



**AN ASSESSMENT OF THE NATIONAL MINING LEGAL
FRAMEWORKS AND POLICIES OF SADC COUNTRIES
AGAINST THE AFRICA MINING VISION**

(CLUSTER 1: MINING REVENUES AND MINERAL RENTS MANAGEMENT)



THE CASE OF TANZANIA

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Thematic Goal: To influence the quality, impact and effectiveness of international public finance, in line with the agreed development cooperation effectiveness principles.

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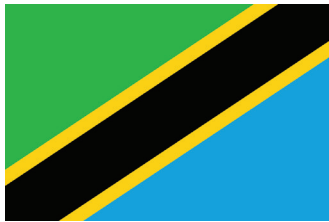
AFRODAD.....	i.
Contents.....	ii.
Acronyms.....	iii.
Acknowledgements.....	iv.
Executive Summary	v
1. Introduction and Background	1
1.1 Cluster 1 - Mining Revenues and Mineral Rents Management	2
1.2 Snapshot of mining in SADC.....	5
2 Assessment of the mining policies and legal frameworks of Tanzania.....	6
2.1 Overview of the mining sector in the economy.....	6
2.2 Laws and policies governing mining and management of mineral revenues.....	7
2.3 Key institutions in the management of mining revenue.....	7
2.4 Assessment of the mining policies and legal frameworks against the AMV Cluster 1..	8
2.4.1 Enhanced share of mineral revenue.....	8
2.4.2 Improved management and use of mineral revenue.....	10
2.5 Conclusion	11
Bibliography	12

ACRONYMS

AMV	Africa Mining Vision
AU	African Union
BIT	Bilateral Investment Treaty
CSR	Corporate Social Responsibility
DTA	Double Taxation Agreement
EITI	Extractive Industries Transparency Initiative
GDP	Gross Domestic Product
IFF	Illicit Financial Flows
NGO	Non-Governmental Organisation
NRJN	Natural Resources Justice Network
OECD	Organisation for Economic Cooperation and Development
SADC	Southern African Development Community
STAMICO	State Mining Company
SWF	Sovereign Wealth Fund
TCME	Tanzania Chamber of Minerals and Energy
TMAA	Tanzania Minerals Audit Agency
TRA	Tanzania Revenue Authority

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THE CASE STUDY OF TANZANIA

This report is an assessment of the extent to which the mining policies and legal frameworks of Tanzania are in line with the aspirations of the 2009 adopted Africa Mining Vision (AMV), whose goal is to promote “transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development”. This national study contributes to a broader regional study focusing on eight SADC countries, i.e. Angola, Botswana, Malawi, Mozambique, South Africa, Tanzania, Zambia and Zimbabwe. Given the significant role of the mining sector in the economies of these countries, particularly mining exports and mining revenue contributions to total government tax revenue, the assessment was solely focused on the fiscal issues of mining as guided by the AMV Action Plan Cluster One on Mining Revenues and Mineral Rents Management. This cluster aims “to create a sustainable and well-governed mining sector that effectively garners and deploys resource rents”. It identifies a variety of activities and monitoring indicators for promoting two expected outcomes namely an enhanced share of mineral revenue accruing to African mining countries and improved management and use of mineral revenue. It is against these activities and/or monitoring indicators that the mining policies and legal frameworks of Tanzania are evaluated in this study.

The study used a qualitative analysis approach to address the objectives set out in the Terms of Reference. The main findings of the assessment for Tanzania are summarised below.

Tanzania enacted a Mineral Policy in 2009 and the 2010 Mining Act. The Mineral Policy was formulated within the framework of the Tanzania Development Vision 2025 and prioritises FDI with no emphasis on maximising revenues from the mining sector, contrary to the aspirations of the AMV. Under the Mineral Policy, the vision for the next 25 to 30 years for the Mineral Sector is to have a strong, vibrant, well-organized large and small-scale mining industry conducted in a safe and environmentally sound manner with a public-private partnership. The policy also stresses on the private sector led mineral development while the major roles of the government are regulating, promoting and facilitating. The Policy also aims at maximizing government benefits from mining, promoting mineral value addition activities, and developing small scale mining operations.

