



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF ENERGY AND MINERALS
MINERALS DIVISION

Annual Report
July 2014 - June 2015



TABLE OF CONTENTS

FOREWORD BY THE PERMANENT SECRETARY	vi
STATEMENT BY THE COMMISSIONER FOR MINERALS	vii
1. ABOUT THE DIVISION	8
1.1 Who we are	8
1.2 Legislation and Other Mandates	8
1.3 Our Vision	8
1.4 Our Purpose	8
2. INTRODUCTION	9
2.1 Mineral Licensing Services	9
2.2 Mines Inspectorate	9
2.3 Mineral Statistics and Information	9
2.4 Mining Skills Development	9
2.5 Geological Services	10
2.6 Extension Services to Artisanal and Small-Scale Miners	10
2.7 Grievance Handling and Dispute Resolution	10
2.8 Promotion and Public Awareness Programmes	11
2.9 Key Policy Developments and Legislative Changes	11
2.10 Staff Development Programmes	11
3. ACHIEVEMENTS	12
3.1 Strengthening Health, Safety and Environment Management in Mines	12
3.2 Administration of Explosives Matters in the Country	13
3.3 Promotion of Mineral Value Addition Activities	13
3.4 Promotion of the Mineral Sector and Trading Activities	13
3.5 Streamlining Issuance of Mineral Rights	14
3.6 Facilitating Small Scale Mining Development	14
3.7 Compliance with International Conventions and Protocols	15
3.7.1 Minamata Convention Implementation Status	15
3.7.2 Kimberley Process Certification Scheme	15
3.7.3 Tucson Tanzanite Protocol	15
3.7.4 ICGLR Protocols on Natural Resources	15
4. DIVISION PLANS FOR 2015/2016	17
4.1 Strengthening Health, Safety and Environment Management in Mines	17
4.2 Administration of Explosives Matters in the Country	17
4.3 Promotion of Mineral Value Addition Activities	17

4.4	Promotion of the Mineral Sector and Trading Activities.....	17
4.5	Streamlining Issuance of Mineral Rights.....	18
4.6	Facilitating Small Scale Mining Development.....	18
5.	OTHER SECTOR PERFORMANCE INDICATORS	21
5.1	Health, Safety and Environment Performance	21
5.2	Exploration and Mining Projects	21
5.2.1	Mining Projects	21
5.2.2	Exploration Projects.....	23
6.	ORGANISATION AND GOVERNANCE	24
6.1	Mines Inspectorate Section	24
6.2	Small Scale Mining Development Section	24
6.3	Licensing and Mineral Rights Management Section	25
6.4	Mineral Economics and Trading Section	25
6.5	Explosives Management Section	25
6.6	Mineral Beneficiation and Value Addition Section.....	25
6.7	Zonal and Resident Mines Offices	25
7.	ANNUAL STATISTICS.....	27
7.1	Minerals Produced by Small Scale Miners in Year 2014	27
7.2	Gold Produced at Vat Leaching/ Elution Plants	27
7.3	Building Materials and Industrial Minerals Production	28
7.4	Gold and associated minerals produced and exported by Large Scale Gold Mines	28
7.5	Diamonds Production and Export	29
7.6	Tanzanite production and export	29
7.7	Coal Production and Sales	29
7.8	Mineral Rights Issuance	30
7.9	Explosives Statistics.....	31
7.10	Procurement of Goods and Services by Large Scale Mines.....	31
7.11	Status of Employment in the Major Mines.....	32
7.12	Corporate Social Responsibility (CSR) by Large Scale Mining Companies	32
7.13	Dispute Resolution	Error! Bookmark not defined.
8.	USEFUL CONTACTS	33
	ZONAL AND RESIDENT MINES OFFICES CONTACTS.....	33

LIST OF TABLES

Table 1:	Objectives, targets and performance indicators.....	18
Table 2:	Large scale mines currently in operation	22
Table 3:	Exploration projects in advanced stages.....	23
Table 4:	Minerals produced by the small-scale miners in year 2014	27
Table 5:	Gold Produced at Vat Leaching/ Elution Plants in Mwanza, Geita and Mbeya regions.....	27
Table 6:	Building Materials and Industrial Minerals Production.....	28
Table 7:	Minerals Produced by Major Gold Mines.....	28
Table 8:	Quantity and Value of Minerals Exported by Major Gold Mines.....	28
Table 9:	WDL Diamonds Production and Export	29
Table 10:	Tanzanite Production and Exports by TanzaniteOne Mine	29
Table 11:	Coal Production and Sales at Ngaka Coal Mine.....	29
Table 12:	Mineral rights issuance	30
Table 13:	Statistics of Mineral Rights in Zones.....	30
Table 14:	Explosives statistics	31
Table 15:	Procurement of Goods and Services by Large Scale Mines.....	31
Table 16:	Status of Employment in the Major Mines.....	32
Table 17:	Value of CSR programmes by large-scale mining companies (USD).....	32
Table 18:	Status of Major Disputes, June 2015	Error! Bookmark not defined.

ABBREVIATIONS & ACRONYMS

3TG	Tin, Tungsten, Tantalum and Gold
ADUC	Africa Down Under Conference
AIDS	Acquired Immune Deficiency Syndrome
AGF	Arusha Gem Fair
ASM	Artisanal and Small Scale Mining
ASMs	Artisanal and small-scale miners
BGM	Bulyanhulu Gold Mine
BZGM	Buzwagi Gold Mine
CSR	Corporate Social Responsibility
Ct	carat
EITI	Extractive Industry Transparency Initiative
EPP	Environmental Protection Plan
g	gram
GGM	Geita Gold Mine
GMIS	Geological Management Information System
GPM	Golden Pride Mine
GST	Geological Survey of Tanzania
HIV	Human Immunodeficiency Virus
ICGLR	International Conference on the Great Lakes Region
Kg	Kilogramme
KPCS	Kimberly Process Certification Scheme
lb	Pound
LSM	Large Scale Mining
MCIMS	Mining Cadastral Information Management System
MCP	Mine Closure Plan
Mct	Million carats
MDA	Mining Development Agreement
MEM	Ministry of Energy and Minerals
Mlb	Million pounds
ML	Mining License
Moz	Million troy ounces
MRI	Mineral Resources Institute
Mt	Million Tonnes
NGO	Non-Governmental Organization

NMCC	National Mine Closure Committee
NMGM	North Mara Gold Mine
OECD	Organisation for Economic Cooperation and Development
OMCTP	Online Mining Cadastre Transactional Portal
PDAC	Prospectors and Developers Association of Canada
PMLs	Primary Mining Licenses
RCM	ICGRL Regional Certification Mechanism
RMO	Resident Mines Office
SHE	Safety, Health and Environment
SML	Special Mining License
SMMRP	Sustainable Management of Mineral Resources Project
SSM	Small Scale Mining/Miner
STAMICO	State Mining Corporation
TAMIDA	Tanzania Mineral Dealers' Association
TAWOMA	Tanzania Women Miners' Association
TGM	Tulawaka Gold Mine
TMAA	Tanzania Minerals Audit Agency
Toz	Troy ounces
TTM	TanzaniteOne Mine
TZS	Tanzania Shillings
USD	United States Dollar
VETA	Vocational Education and Training Authority
ZMO	Zonal Mines Office

FOREWORD BY THE PERMANENT SECRETARY

I have great pleasure to present this Annual report describing achievements of the Minerals Division in the implementation of its Work Plan for the financial year 2014/15. I am glad that the report is reflective of the Ministry's Strategic Plan and provides feedback on the implementation of the Mineral Policy of 2009, in particular on the issues of integration of the mineral sector with other economic sectors, skills development, human resource development and small-scale mining development.



In reflecting on the achievements recorded in this report, one should be aware of the fact that the extractive industry is going through a very difficult period worldwide. The credit crunch has led to dwindling Foreign Direct Investments and lack of risk capital for exploration and has affected many prospectors who made Tanzania their favourite exploration destination.

Despite the downturn in exploration and development of new mines, it is encouraging to note that the overall sector performance is positive looking as indicated in this report. The government will continue to work closely with the industry players to ensure that the present and future investments are nurtured in a truly Tanzanian Spirit of tranquillity, win-win situation and stability.

