



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



REPORT ON ASSESSMENT OF THE IMPLEMENTATION OF CORPORATE
SOCIAL RESPONSIBILITY AND LOCAL CONTENT REQUIREMENTS IN THE
MINERAL SECTOR

A CASE STUDY OF GEITA AND MARA REGIONS

DECEMBER, 2025

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Executive Summary

This report presents the findings of an assessment on the implementation of Corporate Social Responsibility (CSR) and Local Content (LC) requirements within the extractive sectors. The study aimed to evaluate the extent to which companies comply with national regulations and policies, the effectiveness of CSR initiatives in contributing to sustainable community development, and the progress made in promoting local participation in the sector's value chain.

The assessment draws on data collected from government institutions, extractive companies, local authorities, and beneficiary communities through document reviews, interviews, and field visits. It also reviewed relevant legislation, including the Mining Act, Petroleum Act, CSR Regulations and LC Regulations, to assess alignment between policy provisions and practical implementation.

Findings reveal that while most companies demonstrate commitment to CSR and LC obligations, implementation remains uneven. CSR projects have contributed positively to community welfare—particularly in infrastructure, education, health, and water supply—but challenges persist in project sustainability, coordination, and alignment with local development priorities. In many cases, CSR initiatives are short-term, fragmented, and inadequately monitored, limiting their long-term socio-economic impact.

Regarding Local Content, the assessment found notable progress in employing local labour and sourcing goods and services from domestic suppliers. However, capacity constraints among local firms and limited technology transfer continue to undermine full realization of the Local Content objectives. Additionally, weak enforcement of reporting requirements and insufficient collaboration among key stakeholders that is the government, companies, and communities affect transparency and accountability.

The report concludes that enhancing CSR and LC implementation requires stronger regulatory enforcement, capacity building for local suppliers, improved stakeholder coordination, and integration of CSR plans into local and national development frameworks. It also recommends establishing a centralized monitoring and evaluation system to track compliance, impact, and value for money.

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Overall, the assessment underscores the potential of CSR and LC initiatives to drive inclusive and sustainable development if implemented transparently, strategically, and in alignment with community and national priorities.

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INTRODUCTION

1.1. Background

Tanzania possesses a wealth of natural resources, particularly in the mining, oil, and gas sectors, which have become key drivers of the country's economic growth. These sectors attract significant foreign direct investment and contribute substantially to government revenues. However, the challenge remains to ensure that the wealth generated from these industries translates into sustainable development and tangible benefits for local communities. To address this, the Government of Tanzania has increasingly emphasized the implementation of Corporate Social Responsibility (CSR) and Local Content (LC) as mechanisms to promote inclusive growth and national development.

Tanzania has been strengthening its legal and policy frameworks to re-enforce CSR and LC in the extractive sector. The Mining Act, Cap. 123, Petroleum Act, Cap. 392, and their accompanying CSR and LC Regulations are key legislation which have been introduced to increase accountability, promote transparency, empower local suppliers and maximize national benefits from resource extraction.

Despite the establishment of legal and policy frameworks, questions remain about the effectiveness of implementation on the ground. Issues such as weak institutional capacity, limited community engagement, lack of monitoring and evaluation mechanisms, and non-compliance by some companies continue to undermine the intended impact of CSR and LC. In some cases, communities in resource rich areas still experience limited social and economic improvements, raising concerns about the actual benefits derived from extractive activities.

This report presents the assessment which critically examined how CSR and LC Legislation have been implemented within Tanzania's mining, oil, and gas sectors. It explores the extent to which companies comply with legal requirements, the effectiveness of government management, and the real impacts on local communities and the national economy. This study therefore, analyses successes, challenges, and

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gaps to inform policy improvements and encourage more responsible and inclusive practices in Tanzania's extractive industries.

1.2. Rationale for Assessing CSR and LC

Assessing CSR and LC is essential to Tanzania's compliance with the EITI Standard 2023 and the TEITA Act, as it extends transparency beyond revenues to show how extractive benefits are used and shared beyond taxes and royalties¹.

