assets)		Gain	30%	Gain	30%
Employment Taxes/Charges & Statutory Contributions	• Pay As You Earn (PAYE)	Personal Income	Ranges from 11% to 30% plus fixed amounts	Personal Income	Ranges from 11% to 30% plus fixed amounts
	• Skills and Development Levy-SDL	Employer's Payroll Cost	4.5%	Employer's Payroll Cost	4.5%
VAT	(VAT special relief on purchases, 0% rated on exports)	Taxable Value	18%	Taxable Value	18%
Stamp Duty		Sales Value	1%	Sales Value	1%
Import Duty	• For Capital Goods	Customs Value	0%	Customs Value	0%
Excise Duty	• Motor Vehicle 1000 cc to 2000 cc	Customs Value	5%	Customs Value	5%
	• Motor Vehicle above 2000 cc	Customs Value	10%	Customs Value	10%
Fuel Levy		Volume	TZS 313 per litre	Volume	TZS 313 per litre
Motor Vehicle Taxes	Motor Vehicle Registration Fees (cc)				
	• 501 – 1500	Motor Vehicle Registered	TZS 200,000	Motor Vehicle Registered	TZS 200,000
	• 1501 – 2500	Motor Vehicle Registered	TZS 250,000	Motor Vehicle Registered	TZS 250,000
	• 2501 and above	Motor Vehicle	TZS 300,000	Motor Vehicle	TZS 300,000

<sup>33</sup> <https://www.pkf.com/media/10028501/tanzania-tax-guide-2016-17.pdf> (PKF\_tanzania-tax-guide-2016-17.pdf)

<sup>34</sup> ITA (2004) section 83 and paragraph 4(c) of the First Schedule

Tax Category	Tax Type	MDA <sup>32</sup> Holders		Non-MDA Holders	
		Tax Base	Rate	Tax Base	Rate
		Registered		Registered	
	• Motorcycle Registration Fees	Motorcycle Registered	TZS 95,000	Motorcycle Registered	TZS 95,000
	• Personalized registration number renewable after every three years	Motor Vehicle Registered	TZS 10,000,000	Motor Vehicle Registered	TZS 10,000,000
Motor Vehicle Transfer Taxes	• Motor Vehicle Transfer Fees	Transfer	TZS 50,000	Transfer	TZS 50,000
	• Tricycle (Bajaj)	Transfer	TZS 30,000	Transfer	TZS 30,000
	• Motorcycle Transfer Fees	Transfer	TZS 27,000	Transfer	TZS 27,000
Railway Development Levy	Charged based on Customs Value on goods entered for home consumption in Mainland Tanzania at 1.5% of CIF. The levy does not apply to imported goods that have relief or exemption under the East African Community Customs Management Act 2004 (EACCMA 2004), goods in transit, pharmaceutical goods, etc.				
Customs Processing Fee	A fee charged at 0.6% of FOB Value for processing customs documents for goods entered for home consumption.				
Advertising fees	Charged on commercial advertisement fees for Billboards, Posters or Hoarding				
Wharfage fees	TRA is mandated to Collect Wharfage fee				

Source: Income Tax Act, 2004 and Tanzania Revenue Authority: taxes and duties at a glance 2019/2020

### 5.1.3 Social Security Contribution Funds

Extractive companies also make payments in the form of social security contributions of the employees. Contributions for all employees in the public sector are made to the Public Service Social Security Fund (PSSSF). Contributions for employees in the private sector, self-employed, international organization, and foreigners employed in Tanzania and any other category of persons that the Minister responsible for social security matters may specify upon recommendation by the Social Security Regulatory Authority (SSRA) are paid to the National Social Security Fund (NSSF). In addition, all employers, including extractive companies, are required by the Worker's Compensation Act Cap 263 R.E. 2015 to contribute to the Fund to protect their workers from occupational hazards. Table 27 provides more information on the employees' statutory contributions to the pension funds in the country.

**Table 27: Statutory Contributions**

SN	Fund	Tax Base	Rate
1	NSSF Contribution	Gross Cash Emoluments made to the employee (inclusive of cash allowances and benefits)	<ul style="list-style-type: none"> <li>• 10% payable by employer</li> <li>• 10% payable by the employee</li> </ul>
2	PSSSF Contribution	Gross Cash Emoluments made to the employee (inclusive of cash allowances and benefits)	<ul style="list-style-type: none"> <li>• 5% payable by the employer</li> <li>• 15% payable by the employee</li> </ul>
3	WCF Contribution	Employee's gross monthly salary	<ul style="list-style-type: none"> <li>• 1% for private sector employers</li> <li>• 0.5% for public sector employers</li> </ul>

The social security contributions will be included in the 2019/20 TEITI report as contextual information but will not be reconciled because they are indirect taxes, and therefore, they are paid by extractive companies on behalf of their employee.

#### 5.1.4 Local Government Authorities

The Local Government Act of 1982 gives mandates to Local Government Authorities (LGAs) to pass by-laws for charging and collecting local taxes, levies, and fees within their jurisdictions. According to the Act, mining, oil, and gas companies are obliged to pay service levy up to 0.3% of annual turnover to the LGA where the mine is located.

Moreover, extractive companies provide social and economic support to host communities in the respective LGAs in the form of Corporate Social Responsibility (CSR). They participate in such areas as education, health, environment, potable water supply, humanitarian aids, small business development services, and infrastructures. Recently, the government has enacted laws that govern the implementation of these social commitments. For example, through the Written Laws (Miscellaneous Amendments) Act. No 7 of 2017, the government amended section 105 of the Mining Law to include provisions relating to a mineral right holder's Corporate Social Responsibility Plan.

Specifically, sub-section (1) of the Act compels mineral rights holders to prepare on an annual basis a credible corporate social responsibility plan, which is jointly agreed by the relevant local government<sup>35</sup> authority or local government authorities in consultation with the Minister responsible for local government authorities and the Minister of Finance. Sub-section (2) demands the plan to consider environmental, social, economic and cultural activities based on local government authority priorities of the host community.

Extractive companies are also obliged to comply with the Tanzania Extractive Industries (Transparency and Accountability) Act, 2015. Section 15 of the Act categorically requires extractive companies operating in the country to submit an annual report on CSR projects to the TEITI Committee.

**Table 28: Local Taxes and Contributions**

SN	Fund	Description
1	Service levy	Local Government Authorities are entitled to charge up 0.3% service levy based on turnover generated by corporate bodies in the relevant district.
2	Corporate Social Responsibility	Mineral rights holders are required by Written Laws (Miscellaneous Amendments) Act. No 7 of 2017, to prepare on an annual basis a credible

<sup>35</sup> See GGML for example, <http://www.geitamine.com/assets/downloads/qgm-signed-mou-08mar2018.pdf>

SN	Fund	Description
	(CSR)	corporate social responsibility plan, which is jointly agreed by the relevant local government authority or local government authorities in consultation with the Minister responsible for local government authorities and the Minister of Finance.

### 5.1.5 Tanzania Petroleum Development Corporation

Tanzania Petroleum Development Corporation (TPDC) is authorized under Section 6 of the Oil and Gas Revenue Management Act 2015 to collect non-tax revenues such as royalty, protected gas revenue, additional gas revenue, and government profit share as per PSA, surface rentals or annual block fees, signature bonuses and training fees, and tariff on gas transportation through Mtwara-Dar es Salaam and SONGAS gas pipelines.

TPDC also pays to TRA corporate tax from its profit share in respect of Songosongo PSA Development license. Furthermore, Section 9 of the Oil and Gas Revenue Management Act 2015, demands the royalties, profit shares, dividends on government participation in oil and gas operations collected by TPDC be paid to the government through the Oil and Gas Consolidated Fund.

**Table 29: Payments made to TPDC**

SN	Type of Payment	Description
1	Royalty on Oil and Gas	This is a payment given to the resource owner. This is required under section 113 of the Petroleum Act, 2015. Rates for royalty payments are charged on gross revenue depending on where the hydrocarbon is being exploited. For onshore and shelf areas the rate is 12.5%, whereas a 7.5% royalty rate if paid for deep water production (consistent with MPSA 2013).
2	Training fees	Fees payable by Licenced producers/contractor, depending on the Profit-Sharing Agreement (PSA), for training and research activities
3	Licence fees	Fees paid when applying for conducting oil and gas activities over a Licenced area
4	Tariffs	<ul style="list-style-type: none"> <li>Tariff on gas transport through Mtwara-Dar es Salaam Gas Pipeline</li> <li>Tariff on gas transport through SONGAS pipeline</li> </ul>

### 5.1.6 Tanzania Forest Services Agency

Tanzania Forest Services Agency (TFS) is an Executive Agency established under the Executive Agencies Act, 1997 (Cap. 245 Revised Edition 2009). TFS operates under the Ministry of Natural Resources and Tourism (MNR T) and is mandated, among other roles, with enforcing Forest and Beekeeping legislation in areas of its jurisdiction. As part of the forest and natural resources management, extractive companies that operate in protected national forest reserves are required to pay to

mining fees (forest management fees) in a forest reserve (per year per ha or part of).<sup>36</sup>

### **5.1.7 National Environmental Management Council**

The National Environment Management Council (NEMC) is established under the Environmental Management Act No. 20 of 2004 (EMA, 2004) which repealed the National Environmental Management Act No.19 of 1983. EMA 2004 provides for a legal and institutional framework for sustainable management of the environment, prevention and control pollution, waste management, environmental quality standards, public participation, environmental compliance and enforcement.

Furthermore, it gives NEMC mandates to undertake enforcement, compliance, review and monitoring of environmental impacts assessments, research, facilitate public participation in environmental decision-making, raise environmental awareness and collect and disseminate environmental information. NEMC is responsible for collecting fees and charges for project registration, Environmental Impact Assessment (EIA), review of EIA, and environmental monitoring and audit from extractive companies as stipulated in the Environmental Management (Fees and Charges) (Amendment) Regulations, 2018.