The 2010 Mining Act led to the establishment of new government institutions, such as the Tanzania Mineral Audit Agency (TMAA) to carry out solid technical audits and more rigorous tax audit exercises and enforcement. As a result, Tanzania enjoyed the doubling of mining tax revenue collected from 2011 to 2012.

Tanzania’s current Double Taxation Agreements (DTAs) are old and contain taxation regimes that surrender Tanzania’s taxing powers in favour of economically developed treaty partners. This is mainly because the DTAs capped withholding tax rates that can be levied on interests, dividends and royalties. The latest DTA was with South Africa in 2005 and it sets withholding tax rates at 10 percent and caps future justifications of the income tax law. The future agreements could potentially follow suit or pose even lower tax rates.

In this light, Tanzania needs to reconsider its DTA network, to facilitate for renegotiation's and ensure future negotiations for DTAs will not undermine Tanzania's benefit from its mining industry but rather optimise it economic gains from the sector.¹

1. Double Taxation Agreements: Gain or Loss to Tanzania? Tanzania Tax Justice Coalition, 2016

INTRODUCTION AND BACKGROUND

Given the huge mineral resource endowment of Sub-Saharan Africa, it is undisputable that revenue mobilisation from the mining sector is key in the ongoing domestic resource mobilisation efforts aimed at making the continent more self-reliant financing its own development. However, there are concerns that the legal and regulatory frameworks governing the exploitation and management of mineral resources in Sub-Saharan Africa are still poor and weak. These are mainly characterised by lack of independent enforcement and oversight bodies, lack of transparency which results in poorly negotiated mineral concessions with fiscal terms that are sub-optimal and do not maximise the revenues from mineral investments, weak accountability of resource revenue use, inequitable distribution of mineral revenue and neglect of local authorities and communities living near mining areas.

Substantial portions of mining revenue and benefits tend to accrue to privately owned foreign companies and a small subsection of local elites at the expense of broad based benefits such as employment creation, human and physical development, and overall economic transformation. Inevitably, resource wealth has in many cases resulted in increased income inequality and economic distortions, and even triggered social and political instability, a situation that has been widely described as the ‘resource curse’.²

Recognising all these gaps and the need to improve mineral resource policies, legal, regulatory and administrative frameworks so as to maximise the development outcomes of mineral resources exploitation, in 2009, African Union Heads of State and Government adopted the Africa Mining Vision (AMV) whose goal is to promote **“transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development”**.

To enable the attainment of the AMV goal, the African Union Heads of States and governments requested the AU Ministers in charge of mineral resources development to develop a concrete action plan for the realisation of the AMV. This culminated into an AMV Action Plan that was approved in 2011. The Action Plan comprises nine programme clusters of activities and indicators constructed around the following key pillars of the vision:

1. Mining Revenues and Mineral Rents Management
2. Geological and Mining Information Systems
3. Building Human and Institutional Capacities
4. Artisanal and Small Scale Mining
5. Mineral Sector Governance;
6. Research and Development;
7. Environmental and Social issues;
8. Linkages and Diversification
9. Mobilising Mining and Infrastructure Investment.

2. Collier, Paul. 2003. 'Natural Resources, Development and Conflict: Channels of Causation and Policy Interventions'. Washington D.C.:The World Bank

1.1 Cluster 1 - Mining Revenues and Mineral Rents Management

Given that it is now seven years since the adoption of the AMV in 2009, the need to assess the progress that African countries have made in aligning their mining policies and legal frameworks to the AMV is of necessity. This study attempts to do this evaluation by focusing mainly on the “Mining Revenues and Mineral Rents Management” cluster whose main goal is **“to create a sustainable and well-governed mining sector that effectively garners and deploys resource rents”**. This goal was driven by the vital need to address observed fiscal regime challenges along the entire mineral value chain such as lack of transparent and competitive allocation of concessions for known mineral assets, the spending of mineral revenues disproportionately on current consumption which compromises inter-generational equity, inequitable distribution of mineral revenue and neglect of local authorities and communities living near mining areas and widespread tax evasion and avoidance schemes like transfer pricing (including over-invoicing of inputs costs).