The rationale for undertaking this assessment is as follows;

- i) CSR assessment supports EITI requirements on mandatory social expenditures, by showing how companies meet legal and contractual obligations and whether social investments reach communities and contribute to sustainable development outcomes.
- ii) Local Content assessment enhances transparency on local participation, including employment, skills development, and local procurement, supporting inclusive growth and compliance with local content regulations.
- iii) CSR and LC disclosures strengthen good governance, accountability, and informed public debate, and help demonstrate tangible social and economic benefits from extractive industries.
- iv) Enable the public to understand what companies are doing, prompt responses to gaps in compliance or investment, and provide evidence to align extractive practices with Tanzania's development goals.
- v) CSR and LC data complement revenue disclosures by demonstrating how extractive value is distributed, reinvested, and localized, and providing a more comprehensive picture of sector performance

¹ Requirements 6.1 and 6.4 of the EITI Standard 2023 and Section 15 of the TEITA Act

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This assessment ultimately seeks to reinforce the role of CSR and LC as integral components of sustainable development, ensuring that Tanzania's natural resource wealth contributes meaningfully to inclusive growth and improved quality of life for its citizens.

1.3. Main and Specific Objectives

The primary objective of this assessment is to examine the current status and effectiveness of CSR and LC implementation in Tanzania. Specifically, the assessment will:

- i. Evaluate the level of compliance with CSR and LC regulations across key sectors.
- ii. Identify best practices, challenges, and gaps in the implementation process.
- iii. Assess the socio-economic impact of CSR and LC initiatives on local communities.
- iv. Examine stakeholder engagement and the transparency of decision-making processes.
- v. Provide actionable recommendations for strengthening CSR and LC implementation frameworks.

1.4. Scope of Work

The assessment focused on extractive industry companies and government entities with a specific emphasis on describing Corporate Social Responsibility (CSR) and Local Content (LC) level of compliance and its monitoring within the mineral sector. The assessment was conducted across Geita and Mara regions due to the fact that these regions are rich in gold and other mineral resources mining activities. 14 mining companies holding Mining Licence and Special Mining Licence were assessed as shown in **Table 1**. Government entities were also involved namely the Ministry of Minerals (Local Content and Corporate Social Responsibility Section), Mining Commission and Local Government Authorities in Geita and Mara where mining

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activities are conducted. These institutions play critical roles in regulating and overseeing CSR and LC compliance in the extractive industries.

Table 1: Details of Mining companies involved in the assessment

S.N	License No.	Company Name	LGAs
1.	ML 369/2020	Polygold Company Limited (100%)	Musoma DC
2.	ML 430/2011	Mara Mine Development Limited (100%)	Tarime DC
3.	ML 655/2023	Matongo Gold Mines Limited (100%)	Tarime DC
4.	SML 17/96	North Mara Gold Mine Limited (100%)	Tarime DC
5.	ML 449/2011	MMG Gold Limited (100%)	Musoma DC
6.	ML 553/2015	Zem(T) Co.Limited (100%)	Butiama DC
7.	ML 339/2008	Herbert Ruzoka Rubondo (50%); Samson Henery (50%)	Geita DC
8.	ML 531/2014	Busolwa Mining Limited (100%)	Geita DC
9.	ML 683/2022	RZ Union Mining Company Limited (100%)	Geita DC
10.	ML 0783/2025	Jin Chuan Company Limited (100%)	Geita DC
11.	SML 04/92	Buckreef Gold Company Limited (100%)	Geita DC
12.	SML 45/99	Geita Gold Mining Limited (100%)	Geita DC & Geita TC
13.	ML 594/2018	Shabani Daud Ibrahim (40%); Andrew Bollen (35%); Dunstan M. Mongi (20%); Eagle Brand Mining Investment Management Company Limited (5%)	Geita DC
14.	ML 538/2015	Tembo Gold (T) Limited (100%)	Chato DC

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1. APPROACH AND METHODOLOGY

1.1 Sampling

The study employed a purposive method of sampling whereby companies were selected based on their scale of operations and geographic location.

1.2 Data Collection Approach

This study engaged mixed-methods to enhance the depth, reliability, and validity of the findings by drawing on multiple sources of evidence. Recognizing that no single method could capture the full scope of the issues, quantitative and qualitative data collection techniques were combined. Accordingly, the study employed the following data collection techniques: document review, administration of questionnaires, field visits, and round-table discussions as described hereunder.

1.3 Documentary Review

A comprehensive desk review was done aiming to gather existing information, policies, and data related to Corporate Social Responsibility (CSR) and Local Content (LC) in the mineral sector. The reviewed documents include:

- i. Mining Act, Cap. 123 and its CSR and LC regulations;
- ii. EITI Standard 2023;
- iii. the Tanzania Extractive Industries Transparency and Accountability Act, Cap. 447 and its Regulations
- iv. Mining Cadastre Portal;
- v. Corporate Social Responsibility Plans and Reports -2024/25 for selected mining companies;
- vi. Local Content plans for selected mining companies - 2024/25;
- vii. Companies succession plans; and
- viii. Companies Collective Bargaining Agreements (CBA).