The presentation of this information is in line with Government's policy of transparency and enhancing good governance. In that case, I authorise the use of the presented information by other stakeholders provided they quote the source, that is Ministry of Energy and Minerals.

Eng. Ngosi C. X. Mwiha
ACTING PERMANENT SECRETARY
MINISTRY OF ENERGY AND MINERALS

STATEMENT BY THE COMMISSIONER FOR MINERALS

This report documents a year of change in the Minerals Division, as we progressed with internal capacity building, reforms in our business culture and sharpening our customer service focus. Key activities undertaken during the year included improving work environment for existing and new regional mines offices; reorientation and reorganisation of key sections of mines inspectorate, licensing and small-scale mining; and review of mining legislation which included continued dialogue with industry players on the sector reforms.



During the year 2014/15, the Minerals Division recorded the following key positive achievements:

- Licensing services were improved further to reduce waiting times between applying and granting of licences from 18 months to a mere 3 months;
- A public licensing portal was further improved to enable registered licence holders to interact more with the licensing system, with provisions for online application for licences; and
- Government revenues accruing from the mineral's sector increased to Tanzanian Shillings 169.5 billion in the year 2014/15 compared to Tanzanian Shillings 155.65 Billion realized in the year 2013/14.

I am grateful to all Divisional staff for converting challenges into improving performance of the Mineral Sector and hence, the achievements recorded. Their dedications throughout the year are very much appreciated.

Eng. Paul M. Masanja
COMMISSIONER FOR MINERALS

1. ABOUT THE DIVISION

1.1 Who we are

The Minerals Division is one of the Departments under the Ministry of Energy and Minerals; and it is charged with the responsibility of administering the Mineral Sector in Tanzania. Specifically, the Division is responsible for Mines Inspections; Small Scale Mining Development; Licensing and Mineral Rights Management; Administering Minerals Trading, monitoring performance and promoting investments in the mineral sector; Explosives Management; and Overseeing Minerals Beneficiation and Value Addition. Administration of Field activities is achieved through twenty-six regional offices located around the Country.

1.2 Legislation and Other Mandates

The Mineral Sector development is guided through the Mineral Policy of Tanzania, 2009, which aims at entrenching an effective and efficient mineral sector, enhancing sustainable use of mineral resources and accelerating socio-economic development. The Mineral Sector is administered through The Mining Act of 2010 and the Explosives Act of 1963.

1.3 Our Vision

The Mineral Policy of Tanzania, 2009 is the guiding document in effective management of the Mineral Sector. In that regard, the Vision of the Minerals Division is as stipulated in the Mineral Policy, which is to have an Effective Mineral Sector contributing significantly to the acceleration of socio-economic development through sustainable development and utilisation of mineral resources in Tanzania by 2025.

1.4 Our Purpose

To ensure that Tanzania and Tanzanians benefit from the productive and sustainable use of Tanzania's mineral resources. To that end, the Division works to achieve the following objectives, as outlined in the Ministry Strategic Plan 2011/12–2015/16 as follows:

- To improve sustainable development and management of mineral resources for national benefit;
- To improve mineral resources management and support services; and
- To reduce HIV and AIDS infection and improve support services to employees.

2. INTRODUCTION

Key Service Delivery Areas and recent improvements:

2.1 Mineral Licensing Services

Licensing is one of the core services at the Minerals Division. Development of the Online Mining Cadastre Transactional Portal (OMCTP) was advanced during the year to create a public gateway for acquisition of licensing information, lodging application and making payments online. When completed, this project will ease out manual entry of applications by licensing staff at the Ministry, which will make processing of licences faster than the current practice. Public awareness on the OMCTP was initiated in August 2014 through to the end of the financial year (June, 2015). A total of 146 companies and 54 individuals were registered to use the OMCTP by the end of the year, which is about 25 per cent of the target. In the end, the OMCTP will enhance transparency and good governance at the Ministry. Launching of the OMCTP was planned for 1st September, 2015.

2.2 Mines Inspectorate

Strengthening of the Mines Inspectorate was prioritised with the focus for improved administration and monitoring of the Mineral Sector. Two Senior Mines Inspectors underwent one-month training at SIMTARS in Queensland, Australia. The Ministry also collaborated with the Centre for Science and Environment (CSE) of New Delhi India to provide tailor made training for 40 mines inspectors. Furthermore, mines inspections and auditing check-lists were updated and piloted in medium and large-scale mines. Specific inspection manuals for small-scale mines were also developed and launched.

2.3 Mineral Statistics and Information

Integration of mineral statistics and information was initiated in collaboration with the Tanzania Minerals Audit Agency and the Geological Survey of Tanzania. The Mining Cadastral Information Management System was used as a platform through which mineral data will be compiled, analysed and published using the Mining Cadastre Portal. Data integration was half achieved at the end of the year, and now the Mining Cadastre Portal is linked to the Geological and Mineral Information System (GMIS), and benefits from updated statistics from various sources. The public will benefit from the integration as more information can be obtained by visiting Geological Portal or the Mining Cadastre Portal.

2.4 Mining Skills Development

Skills development in the Mineral Sector is undertaken in various ways, most common being training provided by the Mineral Resource Institute (MRI), and the Tanzania Gemmological Centre (TGC), which are under the Ministry of Energy and Minerals. The Ministry established collaboration with the Vocational Education and Training Authority (VETA), Dar es Salaam Institute of Technology (DIT), Arusha Technical College (ATC), University of Dar es Salaam (UDSM) and University of Dodoma (UDOM) to provide training on mineral sciences.

2.5 Geological Services

The Geological Survey of Tanzania (GST) launched a public geo-information portal as a culmination of a four-year project under the Sustainable Management of Mineral Resources Project (SMMRP) with credit from the World Bank (CR. 4584-TA). The Geological and Mineral Information System (GMIS) contains information that was compiled following extensive geological, geochemical and geophysical survey work that was carried out under the project. Any person wishing to view the information on GMIS can visit www.gmis-tanzania.com.

GST also upgraded its geotechnical and geochemical laboratories, which are used for research work as well as serving the public who require such services. The Geological Survey of Tanzania was also able to delineate geothermal resources in Mbeya Region; Helium gas in Mara Region; and refractory minerals found in Tanzania. GST continued to monitor earthquake activities through 8 permanent monitoring stations located in Dodoma, Kibaya, Babati, Manyoni, Geita, Mtwara, Mbeya and Longido; and through 25 temporary monitoring stations located in Mbeya, Njombe and Ruvuma regions. No major earthquake activities were reported during the reporting period.

2.6 Extension Services to Artisanal and Small-Scale Miners

The Small Scale Mining Section at the Division coordinated extension services throughout the country. Specific training was conducted to small-scale miners (SSMs) in Tunduru, Singida and Mbeya during the year 2014/15. Such extension services aimed at building capacity of SSMs in designated areas and improve their productivity and safety standards. This is important in reducing illegal mining and encroachment of licensed areas. The Division also collaborated with the Federation of Miners Associations of Tanzania (FEMATA) so as to prioritize interventions in SSMs mining areas in provision of geological information and training on mining and processing of their mineral products.

The Division acquired two drilling rigs that will be used to assist small-scale miners requiring geological surveys and assessment of their areas by drilling. The small-scale mining development fund was scaled up for issuing small grants. The small grants are expected to cultivate the culture of entrepreneurship among SSMs and to support transformation of Artisanal and Small Scale Mining (ASM) into productive enterprises. .

The Division continued to work with GST and the State Mining Corporation (STAMICO) to provide extension services to the SSMs. Additionally, Extension Service Officers met towards the end of the year to deliberate on the achievements and challenges they faced during the year.

2.7 Grievance Handling and Dispute Resolution

The Division embarked on a comprehensive plan to resolve all pending mining disputes that were disruptive to the development of the Sector. Long-pending disputes between small-scale miners and exploration/mining companies at Mwabomba (Kahama), Ishokelahela (Misungwi), Samena (Geita), Shenda (Mbogwe), Kanegele (Mbogwe), Same, and Nambilanje (Ruangwa) were resolved during the year. Facts-finding visits were made to Shinyanga, Musoma, Mwanza, Arusha, Tanga, and Lindi where long-standing disputes were investigated. The Commissioner for

Minerals convened six dispute-hearing meetings in accordance to Section 102 of the Mining Act, 2010.

