



HakiRasilimali

Transparency & Accountability
for the Extractive Industry

JUKWAA LA UZIDUAJI 2023

Insights

*Achieving Just Transition and Sustainable Development in Tanzania's
Extractives Industries*



JUKWAA LA UZIDUAJI 2023

Insights

Achieving Just Transition and Sustainable Development in Tanzania's Extractives Industries



Since 2010, Civil Society organizations advocating for transparency and accountability in Tanzania's extractive industry (mining, oil, and gas) sector have been organizing annual national conferences. Initially known as the Tanzania Alternative Mining Indaba, it was later changed to "Jukwaa la Uziduaji".

Jukwaa la Uziduaji is HakiRasilimali's flagship conference aimed at bringing the extractive sector's key stakeholders (i.e., Civil Society Organizations, Government officials, Parliamentarians, the media, relevant private sector actors, extractive industry host communities, and development partners) to effectively engage in in-depth discussions on the issues within the extractive industry. Jukwaa la Uziduaji allows stakeholders to share experiences and explore ways to form and strengthen strategic collaborations.

Previous discussions during Jukwaa la Uziduaji sessions have called upon consultative frameworks between CSOs and the Government, Parliament, and relevant private sector players to enhance the extractive industry's governance. Other significant results include Government pledges to improve sectoral policies and work on community-related issues to lessen vulnerability resulting from investments in the extractive industry, such as delays in land compensation and upholding human rights, focusing on women's rights. Considering the recent discussions on access to energy, global decarbonization and phasing out fossil fuels, the 2023 Jukwaa la Uziduaji conducted under the theme "Achieving Just Energy Transition and Sustainable Development in Tanzania: The Role of Extractive Industry".



EXTRACTIVES AND INTEGRITY OF CREATION



Bishop Nelson Kisare has urged the extractive sector to prioritize transparency and accountability, ensuring that the nation's resources benefit both current and future generations. He stressed the importance of mining practices in Tanzania being productive and free from corruption, aiming to enhance the well-being of citizens and the nation.

Moreover, he highlighted the conflicts arising from extractive operations in society, suggesting that these conflicts can be resolved by involving citizens in finding solutions. Additionally, Bishop Kisare emphasized the theological perspective, asserting the necessity of conducting extractive operations in a way that preserves the integrity of creation. This includes not only environmental protection but also ensuring the safeguarding of human rights. Finally, he stated that the revenue from extractive operations should be distributed and redistributed in a manner that guarantees fair and equitable benefits for the people.

MINING VISION 2030: "MADINI NI MAISHA NA UTAJIRI"

At the heart of the 2030 vision "Madini ni Maisha na Utajiri" is the commitment to strengthen the Geological Survey of Tanzania, aiming to achieve a target of at least 50%, a notable increase from the current 16%.



Hon. Anthony Mavunde, Minister for Minerals.

Minister of Minerals, Anthony Mavunde, articulated the Ministry's strategies to enhance the economic aspects of the mining sector by 2030, emphasizing a primary focus on geological survey during the concluding session of the 2023 Mining Forum. The objective is to attain precise and comprehensive geological data, and the primary method involves bolstering the database through 'Geoscience' research.

GLOBAL DECARBONIZATION AND ACCESS TO ENERGY



As Tanzania navigates the global shift towards low-carbon energy, the discovery of critical minerals and Liquefied Natural Gas (LNG) positions the country for a just transition to green energy technology. This breakthrough offers opportunities for sustainable development, attracting investments in various sectors, especially infrastructure.

However, fossil fuel-related projects face challenges, becoming potential stranded assets amidst ongoing global decarbonization efforts. The Tanzanian government is not only dedicated to a clean energy transition but also ensuring accessible, reliable, and affordable sources of energy for sustainable development.

FROM EXECUTIVE DIRECTOR



Our distinguish stakeholders

First and foremost, I extend my heartfelt gratitude to all of them that have responded to our call to participate in Jukwaa La Uziduaji 2023. The Forum provided us with an opportunity that brought together stakeholders in the industry, to discuss and exchange experiences on various issues within the Extractive Sector. This clearly demonstrates our collective commitment to ensure that the extractive sector continues to contribute to the development of Tanzanians and the nation at large.

I would also like to thank our distinguish speakers, presenters, and moderators who came from various areas within and outside the country for accepting our invitation and being apart of the conference. Above all, I thank each one of you for dedicating your valuable time to read this newsletter which provides a snapshot of the Jukwaa La Uziduaji 2023.



