



ACQUIRING A MINING LICENCE IN TANZANIA

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The Mining Commission is an Institution under the Ministry of Minerals established through the written laws (Miscellaneous Amendments) Act, No. 7 of 2017. Among of its function is to regulate the mining activities such as exploration, mining, processing, mineral trading and issuance of different mineral rights and permits in accordance with the Mining Act, Cap.123 and its regulations thereto.

The mineral rights issued by Mining Commission are Prospecting Licences (PL), Special Mining Licence (SML- Issued by Commission upon approval of the Cabinet) Mining Licence (ML) and Primary Mining Licence (PML). Others licences include Processing Licence (PCL), Smelting Licence (SL), Refinery Licence (RFL) and licences for dealing with minerals (Broker's and Dealer's Licences).

According to Section 28(1) of the Mining Act, Cap 123; A Prospecting Lincence can be granted into different six groups of minerals such as Metallic Minerals, Gemstones, Industrial Minerals, Energy Minerals, Building Minerals and Kimberlitic Diamonds.

The application of SMLs and MLs originate from the holder of PLs or to an entitled applicant in accordance with Section 39 of the Mining Act, Cap. 123. However, application of MLs may be originated from amalgamated and converted PMLs.

PMLs, PCLs, SLs and RFLs, BLs, DLs and LSs are issued depending on type of minerals the applicant has applied.

2.LICENCE'S ISSUANCE PROCEDURES

Licence can be issued to individual, company or cooperate as per the Mining Act, Cap.123 and its Regulations

2.1 Qualification for Individual Applicant of Mineral Rights

- (i) Age not less than 18;
- (ii) He/She has never been bankrupt;
- (iii) Not a Defaulter in existing mineral right, expired or cancelled;
- (iv) has never been convicted within previous ten years with an offence in which dishonesty is an element and has not been sentenced to imprisonment or to a fine not exceeding twenty million shillings; and



(v) A foreigner must have been resided within the country for at least 4 years.

2.2 Qualification for Company Applicant of Mineral Rights

(i) must have postal and physical address;

(ii) must be registered under the Companies Act in the country;

(iii) audited financial statement must be submitted during application;

(iv) Must not be in liquidation other than liquidation that forms part of scheme for reconstruction or amalgamation of the holder;

(v) Among its directors or shareholders one of the persons who would be disqualified under clause 2.1 (ii), (iii) and (iv)

2.2.1 Conditions and Procedures for Issuance of PLs

PLs are issued for initial period of 4 years to individual, company of cooperate at the area where the applicant applied and renewed for first period of 3 years and second period of 2 years then expired and reverted to the Government or proceeded with the application of MLs or SMLs before expiry.

Procedures and conditions are as tabulated in the table 1 below::

Number	Procedure	Condition
1	Applicant to identify suitable area.	Map: Geological information/Site Plan; Scale - 1:50,000.
2	Complete Application Form and submit to the Mining Commission (online and/or Hard copies).	<ul style="list-style-type: none"> •Coordinates Arc, 1960 datum; •Application should be accompanied with payments of application fee; and •Individual: Full name and citizenship, postal and physical address, recent passport size, copy of identity card in case of Foreigner attach with a resident permit and work permit.
3	Application to be processed, reviewed and evaluated.	<p>Financial and Technical capability;</p> <ul style="list-style-type: none"> •Applicant should not be a default; •Local Content Plan; •Integrity Pledge; •Applicant should not exceed threshold of 20 PLs or a total of 2,000Km²; •Applied area must be free of licence or other application of mineral right.



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4	Application to be recommended and accepted for grant	Applicant to be granted letter of offer, licence is issued after payments of preparation fee of a licence.
5	Licence to be issued	First annual rent to be paid Consent to be granted.
6	Mineral right holder to seek consent to lawful surface right holder to enter the area.	If the licence holder is not given permission by the surface right holder for no apparent reason, the Minister in consultation with the Mining Commission has the authority to allow the licence holder to conduct exploration or mining (Section 95 of the Mining Act, Cap. 123)
7	Mineral right holder to negotiate with Local Government Authority to prepare CSR.	Corporate Social Responsibility (CSR) to be prepared.

2.2.2 Conditions and Procedures for Issuance of PML

PMLs are issued for the period of 7 years to individual, company or cooperate with **Tanzanian Citizenship** at the area where the applicant applied to conduct prospecting and mining activities.