### **5.1.8 Ministry of Finance and Planning**

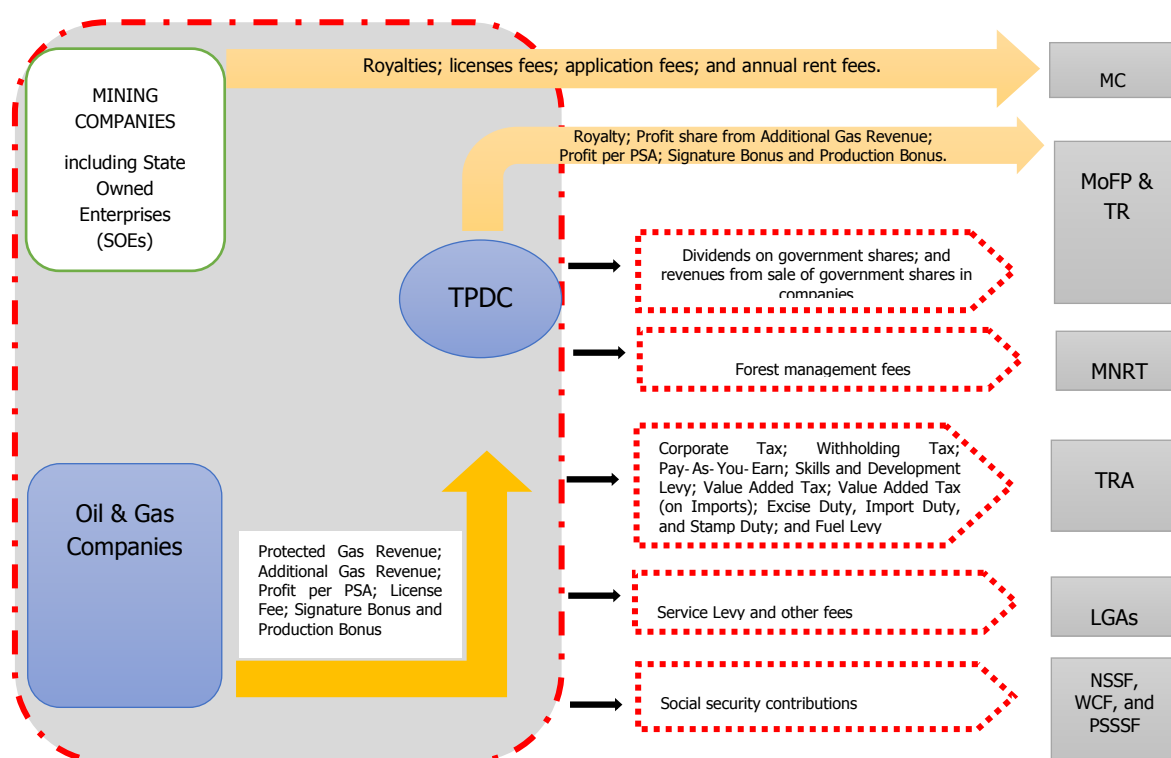
The Treasury Registrar under the Ministry of Finance and Planning (MoFP) is responsible for collecting dividend payments, particularly from the companies where the State holds shares. The Treasury Registrar is also responsible for collecting revenue proceeds from the sale of shares of extractive companies that the government has an interest. In addition, it receives royalty, profit share from additional gas revenue, profit per PSA, signature bonus and production bonus from TPDC.

## **5.2 Payment Flows**

As pointed out in section 5.1, extractive companies make payments to various Government Agencies. These agencies are divided into two categories, namely, recipients of taxes, fees, and charges, i.e. TRA, LGAs, Treasury Registrar, TPDC, MC, and TFS. The second category is recipients of social security contributions, i.e. NSSF, PSSSF and Workers Compensation Fund (WCF). The extractive revenue collections framework is diagrammatically summarized in **Error! Reference source not found..**

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<sup>36</sup>[https://trade.business.go.tz/media/GN-THE%20FOREST%20\(AMENDMENTS\)%20REGULATIONS,%202017%20%20%20GN%20final%20%20255%20%20chapa.pdf](https://trade.business.go.tz/media/GN-THE%20FOREST%20(AMENDMENTS)%20REGULATIONS,%202017%20%20%20GN%20final%20%20255%20%20chapa.pdf)



**Figure 3: Payment Flow of Extractive Revenue Collection**



## 6 DETERMINATION OF MATERIALITY THRESHOLD AND REPORTING ENTITIES

The EITI Standards define materiality as payments and revenues considered material if their omission or misstatement could significantly affect the comprehensiveness of the EITI Report. This section proposes materiality thresholds so that the reconciliation report covers all material payments and revenues from mining, oil, and gas in Tanzania. The materiality analysis in this report is based on company data provided by government agencies (TRA, TPDC, and MC). Financial data submitted by two government agencies (i.e., TRA and MC) based on the aggregate of company projects rather than on the projects themselves. The independent administrator expects that government agencies will provide financial data based on the company projects during reconciliation processes.

### 6.1 Materiality threshold

In this reporting period based on three Government agencies, the total government receipt from mining, oil and gas companies was TZS 1.93 trillion. A total forty (40) companies made a material payment to the Government revenue from extractive industry. These companies have contributed 89.9% of revenue collected by TRA, MC, and TPDC. In that view, as indicated in Table 30 we are proposing a materiality threshold of TZS 1 billion (0.05%) for the fiscal year 2019/20 of the preliminary government receipts of TZS 1.93 trillion from the extractive companies. If this materiality threshold agreed by TEITI committee will mean that a total forty (40) companies including three government owned companies will be included in the reconciliation scope.

**Table 30: Materiality Threshold**

Fiscal Year	Materiality Threshold		Number of Companies		
	Amount (TZS)	Percent	Mining	Oil and Gas	Total
2019/20	1,000,000,000	0.05	34	6	40

### 6.2 Scope of Revenue Streams

The Independent Administrator consulted Government Agencies that received payments from the extractive industry to ascertain the relevant revenue streams in the reconciliation scope. The IA also considered the applicable legislation in force and previous TEITI reports.

#### 6.2.1 Payments to the Mining Commission

The review of the relevant legislation and analysis of the payment data received from the Mining Commission identified the following fees and charges payable to the Commission as shown in Table 31.

**Table 31: Categories of Fees and Charges Payable to MC**

SN	Revenue Streams
1.	Royalty
2.	Inspection and Clearing Fee
3.	Application fee
4.	Annual Rent
5.	Fines, Penalties and Forfeitures
6.	Licence Fee to Purchase/Store Explosive
7.	Preparation fee
8.	Mineral Rent
9.	Licence for Broker/Dealer licence
10.	Annual Licence fees for Smelting Licence
11.	Sales of Tender Documents
12.	Blasting/renewal/Individual competence Certificate fee
13.	Miscellaneous Receipts
14.	Geological fee
15.	XRF Analysis fee
16.	Search fee
17.	Sample preparation fee
18.	Graphite Analysis fee

### 6.2.2 Payments to Tanzania Revenue Authority

Table 32 shows the categories of the taxes paid by the extractive companies and service providing companies to TRA (Large Taxpayers Department (LTD), Domestic Revenue Department (DRD), and the Customs and Excise Department (CED)) during the fiscal year 2019/20.

**Table 32: Categories of Taxes and Fees Payable to TRA**

SN	Revenue Streams
<b>PAYMENT MADE TO TRA (LTD &amp; DRD)</b>	
1.	Value Added Tax
2.	Pay-As-You-Earn
3.	Corporate Tax
4.	Withholding Tax
5.	Excise Duty on Natural Gas (Industrial use)
6.	Skill Development Levy
7.	Personal Income Tax
8.	Stamp Duty
9.	Natural resources payments
10.	Advertising fees
11.	Small Scale Miners

SN	Revenue Streams
12.	Dividends from resident corporation to another resident hold 25%
13.	Excise Duty on Electronic Communication Services
14.	Excise Duty on Petroleum
15.	Sale of revenue stamps
16.	Port Departure Charges
17.	Natural resources payments
18.	Signboard fees
19.	Bed night levy
20.	Comm. On money trans -mobile service
21.	Road Reserve User Charge
22.	Motor vehicle foreign vehicle permit
23.	Motor vehicle taxicab
24.	Airport Departure Charges
<b>PAYMENT MADE TO TRA (CED)</b>	
25.	VAT
26.	Import Duty
27.	Petroleum Levy
28.	Railroad Dev Levy
29.	Customs Processing Fee
30.	Excise Duty
31.	Fuel Levy
32.	Excise Duty for Vehicles
33.	Vehicle Reg Tax
34.	Trade Levy Zanzibar

### 6.2.3 Tanzania Petroleum Development Corporation

TPDC is authorised under Section 6 of the Oil and Gas Revenue Management Act, 2015 to collect non-tax revenues. Table 33 shows the categories of the fees paid by the oil and gas companies to TPDC during the fiscal year 2019/20.

**Table 33: Categories of Fees Payable to TPDC**

SN	Revenue Streams
1.	Royalty on Oil and Gas
2.	Profit per Production Sharing Agreement
3.	Training Fees
4.	Licence fees/charges
5.	Data fee/charges

### **6.3 Extractive Companies**

The total of forty (40) companies have made a material payment to the Government revenue in the fiscal year 2019/20 from extractive industry. These companies have contributed 89.9 percent of the collected by four Government agencies. Out of these 40 companies, 5 operate in the Oil and Gas sub-sector and 35 operate in the mining sub-sector. These companies are recommended to be included in the reconciliation report for the fiscal year 2019/20. Table 34 present the list of these companies that are recommended to be included in the reconciliation report. Out of the three (3) government owned companies, two (2) companies that is TPDC and NDC have not met the materiality threshold. However, these two companies will be included in the reconciliation exercise as required by the EITI Standard. For that reason, a total of sixty-six (66) companies will be included in the reconciliation exercise for the fiscal year 2019/20.

Appendix 10 provide the list of the companies and small-scale miners that have not included in the reconciliation scope. In this list there are some of small-scale miners who have met materiality threshold but have not included in the reconciliation scope. The small-scale miners who have not included in the reconciliation scope have contributed 1.2 percent of the Government revenue from extractive industry. The reason of excluding these small-scale miners from reconciliation scope is the fact that majority of them don't keep a proper record of their financial transactions.

Requirement 4.9 of the EITI Standards 2019, requires that an assessment of whether the payments and revenues are subject to credible independent audit, applying international auditing standards. Independent Administrator have experienced from previous reconciliation exercise most of these small-scale miner data are not of quality and does not provide an assurance of whether they have been audited using an international auditing standard.