HakiRasilimali is an umbrella for 16 civil society organizations that conduct research, policy and legal analysis, and advocacy in the Extractive Sector, namely Mining, Oil, and Natural Gas in Tanzania. HakiRasilimali believes that transparency and accountability in the Extractive Sector are the catalysts for the sector's and the nation's overall development.



We are gratitude to the organizations that have contributed resources enabling this meeting to take place. I acknowledge the contribution of SWISSAID Tanzania, International Peace Information Services (IPIS), Transparency International - Kenya, Global Financial Integrity (GFI), African Forum and Network on Debt and Development (AFRODAD), and the Foundation for Artisanal and Small-scale Mining Development Organization of Tanzania (FADEV).

"If there's anything else you need, feel free to contact us!"



A WORD FROM BOARD CHAIR

Ladies and gentlemen,

I would like to thank you for your time to read through this exciting newsletter which highlights key issues discussed and emerged from our flagship conference themed

"Achieving a Just Transition in the Tanzania Extractives Industry"

Earlier this month on 09th and 10th November 2023, we gathered in the heart of the extractives sector, confronted with a unique opportunity and a profound responsibility. Our theme underscores the critical juncture at which we find ourselves.

Despite the significant contribution, the challenges we face are substantial, which needs to be addressed. Climate change is an existential threat that cannot be ignored, and the global call for sustainability has never been louder. The world is transitioning towards a more sustainable, greener future, and our extractives sector must evolve in parallel. We must balance the economic benefits of the industry with environmental and social considerations. A just transition is not just an option; it is a necessity.

In Tanzania, we are blessed with abundant natural resources, but we also have the wisdom to recognize that their exploitation must be balanced with a deep commitment to social justice, environmental stewardship, and the well-being of our people. This conference newsletter serves as a platform to learn, communicate, and share key discussions (concerns, aspirations and recommendations) in energy transition era.

The conference explored a wide range of topics, from sustainable mining practices to community engagements, from renewable energy integration to the ethical dimensions of our industry. We assembled experts, leaders, and stakeholders from various sectors, ensuring a rich exchange of ideas and experiences.

Let us embark on this journey with a sense of purpose and urgency.

Thank you for your attention, and I wish you all an insightful and enlightening read.

TABLE OF CONTENT

Synopsis

I

Executive words

II

Editorial Note

III

1 The Business Environment: A Fresh Look at the Extractive Sector

3 Revenue Management: Mobilizing Climate Finance from Tanzania's Extractive Sector

4 Responsible Business Conduct: Safeguarding Human Rights in Tanzania's Extractive Industry.

5 Tanzania's Artisanal and Small-scale Mining: Sustaining Livelihoods in the Critical Minerals and Energy Transition Era

6 Local Content and Energy Transition: Aspirations and Concerns

7 Contracts and Licensing Transparency Towards the Green Transition

8 Gender and Extractives Industry: An Overlooked Opportunity to Transform the Sector

9 Recommendation

10 Innovate Unveiled: Jukwaa La Uziduaji 2023 Exhibition



To our Esteemed Readers,

Welcome to the latest edition of our newsletter, fresh off the press!

I'm deeply honoured to serve as the Editor for this newsletter, and it brings me immense joy to introduce the inaugural edition for Jukwaa La Uziduaji 2023 Insights.

"Dive into a World of Extractive Insights!"

This edition specifically, we'll spotlight pivotal activities that accompanied this event: The Master Class, Capacity Building sessions for Journalists and HakiRasilimali Members, as well as the vibrant Exhibitions and engaging panel discussions.

A heartfelt thank you extends to all the contributors who crafted these remarkable and motivating articles. Their dedication and insights have truly shaped this newsletter.

Happy Reading



Bishop of the Mennonite church in the country: Nelson Kisare

EXTRACTIVES AND INTEGRITY OF CREATION

Bishop Nelson Kisare has urged the extractive sector to prioritize transparency and accountability, ensuring that the nation's resources benefit both current and future generations. He stressed the importance of mining practices in Tanzania being productive and free from corruption, aiming to enhance the well-being of citizens and the nation.



Transparency and accountability is key for enhance fair competition in the extractive sector and for the benefit of the Tanzanians.



Extractives operations should be operated in the manner that preserve peace, harmony and community livelihood.



Preserving environments and resources are key for inter generation equity benefit.

Moreover, he highlighted the conflicts arising from extractive operations in society, suggesting that these conflicts can be resolved by involving citizens in finding solutions.

Additionally, Bishop Kisare emphasized the theological perspective, asserting the necessity of conducting extractive operations in a way that preserves the integrity of creation. This includes not only environmental protection but also ensuring the safeguarding of human rights.