Procedures and conditions are as tabulated in the table 2 below::

Number	Procedure	Condition
1	Applicant to identify suitable area.	Map: Geological information/Site Plan; Scale - 1:50,000.
2	Complete Application Form and submit to the Mining Commission (online and/or Hard copies).	<ul style="list-style-type: none"> •Coordinates Arc, 1960 datum; •Application should be accompanied with payments of application fee; and •Individual: Full name and citizenship, postal and physical address, recent passport size, copy of identity card in case of Foreigner attach with a resident permit and work permit.
3	Application to be recommended and accepted for grant	Applicant to be granted letter of offer, licence is issued after payments of preparation fee of a licence.
4	Licence to be issued	First annual rent to be paid Consent to be granted.
5	Mineral right holder to seek consent to lawful surface right holder to enter the area.	If the licence holder is not given permission by the surface right holder for no apparent reason, the Minister in consultation with the Mining Commission has the authority to allow the licence holder to conduct exploration or mining (Section 95 of the Mining Act, Chapter 123)
6	Mineral right holder to negotiate with Local Government Authority to prepare CSR.	Corporate Social Responsibility (CSR) to be prepared.



2.2.3 Conditions and Procedures for Issuance of SMLs and MLs

MLs are issued for the periods of 10 years to individual, company or cooperative at the area where the applicant applied to conduct mining.

For SMLs, the issuance period depends on estimated life of ore body indicated in feasibility study or requested period by the applicant as per section 43 of the Mining Act, Cap 123.

Procedures and conditions are as tabulated in the table 3 below:

Number	Procedure	Condition
1	Applicant to identify suitable area.	Map: Geological information/Site Plan; Scale - 1:50,000.
2	Complete Application Form and submit to the Mining Commission (online and/or Hard copies).	<ul style="list-style-type: none">•Coordinates Arc, 1960 datum;•Application should be accompanied with payments of application fee; and•Individual: Full name and citizenship, postal and physical address, recent passport size, copy of identity card in case of Foreigner attach with a resident permit and work permit.
3	Application to be processed, reviewed and evaluated.	Financial and Technical capability; <ul style="list-style-type: none">•Applicant should not be a default;•Local Content Plan;•Integrity Pledge;•Applicant should not exceed threshold of 20 PLs or a total of 2,000Km²;•Applied area must be free of licence or other application of mineral right.
4	Application to be recommended and accepted for grant	Letter of Offer and preparation fee to be paid.
5	Application of SML to be approved by the Cabinet	Cabinet Approval
6	Licence to be issued	First annual rent to be paid
7	Mineral right holder to seek consent to lawful surface right holder and LGAs to enter the area.	Consent to be granted. If the licence holder is not given permission by the surface right holder for no apparent reason, the Minister in consultation with the Mining Commission has the authority to allow the licence holder to conduct exploration or mining (Section 95 of the Mining Act, Chapter 123)

2.2.4 Conditions and Procedures of issuance ML from Converted PMLs

Conversion of PML to ML depends on growth of capital investment, ore reserve and technology.



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Procedures and conditions are as tabulated in the table 4 below:

Number	Procedure	Condition
1	resence of PML or <i>contiguous</i> PMLs	PMLs must be amalgamated and issued Certificate of Amalgamation from Resident Mines Officer.
2	Proof of mining project at the area and environmental protection.	<ul style="list-style-type: none"> • Feasibility Study; • EIA • All conditions and procedures for ML to be observed.
3	Licence to be issued	First annual rent to be paid

2.2.5 Conditions and Procedures for issuance of PCL

PCLs are issued for the period of 10 years to individual, company or cooperate at the area where the applicant applied to conduct processing activities.

Procedures and conditions are as tabulated in the table 5 below:

Number	Procedure	Condition
1	Applicant to identify suitable area.	<i>Coordinates Arc, 1960 datum;</i>
2	Complete Application Form and submit to the Mining Commission-RMO (online and/or Hard copies).	<ul style="list-style-type: none"> • Application accompanied with application fee; • Individual: Full name, citizenship, Physical and postal address, resent passport size. • Financial capability; • Applicant must not have unrectified default notice; • Local Content Plan; • Integrity Pledge; • Area must should not have mineral right or other applications;
3	Application to be processed, reviewed and evaluated.	<ul style="list-style-type: none"> • Environmental Management Plan; • Compensation and relocation plan; • Procurement Plan; • Entire operation system of processing plant; • Local Content Plan; • Integrity Pledge; • Tin Number, Memorandum and Certificate of Incorporation (Company).
4	Application to be recommended.	letter of offer, payment of preparation fee
5	Licence to be issued	Annual rent

2.2.6 Conditions and Procedures for issuance of SL

SL are issued for the period of 25 years to individual, company or cooperate at the area where the applicant applied to conduct smelting activities.



