



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MINERALS
TANZANIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE



TEITI/MIN89 /5th MSG/2023

**MINUTES OF THE 89TH SPECIAL MSG MEETING HELD ON 28TH JUNE, 2023 AT
THE RESIDENT MINES OFFICE- DAR ES SALAAM**

A. TEITI-MSG MEMBERS:

1. Mr. Ludovick S. L. Utouh - MSG Chairperson
2. Mr. John B. Tindyebwa - MSG Member (Tanzania Chamber of Mines)
3. Mr. John S. Kinuno - MSG Member (Government) – AG's Office
4. Mr. Mathias D. Luciano - MSG Member (Government) – TRA
5. Ms. Zoe A. O.Bomani - MSG Member (Companies) – OGAT
6. Mr. Ally S. Maganga - Rep. Eng. Yahya I. Samamba (Government) – MC
7. Mr. Ahmad M. Massa - MSG Member (Government) – TPDC

B. ABSENT WITH APOLOGY:

1. Mr. Adam A. Anthony - MSG Member (CSO) – HakiRasilimali
2. Eng. Theonestina K. Mwashu - MSG Member (CSOs) – FADev

C. SECRETARIAT

1. Ms. Mariam S. Mgaya - ES TEITI (MSG - Secretary)
2. Eng. Joseph Kumburu - TEITI Secretariat
3. Ms. Jacqueline Aloyce - TEITI Secretariat
4. Mr. Erick Ketagory - TEITI Secretariat
5. Mr. Godwin Masabala - TEITI Secretariat
6. Ms. Anastazia Ryoba - TEITI Secretariat
7. Ms. Mary Kaombwe - TEITI Secretariat

D. AGENDA OF THE MEETING

1. Opening
2. Adoption of the Agenda
3. Discussion and Approval of Draft 2020/21 TEITI Report
4. AoB
5. Date for the Next Meeting
6. Closing of the Meeting

1. OPENING THE MEETING

The meeting was opened at 10:45 am by the MSG Chairperson by welcoming all the MSG Members present in the meeting.

2. ADOPTION OF THE AGENDA

A total of six (06) agenda items for the 89th MSG meeting was adopted.

3. DISCUSSION AND APPROVAL OF THE DRAFT 2020/21 TEITI REPORT

The Chairman invited the Independent Administrator (IA), M/S Mzumbe University to present the key findings and recommendations of the draft 2020/21 TEITI Report. The IA presented the Executive Summary and all Seven (7) chapters of the draft report to members. He explained that, out of 55 Scoped companies, one company, Global Fluid International, submitted a letter to TEITI explaining that it is not engaged in extractive activities and hence will not be able to report. Also, it was noted that two companies had changed their names; i) African Explosive had changed its name to, "ACIE" and ii) Caspian Ltd had changed its name to, "Taifa Mining and Civils Limited".

Following these changes, the IA reported that the number of companies to be included in the reconciliation exercise had decreased from 55 to 52. He also reported that out of the 52 reported companies, 7 had not submitted the filled reporting templates. These companies are GBP Tanzania Limited, Katavi Mining, Sunshine Mining, Gengetatu Extech Company, China Petroleum Technology and Development Corporation, Tianyu Geological Test Centre (T) Co. Limited, and Weir Minerals Services.

The IA reported that, the final payments reported made by the extractive companies was TZS 1,040,389,423,680.27, while the revenues reported received by the government

was TZS 1,035,968,474,883.87, creating a discrepancy of TZS 4,420,948,796.39 representing a 0.43% of the total reported government receipts. According to section 18 of the TEITA Act, 2015, the discrepancy of 0.43% is deemed immaterial since it is lower than the specified 1% threshold and therefore does not qualify for further scrutiny by the Controller and Auditor General (CAG). However, when considered individually, the TZS 4,420,948,796.39 discrepancy it is material and hence the MSG may decide to continue investigating.

Regarding Beneficial Ownership disclosure, the IA recommended that the Beneficial Ownership information should be provided by BRELA instead of the information being collected from the companies themselves.

On Payment offsetting, the IA informed members that, corporate tax reported by North Mara, Pangea and Bulyanhulu was removed because there is no evidence on agreement of offsetting by VAT refunds paid to TRA. Also, the IA proposed that payments made to Customs should be reported unilaterally as for companies there is no clear definition of revenue paid.

MSG DELIBERATIONS after the IA presentation

- (i) Members directed the IA to follow up with TPDC so as to submit the filed reporting template of TPDC as Companies;
- (ii) The IA to include information of changes of companies in the final report instead of correcting the scoping report;
- (iii) The IA to include payment offsetting as recommendation in the report so as to ensure that in future the payments are followed up and included in the reconciliation report;
- (iv) MSG directed the Secretariat to ensure that data from Local Government Authorities are included in the report in order to capture the extractive companies' contributions to the local authorities which hosts the extractive operations;
- (v) The IA to include recommendation on implementation of beneficial ownership disclosure; and
- (vi) Members agreed to further review the report and submit comments by 29th June 2023. It was agreed that the IA should work on the received comments and submit the revised version of the report to the MSG for endorsement before its publication.

4. AOB

The MSG was informed on Tanzania participation in the 2023 EITI Global Conference held in Dakar, Senegal on 13th to 14th June, 2023 It was reported that the Tanzania delegation which participated in the Conference comprised of i) Dr. Steven Kiruswa- Deputy Minister for Minerals who was Head of the delegation ii) Hon. Dunstan Luka Kitandula – Chairman Parliamentary Committee for Energy and Minerals, Hon. Joshua Kishoa- Member of Parliament, Committee for Energy and Minerals, Dkt. Abdulhaman Mwanga- Commissioner for Minerals, CPA. Ludovick S. L. Utouh - MSG Chairperson, Mr. Adam A. Anthony - MSG Member (CSO) – HakiRasilimali and Ms. Mariam S. Mgaya - ES TEITI (MSG - Secretary).

During the Global Conference, the President of the United Republic of Tanzania, H.E Samia Suluhu Hassan, addressed the meeting through a recorded video which was aired during the opening plenary session. On the other hand, Dr. Steven Kiruswa- Deputy Minister for Minerals presented a paper in EITI transition minerals meeting where by he provided opportunities available in Tanzania particularly on investing on the available critical minerals in the country.

It was also reported that among the other things deliberated on, the 2023 Global Conference approved the 2023 EITI standard and deliberated on and approved the new EITI board members.

5. DATE FOR THE NEXT MEETING

The date for the next meeting will be communicated to members in a later date

6. CLOSING

The Chairperson officially closed the meeting at **02:25 PM**

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Mariam S. Mgaya
Executive Secretary – TEITI

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Ludovick Utouh
Chairperson TEITI