Finally, he stated that the revenue from extractive operations should be distributed and redistributed in a manner that guarantees fair and equitable benefits for the people.

It is our duty to protect community. We should raise our voices to discourage misconducts in our society to be free from corruption and promote community livelihood.

The key question to ponder is where are the extractive revenue goes? We should call for the revenue distribution to improve health service provision specifically in the rural areas, education systems and water supply and sanitation.

"Let's us be the voice of the voiceless."



Bonnie Matto



**Deputy Minister, Ministry of Energy:
Judith Kapinga**

In a momentous inauguration speech, Hon. Judith S. Kapinga, Deputy Minister for Energy in Tanzania, officiated the "Jukwaa La Uzidua-2023" conference. Her words echoed a resounding testament to our collective ambition: leveraging extractive resources for the nation's benefit. Further, Hon. Kapinga underscored the pivotal juncture we find ourselves in—a time demanding the alignment of our extractive industry with the global trajectory toward sustainability.

"Our industry," she remarked, "stands as a significant contributor, bolstering our gross domestic production by 10.2% and wielding substantial influence across exports, government revenue, foreign investments, and employment."

Acknowledging the weight of prevailing challenges, notably climate change, the Deputy Minister urged the sector to adapt swiftly. The paramount task lies in harmonizing economic gains with environmental preservation, community welfare, and the protection of human rights.

Tanzania stands at the crossroads of a green energy revolution, propelled by the discovery of vital minerals. Navigating the labyrinthine complexities of a low-carbon future, the nation's focus on accessible, reliable, and affordable energy sources becomes pivotal for sustainable development. This necessitates a reconfiguration of our reliance on fossil fuels, aligned with global decarbonization endeavors.

Hon. Kapinga applauded HakiRasilimali for spearheading this pivotal event, recognizing their instrumental role in championing transparent, people-centric extractive governance. This conference serves as an incubator for addressing the challenges inherent in extractives and the Energy Transition. It aims to optimize Tanzania's mineral wealth for the collective benefit of all its citizens.

The invaluable insights gleaned from this assembly will serve as guiding beacons for our policies, steering Tanzania toward a future where the riches from our minerals enrich every Tanzanian life while safeguarding our environment and upholding the rights of our people.

With Hon. Judith S. Kapinga's official opening of the conference, the journey toward a more sustainable, equitable, and prosperous Tanzania commences.



Harnessing Africa's Mining Potential for Sustainable Development in the Era of Energy Transition

In the pursuit of sustainable development within the extractive sector, resource-rich nations like Tanzania must align with established regional integrations such as the East African Community (EAC), Southern African Development Community (SADC), and initiatives like the African Continental Free Trade Area (AfCTA). At the Jukwaa La Uzidua panel discussion titled "The Business Environment in the Extractive Sector: A Fresh Outlook," Mr. Silas O'lang, Africa Energy Transition Advisor at the Natural Resource Governance Institute (NRGI), stressed the imperative for countries to establish regional mineral processing hubs co-governed by member states to fully capitalize on their resources.

This approach necessitates a reconsideration of nationalistic policies, particularly in local content regulations, to foster a synergistic atmosphere benefiting all participating member states and their populace. Historically, the mining industry in Africa has predominantly focused on exporting unprocessed minerals, thereby impeding wealth retention within producing countries like Tanzania. Value addition outside national borders not only curtails employment opportunities, skills development, and technological advancements within African nations but also hampers potential government revenues derived from domestic value addition activities.

Mr. Gerald Mturi, General Manager at Adavale Resources, acknowledged the positive impact of the 2017 amendments on Tanzania's business environment. Notable among these are the 16% Government share which are Free Carried Interest (FCI) in joint ventures and equitable sharing of economic benefits. However, amidst the surge in exploration and investments targeting critical minerals for the global energy transition, Mr. Mturi urged the Tanzanian Government to revamp its mineral legal framework. He highlighted challenges faced by multinational corporations, such as the necessity to bank with local financial institutions, leading to difficulties in raising capital, and legal ambiguities concerning government-led exploration on behalf of citizens.

Furthermore, he noted that Companies like Life Zone Metals and Peak Rare Earth Elements seem to have encountered hurdles in their investments, potentially attributed to similar challenges, hindering access to financial facilities.



From Right to Left: Lightness Salema, Silas O'lang and Gerald Mturi engaged in a panel discussion moderated by semkae kilonzo.

Concurrently, supporting and bolstering Artisanal and Small-Scale Mining (ASM) operators is imperative, not only as a significant tax base for Tanzania but also to equip them with the necessary technology and skills to uphold environmental preservation and sustainable commercial production, thereby safeguarding livelihoods.