The Mining Revenue and Mineral Rents Management cluster has two main expected accomplishments namely:

1. Enhanced share of mineral revenue accruing to African mining countries; and
2. Improved management and use of mineral revenue.

As shown in Table 1 below, each of the two expected accomplishments has a number of activities and indicators identified for tracking the achievement of the objectives and outcomes respectively. It is against these activities and indicators that the mining policies and legal frameworks of the four selected SADC countries will be assessed so as to determine the extent to which they are in line with the aspirations of the AMV.

Table 1: Mining Revenues and Mineral Rents Management Cluster – Expected Accomplishments, Activities and Monitoring Indicators.

Expected Accomplishment	Activities	Time Frame	Monitoring Indicators	Responsible Bodies and Main Actors
Enhanced share of mineral revenue accruing to African mining countries	At national level	ST	<ul style="list-style-type: none"> Physical audit systems in place and implemented with trained inspectors; 	MS
	<ul style="list-style-type: none"> Improve national capacity to physically audit mineral production and exports; Review mineral regimes in terms of optimising revenues; Build capacity and enhance skills of officials in negotiating fiscal issues and effectively monitoring compliance with taxation laws; Negotiate or renegotiate contracts to optimize revenues and to ensure fiscal space and responsiveness to windfalls; Develop systems to evaluate components of tax regimes for leakages, losses and tax avoidance and evasion (e.g. transfer pricing); Review terms of double taxation agreements and BITs with host countries of mining companies including the principle that minerals should be taxed at the point of extraction; and Build capacity & systems to auction mineral rights where applicable. 	ST ST ST-MT-LT ST-MT ST-MT ST-MT ST ST	<ul style="list-style-type: none"> Review of mineral regimes undertaken; Level of improvement in fiscal revenue collected by African mining countries; Increase in numbers of policy makers and other stakeholders participating in capacity building initiatives; Degree of improvement in the design of fiscal terms; Extent to which tax leakages are reduced by evaluation systems as determined by independent audits of tax compliance; Number of double taxation agreements signed and implemented by member states; and Extent to which competitive and transparent mineral concession systems are implemented. 	WB NGOs CSOs Bilateral AfDB ECA
	At sub regional and regional levels	ST	<ul style="list-style-type: none"> Guidelines, standards and toolkits completed and distributed to RECs & member states; 	
	<ul style="list-style-type: none"> Review the current fiscal environment in African mining countries to develop guidelines & standards for optimizing revenue (e.g. tax & dividends) packages in a manner that does not discourage mining investment; Develop mineral taxation guidelines for implementation at REC and national levels; and Develop typical financial models for mineral projects for member states and run training workshops at REC level. 	ST	<ul style="list-style-type: none"> Degree to which guidelines are used by members states; Guidelines, standards and toolkits completed and distributed to RECs and member states; Degree to which guidelines are used by members states; and Number of financing models that are developed and used by member states. 	

Table 1 Continued...

Expected Accomplishment	Activities	Time Frame	Monitoring Indicators	Responsible Bodies and Main Actors
	<p>At national level</p> <ul style="list-style-type: none"> • Explore strategies for investing windfall earnings and mineral rent into sovereign wealth funds including stabilization funds and infrastructure funds; • Develop rent distribution systems for allocating part of mineral revenue to communities near mining areas and local authorities; • Develop mechanisms to facilitate local communities access to jobs, education, transport infrastructure, health services, water and sanitation; • Develop the capacity of local communities to negotiate partnership agreements; and • Develop systems for strengthening capacities for national and sub-national bodies for revenue management. <p>At sub regional and regional levels</p> <ul style="list-style-type: none"> • Compile best practice guidelines on mineral revenue management and deployment for implementation at the REC and national levels. 	<p>ST</p> <p>ST</p> <p>ST-MT</p> <p>MT</p> <p>MT</p>	<ul style="list-style-type: none"> • Number of SWFs established by African Mining countries; • Degree to which local authorities and communities improve their management of mineral revenues; • Best practice guidelines compiled; and • Extent to which guidelines are used by RECs and member states. 	