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1.3.1 Round Table Discussions

This method was used to collect data from local government authorities and mining companies. Round Table Discussion guiding questions captured relevant information, including payments made to the LGA from the extracting companies according to the laws and regulations, contributions in cash and or in-kind in various social interventions including education, health, environment, portable water supply, humanitarian aids, small business development services and infrastructures. The discussions were also centered on how the extractive companies' Corporate Social Responsibility and Local Content Plans are being prepared and approved.

1.3.2 Questionnaire

The team developed structured questionnaires tailored to capture key information on Corporate Social Responsibility and Local Content practices. The questionnaires were designed to gather data on a range of indicators including: compliance with CSR and LC laws and regulations implementation and monitoring of CSR projects, community engagement, challenges and measures toward solving the challenges. These questionnaires were distributed to selected extractive companies operating in the targeted regions.

1.3.3 Field visits

As part of the data collection process, the team carried out field visits to local government project sites implemented by mining companies operating within the selected regions of Geita and Mara. These visits aimed at capturing primary information from the field through:

- i. **Observed ongoing mining activities:** including production facilities, community development projects, and infrastructure supported by the companies;
- ii. **Interviews and discussions with company staff:** including site managers, community relations officers, and technical personnel, to gain insights into day-

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to-day operations and implementation of Corporate Social Responsibility and Local Content requirements;

- iii. **Interviews and discussions with local stakeholders:** including community leaders, local government officials, and affected community members, to understand their perspectives on the impact of extractive activities and CSR projects in their areas;
- iv. **Verified information obtained through questionnaires and document reviews** by comparing it with actual practices observed on the ground.

2. POLICY AND LEGAL FRAMEWORK FOR CORPORATE SOCIAL RESPONSIBILITY AND LOCAL CONTENT IN THE MINERAL SECTOR

2.1 Corporate Social Responsibility

Tanzania's policy and legal framework for Corporate Social Responsibility (CSR) in the mineral sector is primarily based on the Mineral Policy of 2009, Mining Act [Cap. 123 R.E 2023], Kanuni za Wajibu wa Wamiliki wa Leseni za Madini kwa Jamii za mwaka 2023 (Tangazo la Serikali Na. 406 la Mwaka 2023, the Tanzania Extractive Industries (Transparency and Accountability) Act, Cap. 447 and the Natural Wealth and Resources (Permanent Sovereignty) Act, Cap. 449. All these Acts require the mining companies to actively participate in community development.

2.1.1 Mineral Policy of 2009

Policy Statement 5.9 of the Mineral Policy of 2009 entails the Government to require mining companies to implement credible corporate social responsibility policies and actively engage local communities in identifying and prioritizing community development projects. Mining companies are expected to make substantial contributions to the well-being of surrounding communities, ensuring that their development efforts align with the needs and aspirations voiced by those communities throughout the life cycle of their operations.

2.1.2 The Mining Act [Cap. 123 R.E 2023]

Section 136 of the Mining Act, [Cap. 123 R.E 2023] requires the holder of mineral rights to prepare, on annual basis, a credible Corporate Social Responsibility (CSR) plan in collaboration with the local government authorities and must involve consultations with the Minister responsible for local government authorities and the Minister for Finance. The CSR plan should address environmental, social and cultural initiatives and require approval from the relevant local government authority.²

² Section 136(3) of the Mining Act, [Cap. 123 R.E 2023]

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Each local government authority is tasked with creating CSR guidelines tailored to their jurisdiction, supervising the execution of the plans and educating the public about ongoing CSR projects in their communities.³ CSR implementation applies to all holders of mineral rights including prospecting licences, special mining licences, mining licences, primary mining licences, mineral processing licences, and smelting/refining licences.

2.1.3 Kanuni za Wajibu wa Wamiliki wa Leseni za Madini kwa Jamii za mwaka 2023 (Tangazo la Serikali Na. 406 la Mwaka 2023 (The Mining (Corporate Social Responsibility) Regulations of 2023)

The regulations provide guidance on implementing Section 136 of the Mining Act as elaborated below:

- i. Preparation of CSR Plans:** The regulations provide that, projects proposed by Local Government Authorities (LGAs) must be reviewed by Ward Development Committees and be submitted to district, municipal, or city councils by October each year. It also requires CSR Plans to firstly be reviewed by a Corporate Social Responsibility Experts Committee, focusing on feasibility, value for resources, and overall quality. The respective Council is obligated to approve the Plans within seven days, and any rejection must be accompanied by clear reasons and suggested modifications.⁴