**Table 34: Reporting Entities Meeting the Proposed Materiality Threshold for 2019/20**

SN	COMPANY NAME	Revenue Collected by TRA	Revenue Collected by MC	Revenue Collected by TPDC	Total Revenue Collected by Government	%
1	GEITA GOLD MINING LIMITED	422,959,830,498.49	169,317,767,223.73	-	592,277,597,722.22	30.64
2	NORTH MARA GOLD MINE LIMITED	276,231,757,736.82	73,216,513,021.66	-	349,448,270,758.48	18.08
3	PAN AFRICAN ENERGY TANZANIA LIMITED	120,607,734,270.67	-	67,992,490,540.20	188,600,224,810.87	9.76
4	M&P EXPLORATION PRODUCTION TANZANIA LIMITED	55,642,557,016.15	-	75,115,875,832.96	130,758,432,849.11	6.76
5	PANGEA MINERALS LTD	19,850,968,087.89	48,430,553,661.29	-	68,281,521,749.18	3.53
6	TANZANIA PORTLAND CEMENT COMPANY LIMITED	57,518,955,262.64	2,057,633,790.25	-	59,576,589,052.89	3.08
7	SHANTA MINING COMPANY LIMITED	37,492,397,959.82	21,786,236,821.45	-	59,278,634,781.27	3.07
8	SAMAX RESOURCES LTD.	47,017,556,601.47	-	-	47,017,556,601.47	2.43
9	BULYANHULU GOLD MINE LIMITED	17,589,916,709.54	26,526,304,994.60	-	44,116,221,704.14	2.28
10	AUMS (T) LIMITED	43,361,077,487.90	-	-	43,361,077,487.90	2.24
11	DANGOTE CEMENT LIMITED TANZANIA	19,898,574,129.29	1,294,300,135.00	-	21,192,874,264.29	1.10
12	CAPITAL DRILLING (T) LTD.	21,100,247,096.81	-	-	21,100,247,096.81	1.09
13	WILLIAMSON DIAMONDS LTD.	11,674,559,212.48	8,508,816,624.46	-	20,183,375,836.94	1.04
14	SHELL EXPLORATION AND PRODUCTION TANZANIA LIMITED	11,394,392,979.47	-	807,403,027.08	12,201,796,006.55	0.63
15	SANDVIK MINING AND CONSTRUCTION TANZANIA LIMITED	10,387,588,033.38	-	-	10,387,588,033.38	0.54
16	TANCOAL ENERGY LIMITED	3,849,635,663.80	5,444,122,673.41	-	9,293,758,337.21	0.48
17	ORICA TANZANIA LIMITED	5,588,519,043.90	42,594,250.00	-	5,631,113,293.90	0.29
18	NEELKANTH SALT LIMITED.	5,462,968,586.70	-	-	5,462,968,586.70	0.28
19	GLOBELEQ TANZANIA SERVICES LIMITED	4,992,464,281.10	-	-	4,992,464,281.10	0.26
20	OPHIR TANZANIA (BLOCK 1) LIMITED	4,087,979,122.54	-	-	4,087,979,122.54	0.21
21	ABG EXPLORATION LIMITED	3,752,886,112.54	-	-	3,752,886,112.54	0.19
22	JAC RIJK AFRICA LIMITED	3,528,655,481.15	-	-	3,528,655,481.15	0.18
23	CHINA PETROLEUM TECHNOLOGY AND DEVELOPMENT CORPORATION	3,481,818,750.90	-	-	3,481,818,750.90	0.18

24	NITRO LOGISTICS LIMITED	3,297,340,547.00	-	-	3,297,340,547.00	0.17
25	TNR LIMITED	2,846,846,397.93	-	-	2,846,846,397.93	0.15
26	SUN SHINE MINING LIMITED	1,740,316,644.00	769,034,970.84	-	2,509,351,614.84	0.13
27	NDOVU RESOURCES (T) LTD	-	-	2,408,174,215.91	2,408,174,215.91	0.12
28	ZEM (T) CO.LIMITED	1,329,481,432.83	949,878,181.08	-	2,279,359,613.91	0.12
29	MANTRA TANZANIA LIMITED	-	2,260,969,650.00	-	2,260,969,650.00	0.12
30	SEA SALT LIMITED	1,644,975,348.00	380,025,299.14	-	2,025,000,647.14	0.10
31	OXLEY LIMITED	1,681,506,533.28	-	-	1,681,506,533.28	0.09
32	MMG GOLD LIMITED	474,839,852.73	909,627,461.74	-	1,384,467,314.47	0.07
33	MBOGO MINING AND GENERAL SUPPLY LIMITED	1,363,491,187.00	-	-	1,363,491,187.00	0.07
34	PANAFRICAN MINING SERVICES (TANZANIA) LIMITED.	1,203,041,363.21	-	-	1,203,041,363.21	0.06
35	GLITTER GEMS LIMITED	-	1,128,738,932.24	-	1,128,738,932.24	0.06
36	MAWENI LIMESTONE LIMITED	-	1,097,169,501.00	-	1,097,169,501.00	0.06
37	MAZABU MINE CO. LTD	-	1,044,626,980.90	-	1,044,626,980.90	0.05
<b>SUB TOTAL</b>		<b>1,223,054,879,431.43</b>	<b>365,164,914,172.78</b>	<b>146,323,943,616.15</b>	<b>1,734,543,737,220.35</b>	<b>89.73</b>
<b>STATE-OWNED ENTERPRISES</b>						
38	TANZANIA PETROLEUM DEVELOPMENT CORPORATION	10,373,758.00	-	-	10,373,758.00	0.00
39	NATIONAL DEVELOPMENT CORPORATION	-	52,329,328.13	-	52,329,328.13	0.00
40	STAMIGOLD COMPANY LIMITED	483,151,220.00	3,074,283,542.04	-	3,557,434,762.04	0.18
<b>SUB TOTAL</b>		<b>493,524,978.00</b>	<b>3,126,612,870.16</b>	<b>-</b>	<b>3,620,137,848.16</b>	<b>0.19</b>
<b>RECONCILIATION SCOPE</b>		<b>1,223,548,404,409.43</b>	<b>368,291,527,042.94</b>	<b>146,323,943,616.15</b>	<b>1,738,163,875,068.51</b>	<b>89.92</b>
41	<b>OTHER COMPANIES/INDIVIDUALS (not meeting materiality threshold)</b>	<b>34,675,659,844.30</b>	<b>159,365,668,040.58</b>	<b>903,340,094.09</b>	<b>194,944,667,978.97</b>	<b>10.08</b>
<b>TOTAL REVENUE COLLECTED</b>		<b>1,258,224,064,253.73</b>	<b>527,657,195,083.52</b>	<b>147,227,283,710.24</b>	<b>1,933,108,543,047.48</b>	<b>100.00</b>

## 6.4 Reporting Government Entities

The government statutory reporting entities shall be required to disclose revenues collected from the extractive sector during the reporting periods. These include ministries, agencies, and local government authorities, as listed in Table 35.

**Table 35: Reporting Government Entities**

SN	Name	SN	Name
1	Ministry of Finance and Planning (MoFP)	13	Bagamoyo District Council
2	Mining Commission	14	Chalinze District Council
3	Tanzania Forestry Services (TFS) Agency	15	Mbinga District Council
4	Tanzania Revenue Authority (TRA)	16	Kahama Town Council
5	Ilala Municipal Council	17	Nzega District Council
6	Geita Town Council	18	Msalala District Council
7	Biharamulo District Council	19	Mtwara District Council
8	Mwanza City Council	20	Tarime District Council
9	Songwe District Council	21	Kilwa District Council
10	Simanjiro District Council	22	Kishapu District Council
11	Kinondoni District Council	23	Morogoro Municipal Council
12	Magu District Council		

## 6.5 Reporting Templates

Appendices 1, 2, and 3 provide reporting templates for extractive companies, supporting companies and government entities, respectively. Data regarding production, exports, and royalties from the Mining Sector will be collected from the Mining Commission using a reporting template shown in Appendix 4 whereas information of contracts and license for companies operating in the Oil and Gas Sector will be collected from PURA using the reporting template shown in Appendix 5. Finally, data regarding the operations of the state-owned enterprises (TPDC, STAMICO, and NDC) will be collected using a reporting template shown in Appendix 6. Appendix 7 provides reporting templates for reporting entities to disclose details of the beneficial ownership.



## **7 CONCLUSION AND RECOMMENDATIONS**

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The preliminary data collected from the TRA, MC, and TPDC show that from July 1, 2019, to June 30, 2020, the government collected TZS 1,972,044,734,982.73 from the extractive companies. In preparing the eleventh TEITI Reports, we propose the following key recommendations to the TEITI Committee:

### **(i) Materiality Thresholds**

We recommend a materiality threshold of TZS 1 billion which means all extractive companies that made payments above these thresholds shall be required to participate in the reconciliation report. The payments that contributed less than the materiality threshold will be reported, but not reconciled.

For a reconciliation of company payments and government receipts, we recommend that the reporting entities justify any discrepancy between individual financial flows that exceed TZS 2 million. Similarly, we recommend that the reconciliation exercise should be concluded when the discrepancy is less than one percent of the total reported company payments and government revenues.

### **(ii) Reporting Entities**

In the reporting fiscal year 2019/20, extractive companies made payments to the different government statutory payment recipients (i.e., TRA, MoM, TPDC, TFS & MoFP). We recommend that these government entities, as well as the NSSF and PSSSF, disclose revenues collected from the extractive companies. In addition to the above government entities, LGAs that have received payments from extractive companies should also disclose the revenue collected from extractive industry.

### **(iii) Reporting Payments**

We recommend that statutory reporting entities should report the payments they received or paid in the proposed reporting templates according to currency used (i.e., either TZS or USD). However, the currency of publishing the payments made by the extractive companies in the final report will be Tanzanian Shillings. We are further recommending that the rate for converting payments made in USD should be an annual average of the exchange rate of TZS 2,304.94 for fiscal year 2019/20.

### **(iv) Reporting Templates and Management Sign-off**

Concerning reporting templates, we recommend that, TEITI Committee to review and approve the revenue streams that will be used in the reconciliation exercise. Also, we recommend that a senior company or government officer of a respective reporting entity should sign-off the dully filled reporting templates. The signing authority should also attest that the data provided is complete and accurate.

## **(v) Information on the Impact of Covid-19 Pandemic on the Extractive Industry**

Reporting entities are required to submit information on the impact of Covid-19 pandemic on the extractive industry. We recommend that review and approve the questionnaire and interview guide that will be used to collection data on the impact of the Covid-19 pandemic on extractive industry.