1.2 Snapshot of mining in SADC

The SADC region is home to a number of countries with a significant ownership of the world's major mineral resources. In terms of global reserves, over 90 percent of the platinum group of minerals (PGMs) are in South Africa and Zimbabwe, over 50 percent of diamond reserves are in Botswana, South Africa, DRC, Zimbabwe, Angola and Namibia and over 40 percent of chromite is in South Africa and Zimbabwe. Zambia and Mozambique are also known for their huge reserves of coal, with Zambia having rich deposits of copper and emeralds. Consequently, minerals together with other various commodities play a significant role in the economies of these countries.

As of 2014, mining revenue accounted for 37.4 percent of the government of Botswana's total tax revenue while mineral exports accounted for approximately 71.6 percent of total merchandise export receipts. In South Africa, mining also accounted for 26 percent and 20 percent of total merchandise exports and investment respectively. The same applies to Zimbabwe, where as of 2015, mining exports accounted for 50 percent of the total national exports. According to the 2013 and 2014 Mozambican Extractive Industries Transparency Initiative (MEITI) report, the extractive sector was the second sector that contributed most of the GDP growth in the order of 18 percent and 13 percent in 2013 and 2014 respectively.

Despite these high economic contributions, there have been concerns that the mobilisation and utilisation of proceeds from the mining sector have not translated into meaningful and tangible benefits such as poverty eradication and improved livelihoods in these countries. In this regard, the mining policies and legal frameworks for Tanzania are assessed against the aspirations of the Mining Revenue and Mineral Management cluster of the AMV to determine the extent to which they are designed to effectively garner and deploy mining revenue for development purposes.