While energy transitions have significantly propelled industrial and economic growth, they have also contributed to climate change. The current emphasis is on mitigating environmental repercussions from past energy practices, with the mining sector playing a pivotal role in developing clean energy technologies. The global shift towards clean energy solutions, including solar, wind power, and battery production, underscores the escalating importance of the mining sector.

Amid the global decarbonization agenda, there's a concern that some natural resources such as coal, natural gas and petroleum may remain stranded on ground due to the lack of financial support for investments, potentially leading to market decline. Stakeholders have called for rigorous research to identify areas of improvement and comprehend the implications of stranded resources on Tanzania's economy and livelihoods.



LEVERAGING TANZANIA EXTRACTIVE SECTOR REVENUE FOR CLIMATE FINANCE



In the face of escalating climate change challenges, Tanzania stands at a critical juncture, navigating the dual pressures of environmental impact and economic growth, particularly within its growing extractive sector. Indeed, current data shows that while Tanzania is one of the least emitters of greenhouse gases, it is one of the most affected countries. Indeed, the country is ranked 10th in Sub-Saharan Africa (SSA) regarding the frequency of natural disasters occurrence. Moreover, the frequency of flood occurrence in Tanzania has grown by 45%, while the same has declined in SSA and the rest of the world by 14% and 15%.

Nevertheless, Most of the African Countries (Tanzania) mainly rely on foreign sources to finance their climate action. Some globally available instruments include the \$ 100 billion target, the New Green Deal, green bonds, carbon markets, debt for climate swap, and carbon border adjustment mechanisms. The reality, however, is that these global financing instruments are primarily inaccessible to developing countries and burdensome to debt-distressed developing nations, thereby putting them at risk of increasing their debt situation.

It follows, therefore, that the more sustainable way to finance climate is therefore, that the more sustainable way to finance climate is through Domestic Resource Mobilisation (DRM). Fortunately, the extractive revenues in Tanzania have increased over the years with a manageable debt-to-service ratio[1]. However, this revenue scaling unfolds against a backdrop of complex challenges and opportunities. Discussions at the Jukwaa la Uzidujaji-2023, a platform of diverse stakeholders, illuminated multifaceted concerns and propositions integral to Tanzania's climate finance narrative.

legate calls upon the urgency for expedited decision-making in alignment with global shifts toward sustainable energy sources. The extractive sector should acknowledge its environmental footprint and exhibit a readiness to contribute to climate financing through taxes and Corporate Social Responsibility, albeit amid complexities surrounding specific climate-related levies.

Central to the discourse was the necessity for transparent, non-politicized approaches to climate change. Suggestions encompassed leveraging corporate social responsibility funds and royalties toward climate initiatives while vigilantly monitoring fund utilization for environmental restoration in affected vicinity/regions.

"Tanzania's revenue streams have been increased; however, concerns linger regarding illicit financial flows, underscoring the imperative to address financial leakages to bolster climate financing. It's a critical shift away from reliance on external funding or debt-driven mechanisms, positioning indigenous revenue as a more sustainable resource". Said Prof Abel Kinyondo.

In its conclusion, the panel underscored the essence of collaboration, ethical conduct, and informed decision-making to navigate Tanzania's intricate landscape of climate finance and extractive sector governance. The need for targeted legal frameworks, environmental rehabilitation, and stringent oversight emerged as imperative pillars in this transformative journey. The discourse resonated with the pivotal role of tax policies, particularly in the extractive sector, as an instrument for climate change mitigation. Calls for enhanced governance, optimized resource utilization, and equitable tax structures reverberated through deliberations, anchoring the quest for climate-resilient fiscal frameworks.

RESPONSIBLE BUSINESS CONDUCT: SAFEGUARDING HUMAN RIGHTS IN TANZANIA'S EXTRACTIVE INDUSTRY.



In the vast landscape of Tanzania's extractive industry, where promises of economic growth abound, a stark reality persists. The industry carries an inherent risk of human rights violations that deeply affect local communities. Despite regulatory frameworks in place to ensure safety, instances of severe abuse and conflicts between stakeholders persist, casting a shadow over the sector's operations.

“One such high-profile case involved Petra Diamonds, which paid a hefty £4.3 million in compensation for egregious human rights violations, including shootings, beatings, and wrongful detainment. This incident shed light on the darker side of the industry, signaling an urgent need for stringent safety measures and enhanced human rights protections”. Conference Participants.