- ii. Implementation:** Corporate Social Responsibility (CSR) Plans require that 40% of resources be directed toward local or village-level projects, while the remaining 60% support projects at the district or city-level.⁵ While mineral rights holders may engage contractors to implement these projects, they remain fully responsible for ensuring their proper execution. Furthermore, holders of mineral rights are required to provide quarterly and annual reports to the Mining Commission and relevant local government

³ Section 136(4)(a) of the Mining Act, [Cap. 123 R.E 2023]

⁴ Regulation 8 of the Mining (Corporate Social Responsibility) Regulations of 2023 [GN No. 409 of 2023]

⁵ Regulation 4(4) of the Mining (Corporate Social Responsibility) Regulations of 2023 [GN No. 409 of 2023]

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authorities, detailing the incurred expenditures and the results of the implemented projects.

- iii. **Monitoring and evaluation:** The Mining Commission retains the power to audit CSR funds in accordance with Regulation 12 of the Mining (Corporate Social Responsibility) Regulations, 2023 [GN No. 409 of 2023], and any unutilized funds must be carried forward to subsequent years. Moreover, each local government authority is mandated to supervise the execution of corporate social responsibility plans and to raise public awareness regarding projects undertaken within their jurisdictions, as stipulated under Section 136(4)(b) and (c) of the Mining Act [Cap. 123 R.E. 2023]. That is, Local government CSR Experts Committee is tasked with overseeing compliance with applicable regulations, evaluating material quality, ensuring proper project implementation, and submitting reports to the relevant councils. Local government authorities are authorized to review contracts and monitor project implementation.
- iv. **Dispute Resolution:** Disputes are first handled through negotiations between the mineral rights holder and the respective local government authority. If the parties fail to reach a resolution, the matter is referred to the Mining Commission, and any subsequent appeal may be submitted to the Minister responsible for Minerals.⁶
- v. **Penalties:** Non-compliance may lead to the suspension or cancellation of mineral rights, pursuant to Section 74 of the Mining Act [Cap. 123 R.E 2023].⁷

2.1.4 The Tanzania Extractive Industries (Transparency and Accountability) Act, Cap. 447

The Act promotes transparency and accountability within the extractive industry and emphasizes active citizen participation in the governance of natural resources—specifically minerals, oil, and gas—in alignment with the principles of the Extractive Industries Transparency Initiative.

⁶ Regulation 17 of the Mining (Corporate Social Responsibility) Regulations of 2023 [GN No. 409 of 2023]

⁷ Regulation 21 of the Mining (Corporate Social Responsibility) Regulations of 2023 [GN No. 409 of 2023]

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2.1.5 The Natural Wealth and resources (Permanent Sovereignty) Act, Cap. 449

This Act affirms the state's sovereign authority over natural resources, underscores the significance of benefit-sharing with local communities, and promotes their active involvement in resource governance.

2.2 Local Content

Tanzania's policy and legal framework governing local content in the mineral sector is principally defined and regulated by the following key legal instruments:

2.2.1 The Mineral Policy of 2009

The 2009 Mineral Policy promotes Local Content by prioritizing the employment and training of Tanzanians, encouraging the procurement of local goods and services, and supporting the development of domestic mining capacity. Specifically, Policy Statements 5.2 and 5.12 outline strategies to enhance economic integration and maximize the mineral sector's contribution by increasing local participation across the mineral value chain and providing training for Tanzanians at various skill levels required in the sector.

2.2.2 Mining Act, Cap. 123

This legislation serves as the principal legal framework for the mineral sector and provides the foundation for advancing Local Content development.

2.2.3 The Mining (Local Content) Regulations of 2018 (GN No. 3 of 2018) as amended

The regulations provide comprehensive guidelines for implementing Local Content requirements, encompassing the preparation of Local Content plans and the oversight of their execution.

2.2.4 The Mining (Minimum Shareholding and Public Offering) Regulations of 2016 (GN No. 286 of 2016) as amended

These regulations are applicable to holders of Special Mining Licenses issued under the Mining Act [Cap. 123 R.E. 2023]. They promote Local Content by mandating local ownership in mining companies, both through publicly issued shares and those listed on the stock exchange, in accordance with the Capital Markets and Securities Act. Holders of Special Mining Licenses are required to maintain a minimum of thirty percent local shareholding of the total issued and paid-up shares, an obligation that remains in effect for the entire duration of the licence.