## **(vi) Disaggregated Data**

The EITI requires the disclosure of disaggregated data of company payments and government revenues. It requires that the publication of data in the EITI report by an individual company, government entity, and payment/revenue streams for each project. We, therefore, recommend that all reporting entities should provide disaggregated data for each project as proposed in the reporting templates. We, further recommend that report entities must use the reporting template provided by an Independent Administrator, otherwise the reporting entity will be regarded that they have not filled and submitted the template.

## **(vii) Information on local content, corporate social responsibility, and capital expenditures**

The extractive companies are required to submit information on local content, corporate social responsibility, and capital expenditures. We recommend that all extractive companies should submit reporting templates that contains information on local content, corporate social responsibility, and capital expenditures.

## **(viii) Data Quality and Assurance**

External auditors of extractive companies should certify that the payments reported in the reporting templates are drawn from accounts audited to international standards. On the part of the government agencies, the Office of CAG should certify that the revenues reported in the reporting templates are drawn from accounts audited to international standards and issue a confirmation letter to the IA to this effect. We recommend that the approval of these measures would ensure the quality, credibility, and integrity of the submitted data.

## **(ix) Confidentiality**

Data provided in reporting templates by extractive companies and government entities should remain confidential. Also, the draft TEITI report should remain confidential until the TEITI Committee authorizes its publication. We recommend the adoption of these measures by the TEITI Committee to maintain confidentiality.

## APPENDIX 1: Reporting Templates for Extractive Companies

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D	PAYMENTS TO TANZANIA REVENUE AUTHORITY - CUSTOMS & EXCISE DEPARTMENT (CED)		Currency	NON-PROJECT PAYMENTS	PROJECT LEVEL PAYMENTS (PLEASE SPECIFY THE LICENCE NUMBER AND LOCATION FOR EACH PROJECT IN THE CELL OF PROJECT)										
				Project License	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	TOTAL
				Project Location											
	D1	Import Duty	TZS												
			USD												
	D2	Excise Duty for Vehicles	TZS												
			USD												
	D3	Trade Levy Zanzibar	TZS												
			USD												
	D4	Excise Duty	TZS												
			USD												
	D5	Fuel Levy	TZS												
			USD												
	D6	Petroleum Levy	TZS												
			USD												
D7	VAT	TZS													
		USD													
D8	Vehicle Registration Tax	TZS													
		USD													
D9	Customs Processing Fees	TZS													
		USD													
D10	Railroad Development Levy	TZS													
		USD													
D11	Other payments(please specify, you can add more rows)	TZS													
		USD													
TOTAL		TZS													
		USD													
E	SERVICE LEVY PAID TO THE LOCAL GOVERNMENT	Name of the Local Government Authority (LGA)	Location (Specify Region & District)	Currency	PROJECT LEVEL PAYMENTS (PLEASE SPECIFY THE LICENCE NUMBER AND LOCATION FOR EACH PROJECT IN THE CELL OF										
				Project License	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	TOTAL		
				Project Location											
	E1	1													
	E2	2													
	E3	3													
	E4	4													
	E5	5													
	E6	6													
E7	7														
E8	8														
E9	9														
TOTAL															
F	PAYMENTS TO THE MINISTRY OF FINANCE AND PLANNING (MoFP)	Dividends for Government Shares held in the		Revenue to Government for Shareholding Sale		TOTAL									
		TZS	USD	TZS	USD	TZS	USD								
TOTAL PAYMENTS MADE TO THE GOVERNMENT		TZS	USD												

<b>4 Social (CSR) contribution and Other Payments</b>						
Type of payment or contribution made	Description of the payments	Recipient of the Payment		Amount	Amount	In-Kind
		Name of the Institution	Location (District & Region)	TZS	USD	
Education projects/activities						
Health services projects						
Water and sanitation projects						
Infrastructure development projects						
Sports/arts and entertainment activities projects						
Economic empowerment projects						
Environmental conservation projects						
Humanitarian aids contribution						
Other contribution/payments						
TOTAL						

<b>5 Production Data</b>				
Date/month of production	Type/Quality of Mineral/Product	Field/License	Unit of measure	Quantity produced

<b>6 Sales (Exports and Local Sales) Data</b>						
Date/month of sale	Type/Quality of Minerals	Field/License	Unit of measure	Quantity sold	Value (TZS)	Value (USD)

<b>7 Operation costs</b>		
Type of costs	Value (TZS)	Value (USD)
Capital Expenditure		
Company operation costs		

<b>8 Employment Information</b>				
Nature of employees	Quantity		Salaries Paid	
	Male	Female	Salary in TZS	Salary in USD
Foreign Employees				
Local Employees - Skilled				
Local Employees - Unskilled				

<b>9 Accident Records</b>				
	Quantity		Compensation Paid	
	Male	Female	Amount TZS	Amount USD
Fatal Accidents				
Permanent Disability				
Deaths				

<b>10 Procurement of goods and services from local companies in Tanzania</b>		
Type	Value (TZS)	Value (USD)
Goods (Include annex of companies provided goods)		
Service (Include Annex of companies provided services)		

<b>11 Management Sign-off</b>																			
I acknowledge for and on behalf of the above Entity's responsibility for the truthful and fair presentation of the attached reporting template in accordance with the reporting instructions. Specifically, I confirm the following:																			
1. The information provided in respect of amounts paid/received is complete and has been faithfully extracted from the Entity accounting records;																			
2. All amounts paid/received are supported by genuine receipts and substantiated by documentary evidence;																			
3. The amounts paid/received exclude payments/income made before 1 July 2018 and payments/income made after 30 June 2019;																			
4. The classification of amounts paid/received on each line is accurate and does not include amounts due to be reported on other lines;																			
5. The amounts paid/received do not include amounts paid/received on behalf of other Entities;																			
6. The amounts paid/received only include amounts paid/received by the Entity;																			
7. The accounts of the Entity on which the figures are based have been audited and an unqualified audit opinion been issued in accordance with International Standards on Auditing.																			
Name:		<input type="text"/>																	
Position:		<input type="text"/>																	
Signature and Stamp:		<input type="text"/>																	
<b>Auditors Certification</b>																			
I, (name), registered external auditor, have examined the foregoing TEITI reporting template of (insert name of Extractive Company) and can confirm that I have tested the completeness and accuracy of the extraction of the payments data included on the reporting template from the audited accounting records/financial statements of the Entity for the period(s) [stat dates] under International Auditing Standards.																			
Based on this examination, we confirm that the transactions reported therein are in accordance with instructions issued by TEITI, are complete and are in agreement with the books of account for the respective period.																			
Name:		<input type="text"/>																	
Position within the Audit firm:		<input type="text"/>																	
Name of the Audit Firm (if applicable):		<input type="text"/>																	
Address of the Audit Firm (or Auditor):		<input type="text"/>																	
Signature and Stamp:		<input type="text"/>																	





## APPENDIX 2: Reporting Templates for Supporting Companies

TEITI PAYMENTS REPORTING COMPANIES TEMPLATE (From 1 July 2019 to 30 June 2020)						
<b>NOTE</b> provision of information required in the preparation of TEITI reports is a legal requirement according to section 10 (1) (b) and (c) of the TEITA Act, 2015and section 4 (1) and (2) of TEITA Regulations, 2019 Pursuant to Section 23 of TEITA Act, 2015 it is an offence to any person, who without reasonable causes, or fails to produce a document or an information required, within the specified time which could lead to substantial						
<b>Basic Information</b>						
Name of the Entity (Supporting company)						
Tax Identification Number (TIN)						
<b>Information on Licenses</b>						
Type of License	License Number	Date Issued	Expiry Date	Commodity	Issuing Authority	Owners of the License
1						
2						
3						
4						
Reporting template prepared by				Position		
Email address				Tel.		
Physical address				Mobile		
<b>Company Information</b>						
Company Shareholding	Name	Amount (TZS)	% Interest	Number of Shares		
	Total	0	0%			
<b>Core business</b>						
Secondary activities						
Please state if the last financial statements have been audited (yes/no)						
Name of the last financial statements Auditor						
<b>Direct Payments and Revenues</b>						
PAYMENTS TO THE TANZANIA REVENUE AUTHORITY (TRA) - LARGE TAX PAYERS OR DOMESTIC REVENUE DEPARTMENT	Type of Payment Made	AMOUNT PAID TZS	AMOUNT PAID USD			
A1	Corporate Tax					
A2	Withholding Taxes paid on company TIN where tax payer is withholdes					
A2-1	Withholding Taxes paid on company TIN where tax payer is NOT withholdes but withholders					
A3	Pay As You Earn (PAYE)					
A4	Skill Development Levy (SDL)					
A5	VAT					
A6	VAT (To be refunded)					
A7	VAT (refunded)					
A8	Excise Duty					
A9	Capital Gain Tax					
A10	Personal Income Tax					
A11	Bed Night Levy					
A12	Natural Resources Payment					
A13	Stamp duty					
A14	Advertising fees					
A15	Dividends					
A16	Sign Board Fees					
A17	Small Scale Minors					
A18	Port Departure Charges					
A19	Sign Board Fees					
A21	Other payments(please specify, you can add more rows)					
	<b>TOTAL</b>					