2.8 Promotion and Public Awareness Programmes

The Division created a positive image of the Mineral Sector through awareness and promotion activities performed in the following international and local exhibitions and fairs: Prospectors and Developers Association of Canada (PDAC), Mining Indaba South Africa and Africa Down Under in Australia (ADU). On the gemstone industry, Division staff participated in Tucson, Bangkok and Hong Kong Gem and Jewellery Fairs. The Division also participated in local fairs such as SabaSaba, NaneNane and Utumishi Day.

The Division used a newly acquired Outside Broadcasting Van (OBV) to conduct awareness campaigns around major mining sites. Awareness campaigns were conducted in Lake Victoria Eastern Zone, Southern Zone, Lake Victoria Western Zone, Northern Zone and South Western Zone. The awareness was aimed at reminding small-scale miners to comply with the requirements of the Mining Act and Regulations, and payment of Government dues.

2.9 Key Policy Developments and Legislative Changes

The Division prepared miscellaneous amendments to the Mining Act, 2010 that were submitted to the Parliament. The amendments aimed at accommodating changes to the licensing system, enhancing transparency and providing powers to the Commissioner for Minerals to dispose minerals resulted from illegal dealings. The proposed changes were approved as Consequential Amendments under Part VII of the Tanzania Extractive Industries (Transparency and Accountability) Act of 2015.

Work on promulgation of new Acts for Explosive Management and Minerals Value Addition were initiated. The Division also prepared draft regulations to support the implementation of ICGLR-OECD guidelines on Tin, Tungsten, Tantalum and Gold (3TG Minerals) in Tanzania. Formulation of Local Content Regulations was initiated in order to steer and fast track the linkage of mining into the local economies.

2.10 Staff Development Programmes

In the financial year 2014/15, the Minerals Division continued to implement its training programme. 25 Staffs were trained through long courses, 11 Short courses and seven field attachments. Furthermore, 60 new staffs were recruited including 22 Mining Engineers, 23 Geologists, 1 Mineral Processing Engineer and 15 Mining Technicians.

3. ACHIEVEMENTS

During the year (July 2014 to June 2015), the Minerals Division continued to implement its core activities through the respective Sections and Zonal Mines Offices. Implementation summary is narrated below.

3.1 Strengthening Health, Safety and Environment Management in Mines

The Division inspected 1,428 mines in the country in which five were large-scale mines namely Buzwagi, Bulyanhulu, Geita, North Mara and Williamson Diamond Mine (WDL), 20 medium-scale mines and 1,403 small-scale mines as of June, 2015. These inspections resulted into improved health and safety in the mines. Furthermore, the Division approved 25 Environmental Protection Plans-(EPP's) submitted by the small-scale miners.

During the year under review, Geita Gold Mine and TanzaniteOne Mine submitted their mining closure plans to the National Mine Closure Committee (NMCC) to be reviewed as required by the Mining Act of 2010. This requirement is to ensure that environmental matters are adhered to throughout the entire life of the mines. Furthermore, closure plan for WDL was approved by NMCC. The Division also reached an agreement with Bulyanhulu, Buzwagi and North Mara Gold mines to post rehabilitation bonds in one of the banks in the country to cater for environmental protection.

Resolute Tanzania Limited (RTL), the owner of Golden Pride Mine located in Nzega District, completed environmental rehabilitation of the mine in accordance with the approved mine closure plan in November 2014. In December 2014, RTL handed over the mine site and its facilities to the Mineral Resource Institute (MRI) to be used for training as part of MRI campus. MRI started training 240 students on 6th February 2015 using these facilities.

Environmental Management was monitored in the following areas:

- inspection of VAT leaching and elution plants in Mwanza region;
- Inspection of eleven (11) medium and small-scale mining projects in Mtwara and Lindi regions;
- Inspection of nineteen (19) medium and small-scale mining projects on environmental issues in Morogoro and Coast regions;
- Reviewing six Environmental Impact Statement reports for mining projects; and
- Environmental inspection for Large-scale mines in Shinyanga, and Geita regions.

Overall, no major environmental incident was recorded during the year. The ASM remained the main challenge in environmental management, which is leveraged through the enforcement of Environmental Protection Plans in Primary Mining Licences.

3.2 Administration of Explosives Matters

Explosives use continued to increase due to expansion of mining activities, oil and gas exploration and various infrastructure projects. By comparison, a total of 15,628.8 tonnes of explosives and 2,177,062 pieces of detonators were imported in the previous year, while this year 21,400 tonnes of explosives and 2,694,863 pieces of detonators were imported for use in the country. This reflects an increase of 25% for imported detonators and 37% for imported explosives.

In the year of 2014/15, five magazine licenses, 105 import permits, and 97 blasting certificates were issued. Inspections were conducted on 25 magazines and 15 explosives stores.

3.3 Promotion of Mineral Value Addition Activities

The Division issued 39 gold processing licenses and one (1) industrial minerals licence by the end of the year under review. Inspections were conducted on value addition facilities in the Northern and Eastern Zone, in which 430 faceting machines owned by 78 mineral dealers were inspected. Through this exercise, a database on gem cutters and gem faceting machines was updated.

The Division also finalised rehabilitation of the infrastructure for the Tanzania Gemmological Centre (TGC) in Arusha. This Centre has trained 15 women in lapidary under the sponsorship of Arusha Gem Fair (AGF) Women Foundation Fund.

3.4 Promotion of the Mineral Sector and Trading Activities

During the period under review, the Division participated in the following minerals promotion fora - INDABA (South Africa), PDAC (Canada) and ADU (Australia) whereby several presentations were made on geo-scientific issues.

Additionally, the Division finalized negotiations of the Mining Development Agreement (MDA) with Mantra Resources Limited for Uranium mining at Mkuju River in Namtumbo District.

The Division also issued 328 dealer licences and 116 broker licences. Furthermore, the Division has embarked on a strategy to deal with minerals con-men by publishing a list of authentic Mineral Dealers on the Ministry's website.

In November 2014, the Division in collaboration with Tanzania Mineral Dealers Association (TAMIDA) organised the Arusha Gem Fair that attracted 465 participants from 29 countries of East and Central Africa, Asia, America and Europe. During the Fair, Tanzania Shillings 3.4 billion worth of minerals were traded and the government collected Tanzania Shillings 113.8 million as royalty. To enhance and promote AGF, the Division participated into International Gem Fairs notably 54th Bangkok Gem and Jewellery Fair in Thailand, the Hong Kong Gem & Jewellery Fairs, and the Tucson Show in the United States of America.

In April 2014, the Division in collaboration with TAMIDA organised another Arusha Gem Fair that attracted 200 mineral dealers from Kenya, Rwanda Democratic Republic of Congo and Tanzania who participated in the AGF as sellers of gemstones while 160 buyers from all over the world

attended the Show. A total of Tanzania Shillings 6.4 billion worth of gemstones were traded and Tanzania Shillings 247.7 million was received as government revenue in form of royalty.

3.5 Streamlining Issuance of Mineral Rights

During the year 2014/15, a total of 6,107 applications for prospecting and mining licences were received and entered in the Mining Cadastre Information Management System (MCIMS). Among the applied licences, 318 were applications for Prospecting Licence, 11 for Mining Licence, and 5,778 were for Primary Mining Licence. Out of the received 6,107 applications for mineral rights in year 2014, a total of 111 applications were rejected due to failure to comply with the Mining Act of 2010. During the same period, a total of 775 licences were issued in which 792 were for Prospecting Licence, 28 for Mining Licence and 3,935 for Primary Mining Licence.

During the period under review, a total of 1,514 licences were registered online using Mining Cadastre Transactional Portal which is online system to assist stakeholders to apply and pay fees and rents of mining rights.

During the period under review, 635 Default Notices were issued involving 628 for Prospecting Licences, 7 for Mining Licences and 723 for Primary Mining Licences. Additionally, 223 Prospecting Licences, one Mining Licence and 723 Primary Mining Licences were cancelled.