Key responsibilities for fulfilling Local Content requirements are as follows:

- i. Local Content Plans:** Mineral rights holders, along with their contractors, subcontractors, and allied entities, are obligated to submit a five-year long-term plan and annual Local Content plans for approval by the Mining Commission. Submission of Local Content plans can be accessed at <https://lccsr.madini.go.tz>. Local Content plans must be developed to achieve the minimum local content thresholds specified in the First Schedule of the Mining (Local Content) Regulations, 2018, as amended.⁸
- ii. Employment and Training:** Mineral rights holders must prioritize on-the-job training for Tanzanian citizens across all positions, with special focus on junior and middle management roles.
- iii. Succession Plan:** Mineral rights holders, along with their contractors, subcontractors, and allied entities, are required to submit to the Mining Commission details of any employment position filled by a non-Tanzanian, ensuring compliance with the minimum Local Content levels outlined in the First Schedule of the Mining (Local Content) Regulations, 2018 (GN No. 3 of 2018), as amended.⁹

⁸ Regulation 13(2) of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended.

⁹ Regulation 21 of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended.

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- iv. **Technology transfer:** the regulations empowers the Ministry responsible for minerals, in consultation with the Planning Commission, relevant Ministries, Government departments and agencies, to develop the national policy governing technology transfer within the mining industry.¹⁰ This policy is intended to establish effective strategies and frameworks to guide cooperative efforts between the government and mining companies in supporting and promoting technology transfer within the sector.
- v. **Procurement:** Mineral rights holders are required to establish a bidding process that gives preference to indigenous Tanzanian Companies for the supply of goods and services.¹¹ A licensee or contractor must provide the following information prior to issuing a prequalification notice to bidders:¹²
- (a) A description of the scope of work;
 - (b) Prequalification criteria; and
 - (c) Number of days for the submission of expression of interest once the tender is advertised. The minimum number of days for expression of interest submission is seven (7).
- vi. **Joint Ventures:** Non-indigenous companies are also required to establish a joint venture with an existing indigenous Tanzanian company that is wholly owned (100%) by Tanzanian citizens and operates within the same line of business as the goods or services to be supplied, provided that the indigenous Tanzanian company holds a minimum equity participation of twenty percent, unless the goods and services fall under the exemption specified in regulation 13A.¹³ In addition, a contractor, subcontractor, licensee or other allied entity must before the commencement of mining activities submit a joint venture agreement to the Commission for approval.¹⁴ An indigenous Tanzanian company is the company

¹⁰ Regulation 25 of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended.

¹¹ Regulation 14 of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended.

¹² Third Schedule of the of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended by GN. No. 563 of 2025.

¹³ Regulation 8(6) of the Mining (Local Content) Regulations, 2018 (GN No. 3 of 2018) as amended by GN No. 563 of 2025.

¹⁴ Regulation 8(7) of the Mining (Local Content) Regulations, 2018 (GN No. 3 of 2018) as amended by GN No. 563 of 2025.

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incorporated under the Companies Act, Cap. 212 and has at least 20% of its equity shares owned by a citizen or citizens of Tanzania and has Tanzanian citizens holding at least 80% of executive and senior management positions and 100% of non-managerial and other positions.¹⁵

- vii. Financial Services:** Mineral rights holders, sub-contractors and other allied entity engaged in mining activities are mandated to exclusively utilize the services of a Tanzanian financial institution or organizations. Engaging a foreign financial institution or organization is permitted only with prior approval from the Mining Commission.¹⁶
- viii. Insurance Services:** Mineral rights holders, along with their contractors, sub-contractors and other allied entities engaged in mining activities, must adhere to the Insurance Act and are obligated to obtain insurance coverage through a locally owned brokerage firm or, where applicable, a local reinsurance broker.¹⁷
- ix. Implementation and Monitoring:** The Mining Commission oversees the approval and monitoring Local Content plans submitted by the mineral rights holders, contractors, sub-contractors and other allied entities. The mineral rights holders, contractors, sub-contractors and other allied entity are required to implement approved Local Content plans throughout the entire operational life of their mining projects.

¹⁵ Regulation 3 of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended

¹⁶ Regulation 34 of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended

¹⁷ Regulations 30 and 31 of the Mining (Local Content) Regulations, 2018(GN No. 3 of 2018) as amended.

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3. FINDINGS

The assessment of the implementation of CSR and LC requirements highlights the achievements attained, identifies the challenges encountered, and outlines the measures needed to address these challenges.

3.1 Attained Achievements

i. Adherence to the CSR and LC requirements

During the reporting period (2024/2025), 14 selected mining companies were visited both in Geita and Mara, of which 12 were actively implementing a total of 120 CSR projects valued at TZS 28.2 billion (2024/2025). However, only 5 of these companies had formal and approved CSR plans in place. **Table 2** depicts the number of implemented projects and their values.