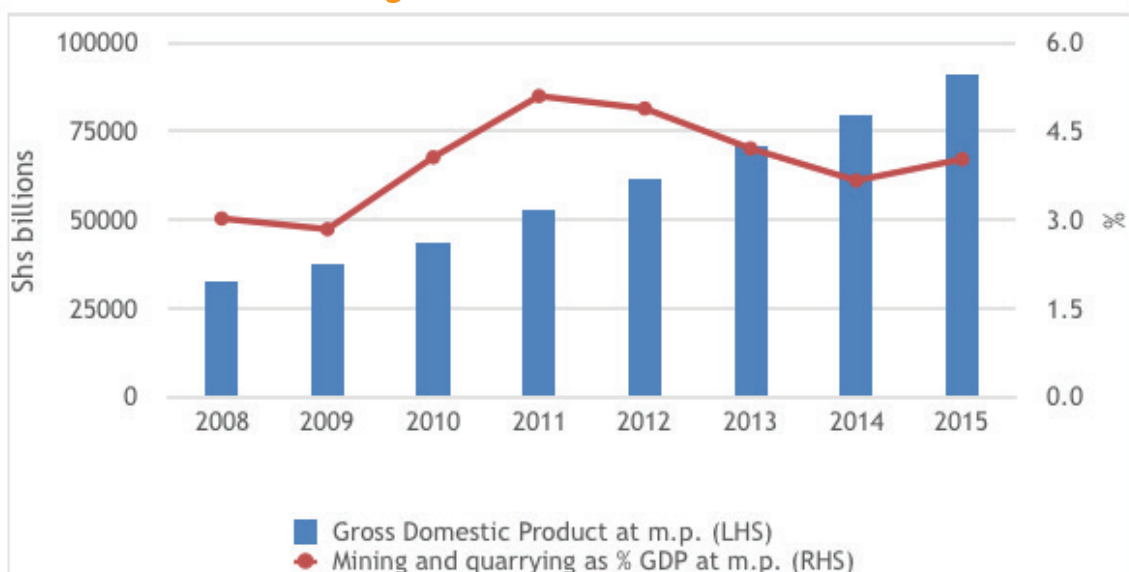
ASSESSMENT OF THE MINING POLICIES AND LEGAL FRAMEWORKS OF TANZANIA

2.1 Overview of the mining sector in the economy

The Tanzanian mining industry has been booming since the 1990s owing to liberalisation and privatisation of the minerals sector. Prior to the boom, the state had a monopoly in mining through the State Mining Company (STAMICO). Tanzania introduced a new Mining Policy in 2009 whose reforms dismantled STAMICO and allowed any Tanzanian to register claims and sell minerals. Since then, Tanzania has risen to a position of importance in African mineral production. The mining sector in Tanzania has always been gold focused and ranks as Africa's fourth largest producer after South Africa, Ghana and Mali. Gold production continues to rise in Tanzania, dominating revenue from mining. Mining is one of the leading sectors in Tanzania, with the value of mineral exports increasing annually. The consistent positive trajectory of the mining sector over the last decade facilitated economic growth. The growing number of potential investors are flooding the country to open up investments in the mineral industry of Tanzania which is dominated by gold, diamonds, nickel, gemstones amongst others.

According to the Central Bank of Tanzania, gold exports increased by 47 percent in 2011 thereby contributing almost 60 percent to total revenue from mining.³ Despite its significant contribution to total exports, the mining and quarrying sector contributed a mere 5.1 percent to the total GDP in 2011.⁴ The contribution of the mining and quarrying sector to the national GDP has been ranging between 2.8 percent to 5.1 percent since 2006. The revised mining and quarrying share of GDP for 2014 was 3.7 percent and the 2015 estimate was 4 percent.⁵

Fig1 Tanzania GDP and mining contribution to GDP FROM 2008-2015



Source: Author's calculations from the Tanzania National Account Statement

3. The Central Bank of Tanzania

4. Tanzania National Bureau of Statistics, 2016

5. Tanzania National Bureau of Statistics, 2016

2.2 Laws and policies governing mining and management of mineral revenues

Mining in Tanzania is currently governed by the Minerals Policy of Tanzania, 2009 and the Mining Act, 2010. The legal regime in Tanzania is motivated by growth and thus it is investor friendly. The Mining Act of 2010 guarantees investors' security of tenure, repatriation of capital and profits, and transparency in the issuance and administration of mineral rights.

The Minerals Policy of Tanzania, 2009

The Minerals Policy of 2009 recognises artisanal and small-scale mining operations operating alongside large-scale operations. The 2010 Mining Act establishes state ownership of minerals and allows the government to grant rights to explore, develop and produce minerals. There are a number of licences, including a prospecting, retention, special mining, mining, gemstone mining, primary prospecting and primary mining. Primary mining licence is granted to Tanzanian citizens or company/partnerships exclusively owned by citizens, (Muganyizi, 2012).

The Mining Act 2010

The main legislations in the Mineral sector are The Mining Act 2010, and The Explosives Act of 1963. The Mining Act of 2010 sets out the legal framework governing mineral exploration, exploitation and marketing and establishes state ownership of minerals, provides rights and conditions to explore minerals. Various mining regulations have been established under the Mining Act, 2010 to regulate mining activities. These mining regulations include the Mining (Mineral Rights) Regulations, 2010 and The Mining (Diamond Trading) Regulations, 2003

2.3 Key institutions in the management of mining revenue

Ministry of Energy and Minerals

The responsibilities of the Ministry of Energy and Minerals (MEM) include delivering services related to development of energy and minerals resources through the participation of various stakeholders including public, private, public private partnerships, local communities, NGOs and civil society. It is also the mandate of the MEM to grant the following licences: Special Mining Licence, Mining Licence, Retention Licence, Smelting and Refining Licence. The primary role of the Ministry in the mining sector is to stimulate and guide private mining investment by administering, regulating and facilitating the growth of the sector through formulating and maintaining efficient institutional frameworks such as the Mining Policy 2009. It is the responsibility of the Ministry of Energy and Minerals to collect mining tax revenues, royalties, issue licences and collect permit fees, annual rental fees and other charges. Under the mining policy, the role of the ministry is regulation, promotion, facilitation and provision of services especially to the artisanal and small-scale mining operators.

Tanzania Chamber of Minerals and Energy (TCME)

TCME was established in 1994 for the purposes of representing the interests of its members in the Tanzanian mineral sector. The Chamber plays a mediator role between the mining investment

community and key stakeholders, most notably the Government of Tanzania and the public. TCME currently has a membership of close to 60 relevant players in the mining industry, including small-scale miners, individuals, service providers, and international mining companies carrying out a range of activities from exploration to production.⁶

Commissioner for Minerals

Is responsible for granting the Prospecting Licence and Processing Licence.