3.6 Facilitating Small Scale Mining Development

The Division assessed 25 designated areas covering 2,166 kilometres containing 8,800 Primary Mining Licences issued to the small-scale miners. The assessment revealed that, a greater percentage of designated areas are underutilized by the intended small-scale miners.

The Division also negotiated with companies holding prospecting and mining licences and the companies agreed to surrender portions of their prospecting licences to be allocated to small-scale miners. As a result, 22,970 hectares were made available to the small scale miners in Buzwagi, Kinamiyuba (Kahama District, Shinyanga Region); Mumba, Salami and Ukene (Nzega District, Tabora Region); and Ibologelo (Igunga District – Tabora Region). It is expected that, a total of 2,297 primary mining licences (PML's) will be allocated to small scale miners from these areas.

The Division has set aside 6.2 billion Tanzanian Shillings for provision of small grants to develop the small scale mining sub-sector. During the period under review, a total of 750 small scale miners have submitted applications for grants and the Division is scrutinizing those applications and eligible small scale miners will soon receive the grants. Based on the initial evaluation of the received applications for Small Grant, 111 small scale miners are expected to receive grants amounting to Tanzanian Shillings 7.2 billion in F/Y 2015/16.

The Ministry launched a Multi Stakeholders Partnership Initiative (MSPI) Project at Lwamgaza in Geita District. The Pilot project at Lwamgaza area targets the following areas:

- Improving viability of ASM operations and in-turn incomes of miners;
- Improving the miners' knowledge and skills;
- Improving access to finance, equipment technology and markets; and

- Reducing negative social, health and environmental impacts like mercury exposure, land degradation, child labour, gender inequality, unsafe and exploitative working conditions.

When successfully completed, this Pilot Project will set a good justification for a roll-out of similar Centres of Excellence for small-scale mining in Tanzania. The Project also sets a good precedent for Public Private Partnership initiatives in the Minerals Sector.

3.7 Compliance with International Conventions and Protocols

Tanzania is a signatory to international conventions and protocols related to minerals trading. Such protocols and conventions include Kimberley Process Certification Scheme, Tucson Tanzanite Protocol, ICGLR Protocol on Natural Resources and Minamata Convention on Mercury as explained in the following paragraphs.

3.7.1 Minamata Convention Implementation Status

The Minerals Division has conducted several workshops to create awareness to small-scale miners on the impact of mercury to human health and environment as a whole. However, artisanal and small-scale miners are still using mercury in gold processing without retorts, which means more effort is required to find alternative technology in gold recovery.

3.7.2 Kimberley Process Certification Scheme

Tanzania is a compliant member of the Kimberley Process Certification Scheme (KPCS) since 2003. KPCS is a joint initiative of governments, international diamond industry and civil society aimed to stem the flow of conflict rough diamonds that are used by rebel movements to finance wars against legitimate governments. It was a result of the United Nations General Assembly (UNGA) Resolution 55/56 of 2000, which called on the international community to give urgent and careful consideration to devising effective and pragmatic measures to address the problem of conflict diamonds in Africa.

Tanzania has put in place Mining (Diamond Trading) Regulations 2003 (saved in the Mining Act, 2010) and internal controls for export and import of rough diamonds. Tanzania is also committed to transparency and the exchange of statistical data on quarterly basis with participants, and ensures diamonds trading with only other KPCS participants. A Kimberly Process certificate guaranteeing that they are conflict-free, uses forgery proof certificates and sealed temper proof containers accompanies each shipment of rough diamonds. KPCS on responsible signatories have been appointed.

3.7.3 Tucson Tanzanite Protocol

Tanzania is compliant to the Tucson Tanzanite Protocol that was signed in February 2002 in order to restore confidence in Tanzanite trading. Some of the requirements of the protocol include formulation of Merelani Controlled Area Regulations 2002, construction of fence around controlled area and introduction of Tanzanite warranty for all Tanzanite exports.

3.7.4 ICGLR Protocols on Natural Resources

Tanzania is one of twelve African states that form the International Conference on the Great Lakes Region, which signed a pact for Security, Stability and Development in the Great Lakes

Region in December 2006. As part of that Pact, the implementation of the Protocol against the Illegal Exploitation of Natural Resources is among top priorities of twelve ICGLR Member States.

In implementing the protocol, Tanzania is compliant with EITI and continues to formalize ASM as well as setting up a Minerals Database. The Division has prepared Regulations to support implementation of the ICGLR Regional Certification Mechanism. Other priorities that were pursued during the year under review were undertaking scoping study and establishing a National Task Team for spearheading implementation of Regional Certification Mechanism (RCM) in Tanzania.

4. DIVISION PLANS FOR 2015/2016

During the year 2015/2016 the Division will strive to improve its performance in regulatory and service provision roles by undertaking the following activities:

4.1 Strengthening Health, Safety and Environment Management in Mines

The Division will continue monitoring health, safety and environmental (HSE) management in small, medium and large scale mines in the country. The Division will work with stakeholders to promote and enhance best HSE practices in the mines. The Division will continue following up preparation and submission of mining closure plans to the National Mine Closure Committee by El-Hilal Diamond Mine located in Kishapu District, New Luika Gold Mine in Chunya District and Ngaka Coal Mine in Mbinga District.

It will also follow-up the review process of Mine Closure Plan for Tulawaka Gold Mine following handing over of this Mine to STAMICO. The Division will also continue offering extension service to small scale miners in matters related to Environmental Protection Plan and general adherence to the Mining Act, 2010.

The Division will also continue working with various stakeholders to strengthen the capacity of the Mines Inspectorate in order to perform pro-active HSE monitoring, auditing and promotion. The Division will continue collaborating with the ICGLR Secretariat in order to ensure the compliance with ICGLR-OECD guidelines on 3TG minerals.

4.2 Administration of Explosives Matters

The Division will work towards finalising the enactment of the new Explosives Act to ensure that importation, handling, transportation and usage of explosives are undertaken in good order to improve explosives management in accordance with changing technology in blasting and other explosives uses.

The Division will also strengthen its routine inspection of explosives use in mines, oil & gas exploration activities and explosives storage facilities. The Division also plans to train 1,200 small-scale miners in matters pertaining to safe handling and usage of explosives.

4.3 Promotion of Mineral Value Addition Activities

The Division will continue supervising value addition activities by conducting frequent inspections to processing, smelting and refinery plants and gem cutting centres in the country.

The Division will continue promoting value addition and mineral beneficiation activities in order to foster creation of employment, income to the people and increase government revenue. It will also facilitate TGC to enable it to implement its training programme in science of gemmology, stone carving, and jewellery design & manufacturing.

4.4 Promotion of the Mineral Sector and Trading Activities

The Division will continue to strengthen inspection and monitoring functions in order to have correct records of minerals production and trading transactions and enhance Government revenue collection.

The Division in collaboration with other Government institutions will continue to deal with illegal miners and mineral smugglers.

The Division will continue to promote investments and create awareness on the Mineral Sector through various means including international and local exhibitions and mining fora. The Division will also continue working with stakeholders to ensure compliance with the Kimberly Process Certification Scheme and the Tucson Tanzanite Protocol certification.

4.5 Streamlining Issuance of Mineral Rights

The Division will complete establishment of the Online Mining Cadastre Transactional Portal and Data Recovery Centre in Morogoro. In order to improve accessibility of Mining Cadastre Portal to small-scale miners, a Swahili version of the OMCTP will be developed. The Division will also strengthen the issuance of mineral right licenses in zonal and resident offices and installation of MCIMS in new mines offices at Moshi, Nachingwea, Njombe and Bariadi. Reinstallation of MCIMS to rehabilitated offices at Tanga, Mpanda, Dar es Salaam and Merelani will be undertaken. Data integration and establishment of EITI and minerals traceability modules within the Mining Cadastre Portal will be implemented.

4.6 Facilitating Small Scale Mining Development

The Division will continue implementing the strategy of developing small-scale mining through provision of small grants to the small-scale miners. The Division has set aside Tanzanian Shillings 3 billion and USD 3 million for the year 2015/16 to cater for this programme. The second strategy will involve demarcating potential areas for small-scale mining obtained by negotiating with current owners or areas where licences have expired or relinquished by the holders. The third strategy will involve theoretical and on-job training to 100 small-scale miners and distribution of 4,000 training manuals.

