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# UKWAA LA UZINDUAJI COMMUNIQUI

Without doubt, "Jukwaa la Uziduaji" through HakiRasilimali recognizes and applauds the intention of the government to ensure Tanzania benefits from its mining, oil and gas resources. This has been seen through major shifts in terms of policy and regulatory framework since 2016.

We believe that the essence for the shift is for the country to harness the full economic potential from its mining and natural gas sub-sectors. Through proper utilization of the revenues from extractives could facilitate the country's journey towards becoming an industrialised economy by

# ural Resource, People and their rights



In reference to the constitution of United Republic of Tanzania, "Wananchi" are the ultimate holders and owners of natural resources. The government shall thus remain to be the custodians on behalf of the people and hence citizens must be actively involved in the entire extractive value chains from the decision to extract to the decision on how the revenues will be spent.

# Political dynamics of the extractive sector in Tanzania



We call upon the government to recognize the importance and the role of the Parliament to be able to review and ratify all extractive related contracts between the country and the investors on behalf of communities. And, the community to have a voice and meaningful participation in the processes around planning and making decisions on the resources available in their areas in order to avoid unnecessary conflicts in the sector. The extractive sector in Tanzania is currently a highly politicized sector. This is because of the volatile nature of the sector and the government drive to make sure that the country reaps maximum benefit. This in turn has continued to generate higher and unrealistic expectations to Tanzanians. For instance the case in question of "Makinikia management and the anticipated revenues, building of the wall around tanzanite mines in Arusha, and the revenues from Tanzanite (as reported by the special parliamentary Committee chaired by Hon. Zungu). On another note, the legal framework currently is faced with challenges of law incoherence, implementation gaps and inadequate institutional coordination and communication hindering their effective implementation. We, therefore emphasize on transparency in the sector as a remedy to

most of the prevailing challenges

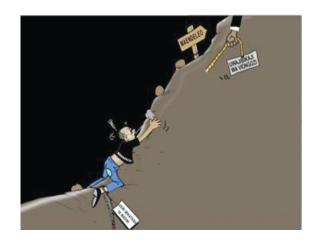
# 3. Transparency and Accountability

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## 4. Access to information and Contract Transparency

Capacity and lack of accountability that cloaks around extractive operations continue to be sources of distrust among stakeholders. For example, for decades now, the fact that our legal framework address the need for access to information, the implementations has been a challenge, this has hindered proper scrutiny of the sector by relevant stakeholders in Tanzania. However, changes have been underway since 2010 to ensure that transparency in the sector is paramount and especially from the mining investors. In order to improve the sector, is a need to leverage many aspects amongst them being transparency, .There is a need for political will and avoiding putting political parties at the centre of discussion. Furthermore, provide awareness to the members of parliament to understand better the extractive sector. There should be sufficient budget allocations in the extractive industry to allow for internal investment and, the government needs to gather appropriate data in order to make an informed decision on the various contentious issues regarding the extractive sector in Tanzania.



Proper revenue management accrued from the extractive sector can be managed through the maximizing the revenue collection by the government and there should be optimization of allocation and spending which should be distributed in the right manner to benefit all the communities in the country.

Further, the question of intergenerational benefits needs attention. We call on the full implementation of the Revenue Management Act (2015), and the government to continue strengthening mechanisms to stop illicit financial flows such as supporting for Tanzania Position and Africa automatic exchange of information.



### 6. Local content and local business participat

The forum noted that currently the extractive sector is still much dominated by foreign players due to being capital intensive, requiring high skilled labour and technology. Thus, with this, there is need to support local business and suppliers to avoid being left out of the lucrative extractive economy. There is also no clear strategy on how local content can be enforced despite having commitments within various polices, laws and guidelines. Therefore, for a vibrant and sustainable extractive sector, we note the importance of having participation of local businesses and entrepreneurs at different segments of the value chain. This helps to retain benefits, transfer skills and build experience while creating viable linkages with other economic sectors. The government also needs to provide incentives to attract local investments including joint ventures.

# 7. Legal framework in the Extractive sector

The forum noted that, different laws in relation to the extractive sector are in places, which are influenced by diverse political and economic drivers. This has caused for legal reform incoherence, overlap and misalignment of key institutions. For example, the role of mining commissions Vs. the roles of Commissioner for Minerals, EWURA vs PURA, STAMICO vs. Commissioner for ASM within the Ministry of Minerals, Presidential Advisory Bureau under the Petroleum Act 2015. There is also lack of enforcement of key Laws governing the extractive Sector. For instance according to the Jukwaa, since the enactment of the TEITA Act of 2015, there has been no respective regulations', meaning it cannot be enforced and any attempt could lead to legal disputes. We urge the government through its Ministries and Attorney General's office to review all these laws in order to address the stated inconsistences in the legal framework. To mention a few, TEITA Act 2015, Revenue Management Act 2015, Petroleum Act 2015 and the Natural Resource Wealth and Sovereignty Laws of 2016.

# Action Points and Recommendations

# Policy Makers

- a. Review laws and develop the required regulations to enable effective enforcement
- b. Promote more access to information relating to the sector and provide space for engagement and dialogue among stakeholders including civil
- society Organizations. c. Develop special facilities and incentives for local businesses to participate in the sector value chains.

# CSO and the Public

I. To demand for information and have a voice on the resources available in their

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- areas in order to avoid unnecessary conflicts in the extractive sector.
- II. There should be a better and meaningful relationship between the government and the civil society working in the extractive sector