<b>B</b>	<b>PAYMENTS TO THE TANZANIA REVENUE AUTHORITY (TRA) - CUSTOMS AND EXCISE DEPARTMENT</b> (Please insert the name and licence number for each project)		<b>Type of Payment Made</b>		<b>AMOUNT PAID</b>		<b>AMOUNT PAID</b>	
					<b>TZS</b>		<b>USD</b>	
	B1		Import Duty					
	B2		Excise Duty for Vehicles					
	B3		Trade Levy Zanzibar					
	B4		Excise Duty					
	B5		Fuel Levy					
	B6		Petroleum Levy					
	B7		Value Added Tax (VAT)					
	B8		Vehicle Registration Tax					
	B9		Customs Processing Fee					
	B10		Railway Development Levy					
B11		Other payments (please specify, you can add more rows)						
		<b>TOTAL</b>						
<b>C</b>	<b>SERVICE LEVY PAID TO LOCAL GOVERNMENT AUTHORITIES (LGAs)</b>		<b>Name of the Local Government Authority (LGA)</b>		<b>Location</b>		<b>Amount Paid</b>	
					<b>Region</b>		<b>District</b>	
					<b>TZS</b>		<b>USD</b>	
	C1		1					
	C2		2					
	C3		3					
	C4		4					
C5		5						
<b>TOTAL</b>								
<b>D</b>	<b>PAYMENTS TO THE MINISTRY OF FINANCE AND PLANNING (MoFP)</b>		<b>Types of Payment made to MoFP</b>		<b>PAYMENT</b>		<b>PAYMENT</b>	
					<b>TZS</b>		<b>USD</b>	
	D1		Dividends for Government Shares held in the Company					
	D2		Revenue to Government for Shareholding Sale in the Company					
	D3		Other payments					
		<b>TOTAL</b>						
				<b>TZS</b>		<b>USD</b>		
<b>TOTAL PAYMENTS MADE TO THE GOVERNMENT</b>								
<b>4 Social (CSR) contribution and Other Payments</b>								
<b>Type of payment or contribution made</b>		<b>Description of the payments</b>		<b>Recipient of the Payment</b>		<b>Amount</b>		<b>In-Kind</b>
				<b>Name of the Institution</b>		<b>Location (District &amp; Region)</b>		
				<b>TZS</b>		<b>USD</b>		
Education projects/activities								
Health services projects								
Water and sanitation projects								
Infrastructure development projects								
Sports/arts and entertainment activities projects								
Economic empowerment projects								
Environmental conservation projects								
Humanitarian aids contribution								
Other contribution/payments								
		<b>TOTAL</b>						

<b>5 Operation costs</b>				
Type of costs	Value (TZS)	Value (USD)		
Capital Expenditure				
Company operation costs				
<b>TOTAL</b>				
<b>6 Employment Information</b>				
Nature of employees	Quantity		Salaries	Paid
	Male	Female	Salary In TZS	Salary in USD
Foreign Employees				
Local Employees - Skilled				
Local Employees - Unskilled				
<b>TOTAL</b>				
<b>7 Accident Records</b>				
	Quantity		Compensation Paid	
	Male	Female	Amount TZS	Amount USD
Fatal Accidents				
Permanent Disability				
Deaths				
<b>TOTAL</b>				
<b>8 Procurement of goods and services from local companies in Tanzania</b>				
Type	Value (TZS)	Value (USD)		
Goods (include annex of companies provided goods)				
Service ( include Annex of companies provided services)				
<b>TOTAL</b>				
<b>Management Sign-off</b>				
I acknowledge for and on behalf of the above Entity's responsibility for the truthful and fair presentation of the attached reporting template in accordance with the reporting instructions. Specifically, I confirm the following:				
1. The information provided in respect of amounts paid/received is complete and has been faithfully extracted from the Entity accounting records;				
2. All amounts paid/received are supported by genuine receipts and substantiated by documentary evidence;				
3. The amounts paid/received exclude payments/income made before 1 July 2018 and payments/income made after 30 June 2019;				
4. The classification of amounts paid/received on each line is accurate and does not include amounts due to be reported on other lines;				
5. The amounts paid/received do not include amounts paid/received on behalf of other Entities;				
6. The amounts paid/received only include amounts paid/received by the Entity;				
7. The accounts of the Entity on which the figures are based have been audited and an unqualified audit opinion been issued in accordance with International Standards on Auditing.				
Name:				
Position:				
Signature and Stamp:				
<b>Auditors Certification</b>				
I, (name), registered external auditor, have examined the foregoing TEITI reporting template of (insert name of Extractive Company) and can confirm that I have tested the completeness and accuracy of the extraction of the payments data included on the reporting template from the audited accounting records/financial statements of the Entity for the period(s) [stat dates] under International Auditing Standards.				
Based on this examination, we confirm that the transactions reported therein are in accordance with instructions issued by TEITI, are complete and are in agreement with the books of account for the respective period.				
Name:				
Position within the Audit firm:				
Name of the Audit Firm (if applicable):				
Address of the Audit Firm (or Auditor):				
Signature and Stamp:				

## APPENDIX 3: Reporting Templates for Government Agencies

BTL PAYMENTS REPORTING		TEITI		Tanzania Petroleum Development Cooperation (TPDC)																																																																																																																																																																																																													
GOVERNMENT TEMPLATE (From 1 July 2019 to 30 June 2020)		Tanzania Petroleum Development Cooperation (TPDC)		Tanzania Petroleum Development Cooperation (TPDC)																																																																																																																																																																																																													
<p><b>NOTE</b>            provision of information required in the preparation of TEITI reports is a legal requirement according to section 10 (1) (b) and (c) of the TEITA Act, 2015 and section 4 (1) and (2) of TEITA Regulations, 2019            Pursuant to Section 23 of TEITA Act, 2015 a person will commit an offence by failing to provide the requested information without reasonable causes within the specified time and could lead to substantial fines of up to TZS 10 million for individuals and TZS 150 million for corporates.</p>																																																																																																																																																																																																																	
<p><b>Basic Information</b></p> <table border="1"> <tr> <td>NAME OF THE GOVERNMENT ENTITY</td> <td></td> </tr> <tr> <td>TAX PAYERS NAME</td> <td></td> </tr> <tr> <td>TAX PAYER IDENTIFICATION NUMBER</td> <td></td> </tr> <tr> <td>SECTOR (Mineral/Oil/Gas)</td> <td></td> </tr> </table>						NAME OF THE GOVERNMENT ENTITY		TAX PAYERS NAME		TAX PAYER IDENTIFICATION NUMBER		SECTOR (Mineral/Oil/Gas)																																																																																																																																																																																																					
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TOTAL		USD																																																																																																																																																																																																															

C	PAYMENTS RECEIVED BY THE MINISTRY OF TANZANIA REVENUE AUTHORITY (TRA) - LTD & DRD		Currency	NON-PROJECT PAYMENTS Project License Project Location	PROJECT LEVEL PAYMENTS (PLEASE SPECIFY THE LICENCE NUMBER AND LOCATION FOR EACH PROJECT IN THE CELL OF PROJECT)										TOTAL
					Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	
	C1	Corporate Tax	TZS												
			USD												
	C2	Withholding Taxes paid on company TIN where tax payer is withholdee	TZS												
			USD												
	C2-1	Withholding Taxes paid on company TIN where tax payer is NOT withholdee but withholder	TZS												
			USD												
	C3	Pay As You Earn (PAYE)	TZS												
			USD												
	C4	Skill Development Levy (SDL)	TZS												
			USD												
	C5	VAT	TZS												
			USD												
	C6	VAT (To be refunded)	TZS												
			USD												
	C7	VAT (refunded)	TZS												
			USD												
	C8	Excise Duty	TZS												
			USD												
	C9	Capital Gain Tax	TZS												
			USD												
	C10	Personal Income Tax	TZS												
			USD												
	C11	Bed Night Levy	TZS												
			USD												
	C12	Natural Resources Payment	TZS												
			USD												
	C13	Stamp duty	TZS												
			USD												
	C14	Advertising fees	TZS												
			USD												
	C15	Dividends	TZS												
			USD												
	C16	Sign Board Fees	TZS												
			USD												
	C17	Small Scale Minors	TZS												
			USD												
	C18	Port Departure Charges	TZS												
			USD												
	C19	Sign Board Fees	TZS												
			USD												
	C20	Other payments(please specify, you can add more rows)	TZS												
			USD												
	TOTAL		TZS												
			USD												
D	PAYMENTS RECEIVED BY THE MINISTRY OF TANZANIA REVENUE AUTHORITY (TRA) - CED		Currency	NON-PROJECT PAYMENTS Project License Project Location	PROJECT LEVEL PAYMENTS (PLEASE SPECIFY THE LICENCE NUMBER AND LOCATION FOR EACH PROJECT IN THE CELL OF PROJECT)										TOTAL
					Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Project 9	Project 10	
	D1	Import Duty	TZS												
			USD												
	D2	Excise Duty for Vehicles	TZS												
			USD												
	D3	Trade Levy Zanzibar	TZS												
			USD												
	D4	Excise Duty	TZS												
			USD												
	D5	Fuel Levy	TZS												
			USD												
	D6	Petroleum Levy	TZS												
			USD												
	D7	VAT	TZS												
			USD												
	D8	Vehicle Registration Tax	TZS												
			USD												
	D9	Customs Processing Fees	TZS												
			USD												
	D10	Railroad Development Levy	TZS												
			USD												
	D11	Other payments(please specify, you can add more rows)	TZS												
			USD												
	TOTAL		TZS												
			USD												

E	SERVICE LEVY PAID TO THE LOCAL GOVERNMENT	Name of the Local Government Authority (LGA)	Location (Indicate Region & District)	Currency	PROJECT LEVEL PAYMENTS (PLEASE SPECIFY THE LICENCE NUMBER AND LOCATION FOR EACH PROJECT IN THE CELL OF PROJECT!)								TOTAL
					Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	
					Project Licence	Project Location							
	E1	1		TZS									
				USD									
	E2	2		TZS									
				USD									
	E3	3		TZS									
				USD									
	E4	4		TZS									
				USD									
	E5	5		TZS									
				USD									
	E6	6		TZS									
				USD									
	E7	7		TZS									
				USD									
	E8	8		TZS									
				USD									
	E9	9		TZS									
				USD									
	TOTAL			USD									

F	PAYMENT RECEIVED BY THE MINISTRY OF FINANCE AND PLANNING (MoFP)	Dividends for Government Shares held in the Company		Revenue to Government for Shareholding Sale in the Company		TOTAL	
		TZS	USD	TZS	USD	TZS	USD
	Non-Project Payments						
	TOTAL PAYMENTS RECEIVED BY THE GOVERNMENT	TZS	USD				

3 Social (CSR) contribution and Other Payments						
Type of payment or contribution made	Description of the payments	Recipient of the Payment		Amount	Amount	In-Kind
		Name of the Institution	Location (District & Region)	TZS	USD	
Education projects/activities						
Health services projects						
Water and sanitation projects						
Infrastructure development projects						
Sports/arts and entertainment activities projects						
Economic empowerment projects						
Environmental conservation projects						
Humanitarian aid contribution						
Other contribution/payments						
TOTAL				0	0	

I acknowledge for and on behalf of the above Entity's responsibility for the truthful and fair presentation of the attached reporting template in accordance with the reporting instructions. Specifically, I confirm the following:

- The information provided in respect of amounts paid/received is complete and has been faithfully extracted from the Entity accounting records;
- All amounts paid/received are supported by genuine receipts and substantiated by documentary evidence;
- The amounts paid/received exclude payments/income made before 1 July 2018 and payments/income made after 30 June 2019;
- The classification of amounts paid/received on each line is accurate and does not include amounts due to be reported on other lines;
- The amounts paid/received do not include amounts paid/received on behalf of other Entities;
- The amounts paid/received only include amounts paid/received by the Entity;
- The accounts of the Entity on which the figures are based have been audited and an unqualified audit opinion been issued in accordance with International Standards on Auditing.

