How to Export Gold and other minerals out of Tanzania?

1.1 Export of Gold and other Minerals from Tanzania

The exportation of minerals in Tanzania is governed by the provisions of the Mining Act, 2010 ('the Act') and the Mining (Mineral Trading) Regulations, 2010 ('the Regulations'). Any person with an interest to export minerals in Tanzania has to abide by the conditions stipulated under the Act and Regulations. This article provides guidelines and pre-requisites for the exportation of minerals in Tanzania in line with the conditions laid down under the Act and Regulations.

1.2 Right to export Gold and other minerals and their categories out of Tanzania The right to export minerals is granted to the following categories of mineral rights holders:

1.2.1 Holders of Mining Rights in Tanzania Holders of special mining license, mining license, primary mining license, processing license, smelting license, and refining license have the right to trade or dispose of their mineral products; including, by way of export.

Any person who falls in any of the following categories may apply for and be granted an export permit;

Primary Mining license Mining License Special Mining License Smelting License Processing License, and Refining License

The holder of any of the above mining License has the right to trade or dispose of even export the mineral and mineral Products obtained from their mining centers

1.2.2 Licensed Minerals Dealers and Brokers

On the other hand, holders of dealer and broker licenses have the right to buy, acquire, sell or dispose of minerals (Section 76 and 83 of the Act). Therefore, the right to export minerals is granted to holders of mineral rights and licensed dealers.

1.2.3 Non-Residents on Special Permits

Further to the mineral rights holders and dealers stated above, non-residents are authorized to export minerals subject to the conditions provided under Regulation 16 of the Regulations. A special export permit is granted to non-residents to export minerals from

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Tanzania.

A non-resident with a tourist visa is permitted to export minerals after paying the required export permit fee for minerals not exceeding USD 1,000(See Regulation 16(2)). The application fee is USD 200 for minerals worth USD 1,000 but if the value of minerals is above USD 1000 the amount of fee payable is USD 2,000.

The major limitation is that a non-resident shall not be permitted to export minerals more than twice in a year.

Furthermore, non-residents may export minerals purchased at the Gem Trade Fair (as per Regulation 17). Export permit for minerals from Gem Trade Fair is granted after payment of requisite fees and royalty.

1.3 Royalty for export of Minerals

Royalty for export of Gold and other minerals refers to the amount of payment made in percentage to the Government by an exporter or dealer of minerals in Tanzania. The Government is the owner of minerals in Tanzania and charges royalty based on two aspects: one is the gross value of the minerals to be exported and the second the kind or type of minerals to be exported.

The following are royalty rates chargeable for the export of minerals:

Exportation of gemstone and diamonds is charged 5% of the gross value of the consignment. For gold, copper, silver, and platinum minerals the rate is 4%.

Gem is charged 1% of the gross value.

All minerals within industrial mineral, including building material and salt are chargeable at a rate of 3%.

1.4 Online Mining Cadastre Transactional Portal

This portal is made for registration of mineral right holders of Division A, B, C, and D. It is through this forum, and upon being registered on it, the mineral right holders can maintain their existing rights, submit report and production returns electronically. To use the portal, one has to register in person through Head office of the Ministry for Division A and B but for Division C and D can register through regional offices. The goal of this portal is to provide an electronic platform for all stakeholders in the mining sector in Tanzania to engage directly with the Ministry of Energy and Minerals.

1.5 Precautionary issues for export of minerals

Like any other business, the exportation of minerals in Tanzania involves some risks; one of them is dealing with fraudsters. We have noted that on many occasions foreigners engage in mineral export transactions without seeking legal guidance and consulting the appropriate

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authorities. Consequently, some foreigners end up being exposed to a risk of fraud by certain impostors without trading licenses.

Further information;

A mineral Export permit is a vital document that will allow the dealers and miners to export the Minerals out of Tanzania, without which they cannot export the minerals. However, it is better to note that, a mineral export permit is issued only once per each consignment, and is valid only for the period given, so there is no permanent export permit.

The mineral export permit will not be issued if the applicant has not paid for the export permit application fee and the Government royalty. These are the fee paid to the government before the consignment is to be exported.

Warning: Gold and other minerals can not be sold or transported out of Tanzania without Government Involvement. All gold sold in the black market or in Hotels has proved to be a scam. Thereabove are the only ways to export Gold and other minerals out of Tanzania