Table 2: Companies with CSR Plans, Projects and Funding

Sn	Company	CSR Projects Implemented	Projects Visited	CSR & LC Plans	CSR Value (Tshs) 2024
1	Herbert Ruzoka Rubondo; Samson Henery	3	1	1	4,700,000,000
2	Busolwa Mining Ltd	5	2	0	30,000,000
3	Tembo Gold (T) Ltd	0	0	0	-
4	Shabani D I; ; Dunstan M ; E. B; M I M Co. Ltd	2	1	0	-
5	RZ Union Mining Co. Ltd	10	2	0	72,000,000
6	Jin Chuan Co. Ltd	0	0	0	-
7	Buckreef Gold Co. Ltd	5	5	1	420,000,000
8	Geita Gold Mining Ltd	38	5	1	9,100,000,000
9	Polygold Co. Ltd	2	2	1	

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					50,000,000
10	Mara Mine Development Ltd	2	1	0	65,000,000
11	Matongo Gold Mines Ltd	5	3	0	125,000,000
12	North Mara Gold Mine Ltd	42	5	1	13,500,000,000
13	MMG Gold Ltd	4	2	0	125,000,000
14	Zem (T) Co. Ltd	2	2	0	40,000,000
	TOTAL	120	31	5	28,227,000,000

Source: TEITI CSR & LC Assessment report 2025

ii. Awareness of CSR and LC implementation obligation

Mining companies specifically holders of Special Mining License (SML) and Mining Licence (ML) are all aware of the requirement to implement the Corporate Social Responsibilities and Local Content obligations. The public actors (Local Government) are also aware of the legal requirement that such mining companies are to fulfil the CSR and LC guided by the guidelines and procedures provided by the government.

iii. CSR and LC are implemented.

100% of operating Special Mining License Holders (SML) and 97% of Mining License (ML) holders are implementing the CSR and LC requirement. This has two meanings; one is a direct qualifies their awareness of CSR and LC obligatory requirement, and two it implies the willingness of the companies to implement the CSR and LC requirement, as they localize their company operations and consolidate social capital to them.

iv. Employment of Tanzanians

Presented in the table below, 7,874 people are employed by 12 companies out of the 14 mining companies surveyed, 7,773 (98.72%) are Tanzanians and 101 (1.28%) are foreigners, only three companies have a high ratio of foreign employees over local ones

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because their projects are still at development stage (infrastructure and installation) where much expertise is still required. The low level of foreign employees against local employees is a clear indication that the Local Content obligations in employment are understood and complied to.

Table 3: Companies Local Content situation by ownership and employment.

Sn	Company	Workers Local	Workers Foreign	Ownership
1	Herbert Ruzoka Rubondo; Samson Henery	65	15	Local
2	Busolwa Mining Ltd	103	3	Local
3	Tembo Gold (T) Ltd	7	0	JV L&F
4	Shabani D I; M I M Co. Ltd	6	1	JV L&F
5	RZ Union Mining Co. Ltd	100	12	Foreign
6	Jin Chuan Co. Ltd	1	0	Foreign
7	Buckreef Gold Co. Ltd	800	1	JV L&F
8	Geita Gold Mining Ltd	2000	54	Foreign
9	Polygold Co. Ltd
10	Mara Mine Development Ltd	61	0	Local
11	Matongo Gold Mines Ltd	530	0	Local
12	North Mara Gold Mine Ltd	4000	...	JV L&F
13	MMG Gold Ltd
14	Zem(T) Co.Ltd	100	15	Foreign
	TOTAL	7,773	101	

Source: TEITI CSR & LC Survey, 2025

v. Skills Transfer

All companies reported the use of both local and foreign experts at the initial stage of the projects' development. Foreign experts are brought in on temporary terms because they come to train the local staff on installation and applications of technologies while the local ones are permanent to sustain the projects' operations. The spirit has brought the nation to a point of having all types of skills required in mining sector, only that in some skills the number of those qualified is not enough hence foreigners' presence. This again signifies the mining companies' compliance to Tanzania's Local Content Policy.

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vi. Technology Transfer

All companies visited are using both foreign and local technologies depending on the part of operations, their availability and accessibility. They are operated by local (Tanzanians) staff as an achieved product of employing foreign experts to train them, sending local staff abroad to train in short courses, and inviting experts of other mining projects to work with the company with intention to train its workers. This explains the compliance level of mining companies to the technology transfer policy of Tanzania.

vii. Procurement of Goods and Services

Only GGM and North Mara mining companies do international procurement by procedures and this is only for a few items required by the mine operations which are not found in Tanzania. All other selected mining companies are procuring their material needs through Tanzania companies except self-done procurement practice of a few vital items which are not found locally. This again qualifies the mining companies' compliance to Local Content by mining companies.