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Signature and Stamp: \_\_\_\_\_

**Auditors Certification**  
 I, (name), I have examined the foregoing TEITI reporting template of (insert name of taxpayer) and can confirm that I have tested the completeness and accuracy of the extraction of the receipts data included on the reporting template from the accounting records of the Agency/Ministry

Based on this examination I can report that nothing has come to my attention that would lead me to believe that the information disclosed in the template does not represent a truthful and fair summary of receipts of the government agencies as stated in accordance with the template instructions

Name: \_\_\_\_\_

Position within the Office of the Control and Auditor General: \_\_\_\_\_

Signature and Stamp: \_\_\_\_\_



#### APPENDIX 4: Reporting template for the Mining Commission – Total mineral output per commodity and company

B. Mining sector output for most significant producers in year								
Name of the project	Operator (company)	Commodity	Unit	Production volumes (quantities)	Production values (TZS or USD)	Expected export volumes (quantities)	Expected export values (TZS or USD)	Royalties paid (TZS)
<i>Example: Gold mine</i>	<i>Gold company LLC</i>	<i>Gold</i>	<i>TOz</i>	<i>1,500</i>	<i>1,650,000</i>	<i>1,450</i>	<i>1,600,000</i>	<i>240,000</i>
		<i>List other commodities</i>						

A. Total output per commodity in 2018/19						
Commodity	Unit	Production volumes (quantities)	Production values (TZS or USD)	Expected export volumes (quantities)	Expected export values (TZS or USD)	Royalties paid (TZS)
<i>Example: Gold</i>	<i>TOz</i>	<i>1,500,000</i>	<i>1,650,000,000</i>	<i>1,450,000</i>	<i>1,600,000,000</i>	<i>240,000,000</i>

## APPENDIX 5: Reporting template for PURA – Contracts and licence information

Oil and gas licences of Tanzania										
<i>Last updated:</i>										
Name of the Field/area	Licence Number	Commodit(ies)	Licence holder(s) and their share (%)	Operator	Award Procedure*	Date of Application	Date of Award	Date of Expiry or Duration	Coordinates	Comments/Links

\*Including a reference to the bidding round or other method of awarding contract/licence e.g., direct negotiation.

## APPENDIX 6: Reporting templates for State-Owned Enterprises – STAMICO, TPDC, & NDC

### I. Information on Level and Terms of State Participation

Level and terms of state participation								
Company/ project with state participation	Level of SOE/government ownership or participation (%)	Legal entity holding the stake (e.g. SOE or SOE subsidiary)	Terms attached (e.g. full-paid equity, free equity or carried interest)	Changes in level of ownership or participation in FY 19/20	Terms of the transaction(s), incl. valuation and revenues ( <i>indicate currency</i> )	Changes in level of ownership or participation in FY 19/20	Terms of the transaction(s), incl. valuation and revenues ( <i>indicate currency</i> )	Links or references to supporting documentation

### II. Information on Retained Earnings and Transfers

Financial relationship between the SOE and the government					
<i>Indicate currency</i>	Retained earnings	Reinvestment	Dividends paid to the government	Other transfers to the government	Funds received from the government

Summary of statutory rules and link or reference to relevant law(s) or polic(ies)					
Value in FY 2019/20					

NB: If the SOE's subsidiaries or joint ventures received funds from the government or the SOE, or remitted funds to the government or the SOE, please fill out the table separately for each subsidiary and JV.

### III. Information on Loans and Financing

Loans and guarantees from SOEs to oil, gas and mining companies											
Statutory rules governing SOE's right to grant loans or guarantees to extractive companies	Active loan/loan guarantee from SOE to EC in FY 19/20	Date of granting loan or guarantee	Date of full repayment or expiry, if applicable	Name of the legal entity providing loan or guarantee (e.g. SOE, its subsidiary or JV)	Name of the entity loan or guarantee provided to	Total value of loan or guarantee ( <i>indicate currency</i> )	Outstanding value at the end of FY 19/20	Outstanding value at the end of FY 19/20	Interest rate	Loan tenor and repayment schedule	Links or references to supporting documentation

<b>Loans and guarantees from the state to extractive companies, including the SOE</b>											
Statutory rules governing the government's right to grant loans or guarantees to extractive companies	Active loan/loan guarantee from the state to the SOE in FY 19/20	Date of granting loan or guarantee	Date of repayment or expiry, if applicable	Name of the legal entity receiving loan or guarantee (e.g. SOE, its subsidiary or JV)	Government entity granting loan or guarantee	Total value of loan or guarantee ( <i>indicate currency</i> )	Outstanding value at the end of FY 19/20	Outstanding value at the end of FY 19/20	Interest rate	Loan tenor and repayment schedule	Links or references to supporting documentation

<b>Third-party financing</b>											
<i>NB! Indicate currency</i>	Statutory rules governing SOE's right to seek third-party financing (debt and equity)	Total value of equity issued to third parties in the year under review	Value of outstanding loans from extractive companies (e.g. third party financing of cash calls)	Value of outstanding loans from other third-party entities (e.g. banks)	Total value of outstanding third-party loans	supporting Links or references					
FY 19/20											

#### IV. Information on Quasi-Fiscal Expenditure

<b>Quasi-fiscal expenditures on behalf on the government, e.g. subsidies, national debt servicing, public infrastructure, social services, other government expenditures</b>						
	QFE type	Client	QFE expenditure amount	Related law / agreement	Explanation	Comment
FY 19/20						



## APPENDIX 7: Reporting Template for Disclosure of Beneficial Ownership of the Extractive Companies



### Section I: Company Identification

1.	Full legal name of entity	
2.	Company registration number	
3.	Tax identification number	
4.	Contact address in Tanzania and abroad (if relevant) (physical address, telephones, fax, email address and web address)	
5.	Is this publicly listed entity? (yes or no)	
6.	If yes, provide which stock market the entity is listed in and under which name and which stock symbol	
7.	Is this entity a wholly owned subsidiary of a publicly owned company? (yes or no)	
8.	If yes, provide the name of the publicly listed company, its contact	

	details including which stock market the company is listed in and under which name and which stock symbol.	
9.	Is the entity wholly owned by the Government of the United Republic of Tanzania? (yes or no)	

## Section II: Licences Held by the Entity

10. Provide a list of all extractive Licences (oil, gas and mining) held by the entity

	Issuing authority	Licence number	Licence type
1			
2			
3			
4			
5			

## Section III: Association with other Entities/Persons

11. Provide details of every entity/person with which the entity is formally cooperating in the extraction of gas or mining in Tanzania

	Full legal name of entity/person	Nature of association	Licence number	Licence activity
1.				
2.				
3.				

4.				
5				

#### Section IV: Declaration of Beneficial Ownership

12. According to the EITI Standard, Requirement 3.11.d.i, a beneficial owner in respect of a company means the natural person(s) who directly or indirectly ultimately owns or controls the corporate entity. Provide details of any beneficial owner who owns or controls 1% or more of the entity's worth.

**Beneficial Owner One** (provide the following details for each beneficial owner of the entity)

Identity of the beneficial owner	Information about how ownership is held or control over the company is exercised					Date when beneficial interest was acquired	Means of contact
[Full name as it appears on national identify card]  [Date of birth and/or national identify number]  [Nationality]  [Country of residence]	By shares		By % of voting rights		Other	[date]	[residential /service address]/ other
	[number of shares]	[% of shares]	[% of direct voting rights]	[% of indirect voting rights]	[If the beneficial owner holds shares in the entity via a separate company provide company registration, country of incorporation, registered office address]		

**Beneficial Owner Two**

Identity of the beneficial owner	Information about how ownership is held or control over the company is exercised					Date when beneficial interest was acquired	Means of contact
	By shares		By % of voting rights		Other		
[Full name as it appears on national identify card] [Date of birth and/or national identify number] [Nationality] [Country of residence]	[number of shares]	[% of shares]	[% of direct voting rights]	[% of indirect voting rights]	[If the beneficial owner holds shares in the entity via a separate company provide company registration, country of incorporation, registered office address]	[date]	[residential /service address]/ other

### Beneficial Owner Three

Identity of the beneficial owner	Information about how ownership is held or control over the company is exercised					Date when beneficial interest was acquired	Means of contact
	By shares		By % of voting rights		Other		
[Full name as it appears on national identify card] [Date of birth and/or national identify	[number of shares]	[% of shares]	[% of direct voting rights]	[% of indirect voting rights]	[If the beneficial owner holds shares...]	[date]	[residential /service address]/ other

number]							
[Nationality]							
[Country of residence]							

### Summary of Beneficial Ownership

	Name of beneficial owner (provide full legal name. Also provide full legal name if shareholder is a company or beneficial owner holds shares through a company entity)	Class of shares	Number of shares held	% of shares held
1.				0.0%
2.				0.0%
3.				0.0%
4.				0.0%
5.				0.0%
11.			Total	

### Section V: Persons with Influence over the Actions or Management of the Company

13. In addition to the beneficial owners of the entity, are there persons with influence over the actions or management of the company? If yes, provide the following details

1.	Name of the person	Relationship with the entity
2.		
3.		

4.		
5.		

## Section VI: Politically Exposed Persons

14. According to the Financial Action Task Force, politically exposed persons are individuals who are or have been entrusted with prominent public functions by a local foreign country, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials. It also includes persons who are or have been entrusted with a prominent function by an international organization and therefore refers to members of senior management, i.e. directors, deputy directors, and members of the board or equivalent functions. The definition does not cover middle ranking or more junior individuals in the foregoing categories. Are there politically exposed persons who are beneficial owners of the entity? If yes, provide the following details

	Name	Public office position and role	Date when office was assumed	Date when office was left/will be left, whichever is/if applicable
1.				
2.				
3.				
4.				
5.				