The construction of the Mtwara-Dar es Salaam gas pipeline further underscored the precarious nature of operations within the industry. Fatal incidents and injuries highlighted the glaring gaps in safety protocols, urging a collective call for better safeguards and rights protection.

These arguments were provided by Panellists in Jukwaa la Uziduaji-2023, which brought forth a multitude of concerns. Delegates expressed distress over a spectrum of issues, from labor rights infringements to tragic deaths in mining areas. Questions were raised about strategies to shift attitudes and improve working conditions, along with pressing concerns about compensating families of victims.

Amidst these challenges, stakeholders grappled with the essential task of balancing economic progress with human rights preservation. The responsibility fell on the Tanzanian government to enact and enforce laws that prevent violations while fostering a conducive environment for business and investment. Yet, implementation hurdles stemming from limited awareness of rights and resource inadequacies persist, hindering effective enforcement.

The plight of Artisanal and Small-Scale Miners (ASM) stood out prominently, with reports revealing issues of low wages, subpar working conditions, and an absence of fundamental rights, particularly for women. Land compensation discrepancies added another layer of complexity, exacerbated by conflicts between the Tanzania Mining Act and the Lands Act.

“Integral to this discourse was the necessity for robust conflict resolution mechanisms. The introduction of the Independent Grievance Mechanism (IGM) aimed to address severe human rights impacts, but challenges loomed large, particularly in handling a substantial volume of complaints related to security breaches and violence. As of now, the established IGM has successfully worked on 820 registered complaints while 313 are still under investigation” argued Paul Mikongoti.

The road to rectifying these issues involves multifaceted approaches. Strengthening legal frameworks, raising awareness among communities, and investing in capacity building emerged as imperative strategies. Initiatives such as targeted training programs and upcoming gender rights assessments within the ASM sector showcase proactive steps toward rectifying the prevailing challenges.

TANZANIA'S ARTISANAL AND SMALL-SCALE MINING: SUSTAINING LIVELIHOODS ENERGY TRANSITION ERA

5

In the sweeping tide toward sustainable energy and the increasing demand for critical minerals vital to the green transition, Tanzania emerges as amongst potential player through its Mining potentiality and subsequently the artisanal and small-scale mining (ASM) sector. This increasing demand not only holds the potential for national development but also satiates the burgeoning global thirst for minerals essential in powering solar panels, batteries, and wind turbines.

Notably, the Jukwaa La Uziduaji 2023 navigated the vibrant landscape of the ASM operations in Tanzania which emphasizes their role in improving livelihoods and its potentiality in the energy transition era.

The ASM sector has been facing distinct challenges intertwined with remarkable growth. Despite grappling with environmental concerns, informal labour practices, and limited access to technology and finance, the sector's contribution has surged impressively. From a meager less-than-1% share, it has blossomed to a substantial 40% in the revenue collected by the Ministry of Minerals, particularly in the gold subsector.

Terrance Ngole, Assistant Commissioner for Minerals, underscores this growth while emphasizing the need for more education, advanced technology, and financial support. The sector's evolution stands as a testament to its potential as a reliable tax base if well managed.

However, the path to progress for over a million individuals engaged in Tanzania's artisanal mining remains strewn with hurdles. Operating informally, these miners endure precarious conditions and minimal support. Yet, amidst these challenges, initiatives have surfaced, aiming to empower them through training, safety measures, and sustainable practices, fortifying their livelihoods.

Crucially, the demand for copper, tied with gold production in Tanzania, offers a unique opportunity for ASM operators, especially in the gold subsector. As renewable energy technology thrives on copper, these miners find themselves at the forefront of meeting this escalating demand. Nevertheless, the transition to green energy doesn't merely necessitate minerals; it demands ethical and responsible sourcing too. Tanzanian artisanal miners, once on the fringes, now stand for responsible mining practices, safeguarding both their communities and the environment.

Amidst these strides, criticisms have emerged regarding Tanzania's legal and policy frameworks, specifically in addressing critical minerals within the ASM sector. These critiques underscore deficiencies in the current Mining Policy, urging explicit implementation strategies and a nuanced approach differentiating between artisanal and small-scale miners.

The pivotal role of the Tanzanian government in sustaining the ASM sector takes center stage in discussions. Collaborative efforts, policy reform, and stakeholder engagement emerge as the cornerstone for expanding mineral markets, fostering technical and financial support, and ensuring sustainable growth. However, gaps persist, notably the absence of explicit legal recognition for artisanal and small-scale miners, diverging from practices in neighboring nations.