3.2 Challenges with CSR and LC Implementation

The assessment identified several challenges encountered by both the mining companies and local government authorities in the implementation and monitoring of CSR projects and Local Content obligations as detailed below.

3.2.1 Political Pressure in CSR planning and implementation of projects.

All 5 companies with CSR plans for projects and all councils reported of the interference of individual (MPs and or Councillors) interests with political motives when planning for community CSR projects implementation. The conflict emanates from Local Government guidance that community projects' approvals should involve the councillors and members of parliament. This has resulted into misallocation of projects, misallocation of project funds, duplication of projects, raise of conflicts of interest

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between individual politicians, communities, and companies; leading further to stoppage of CSR planning and approval processes, stoppage of projects implementation, implementation of non-community serving projects, disbursement of funds and piles of long-standing unfinished projects, frequent changes in modalities of projects implementation, and acts of weakening relations between companies and communities.

3.2.2 Both perceptions and Situation Analysed modalities are used in CSR implementation

55% of companies are executing CSR projects based on perception judgement with no prior written plans and protocol/processes follow-up. Companies have reported and shown the implemented projects while admitting to have no written CSR plans. This risks greater possibilities of implementing projects of low use value to the communities and thus not bringing real solutions of high impact to beneficiaries.

3.2.3 CSR projects implemented with no formal procedures are more successful than those in procedures

Both the companies and district councils reported projects implemented by companies to be of high quality and costs proving that such an approach is efficient in use of funds, materials, proving quality and finishing timely. This is because of the freedom given to the mining companies to utilize their own funds, technical know-how and economies of scale to implement the projects once identified by the parties.

3.2.4 Small concept of CSR projects implemented

Whether planned or perceived, CSR projects implemented are small in size by conceptualization. Companies are building additional cases in existing schools, toilets, laboratories, finishing up incomplete projects which were designed long time ago, etc. Such projects are many and bulk companies resources are distributed to such meager activities which do not bring up long term modern patterns for community transformation development.

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3.2.5 Projects implemented are not standardized

It has been found that the CSR projects are not guided by plans and sketches which are itemizing the required instalments and finishing for each category of projects. This has led to CSR projects being poorly designed, lacking basic facilities and improper finalized. For instance, a school laboratory with no emergency door, no boards/shelves for chemicals, apparatus and equipment storage, no fire extinguishers and no open and safe drainage systems

3.2.6 Lack of Awareness of CSR and Local Content Obligations

The assessment revealed that knowledge of CSR obligations is largely limited to procedural compliance, without sufficient understanding of how these obligations connect to local government plans and broader socio-economic development. Similarly, many holders of mining licenses appear unaware of the procedures and requirements related to Local Content.

3.2.7 Lack of integrity to some local suppliers

It was observed that some local suppliers lack capacities and ethics to deliver contracts awarded as per specifications. This leads to loss of time, money and credibility to undertake other contracts.

3.2.8 Lack of National Policy for Technology Transfer

It was noted that Regulation 25 of the Mining (Local Content) Regulations, 2018 (GN No. 3 of 2018), as amended, has not been implemented. The formulation of a National Policy on Technology Transfer in the Mining Industry is expected to enhance stakeholder compliance by providing effective strategies and frameworks to guide collaborative efforts between the government and mining companies in promoting and supporting technology transfer within the sector.

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3.2.9 Limited regulatory enforcement

It was noted that regulatory enforcement is limited, with many holders of mining licenses remaining largely unregulated. This is partly attributed to insufficient human resources within the Mining Commission to adequately monitor and enforce CSR and LC compliance across all mining operations.

3.2.10 Inadequate monitoring mechanisms

Identified shortcomings in CSR and LC monitoring mechanisms, as some license holders of mining licences and were found not to be complying with the legal provisions.

3.2.11 Non reporting by the Holders of Mineral Rights

Some holders of mining licenses were found not to be reporting quarterly and annually to the Mining Commission or local government authorities on the implementation of CSR and LC. The miners explained their non-compliance by stating that they were unaware of the requirement to submit such reports.

3.2.12 Insufficient stakeholder engagement

The assessment found that stakeholder engagement in implementing CSR and LC obligations is still insufficient. This limitation undermines the effectiveness, inclusiveness, and long-term sustainability of initiatives designed to benefit local communities and promote national participation in the mining value chain. Additionally, the absence of consistent communication and consultation mechanisms among companies, government bodies, and local communities hampers transparency and weakens trust among stakeholders.