The Division will also work with stakeholders to create awareness on the requirements of the Minamata Convention on Mercury. Collaboration for developing a national Action Plan for abatement of mercury use in gold processing will be advanced.

OBJECTIVES AND PERFORMANCE INDICATORS

The Department's objectives, targets and performance indicators as outlined in the Strategic Plan 2011/12–2015/16 are detailed in **Table 1**.

Table 1: Objectives, targets and performance indicators

OBJECTIVE CODE AND DESCRIPTION	TARGET CODE AND DESCRIPTION	PERFORMANCE INDICATORS			
		Description	Annual Plan	Actual	Remarks

OBJECTIVE CODE AND DESCRIPTION	TARGET CODE AND DESCRIPTION	PERFORMANCE INDICATORS			
		Description	Annual Plan	Actual	Remarks
OBJECTIVE D: Sustainable development and management of mineral resources for nation benefit improved.	TARGET 01: Mining investment promoted in 14 international mining fora by June, 2016.	Increased mining investment	New 5 LSM developed	0 new LSM developed	Mkuju River Uranium Project, Kabanga Nickel Project, Ntaka Hill Nickel Project, Nyanzaga Gold Project, Nyakafuru Gold Project, Canaco Gold Project, Panda Hill Niobium Project, Liganga Iron Ore Project and Mchuchuma Coal Project were affected by poor commodity prices as well as capital markets downward trends.
	TARGET 02: 8,000 Small scale miners formalized, organized and developed by June, 2016.	Increased number of formalized artisanal and small-scale miners	2, 000	4,588	Decentralisation and simplification of licensing services increased formalization. Six exclusive areas for SSM were demarcated.
	TARGET 03: Value addition to gemstones increased from 35% (2012) to 70% by June, 2016	Increased value-added to minerals	63%	53.5%	
	TARGET 04: Safety, occupational health and environment protection improved in 60 large and medium scale mines; in 270 prospecting	Number of rehabilitation bonds posted.	3	0	Agreements were reached with Bulyanhulu, Buzwagi and North Mara gold mines for posting of Rehabilitation Bonds for Mine Closure.
		Reduced number of mine incidences	Zero fatality	45 fatalities	Fatalities aggravated by artisanal mining.

OBJECTIVE CODE AND DESCRIPTION	TARGET CODE AND DESCRIPTION	PERFORMANCE INDICATORS			
		Description	Annual Plan	Actual	Remarks
	areas and in 4,000 small scale mining areas by June, 2016	Number of approved Mine Closure Plans	4	1	Mine Closure Plan for WDL was approved. GGM, NLGM and Ngaka Mine Closure Plans are still under review.
	TARGET 05: Mineral Rights management improved and licensing disputes reduced by 40% by June, 2016	Reduced mineral right disputes and complaints	10	6 disputes were resolved	
OBJECTIVE E: Resources management and support services improved	TARGET 01: Revenue collection from energy and mineral sectors increased to an average 221 billion per annum by June, 2016	Increased revenue collection	TZS 209 to be billion collected from the mineral sector.	TZS 169.5 billion	Low gold price and closure of 2 large-scale gold mines (Tulawaka and Golden Pride) affected revenues.
	TARGET 02: Mineral policy, five (3) Acts and regulations governing energy and mineral sectors reviewed and formulated by June, 2016	Increased mineral sector contribution to GDP	3	3.5	

5. OTHER SECTOR PERFORMANCE INDICATORS

In this section, we present industry performance as captured through monitoring activities performed by the Division.

5.1 Health, Safety and Environment Performance

The management of Safety, Health and Environmental (SHE) issues in the mines is very important in order to foster a safe and healthy work environment in the mines. The performance of SHE in mines is generally categorized in three groups, which are large-scale mines, medium scale mines, and small scale mines.

During 2014/15, the management of SHE in large scale mines was generally good. There was only one accident, with zero fatality; compared to 16 accidents, which caused 15 deaths in 2013/14. In regards to environmental rehabilitation, the Golden Pride Project was rehabilitated successfully in accordance to approved Mine Closure Plan (MCP). Furthermore, the Government has finalized negotiations with ACACIA Mining PLC on posting of Rehabilitation Bond for its three mines, namely Bulyanhulu, Buzwagi and North Mara. The two parties are working on Rehabilitation Bond Agreement to be signed any time soon. This will be followed by posting of rehabilitation bond with a local bank. In addition, during the period under review, the National Mine Closure Committee reviewed the MCP for Geita Gold Mine. The company was directed to work on the document for improvement.

Concerning medium scale mines, management of SHE was fairly practiced. Six accidents, which caused two deaths, were recorded in 2014/15 compared to nine accidents, which caused two deaths in 2013/14. No any mine which submitted MCP for review.

In view of management of SHE in small scale mines, performance was generally poor. Accidents recorded were on high side compared to large and medium scale mines. During the period under review, there were 22 reported accidents, which caused 45 deaths in 2014/15 compared to 26 reported accidents, which caused 36 deaths in 2013/14. Furthermore, land degradation was an obviously situation in small scale mining areas, particularly in illegal mining areas with no significant response on preparation of Environmental Protection Plan (EPP) by PML holders as required by The Mining (Environmental Protection Plan for Small Scale Mining), Section 3 (1).

5.2 Exploration and Mining Projects

Tanzania continued to attract investment in the Mineral Sector, in which by the end of June, 2015 nine (9) large-scale mines were operational in the country (Table 2) and about 21 projects reached feasibility study and project development stages (Table 3).

5.2.1 Mining Projects

Currently there are nine (9) large-scale operating mines as described in **Table 2**. Apart from large-scale mines, there is also one medium scale mine known as El Hilal Minerals Diamond Mine, located in Kishapu District in Shinyanga Region.

Table 2: Large scale mines currently in operation

Company/ Project	Ownership	Resource	Grade	Life of Mine (yrs)	Monthly Throughput (tons)	Commissioning Date
Bulyanhulu Gold Mine (gold)	Acacia Mining Plc.	28.2 Mt	14.5 g/t	30	1,095,000 ore processing/ 15,100kg gold	Jul. 2001
Geita Gold Mines (gold)	AngloGold Ashanti	169.8 Mt	3.3 g/t	11	6,000,000 ore processing/ 24,000kg gold	Aug. 2000
North Mara Gold Mine (gold)	Acacia Mining Plc.	48.8 Mt	3.3 g/t	9	2,800,000 ore processing/ 10,000kg gold	Aug. 2002
TanzaniteOne Mining Ltd (Tanzanite)	Sky Associates JV STAMICO	105 Mct		17	120,000 ore processing/1,60 0 kg of Tanzanite	2001
Williamson Diamonds Ltd (diamonds)	Petra Diamonds JV Tanzania Government	50.9 Mct	5.2 cpht	13	7,060,000 ore processing	1940
Biharamulo Gold Mine (gold)	STAMIGOLD	1.9 Mt	11.3 g/t	3	125,000 Ounces	Jun. 2005
Buzwagi Gold Mine (gold)	Acacia Mining Plc.	27.9 Mt	2.3 g/t	5	360,000 ore processing	2009
New Luika Gold Mine (gold)	Shanta Mine		6.1 g/t	5	50,000 processed ore	2012
Ngaka Coal Mine (coal)	Tancoal Energy/NDC	200 Mt	Grade A and B	100	40,000 processed ore	2011

5.2.2 Exploration Projects

At the end of year 2014, the following exploration projects were at feasibility study stage and others were at project development stage. The Projects and announced reserves are as indicated in **Table 3**.