Acknowledging strides in governmental collaborations with the ASM sector, initiatives such as the Bank of Tanzania directly purchasing gold from small-scale miners signify steps toward a more mutually beneficial relationship. However, the consensus echoed the necessity for continuous dialogue and policy enhancements to elevate the ASM sector's contribution to Tanzania's economy and its prominence in the global critical minerals market.

In the end, stakeholders call for strategic planning, technological investments, legal clarity, and unflinching government support to propel Tanzania's ASM sector into prominence amidst the era of critical minerals and the energy transition.



As discussions focused on energy transition, the emphasis was on value addition in Tanzania's mineral resources like nickel, graphite, lithium, and potentially cobalt. The prospect of establishing a battery manufacturing hub in Kahama emerged as a significant step toward utilizing these resources. Despite the mining sector creating jobs for Tanzanians, reliance on foreign expertise for specialized roles remained a concern. Diversifying education to bridge this expertise gap was emphasised.

In 2017, pivotal changes reshaped Tanzania's mining sector, as amendments to the Mining Law introduced mandatory Local Content requirements. These alterations marked a significant turning point in empowering local communities.

By 2022, Tanzania witnessed remarkable progress with robust local involvement in mining bids, with a staggering 86% of procurement, totaling over \$1 billion, being sourced locally said Maruvuko Msechu, Assistant Commissioner Local Content.

However, amidst this progress, challenges emerged, particularly in fields requiring patent rights or expensive software. To address these hurdles, experts emphasized the Ministry of Industry and Trade's role in attracting foreign investment while equipping local communities with essential capital and expertise.

Notably, 'Local' was scrutinized to understand its dimensions within the content realm, bridging gaps between mining communities and urban areas. The heart of the discussion revolved around the essence of local content, highlighting its multifaceted impact on procurement, employment, empowerment, and value addition. There was a strong call to integrate local content into development policies and laws, especially during crises like energy shortages or pandemics. Yet, it was stressed that evaluating local impact required a distinct Tanzanian perspective.

Establishing institutional relationships among the central government, local authorities, mining companies, and communities emerged as crucial for effective implementation and fair distribution of benefits.

The National Economic Empowerment Council (NEEC) played a pivotal role in empowering citizens, particularly those in areas affected by extractive operations.

Economic empowerment laws orchestrated by NEEC aimed to align efforts across sectors. However, challenges persisted, especially in forming joint ventures between Tanzanian and foreign investors, with major investments still largely controlled by foreigners. NEEC's relentless focus on awareness, stakeholder training, and fostering entrepreneurship aimed to boost local involvement. Oswald Karadisi, NEEC.

He further added that success stories like the Geita Enterprising program showcased how local entrepreneurs gained access to opportunities in mining projects. These initiatives focused on capacity building, mentorship, and formalizing informal businesses, creating pathways for local participation.

The symposium delved into the facets of local content in the extractive sector: value addition, employment, empowerment, and procurement. Questions arose regarding women's opportunities through local content policies and their integration into non-traditional roles like farming. Furthermore, concerns lingered about the sustainability of empowerment post-mining and the actual beneficiaries of the 86% local procurement, especially regarding job quotas for women.

The conference underscored the need for collaborative alliances between the government, local authorities, and communities. It highlighted the importance of addressing power imbalances and fostering genuine empowerment efforts.

The success at the Geita Gold Mine in involving young local suppliers was noted, but challenges in aligning skills with international standards were evident. Concerns were raised about the future of local content projects post-mining closure. Hence, community engagement in crafting sustainable projects is vital. This was seen as crucial for long-term benefits and conflict resolution.

Differentiating between Corporate Social Responsibility and Local Content was stressed, emphasizing sustainable community projects and engaging Tanzanians comprehensively in the extractive industry. Tanzania's transparent tendering system was praised for creating a level playing field for companies of all sizes based on their service capabilities.

CONTRACTS AND LICENSING TRANSPARENCY TOWARDS THE GREEN TRANSITION

7

At the Jukwaa la Uziduaji-2023, the GFI-HakiRasilimali master class delved deeply into Tanzania's extractive and energy sectors, emphasizing the critical need for transparency and oversight to combat corruption and opacity in contracting. The focus was on Tanzania's response to global demand for transition minerals, rooted in the principle that natural resources belong to its citizens by the virtual of its constitution and section 4 of the Natural Wealth and Resources (Permanent Sovereignty) Act of 2017. Central discussions revolved around Tanzania's legislative landscape and regional frameworks.