Zonal Mines Officers

Are responsible for granting the following licences: Primary Mining Licence, Dealer Licence, and Broker Licence.

2.4 Assessment of the mining policies and legal frameworks against the AMV Cluster

This section analyses the laws and policies related to mining revenues and mineral rents management in Tanzania. These are analysed with reference to the aspirations of the AMV Cluster 1, Mining Revenues and Mineral Rents Management, and whose outcomes are as follows:

- Enhanced share of mineral revenue accruing to African mining countries; and
- Improved management and use of mineral revenue.

2.4.1 Enhanced share of mineral revenue

Review mineral regimes in terms of optimising revenues

In 2007, the government formed the Gold Audit Programme within the Mining Department of the Ministry of Energy and Minerals, which was to audit and inspect the production and transportation of gold to ensure the state received royalties and taxes from those activities, (Muganyizi, 2012). In an effort to maximise mineral rents and revenue, the Tanzanian government passed a legislation in 2011 that resulted in a rise of royalties on gold exports to 4 percent of gross value from 3 percent of netback value.

Royalties are charged on Gross Value for different mineral commodities as follows: diamonds, uranium and gemstone – 5 percent; precious metals (gold, silver, copper, platinum etc.) - 4 percent; polished and cut gemstones – 1 percent; and others (building materials, salt, industrial minerals) – 3 percent.

Negotiate or renegotiate contracts to optimise revenues and to ensure fiscal space and responsiveness to windfalls

Though there is no evidence of renegotiated contracts yet, the president of Tanzania expressed intent to revisit mining contracts arguing that there are some deals that were entered into with mining firms in Tanzania and they do not benefit the Tanzanians as much as they should. This is why Tanzania recently passed three bills allowing the government to renegotiate existing mining contracts. The Tanzanian parliament passed The Natural Wealth and Resources Contracts (Review and Re-Negotiation of Unconscionable Terms)] Bill, 2017, The Natural Wealth and Resources (Permanent Sovereignty)] Bill,

6. Tanzania Chamber of Minerals and Energy (TCME) <http://www.tcme.or.tz/home/about-us/>

2017 and The Written Laws (Miscellaneous Amendments)] Bill, 2017. This was done to increase transparency in the sector and revenues accruing to the government minimise by minimising cases of mining companies playing down the amounts they declare for exported mineral commodities.

Develop systems to evaluate components of tax regimes for leakages, losses and tax avoidance and evasion

Tanzania launched the Gold Audit Programme in 2007 within the Mining Department of the Ministry of Energy and Minerals and its mandate was to audit and inspect the production and transportation of gold. This helped ensure the state received royalties and taxes from those activities. The spectrum was then broadened by the Mineral Policy of 2009 which stipulated the need for an auditing institution that could cover the mining of all minerals at large, medium and small scale mines.

In November 2009, the government established the Tanzania Minerals Audit Agency (TMAA), a semi-autonomous institution entrusted with conducting 'financial and environmental audits as well as auditing the quality and quantity of minerals produced and exported by miners in order to maximize benefits to the Government from the mining industry for sustainable development of the country (TMAA, 2011). Before it was dissolved in July 2017, the TMAA visited major mines every year, checked records, including main accounting summary records and underlying documentation and invoicing. After the visits, it would draft a report containing its conclusions both for royalties and other tax purposes (including income taxes); identifying total amounts affecting each tax liability. Final audit reports by the TMAA were copied to the Minister of Energy and Minerals, the Minister of Finance and Economic Affairs and the Commissioner General of the Tanzania Revenue Authority. The TMAA and TRA had mutually complementary skills, but they did not work together on audits. The TMAA reports copied to the TRA commissioner were used as part of the TRA's audit, (Muganyizi, 2012). However, TMAA was dissolved under the directive of the Tanzanian president in May 2017. There is anticipation that the Commission that the government of Tanzania indicated will be established to replace and take up the roles of TMAA will enhance minerals revenue and minimise revenue leakages by mining companies in Tanzania. In March 2017, Tanzania banned the export of mineral concentrates and ores for metallic minerals like gold, copper, silver and nickel. The Tanzanian government has consistently targeted Acacia mine accusing the mining company of short-changing the government by playing down the amounts of declared exports.