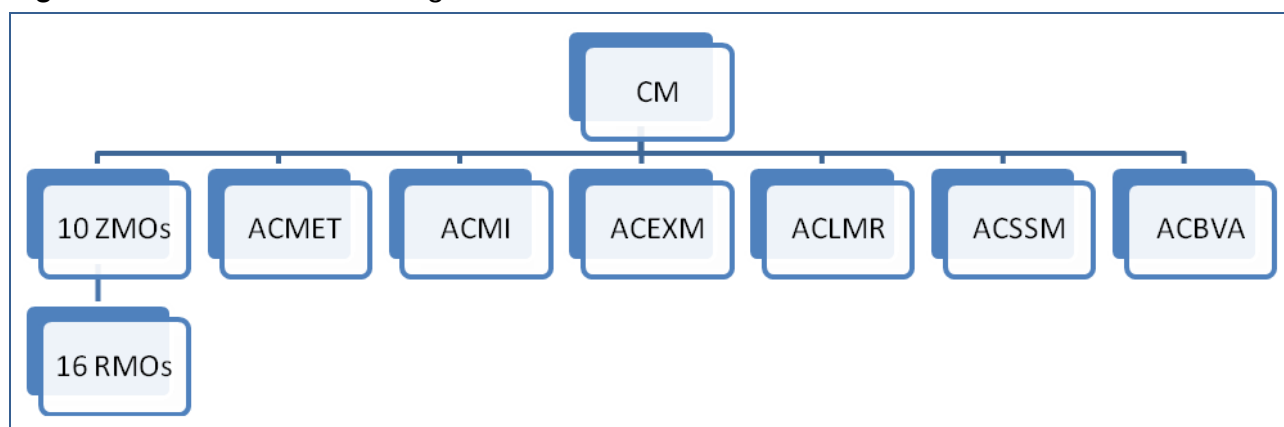
Table 3: Exploration projects in advanced stages

S/N	Project name	Locality	Reserves
1	Bahi Uranium Project	Bahi, Dodoma	6.1 Mlb
2	Buckreef Gold Project	Geita	1.3 Moz
3	Dutwa Nickel Project	Bariadi, Simiyu	110 Mt @ 0.93 % Ni and 0.02% Co
4	Epanko Graphite Project	Mahenge, Morogoro	2.2 Mt
5	Handeni Gold Project/ Magambazi	Handeni, Tanga	0.721 Moz
6	Kabanga Nickel Project	Ngara, Kagera	37.23 Mt
7	Liganga Iron Ore Project	Ludewa, Njombe	126 Mt
8	Magamba Coal Project	Ileje, Songwe	52 Mt
9	Manyoni Uranium Project	Manyoni, Singida	29 Mlb
10	Mbalawala Coal Project	Mbinga, Ruvuma	40 Mt
11	Mbeya (formerly Rukwa) Coal to Power Project	Momba and Chunya, Songwe	71.3 Mt
12	Mchuchuma Coal Project	Ludewa, Njombe	482 Mt
13	Mkuju River Uranium Project	Namtumbo, Ruvuma	124.6 Mlb
14	Nachu Graphite Project	Ruangwa, Lindi	156 Mt @ 5.2%
15	Ngualla Rare Earth Project	Chunya, Mbeya	1.28 Mt
16	Nyakafuru Gold Project	Mbogwe, Shinyanga	13 Mt
17	Nyanzaga Gold Project	Sengerema, Mwanza	4.6 Moz
18	Ntaka Hill Nickel Sulphide Project	Nachingwea, Lindi	0.12 Mt
19	Panda Hill Niobium Project	Mbozi, Songwe	96.3 Mt @ 0.53% Niobium
20	Saza-Makongolosi Gold Project	Chunya, Mbeya	0.47 Moz
21	Wigu Hill Rare Earth Project	Morogoro	3.3 Mt

6. ORGANISATION AND GOVERNANCE

The Minerals Division is led by the Commissioner for Minerals (CM) and six Assistant Commissioners under the following Sections: Mines Inspectorate (MI), Small Scale Mining Development (SSM), Licensing and Mineral Rights Management (LMR), Minerals Economics and Trading (MET), Explosives Management (EXM) and Mineral Beneficiation and Value Addition (BVA). Also, there are ten Zonal Mines Offices (ZMOs) namely: Lake Victoria Eastern, Lake Victoria Western, Eastern, Northern, Western, Central, Central-Western, Southern, Lake Nyasa and South-Western. There are also sixteen (16) Residents Mines Offices (RMOs) at Bariadi, Bukoba, Chunya, Dodoma, Geita, Handeni, Kahama, Kigoma, Merelani Morogoro, Moshi, Nachingwea, Njombe, Tabora, Tanga and Tunduru. The Division Organization Structure is as shown on **Figure 1**.

Figure 1: Minerals Division Organisation Structure



Key: **CM** – Commissioner for Minerals, **ZMO** – Zonal Mineral Office, **ACMET** - Assistant Commissioner for Mineral Trade and Economics, **ACMI** - Assistant Commissioner for Mines Inspection, **ACEXM** - Assistant Commissioner for Explosives Management, **ACLMR** - Assistant Commissioner for Licensing and Mineral Rights Management, **ACSSM**- Assistant Commissioner for Small-Scale Mining Development, **ACBVA** - Assistant Commissioner for Beneficiation and Value Addition, **RMO** – Resident Mines Office.

6.1 Mines Inspectorate Section

This Section is responsible for regulating safety, occupational health and environmental management in exploration and mining activities. To achieve this, the Section coordinates inspection and monitoring of exploration and mining activities and issues guidelines and standards for promotion of safe working and occupational health. It also conducts investigations and inquiries of mining accidents and incidences. Furthermore, it scrutinizes and approves mines and plant designs and related structures, as well as special rules made by Mine Managers for maintenance of order, discipline and prevention of accidents in the mines.

6.2 Small Scale Mining Development Section

This Section oversees support programmes for artisanal and small scale mining (ASM), including developing guidelines and standards for Small Scale Mining. To achieve this, the Section coordinates capacity building for artisanal and small-scale miners including providing information on opportunities present in the mineral sector. The Section is also responsible for

promotion of appropriate modern technologies for ASM, entrepreneurship, cooperatives, and an establishment of formal funding systems to support development of small-scale mining.

6.3 Licensing and Mineral Rights Management Section

The Licensing and Mineral Rights Management Section manages mineral rights registry and zonal sub-registries; also manages licensing and administration of mineral licences in Tanzania through the Mining Cadastre Information Management System.

The Section is responsible for receiving and processing mineral rights applications; preparing procedures for licensing and mineral rights; monitoring submission of performance reports from licence holders and ensuring compliance with the Mining Act and Regulations; and managing demarcation of exclusive areas for small-scale mining. The Section also maintains a desk for customer services including providing licensing information.

6.4 Mineral Economics and Trading Section

This Section coordinates formulation and review of the mineral sector's legal, regulatory and fiscal regimes; and oversees minerals trading activities and maintenance of the minerals database. The Section coordinates minerals market intelligence, surveys, and compiles indicative prices of minerals in collaboration with the Ministry of Industry, Trade and Marketing. It also manages and regulates the Kimberly Process Certification Scheme; and liaises with relevant institutions and NGOs to promote investments in the Mineral Sector.

6.5 Explosives Management Section

The Explosives Management Section regulates manufacturing, importation, exportation and handling of explosives used for mining in Tanzania. To achieve this, the Section processes applications for export and import of explosives; construction of explosives storage facilities and manufacturing; applications for blasting certificates and tests the competence of blasters; and oversees destruction of expired and damaged explosives and blasting accessories. The Section also maintains explosives database.

6.6 Mineral Beneficiation and Value Addition Section

This Section coordinates monitoring of mineral beneficiation activities that include mineral processing, smelting and refinery. It also facilitates investments and promotion of mineral beneficiation and value addition activities such as lapidary, stone carving and jewellery making; smelting and refining industries. The Section is also responsible for receiving and processing licences for processing, smelting and refining of minerals; as well as facilitating small, micro and medium enterprises on minerals beneficiation.

6.7 Zonal and Resident Mines Offices

The Ministry of Energy and Minerals has established 10 Zonal Mines Offices (ZMOs) and sixteen (16) Resident Mines Offices (RMOs) to facilitate monitoring and administration of mining activities. The main functions of ZMOs and RMOs include: providing information to the public on mineral sector and liaising with other institutions and stakeholders on mining matters; providing extension services to artisanal and small scale miners; processing licence applications for small

scale mining and mineral trading; and regulating and monitoring mining activities through inspections and scrutinising reports from licence holders.