The session began by shedding light on the Tanzania Extractive Industries Transparency Initiative (TEITI), integral to the Ministry of Minerals, dedicated to fostering transparency within the extractive sector, including mining, oil, and gas. Post Judge Bomani's commission, Tanzania's inclusion in the EITI bolstered accountability efforts, evidenced by comprehensive reports detailing industry trends. These reports, showcasing contracts, agreements, and licensing, underscore Tanzania's commitment to public disclosure. Notably, TEITI has published ten reports and aims to unveil all investor contracts by year-end, a significant stride toward transparency.

The Tanzania Chamber of Mines (TCM) champions an investment-friendly environment and legal compliance among its members, drawing insights from global mining best practices. Ensuring investor adherence to laws and fostering community relations is crucial for granting a social license to operate. While Tanzania has progressed in implementing beneficial ownership concepts, challenges persist, necessitating policy changes for greater effectiveness.

Comparatively, Tanzania has made considerable strides in policies and regulatory frameworks within the extractive industry, outpacing neighboring countries. This progress underscores an opportunity for shared learning and support among regional counterparts. However, challenges persist in accessing beneficial ownership information across the region, with cases in Kenya exemplifying restricted access, prompting a proposed East African summit to find collaborative solutions. During the conference, delegates raised pertinent questions about enforcing Tanzania's laws on disclosing beneficial owners, TEITI's authority to compel government contract disclosure, and the collaboration between TEITI and BRELA in managing companies frequently changing names, citing Barrick Gold Corporation as an example. These inquiries underscore a broader interest in transparency and regulatory hurdles within Tanzania's extractive sector.

The emphasis was on the challenge of raising awareness about beneficial ownership and contract transparency, stressing the need to educate stakeholders for proper implementation. Tanzania, through TEITI, bears the responsibility to uphold contract transparency aligned with global EITI standards. Validation reports showing over 70% compliance signify substantial progress, but contract transparency remains a global challenge, warranting continuous refinement. Regarding company operations, the discussion highlighted the importance of tracking beneficial owners, even as companies alter names. The central registry plays a pivotal role in tracking ownership changes and ensuring compliance with obligations such as tax payments, enforced by the Tanzania Revenue Authority (TRA). Non-compliance might lead to legal action against companies.

The master class concluded by reiterating the paramount importance of contract transparency and BRELA's collaboration with TEITI to ensure credible information for the EITI. This joint effort stands as a cornerstone in upholding the integrity of Tanzania's extractive sector, fostering transparent and responsible operations within the country's business landscape.



GENDER AND EXTRACTIVES INDUSTRY: AN OVERLOOKED OPPORTUNITY TO TRANSFORM THE SECTOR

Tanzania's extractive sector holds immense opportunity for economic growth, yet its potential remains hindered by a stark gender gap. Women and youths, despite their vital role in societal progress, find themselves significantly underrepresented in this domain. The 2023 Jukwaa La Uziduaji panel discussion shed light on this issue, aiming to foster gender inclusivity and equitable participation within the extractive industry.

The discussion unearthed multifaceted challenges inhibiting women's engagement in this sector. Societal norms restricting women to specific roles, coupled with inadequate access to information and biased training institutions, perpetuate their underrepresentation. While women's groups exist, the absence of structured empowerment programs hampers their ability to access crucial knowledge and resources.

Empowering Women through Insight and Initiatives

Personal narratives emphasized the necessity for deliberate decision-making and continuous learning for women in this sector. Speakers highlighted the significance of entrepreneurship and gradual mineral value addition, stressing the need to dismantle patriarchal barriers. Initiatives aimed at empowering women in Artisanal and Small-Scale Mining (ASM) include formal group formations and comprehensive training in leadership, environmental preservation, and safety measures.

The Data Gap and Advocacy for Gender Equality

A striking revelation was the scarcity of data reflecting women's involvement in the extractive industry. This data gap hampers the formulation of tailored national strategic plans. Discussions on gender equality in job reservations sparked diverse opinions, some advocating for qualifications-based employment while others emphasized the need for statistics reflecting women's participation.

According to the Tanzania EITI Report (2023), over 90% of the workers are men, with less than 10% being women. This gender divide isn't just about numbers; it also profoundly impacts who gets to make crucial decisions in these companies.

In Tanzania's mining industry, two clear examples illustrate a substantial difference in the number of men and women in top management. Let's examine two major mining companies: AngloGold Ashanti (Geita Gold Mine) has 11 people in its senior management team, but none of them are women. On the other hand, Barrick Gold Mine has 16 top executives, and three of them are women.

Mostly, women find themselves in Artisanal and Small-Scale Mining (ASM). For them, participation in ASM is not merely a career choice; it is a means of survival, underpinned by the persisting socio-economic risks. The question arises: what should be done to improve their working environment?