Review terms of double-taxation agreements and BITs with host countries of mining companies including the principle that minerals should be taxed at the point of extraction

Tanzania has DTAs that are currently in force with Canada, Denmark, Finland, India, Italy, Norway, South Africa, Sweden, and Zambia.⁷ There are several other DTAs that are still being negotiated but none of the existing DTAs have been renegotiated.

2.4.2 Improved management and use of mineral revenue

Explore strategies for investing windfall earnings and mineral rent into sovereign wealth funds including stabilisation funds and infrastructure funds

Tanzania does not currently have a SWF, Stabilisation fund nor Infrastructure fund funded by the mining sector.

7. <http://taxsummaries.pwc.com/ID/Tanzania-Individual-Foreign-tax-relief-and-tax-treaties>

Develop rent distribution systems for allocating part of mineral revenue to communities near mining areas and local authorities

Historically, the central government has monopolized fiscal authority in natural resources sector but recent reforms have attempted to reorient focus to the local level. The main hindrance is that most local government areas lack robust revenue sources for financing improved local service delivery, promoting local economic development or encouraging accountability. Regional allocation is made on the basis of spending priorities, rather than on whether regions are home to extraction, (NRGI, 2015).

Develop mechanisms to facilitate local communities' access to jobs, education, transport infrastructure, health services, water and sanitation

A study by (Polat et al., 2014) concluded that households in the immediate mining catchment area are negatively affected by extractive activity whereas households that are located in neighbouring and further away catchment areas yield more positive benefits.

Despite some efforts of the mining companies to give back to local communities, there is considerable dissatisfaction with the industry mainly because of lack of employment opportunities that mining has provided, OPM Report (2011).⁸

Develop the capacity of local communities to negotiate partnership agreements

A survey by (MMSD, 2015) showed that the current situation in Tanzania often falls far short of benefiting local communities who are usually excluded from actively participating in contract negotiations and decision-making. Local communities therefore continue to bear a disproportionate share of the costs of mineral development without adequate compensation, and receive an inappropriately small share of the economic and social benefits.

Develop systems to strengthening capacities for national and sub-national bodies for revenue management.

The establishment of Tanzania Mining Audit Agency (TMAA), to carry out financial, mineral and environmental audits, led to increased auditing capacity over mining projects. However, following the dissolving of TMAA in 2017 it is uncertain whether the Commission that will be formed to replace TMAA will help improve revenue mobilisation and management.

2.5 Conclusion

The policy and legislative framework governing the mining industry in Tanzania is dominated by the Minerals Policy of 2009 and the Mining Act 2010. Though these main regulatory frameworks were adopted before the AMV, they do have traits of the AMV Action Plan aspirations and there have been deliberate initiatives to stimulate mining revenue for the benefit of the nation as highlighted in this analysis. Mineral royalties for instance were increased in an effort to optimise revenue. The government expressed its intent to revisit mining contracts that are short-changing the Tanzanian nationals and only benefiting foreign mining companies who continue to exploit mining communities with little benefit to the Tanzanian nationals.

8. Oxford Policy Management-Mining Benefits Study, Tanzania (2010-2011)

In terms of the mineral rents management, Tanzania has TRA and had TMAA until it was dissolved in July 2017, as the two institutions with complementary roles to manage and audit revenue and rents from the mining sector. The government has indicated that a commission will be established to replace and take up the roles of TMAA. Despite these positive highlights, Tanzania is still lagging behind in several aspects in terms of harmonising its regulatory frameworks with the AMV. There is need to revisit existing DTAs especially with developed countries to ensure that Tanzania is not undermined. There is also need to improve on the management of mining revenue particularly strengthening of local government bodies on fiscal management as well as establishing a SWF for the nation. The government also has to make it an obligation for mining companies to engage in community development initiatives in the communities they work in and ensure that Tanzanians benefit directly from their mineral resources.

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