7. ANNUAL STATISTICS

This chapter highlights annual statistics with respect to the Minerals Sector. A brief description of the statistics presented for each area is as follows:

7.1 Minerals Produced by Small Scale Miners in Year 2014

Major minerals produced by small scale miners include gold, diamond, Tanzanite, salt, gypsum, bauxite, copper ore, marble, tin, coal, kaolin and other gemstones. **Table 4** summarises the production of the mentioned minerals from small scale miners as reported by the licensed miners and mineral traders.

Table 4: Minerals Declared by the small-scale miners in year 2014

Mineral	Weight	Value (USD)
Gold (Kg)	755.23	27,706,539.14
Diamond (ct)	26,523.63	8,435,495.29
Tanzanite (g)	13,727.35	22,483,964.19
Other Gemstones (Kg)	1,211,133.51	47,339,989.10
Salt (Tons)	74,966.69	2,044,638.12
Gypsum (tons)	200,179.08	2,517,993.34
Bauxite (Tons)	25,641.20	2,001,358.48
Copper Ore (Tons)	4,685.26	2,170,727.65
Marble (Tons)	607,055.21	231,584.31
Tin (Kg)	78,725.48	906,980.00
Coal (Tons)	246,127.71	12,428,398.17
Kaolin (Tons)	3,809.29	67,310.72

7.2 Gold Produced at Vat Leaching/Elution Plants

Gold Produced at Vat Leaching/ Elution Plants in Mwanza, Geita and Mbeya regions increased from 619.40 kg in 2013/14 to 954.99 kg in 2014/15. The value of gold produced and royalty paid to Government in respective years is as shown in **Table 5**.

Table 5: Gold Produced at Vat Leaching/ Elution Plants in Mwanza, Geita and Mbeya regions

	Year 2014/15	Year 2013/14
Gold produced (kg)	954.99	619.40
Value (TZS mil.)	56,428.01	34,242.73
Royalty paid (TZS mil.)	2,261.05	1,367.72

7.3 Building Materials and Industrial Minerals Production

Statistics for building materials and industrial minerals produced were reported from Eastern Zone, Lake Victoria Eastern and Western Zones, Central Zone, Northern Zone, South Western Zone, Southern Zone and Lake Nyasa Zone. Quantity of mineral produced, value and royalty paid to the Government is as shown in the Table 6. There is a significant increase of quantity of produced building materials from 7.14 million tonnes in 2013/14 to 13.21 million tonnes in 2014/15. This was mainly attributed to introduction of sales voucher and check-points in the producing areas.

Table 6: Building Materials and Industrial Minerals Production

	Year 2014/15	Year 2013/14
Quantity produced (mil. tons)	13.21	7.14
Value (TZS mil.)	189,526.64	77,550.41
Royalty (TZS mil.)	5,718.49	2,336.72

7.4 Gold and associated minerals produced and exported by Large Scale Gold Mines

Gold and associated minerals produced by large-scale mines in the year 2014 were from Geita Gold Mine, Bulyanhulu Gold Mine, Buzwagi Gold Mine, North Mara Gold Mine, Biharamulo Gold Mine and New Luika Gold Mine. Quantities and values of minerals produced and exported are as shown in **Table 7** and **8**. Despite increase in gold and associated minerals exported in the year 2014/15, the exports value was low compared to the value of the same minerals sold in the year 2013/14 due to decline of metal prices in the World Market.

Table 7: Minerals Produced by Major Gold Mines

	Year 2014/15	Year 2013/14
Gold quantity (toz)	1,315,658	1,307,333
Silver quantity (toz)	524,612	383,163
Copper quantity (lb)	13,842,709	12,693,436

Table 8: Quantity and Value of Minerals Exported by Major Gold Mines

	Year 2014/15	Year 2013/14
Gold quantity (toz)	1,316,805	1,300,977
Silver quantity (toz)	534,381.96	375,895.79
Copper quantity (lb)	15,095,296.02	12,095,952.52
Average gold price (USD/toz)	1,223.55	1,295.64
Average silver price (USD/toz)	17.33	20.56
Average copper price (USD/lb)	2.89	3.18
Total Value (USD)	1,658,690,086	1,737,405,340

7.5 Diamonds Production and Export

Diamond is mainly produced from Williamson Diamonds Limited (WDL) mine located at Mwadui in Kishapu District in Shinyanga Region. Production of diamonds increased significantly in the year 2014/15 to 207,419 carats as compared to 179,703 carats in the year 2013/14. Quantity produced, value and royalty as shown in **Table 9**.

Table 9: WDL Diamonds Production and Export

	Year 2014/15	Year 2013/14
Quantity produced (ct)	207,419	179,703
Quantity exported (ct)	209,322	178,687
Average Price (USD/ct)	335.25	273.36
Export Value (USD)	70,176,164	48,845,207
Royalty Paid (USD)	3,050,621	2,306,214

7.6 Tanzanite production and export

Tanzanite is only produced in Tanzania at Merelani in Simanjiro District in Manyara Region. Export value of Tanzanite in 2013 was USD 7,379,669 and it increased to USD 9,658,706 in the year 2014. Quantities produced, exported and royalty paid are shown in **Table 10**.

Table 10: Tanzanite Production and Exports by TanzaniteOne Mine

	Year 2014	Year 2013
Quantity Produced (ct)	3,798,403	3,235,331
Quantity Sold – rough (g)	5,306,101	3,115,077
Quantity Sold – cut (ct)	76,245	52,809
Export Value (USD)	9,658,706	7,379,669
Royalty Paid (USD)	362,311	229,545

7.7 Coal Production and Sales

Currently, coal is produced at Ngaka Coal Mine located at Ngaka area in Mbinga District, Ruvuma Region. The Mine is jointly owned by Intra Energy Corporation (70%) and National Development Corporation – NDC (30%). There was a significant increase in coal production to 249,495 tonnes in 2014 as compared to 128,920 tonnes produced in 2013. The coal produced is mostly consumed locally by cement factories and partly exported to Kenya, Mauritius and Malawi. Quantity of coal produced and royalty paid are shown in **Table 11**.

Table 11: Coal Production and Sales at Ngaka Coal Mine

	Year 2014/15	Year 2013/14
Quantity produced (ton)	252,211.62	203,246.00
Quantity sold (ton)	258,283.00	195,335.07
Sales Value (USD)	12,231,444.79	9,402,271.98
Royalty Paid (USD)	366,913.35	283,813.84

7.8 Mineral Rights Issuance

Mineral Rights issued during the period under review included Prospecting Licences (PL), Mining Licences (ML), Special Mining Licences (SML) and Primary Mining Licences (PML). The number of licences issued in 2014 declined compared to licences issued in 2013 as shown in **Tables 12** and **13**. Primary Mining Licences were higher in 2013 compared to 2014 due to a larger number of PMLs granted in exclusive areas for small scale mining in 2013.

Table 12: Mineral rights issuance

	Year 2014	Year 2013
Prospecting License-PL	723	937
Mining License-ML	24	26
Special Mining Licence-SML	2	2
Primary Mining License-PML	8,657	4,588
Total	9,406	5,553

Table 13: Statistics of Mineral Rights in Zones

ZONE	Total			Type of Licence					
				Mining (PML, ML, SML)			Exploration (PL)		
	Number of Licences (PL, ML, SML, PML)	Total Area Covered Km ²	% of total area covered by mineral rights	Number of Licences	Area Covered	% of total area covered by mineral rights	Number of Licences	Area Covered	% of total area covered by mineral rights
Central	6,947	26,411.47	29	6,632	475.91	1	315	25,935.56	28
Central Western	2,114	18,088.73	20	1,541	397.49	0.4	573	17,691.24	19
Eastern	13,320	35,701.91	30	12,936	881.92	1	384	34,819.99	29
Northern	3,963	12,760.38	13	3,838	232.66	0.002	125	12,527.72	13
Lake Nyasa	3,105	30,880.68	39	2,692	408.24	1	413	30,472.44	38
Lake Victoria - East	1,414	10,699.07	23	1,054	185.36	0.4	360	10,513.71	23
Lake Victoria - West	2,761	25,659.23	50	1,727	510.25	1	1,034	25,148.98	49
Southern	3,396	32,189.30	71	2,989	287.26	1	407	31,902.04	70
South Western	2,047	23,191.03	24	1,667	283.37	0.3	380	22,907.66	24
Western	2,086	26,746.11	65	1,834	166.19	0.4	252	26,579.92	65

7.9 Explosives Statistics

The Mineral Sector is responsible for management of explosives in the country, which are mainly used by mining construction industry and oil and gas exploration companies. The Mineral Division is also responsible for licensing and issuance of different permits, which are required during importation, purchase/acquisition, transportation, storage and usage of explosives. **Table 14** shows statistics related to explosives matters.