In conclusion, the discussion centred on amplifying women's participation in the extractive industry by challenging gender-specific role perceptions. Emphasis was placed on education, accurate information dissemination, and advocacy for women's involvement in decision-making roles. Policy reforms, gender-sensitive practices, and societal shifts were highlighted as crucial, requiring collaborative efforts from diverse stakeholders.



The 2023 Jukwaa La Uziduaji gathered over 150 participants deeply engaged in discussions that sparked crucial insights. These insights have coalesced into fundamental recommendations, aimed at revolutionizing the extractives sector, particularly amidst the ongoing energy transition.

Revamping the Legal Framework:

The need for a comprehensive review of existing policies governing the extractives sector emerged as a pivotal point. The objective is to iron out ambiguities and inconsistencies within acts like The Mining Act of 2010 (R E 2018), The Natural Wealth and Resource (Permanent sovereignty), and The Natural Wealth and Resource (Review and negotiation of unconscionable terms) of 2017. The goal is to ensure that these laws dynamically adapt to the sector's evolving needs, especially in the realm of critical minerals and the energy transition. Moreover, the emphasis is on creating Investor-Friendly Regulations that foster a conducive environment for exploration and investment, allowing for uninterrupted revenue collection by the government upon discovery of commercially viable mineral deposits.

Fostering Joint Ventures:

Rather than advocating for the creation of new companies within the mining sector, the GoT should consider the promotion of joint ventures. The aim is to leverage existing resources and expertise efficiently.

Equitable Revenue Distribution and Climate Contribution:

The call for a robust Revenue Management Plan emerges as a crucial step towards fair and equitable distribution of extractive revenues. This plan is poised to enforce regulations that ensure these revenues contribute significantly to public services, especially for marginalized communities. Additionally, there's a proposal to explore Corporate Social Responsibility (CSR) contributions and designate a percentage of royalties specifically for climate financing. This aligns with efforts to address the climate crisis in Tanzania.



Upholding Transparency and Accountability:

Recognizing the pivotal role of comprehensive policies and collaborative efforts among governmental bodies, private sectors, non-state actors, and citizens. The primary aim is to ensure transparency and accountability within Tanzania's extractive sector.



Empowering the ASM Sector:

Highlighting the imperative for a national strategy focused on the Artisanal and Small-scale Mining (ASM) sector. This strategy aims to install best practices, ensuring sustainability, improved livelihoods, and operational efficiency within the sector.

Generally, The resounding consensus from the Jukwaa La Uziduaji is a clarion call for comprehensive reform within the extractives sector. These recommendations, rooted in the essence of adaptability, collaboration, and equitable distribution, serve as a guiding light toward a more sustainable and impactful future for Tanzania's extractive industries.

INNOVATE UNVEILED: JUKWAA LA UZIDUAJI 2023 EXHIBITION

Step right into the incredible Jukwaa La Uziduaaji 2023, where innovation and progress unite! This year's exhibition, hosted by the esteemed Tanzania Women Miners Associations (TAWOMA) and supported by HakiRasilimali was an absolute triumph.

Picture this: luminous booths adorned with the fruits of tireless labor, drawing the attention of notable figures like Hon. Antony Mavunde, Minister for Minerals, and Hon. Judith Kapinga, Deputy Minister for Energy. Their presence was more than just ceremonial—it was a testament to the profound appreciation for the groundbreaking work of HakiRasilimali and the commendable dedication of women in the mining sector.

HakiRasilimali's booth was a treasure trove of insight and knowledge, showcasing their extensive research and analysis. The spotlight shone on their latest masterpiece, "Unmasking Beneficial Ownership: Strengthening Transparency and Accountability in Tanzania's Extractive Industries," freshly inked in November 2023. Also, "Realizing Local Content Development in Tanzania published in 2023" and "The Implication of the Extractive Sector Fiscal Regime to The Economy published in 2021" were on display, each a testament to their commitment to enlightening the industry.

But let's not forget the radiant display by TAWOMA, celebrating the brilliance of women in mining. Amongst their remarkable creations were handmade accessories fashioned from the very minerals these incredible women extracted. Their emphasis on value addition didn't just sparkle—it shone as a beacon of empowerment and progress.

This exhibition was not merely a showcase; it was a celebration of dedication, innovation, and the relentless pursuit of excellence. The echoes of appreciation from esteemed ministers serve as resounding applause for the efforts of HakiRasilimali and TAWOMA, affirming their pivotal role in shaping the future of the mining sector. As these exhibitions close their doors, their impact continues to ripple through the industry, leaving a legacy of inspiration and empowerment for years to come.