## Section VII: Management Sign-off

15. I, undersigned, for and on behalf of the reporting entity confirm that all information provided in the reporting template on beneficial ownership is accurate and reliable.	
Name	
Position	
Signature	
Stamp	
Telephone	
E-mail address	

## **APPENDIX 8: Questionnaire for assessing the Impact of the Covid-19 Pandemic on the Extractive Industries in Tanzania for the extractive companies**

This questionnaire intends to assess the impact of the Covid-19 on the extractive industries in Tanzania during the reporting period of the financial year 2019/2020

1. How would you rate the impact of the COVID-19 crisis on the mining sector in Tanzania?
  - a. Strong positive impact ( )
  - b. Positive impact ( )
  - c. Neutral Impact ( )
  - d. Negative impact ( )
  - e. Strong negative impact ( )
2. Have you benefited from COVID-19 Government support measures for companies?
  - a. Yes ( )
  - b. Under Consideration ( )
  - c. No ( )
3. How easy is it to access information and benefits from government COVID-related assistance programmes?
  - a. Very difficult ( )
  - b. Difficult ( )
  - c. Standard ( )
  - d. Not applicable ( )
4. Are you satisfied with the COVID-19 Government support measures for extractive companies?
  - a. Not applicable ( )
  - b. Satisfied ( )
  - c. Slightly satisfied ( )
  - d. Not satisfied ( )
5. In the event of non-eradication of the COVID-19 pandemic and stagnation of the current economic situation, after how long would your activity be threatened?
  - a. More than 2 years ( )
  - b. Between 1 and 2 years ( )
  - c. Between 6 and 12 months ( )
  - d. Less than 6 months ( )



e. Activity not threatened ( )

6. How have your business operations been affected by the coronavirus (COVID-19) pandemic?

- a. Strongly affected ( )
- b. Moderately affected ( )
- c. Slightly affected ( )

- a. Teleworking ( )
- b. Review of work schedule ( )
- c. Stopping unprofitable projects ( )
- d. Rescheduling of tax debts ( )
- e. Increase marketing efforts ( )
- f. Temporally reduced employment ( )
- g. Online sales ( )
- h. Rescheduling of bank loans ( )
- i. Started sourcing from new ( )
- j. Laid off employees ( )

7. Have you adopted any of the following strategies to cope with the crisis?

- a. Variation < 10% ( )
- b. Decrease between 10% and 30% ( )
- c. Decrease between 30% and 50% ( )
- d. Decrease > 50% ( )

8. How has the COVID-19 crisis impacted your revenue forecasts for 2020?

9. As of 30 June 2020, how the COVID-19 crisis has impacted your level of current production?

- a. Variation < 10% ( )
- b. Decrease between 10% and 30% ( )
- c. Decrease > 50% ( )

10. How has the COVID-19 crisis impacted your level of projected production for 2020?

- a. Variation < 10% ( )
- b. Decrease between 10% and 30% ( )
- c. Decrease between 30% and 50% ( )
- d. Decrease > 50% ( )

11. As of 30 June 2020, how the COVID-19 crisis has impacted your level of current exports?

- a. Variation < 10% ( )
- b. Decrease between 10% and 30% ( )
- c. Decrease between 30% and 50% ( )
- d. Decrease > 50% ( )

12. How has the COVID-19 crisis impacted your level of projected exports for 2020?

- a. Variation < 10% ( )
- b. Decrease between 10% and 30% ( )
- c. Decrease between 30% and 50% ( )
- d. Decrease > 50% ( )

13. How has the COVID-19 crisis impacted your budget of personnel expenses for 2020?

- a. Variation < 10% ( )
- b. Increase between 10% and 30% ( )
- c. Decrease between 10% and 30% ( )

14. How has the COVID-19 crisis impacted your cash position?

- a. Neutral impact ( )
- b. Negative impact ( )
- c. Strong negative impact ( )

15. How has the COVID-19 crisis impacted your investment forecasts for 2020?

- a. Variation < 10% ( )
- b. Decrease between 10% and 30% ( )
- c. Decrease between 30% and 50% ( )
- d. Decrease > 50% ( )



## **APPENDIX 9: Interview guide on the Impact of the Covid-19 Pandemic on the Extractive Industries in Tanzania for the Government Agencies**

1. Legal or regulatory changes, including moratorium, in response to Covid-19
2. Adjustments to the fiscal regime, incentives or relief requested by or given to companies (ex. force majeure, modified consultation),
3. Delays or postponements of licence or contracts awards
4. Alternative approaches to licensing considering social distancing requirements
5. Suspended licences or operations in view of Covid-19
6. Changes in licensing and contract negotiations or amendments to contracts, revisions on work schedules if they are annexed to the contract
7. Changes in State participation and policies for State-owned enterprises
8. Ad-hoc SOE payments and transfers related to the Covid-19 crisis
9. Amendments to the rules and practices related to SOEs' operating and capital expenditures, procurement, subcontracting, and corporate governance considering the Covid-19 crisis
10. Additional SOE quasi-fiscal expenditures agreed in response to the impact of the Covid-19 crisis
11. A narrative overview of sector developments and industry outlook considering Covid-19 and the commodity price downturn
12. Effects of Covid-19 and the decline in prices on exploration or development plans
13. Effects of Covid-19 on projected and actual production and export, disaggregated by commodity, company and project
14. Effects of Covid-19 on projected and current revenues and taxes from the extractive industries
15. Analysis of potentially foregone revenues where fiscal relief has been provided or is being considered to the industry.
16. Effects of Covid-19 and the declining commodity prices on expected revenues from the sale of the State's share of production and other revenues collected in-kind. This could include analysis of the potentially foregone revenues from commodity sales because of the declining prices.
17. New or renegotiated infrastructure agreements related to Covid-19 relief operations
18. New or renegotiated resource-backed loans
19. Changes to extractive commodities transportation arrangements considering the Covid-19 crisis.

20. Outlook for transportation arrangements, revenues, and any relevant extractive industries supply chain disruptions considering Covid-19 related movement restrictions.
21. Projected and actual subnational direct payments and possible implications for local government budgets
22. Budget re-alignments for extractive industry revenues earmarked for Covid-19 relief
23. Projected and actual subnational transfers and possible implications for local government budgets and local communities
24. The management of subnational transfers by local governments and any changes in response to the Covid-19 crisis
25. Revisions to revenue and budget projections (including breakeven commodity price assumptions)
26. Reforms in legal and contractual social expenditure requirements considering the Covid-19 crisis.
27. Social expenditures allocated by companies to support Covid- 19 measures in areas of operation
28. Changes to companies' social expenditure plans and possible impacts on local governments and local communities

## **APPENDIX 10: List of Extractive Companies that has Not Met the Proposed Materiality Threshold 2019/2020**

Please see the excel sheet

## Appendix 11: List of Contractors and Subcontractors with Approved Local Content Plans as of October 2021



THE UNITED REPUBLIC OF  
TANZANIA MINISTRY OF  
MINERALS



THE MINING  
COMMISSION

### LIST OF CONTRACTORS AND SUBCONTRACTORS WITH OPERATIVE MINING COMMISSION APPROVED LOCAL CONTENT PLANS AS OF OCTOBER 2021

1.	A.A Powers & Tools Limited
2.	AAR Insurance (T) Limited
3.	Above Ground Advisory
4.	Absolute Safety Limited
5.	Ada & Ale Company Limited
6.	Africa Geophysical Limited
7.	African Assay Laboratories (Tanzania) Limited
8.	African Creative Production Ltd
9.	African Explosives (Tanzania) Limited
10.	Afrimak Business Solutions Limited
11.	Afroil Investment Limited
12.	Age Technologies Tanzania Limited
13.	AGLEX Company Limited
14.	Agrics Investment Company Limited
15.	AKO Group Ltd
16.	Alija Company Limited
17.	Alistair James Limited
18.	Alistair Performance Inc Limited
19.	All Terrain Services (T) Limited
20.	Allied Mining Services Ltd
21.	Ally's Automotive Truck Repair Company Limited
22.	Alpha Fabricators Limited
23.	Amazon Drilling Limited
24.	American Engineering Group Ltd
25.	AMTEC Consulting Company Limited
26.	Apex Holdings (A) Limited
27.	APL Petroleum Limited
28.	Aquapro Tanzania Limited

29.	ASFA Hose Service and Maintenance support Limited
30.	Ashriq Construction Company Limited,
31.	Ask Engineering Company Limited
32.	ATN Engineering Works Limited
33.	AUMS (T) Limited
34.	Avatech Communication Ltd
35.	Avivtel Company Limited
36.	Azan Logistics
37.	Azurite Management & Consultancy (Tz) Limited
38.	B & E Ako Law
39.	Balton Tanzania Communications Limited
40.	Bama Speciality Company Limited
41.	Bamboo Rock Drilling Ltd
42.	Barmedas.com Limited
43.	Base Drilling and Mining Services
44.	Beau Ideal Solutions Limited
45.	BEB Copany Limited
46.	Becha Power Company Limited
47.	Beqit Inc (T) Limited
48.	Bernocho Tanzania Limited
49.	BG Umoja Services Limited
50.	Bisech Investment Company Limited
51.	Bland Women Group
52.	Blue Cost Investment Limited
53.	Boart Longyear (Tanzania) Ltd
54.	Borrtch (T) Limited
55.	Br Drilling Ltd
56.	Business Trust Tanzania Limited
57.	Cachson Risk Management Limited
58.	Calmax Traders
59.	Capital Drilling (Tanzania) Limited
60.	Caspian Limited
61.	CCL EHS Global Limited
62.	Cebuka General Supplies
63.	CFAO Motors Tanzania Limited
64.	Cherry Garment and Safety Solutions Limited
65.	Chris Joe Stationery & General Supplier
66.	CIB United Limited
67.	CMG Construction Company Limited
68.	CMS (Tanzania) Limited
69.	CMS NMBG Services (Tanzania) Limited
70.	Comfix And Engineering Ltd