Table 14: Explosives statistics

TYPE		NUMBER
Blasting Certificates		119
Licence to acquire Explosives		820
Explosive Imports		148
Magazine Licence		5
Explosive Stores Licence		2
Explosives Storage Boxes		Nil
Explosives Consumption	Fracture Explosives (tonnage)	24,850 Tonnes
	Detonators (Boxes)	333,6031 Pieces
	Other Initiation system (Pcs/meters)	-

7.10 Procurement of Goods and Services by Large Scale Mines

The Mineral Policy of 2009 emphasizes local procurement of goods and services and its implementation is administered through the Mining Act, 2010. The law requires large scale mining companies to prepare their quarterly procurement plans showing goods and services to be procured locally, and those to be imported. Following these measures there have been positive trends of goods and services that are procured locally. The ultimate goal is to integrate the Mineral Sector with other sectors of the economy.

The analysis from **Table 15** shows that, goods and services procured locally in the year 2010 was only 38% of the total goods procured, whereas total goods and services procured locally up to the year 2014 was 41%, which is a slight increase in local procurement. It is evident that more effort is needed to empower Tanzanians to participate significantly in the provision of goods and services to large-scale mining companies.

Table 15: Procurement of Goods and Services by Large Scale Mines

Year	Foreign (USD Mil.)	Local (USD Mil.)	Total (USD Mil.)
2010	546.17	337.92	884.09
2011	991.29	379.57	1,370.86
2012	829.35	520.67	1,350.02
2013	568.61	825.62	1,398.23
2014	815.5	536.56	1,352.06
Total	3,750.92	2,600.34	6,355.26

7.11 Status of Employment in the Major Mines

Generally, employment of Tanzanians in large-scale mining companies has been gradually increasing from 92.29% in the year 2010 to 95.20% in the year 2014 as shown in **Table 16**.

Table 16: Status of Employment in the Major Mines

Year	Local	Foreign	Total	% Local
2010	7,005	585	7,590	92.29
2011	7,280	643	7,923	91.88
2012	7,648	599	8,247	92.74
2013	7,362	474	7,836	93.95
2014	6,901	348	7,249	95.20

Source: TMAA Annual Report 2014

7.12 Corporate Social Responsibility (CSR) by Large Scale Mining Companies

The Division continues to monitor social and community projects that are implemented by mining companies through corporate social responsibility programmes. Value of CSR programmes implemented by mining companies from 2010 to 2014 is as shown in the **Table 17**.

Table 17: Value of CSR programmes by large-scale mining companies (USD)

Company Name	2010	2011	2012	2013	2014	Total
GPM	308,796	895,053	-	-	0	1,203,849
GGM	1,093,228	4,545,592	-	7,318,000	-	12,956,820
NMGM	919,000	1,822,665	7,335,442	8,200,000	5,100,000	20,635,442
BZGM	234,342	418,832	1,181,739	700,000	2,500,000	5,034,913
TGM	181,602	155,409	1,393,854	3,259,000	118,000	5,107,865
BGM	612,003	490,529	1,153,094	3,400,000	3,200,000	8,855,626
WDL	381,813	304,576	273,999	72,817	125,323	759,206
TTM	427,967	460,793	127,300	53,400	-	1,069,460
Total	2,998,217	7,443,920	11,191,429	23,187,800	10,918,000	55,623,181

Source: TMAA Annual Report 2014

8. USEFUL CONTACTS

Commissioner for Minerals,
Ministry of Energy and Minerals,
5 Samora Machel Road,
P.O. Box 2000,
11474 Dar es Salaam
TANZANIA

Telephone: +255 22 211 7156 /9
Fax: +255 22 212 0799
Email: cm@mem.go.tz
Website: www.mem.go.tz

ZONAL AND RESIDENT MINES OFFICES CONTACTS

LAKE VICTORIA WESTERN ZONE	
Assistant Commissioner for Minerals, P.O. Box 1035, MWANZA	Tel: Fax: +255 28 2500066 Email: madinimwanza@mem.go.tz
Resident Mines Officer, P.O. Box 26, GEITA	Tel: +255 28 2520184 Fax: +255 28 2520180
Resident Mines Officer, P.O. Box 1331, BUKOBA, KAGERA	Tel:/Fax+255 28 2220564
LAKE VICTORIA EASTERN ZONE	
Assistant Commissioner for Minerals, P.O. Box 785, MUSOMA, MARA	Tel:/Fax:+255 28 2611101 Email: madinimusoma@mem.go.tz
Resident Mines Officer, P.O. Box 270, BARIADI, SIMIYU	
CENTRAL WESTERN ZONE	
Assistant Commissioner for Minerals, P.O. Box 834, SHINYANGA	Tel: +255 28 2763282 Fax: +255 28 2220564 Email: madinishinyanga@mem.go.tz



Resident Mines Officer, P.O. Box 1345, TABORA	Tel: +255 26 2604239 Fax: +255 26 2604218 Email: madinimpanda@mem.go.tz
Resident mines Officer, P.O. Box 26, KAHAMA	Tel:/Fax:+255 28 2710332
WESTERN ZONE	
Assistant Commissioner for Minerals, P.O. Box 75, MPANDA, KATAVI	Tel:/Fax:+255 25 2820194
Resident Mines Officer, P.O. Box 268, KIGOMA	Tel:/Fax:+255 28 2803114
NORTHERN ZONE	
Assistant Commissioner for Minerals, P.O. Box 641, ARUSHA	Tel: +255 27 2544079 Fax: +255 27 2548870 Email: madiniarusha@mem.go.tz
Resident Mines Officer, P.O. Box 6438, MOSHI, KILIMANJARO	
Resident Mines Officer, P.O. Box 5044, MERELANI, MANYARA	Tel: 027-2553906 Fax: 027-2553905
EASTERN ZONE	
Assistant Commissioner for Minerals, P.O. Box 3060, DAR ES SALAAM	Tel: 022-2150243 Fax: 022-2150243 Email: madinipwani@mem.go.tz
Resident Mines Officer, P.O. Box 601, MOROGORO	Tel: 023-2602336 Fax: 023-2613229



Resident Mines Officer, P.O. Box 5153, TANGA	Tel:/Fax:+255 27 2642966
Resident Mines Officer, P.O. Box 92, HANDENI	Tel:/Fax:+255 27 2641776
CENTRAL ZONE	
Assistant Commissioner for Minerals, P.O. Box 925, SINGIDA	Tel: +255 26 2502098 Fax: +255 26 2502382 Email: madinisingida@mem.go.tz
Resident Mines Officer, P.O. Box 903, DODOMA	Tel:/Fax:+255 26 2322407
SOUTH-WESTERN ZONE	
Assistant Commissioner for Minerals, P.O. Box 760, MBEYA	Tel: +255 25 2502921 Fax: +255 25 250292 Email: madinimbeya@mem.go.tz
Resident Mines Officer, P.O. Box 81, CHUNYA	Tel:/Fax:+255 25 2520012
LAKE NYASA ZONE	
Assistant Commissioner for Minerals, P.O. Box 327, SONGEA, RUVUMA	Tel: +255 25 2602458 Fax: +255 25 2602484 Email: madinisongea@mem.go.tz
Resident Mines Officer, P.O. Box 922, NJOMBE	
Resident Mines Officer, P.O. Box 6, TUNDURU	Tel: +255 25 2680069 Fax: +255 25 268006
SOUTHERN ZONE	



Assistant Commissioner for Minerals,
P.O. Box 685
MTWARA

Tel./Fax: +255 23 2333553
Email: madinimtwara@mem.go.tz

Resident Mines Officer,
P.O. Box 119,
NACHINGWEA, LINDI

