



THE GOVERNMENT HAS ENACTED REVIEW AND RE-NEGOTIATION OF UNCONSCIONABLE TERMS

The Government has Enacted The Natural Wealth and Resources Contracts (Review and Re-Negotiation of Unconscionable Terms) Regulations, 2020. G.N no. 57 of 2020.

The United Republic of Tanzania has recently witnessed a massive overhaul of Natural resources policies, laws and regulations with the aim of enhancing the country's grip and control over all natural wealth and resources so as to ensure that they are used to benefit the citizens of Tanzania. In the wake of this overhaul, various laws and regulations affecting the legal regime governing Natural resources were enacted, these include The Natural Wealth and Resources Contracts (Review and Re-Negotiation of Unconscionable Terms) Regulations, 2020. Government Notice no. 57 of 2020.

The Regulations mandate the National Assembly to require the Government through the minister responsible, who acts on behalf of the president, who is the trustee of all-natural wealth and resources on behalf of the people of the United Republic of Tanzania to re-negotiate natural resources contracts that the national assembly opines to contain "unconscionable terms".

The regulations further provide that the minister will gather a re-negotiation team as he/she sees fit and will keep a register of arrangements or agreements of renegotiation of which he/she will enter any natural wealth resource arrangement and agreement within 7 days from the day he/she has been notified of the resolution to renegotiate by the national assembly.

The re-negotiations are to take place between the two contracting parties and will be held on the basis of fair dealing, honesty, and utmost good faith. After completion of the intra-ministerial renegotiation processes, the minister will submit the renegotiation outcome to the cabinet and seek issuance of the president's certificate before submitting the outcome to the national assembly.

All these are aimed at making sure that the Tanzanian benefit from the God Given Natural resources.