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RECOMMENDATIONS

In light of the challenges encountered in implementing CSR and LC requirements, the following recommendations are proposed toward solving the challenges.

3.3 Conduct of Awareness Programmes

Conduct awareness programs to educate all parties on their roles and obligations. That, Government through the Ministry of Minerals, Mining Commission, National Economic Empowerment Council (NEEC) and LGAs need to collaborate as a team to build capacities of mining companies and communities as a focused group to comprehend the integration of plans and legal guidance when implementing the CSR and LC, so that the companies and communities may mainstream properly the planning and implementation for CSR and LC.

This align with enhancing stakeholder engagement by fostering collaboration between mineral rights holders, local governments, and communities to improve transparency and accountability.

3.4 Mitigation to the Political Pressure

To alleviate political pressures in the approval of CSR projects by mining companies in a given year, it is suggested that the Mining Commission, acting as the regulator, be responsible for project approvals. The approval process will follow recommendations from the local government authority (LGA) management team. This approach would reduce political influence in project approval decisions and help prevent the implementation of minor, inconsequential projects that fail to make a meaningful impact on local communities.

3.5 Invest in long-term sustainable projects.

Companies, Local Authorities and Local communities around mining areas should focus their Corporate Social Responsibility (CSR) efforts on initiatives that create lasting positive impacts for communities, the environment, and the economy instead of funding

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small and temporary activities (like one-time charity events/donation or short-term relief programs). Companies should invest in projects that continue to benefit society over time even after the mining activities ends. Furthermore, CSR projects should be complete in their formulation, design, implementation and operation.

3.6 Align CSR initiatives with national/local development plans

This can be done by ensuring that a company's Corporate Social Responsibility (CSR) activities support the broader social and economic goals set by the government or local authorities. In other words, instead of working in isolation, companies design and implement their CSR projects in ways that complement development priorities - such as poverty reduction, education, health, or infrastructure improvement as stipulated in the approved CSR and Local Content plans.

3.7 Capacity building for local suppliers to strengthen Local Content implementation

Capacity building is a key component of Local Content development, aiming to strengthen the skills, knowledge, and competitiveness of local suppliers and the workforce so they can effectively participate in and benefit from the extractive industry (oil, gas, and mining). Capacity building in the context of Local Content refers to deliberate efforts made by the government, companies, and other stakeholders to enhance the abilities of local businesses (suppliers) and workers to meet industry standards, compete fairly, and deliver quality goods and services within extractive sector value chains.

This focuses on improving the technical, managerial, and financial capabilities of local companies so they can meet procurement and operational requirements of large extractive firms by ensuring that citizens possess the skills and competencies needed to take up employment in the extractive industry. This can be done through *Training and Mentorship Programs, Access to Finance, Supplier Development Initiatives, Certification and Standards Support, Market Information Access, Technical and Vocational*

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Education, On-the-Job Training and Apprenticeships, Scholarships and Skill Development Funds, and Knowledge Transfer Programs.

3.8 Conduct of Regular Audits and Assessments on CSR projects

The Mining Commission to conduct regular audits of CSR projects to verify compliance, detect gaps, and address challenges promptly by proposing timely solutions. This aligns with the need for close monitoring of mineral rights holders to ensure adherence to CSR requirements.

3.9 Promote Incentives for Compliance

Introduction of recognition programs or benefits for companies that consistently meet or exceed CSR and LC requirements.

3.10 Local Government Authorities to Develop Clear Guidelines and Standards on CSR Implementation

It is recommended that Local Government develop and issue comprehensive guidelines for CSR implementation and reporting, including standardized templates for the preparation of CSR plans and submission of reports.

4. CONCLUSION

The assessment of the implementation of Corporate Social Responsibility (CSR) and Local Content (LC) requirements reveals that significant progress has been made in promoting sustainable development within the extractive sector. Some companies have integrated CSR and LC practices into their operational frameworks, contributing to community development, employment creation, and capacity building. However, challenges such as limited regulatory enforcement, inadequate monitoring mechanisms, inconsistent reporting, and insufficient stakeholder engagement continue to hinder the full realization of intended outcomes.

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To strengthen implementation, it is essential for government agencies, private sector actors, and local communities to foster stronger partnerships that promote transparency, accountability, and inclusive participation. Clear policy guidelines, regular evaluation, and capacity-building should be prioritized to ensure that CSR initiatives and Local Content policies align with national development goals and genuinely benefit host communities.

In conclusion, effective and consistent implementation of CSR and LC requirements not only enhances social license to operate but also drives sustainable socio-economic growth, ensuring that natural resource wealth translates into tangible and lasting benefits for all stakeholders.