71.	Container Concepts Limited
72.	Coreworthy Drilling (T) Ltd
73.	Crest Minerals Limited
74.	Cresta Country Lodge Limited
75.	CSI Construction (1997) Limited
76.	CSI Energy Group (Tanzania) Limited
77.	Dalusi Trading Company (DTC) Limited
78.	Dawi Investment Company Limited
79.	Del Monte (T) Limited
80.	Derick Company Limited
81.	Desmi Africa Limited
82.	Diamond Motors Limited
83.	Dolphin Tours and Safaris Limited
84.	Dow Elef International Tanzania Limited
85.	EA Energy Limited
86.	East African Radiators and Services Ltd
87.	Easy Connections Limited
88.	Edge Engineering and Consulting Limited
89.	EEE Hospitality
90.	Efaga Investment
91.	Effco Mining Services Limited
92.	EFFCO Plant and Crane Hire
93.	EFQ Company Limited
94.	EIST Technology Company Limited
95.	Emergency Response Solutions Limited
96.	Eminence Consulting (T) Limited
97.	Epiroc Tanzania Limited
98.	Eprod Mining Services
99.	Epsom Limited
100	Equipoint properties Limited
101	ESD Advisory Limited T/A Digby Wells and Associates (Tanzania)
102	Even Enterprises Company Limited
103	Exceed Engineering Challenges Company Limited
104	F.M Electrical Contractors
105	Fabec Investment Limited
106	Fema Builders Limited
107	Fifa & Flow Trading Company Ltd
108	Flac Guard Tanzania Limited
109	Fluiconnecto Tanzania Limited
110	Fortes Africa Limited
111	Frester Company Limited
112	Galati Law Chambers

113	GardaWorld West Security Ltd
114	GCC Services Company Limited
115	Gehema Company Limited
116	Geita Fire Protection Engineering
117	Geita Power Savings and Credit Co-Operative Society Ltd
118	Gemini Investment Company Limited
119	Geofields Tanzania Limited
120	GF Trucks & Equipment Limited
121	GF Vehicle Assemblers Ltd
122	Gibotel Company Limited
123	Gikuru Company Limited
124	Gin Holding Limited
125	Gipco Construction Ltd
126	GM Technosolution Limited
127	GMN Civil and Building Contractors Limited
128	Gokona Limited
129	Gold Rock Cafe and Catering Services
130	Golden Coach Limited
131	Gopa Contractors Tanzania Limited
132	Gorge Drilling and Investment Limited
133	Haga Investment Company Limited
134	Hajoka international company Limited
135	Henderson Asset Protection
136	Hildis East Africa Company Limited
137	Igakamba's Company Limited
138	Igoma Investment Promotion Company Limited
139	Ikizu Company Limited
140	Ilemela Pharmacy
141	Imperium Opes Group Limited
142	In the Rise Canteen Limited
143	Industrial Abrasions and Coating Services (T) Limited
144	Infinity Interglobal Company Limited
145	Inter-Consult Limited
146	Intertek Caleb Brett TZN Limited
147	Ironsides Limited
148	ISA Limited
149	Isamilo supplies
150	Ishaan Limited
151	Ismail Environmental & Enterprises Company Limited
152	ITM Tanzania Limited
153	Jac Rijk Africa limited

154	Jafferjee Hardware and Machinery
155	Jin Consulting and Services Limited
156	JNM Mining Services Limited
157	JS Electromec Ltd
158	JSM and Associates Limited
159	Junaco (T) Limited
160	Kamanga Ferry Limited
161	Kammisco Limited
162	Kangaroo Insurance Brokers Company Limited
163	Kanu Equipment Services Limited
164	Kapesha Investment and Development Ltd
165	Kaserkandis Construction and Transport co. Ltd
166	Katalyeba's Agency Limited
167	Katoma Motor Factors Limited
168	Kejulo Enterprises Company Limited
169	Ken & Glami Company Limited
170	Kilimanjaro Cables (T) Ltd
171	Kilimanjaro Motel & Apartment
172	Kimani Exploration and Geotechnical Services Limited
173	Kiribo Limited
174	Kitikai Logistics and Safari Ltd
175	Kobil Tanzania Limited
176	Kuplak Minerals Tanzania Limited
177	Labchem Africa Limited
178	Lausnichu Company Limited
179	Level 5 Inter Trade Limited
180	Liz Curtains Interior and Exterior Designs
181	Lubiga Investment
182	Luma International Limited
183	Lumocons Company Limited
184	Lyawere Company Limited
185	Mabamba Investment Limited
186	Mafon Tanzania Limited
187	Magacon Company Limited
188	Magare Company Limited
189	Magno Tanzania Limited
190	Mainline carriers Ltd
191	Mammut Holdings Construction Company Limited
192	Management M Limited
193	Manpower Maintenance Services Limited
194	Mantrac Tanzania Limited

195	Masukuzi Company Limited
196	Maswi Drilling Company Ltd
197	Masyl General Enterprises
198	Max Steel Limited
199	Mayuya's Enterprises Limited
200	Mbogo Mining and General Supply Limited
201	Medo Group of Company Limited
202	Megalink Company Limited
203	Mek One Logistics Limited
204	Membi Investment Company Limited
205	Membi Investment Limited
206	MES Mine Services Tanzania Limited
207	MIC Global Risks Tanzania Limited
208	Mine Site Trading Company
209	Mine Trade Limited
210	Minetec Services Limited
211	Mining and Industrial Solutions (T) Ltd
212	Mitchel Drilling Tanzania Limited
213	Mizztech African Supplies Company Limited
214	Mohamed Karama Abeid
215	MSA Laboratories (T) Limited
216	Msua Pharmacy Limited
217	MTL Consulting Company Limited
218	Multinational Procurement Services Ltd
219	Multiplex Drilling and Mining (T) Limited
220	Multiplex Systems Limited
221	Murray & Roberts Cementation (T) Ltd JV with KASCCO Construction
222	Mwanza Environmental Sympersizers Company Limited
223	Mwanza Modern Fabricators and Ship builders
224	Mwanza Precious Metal Refinery Company Limited
225	Mzawa Investment Limited
226	Nabaki Afrika Limited
227	Naika Company (T) Limited
228	Namwahi General Company Limited
229	Nangwai Enlighted Drillers Company Ltd
230	NBF Security Company Limited
231	Ndaki Contractors Company Limited
232	Necst Motors Tanzania Limited
233	Neil Business Promotion Company Limited
234	Netis Tanzania Limited
235	Nice Catering Company Limited

236	Nitro Explosives (T) Limited
237	Nkonya Investment Company Limited
238	Nyamkumbu Investment Company Limited
239	Nyanza Road Works Limited
240	Nyarusai Limited
241	Nyati Corporation Limited
242	Nyehunge Pharmacy
243	OLECO Limited
244	Opes Technologies Company Ltd
245	Orica Tanzania Limited
246	Orion Lubricants Limited
247	Oryx Local Services and Specialties Limited
248	Oryx Oil Local Supply Limited
249	Otonde Hardware and General Supplies (T) Ltd
250	Ourenge Limited
251	Oxley Limited
252	P5 HR Consulting Limited
253	Pangea Minerals Limited
254	Paulando Enterprises Tanzania Limited
255	Pentagon Trading Agency
256	Perfect Infotech International Limited
257	Pinnacle Constructions (T) Ltd
258	Pioneer Builders Group Limited
259	Plasco Limited
260	Power Magic Electrical Contractors
261	Power Outreach (T) Limited
262	Power Tools Limited
263	Pran Pen Corner Limited
264	Prime Regionals Supplies Limited
265	Primefuels Tanzania Limited
266	R.P.J Kilimanjaro Supplies Limited
267	Raisha Medical Enterprises Limited
268	Ramani Investment Limited
269	Recees Investment Tanzania Limited
270	Recon Electrical Contractor Limited
271	Reenbet Investment Limited
272	Rema Tiptop Tanzania Limited
273	Rent A Machine Limited
274	Reputable Holdings Limited
275	RES Company Limited
276	Rhab Mining Supplies Company Limited

277	Robkway and Company Limited
278	Rock Solution Limited
279	Rod & Shepherd Advocates
280	Rubis Technical Service Limited
281	Rubondo Holdings Company Limited
282	Rupa Engineering Company Ltd
283	Saema Group Limited
284	Safety Training and Consultancy Limited
285	Salum Motor Transport Company Limited
286	Sandvick Mining & Construction Tanzania Limited
287	SAS Logistics Ltd
288	Score Africa Tanzania Limited
289	Selenoy Clearing and Forwarding Company Limited
290	Sensatec Tanzania Limited
291	SF Ulinzi Limited
292	SGA Guards (T) Limited
293	SGS Tanzania Superintendence Company Limited
294	Signature Private Limited
295	Silver Entertrade Limited
296	Simba Developers Limited
297	Simba Logistics Equipment Supply Company Limited
298	Simba pipe Industries Ltd
299	Simba Vifaa Limited
300	Sincro Sitewatch Limited
301	Softel Trading Company Limited
302	Soud industries Limited
303	Soud Industries Limited
304	Soyet Limited
305	Sparr Drilling Company Limited
306	Specialized Manufacturing Services Ltd
307	Sputnik Engineering Company Limited
308	STAMICO
309	STC Construction Company Limited
310	Step Alliance East Africa Ltd
311	Stet International Tanzania Limited
312	Storm Investments Limited
313	Strategic Business Solution Tanzania Limited
314	Suhara Logistics Tanzania Limited
315	Swala Solutions Limited
316	Sweepercom Company Limited

317	Taki Taki Group of Company Limited
318	Talisa Vision Company Limited
319	Tamau Company Limited
320	TANALEC Tanzania Limited
321	Tanga Technical Services Co-operative Society Limited
322	Tanscan Quality Inspection Services Limited
323	Tanuk Africa Limited
324	Tanzania Hospitality Services Limited
325	Techguru Garage
326	Tegro Company Limited
327	Telian Company Limited
328	TERA Technologies And Engineering Limited
329	TIMCO Professional
330	TMS East Africa Limited
331	TNR Limited
332	Total Haulage Mechanics
333	Total Tanzania Limited
334	Toyota Tanzania Limited
335	Transec Limited
336	Tri-Pump Tanzania Limited
337	True Star Limited
338	Twipake Limited
339	UBX Tanzania Limited
340	Ukarim Workers Group
341	Underline Company Limited
342	Upendo Mining Services
343	Usagara Farming & Export LTD
344	Vista Global Limited
345	W & H General Supply and Construction
346	Waja General Company Limited
347	Wartsila Tanzania Ltd
348	Wegmar Limited
349	Weir Services Tanzania Limited
350	Wenason Company Limited
351	Williamson Diamonds Limited
352	Willy Enterprises Limited
353	Wils and Partners Limited
354	Xfactor Services Limited
355	Xfactor Services Limited
356	Yajuki Investment

357	Zonal Africa
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