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Procedures and conditions are as tabulated in the table 6 below:

Number	Procedure	Condition
1	Applicant to identify suitable area.	<i>Coordinates Arc, 1960 datum;</i>
2	Complete Application Form and submit to the Mining Commission-RMO (online and/or Hard copies).	<ul style="list-style-type: none"> •Application accompanied with application fee; •Individual: Full name, citizenship, Physical and postal address, resent passport size. •Financial capability; •Applicant must not have unrectified default notice; •Local Content Plan; •Integrity Pledge; •Area must should not have mineral right or other applications;
3	Application to be processed, reviewed and evaluated.	<ul style="list-style-type: none"> •Environmental Management Plan; •Compensation and relocation plan; •Procurement Plan; •Entire operation system of processing plant; •Local Content Plan; •Integrity Pledge; •Tin Number, Memorandum and Certificate of Incorporation (Company).
4	Application to be recommended.	letter of offer, payment of preparation fee
5	Licence to be issued	Annual rent

2.2.7 Conditions and Procedures for PML to be granted within PL or ML

The Mining Act Cap 123 allows PML to be granted within PL or ML as far as the following conditions have been fulfilled:

PL or ML holder gives a written consent;

PML to be with different minerals with those which are in PL or ML (Sec 7(2) of the MA, Cap 123);

2.2.8 Conditions and Procedures for BL

(i) Granted to Tanzanians with at least 18 years;

(ii) Applicant to submit 2 recent passport size

(iii) Applicant should be a citizen of Tanzania

(iv) Has never been bankrupt;



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(v) Completed application form with: Name, Postal and Physical address; and accompanied with payments of application fee and copy of identity card;

(vi) Applicant to specify type of minerals;

(vii) Allows to buy minerals from buying stations specified in his licence and sell to a licenced dealer in the Minerals and Gem Houses;

(viii) It does not allow to export minerals; and

(ix) It has a life of 12 months from 1st July to 30th June of the following year.

Conditions and Procedures for DL Issued to Tanzanians or Tanzanians and foreigners whereby Tanzanian must have at least 25% share of licence possession.

(i) Applicant to submit 2 recent passport size;

(ii) Has never been bankrupt;

(iii) Completed application form with: Name, Postal and Physical address; and accompanied with payments of application fee;

(iv) Applicant to specify type of minerals;

(v) Allows to buy/acquire/ dispose minerals from minerals and gem houses;

(vi) Allows to export minerals; and

(vii) It has a life of 12 months from 1st July to 30th June of the following year.

(viii) Office and tools inspected and verified by RMO;

(ix) Applicant must own lapidary machines and must be inspected and verified by RMO;

3. RENEWAL OF MINERAL RIGHTS

The Mining Act Cap 123 allows Mineral Rights to be renewed. Conditions and procedures for renew of different licences are as follows:

3.1 PLs

Section 32(1)(b) of the Mining Act, Cap 123 allows Prospecting Licence to be renewed.



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According to the section Pls are issued for initial period of 4 years. If the licence holder wish to renew, the licence will be renewed for 3 years first renew, followed by 2 years of second renew if the holder decides to do so. When the holder of prospecting licence decided not to apply for ML or SML during the life of the licence (i.e. when the period of second renewal is exhausted), that Prospecting Licence shall revert to the Government and the area will be given to local companies by the Minister for Minerals after Cabinet Approval. Minister for Minerals will provide the area to local companies after Cabinet approval.

Conditions and procedures for renewal of Pls are as follows in table 7 below:

Number	Procedure	Condition
1	Complete Application Form and submit to the Mining Commission (online and/or Hard copies).	<ul style="list-style-type: none"> •CoordinatesArc, 1960 datum; •Application to be accompanied with payment of application fee; •Report of paid annual rents; and Exploration works report for the whole period of life of the licence
2	Application to be processed, reviewed and evaluated.	<ul style="list-style-type: none"> •Financial and Technical capability; •Applicant should not be a defaulter; and •All PL conditions remain the same
3	Application to be recommended.	Letter of offer, payment of preparation fee
4	Licence to be issued	Annual rent

3.2 Primary Mining Licence -PML

PMLs are renewed as per Section 56(2) of the Mining Act Cap 123. **Special Mining Licence and Mining Licence (SML and ML)**

SMLs and MLs are renewed as per Section 45(2) and 53(2) of the Mining Act Cap 123 respectively.

4.Cancellation of Licence

The Licensing Authority may cancel or suspend a licence due to:

- Failure to comply with Mining Act, Cap.123 and its regulations;
- Failure to comply with condition of the license.