



ASM ACTIVITIES AND MANAGEMENT IN TANZANIA

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BACKGROUND INFORMATION ON ASM



- Tanzania is endowed with varieties of minerals, mostly formed near surface, hence favourable for both ASM and world class large scale mining.
- ASM in Tanzania dates back in the 1940's, and is mainly based on high value minerals such as gold and gemstones.
- The number of ASM in Tanzania has increased from 150,000 in 1987 to over 700,000 in 2012.
- ASM mainly engaged in mining gold (60%); building materials (25%); gemstones (10%); copper ore, salt, industrial minerals - (5%).





IMPORTANCE OF ASM



- **Job Creation:** ASM provides 13 to 20 million jobs worldwide, while 80 – 100 million people depend on it for their livelihoods.
- **Income Generation:** ASM is an important factor for income generation. Revenue generated from ASM can increase local purchase power and faster economic multiplier effects. In Tanzania, income from ASM is invested in shops, taxis, bars, guest houses, farming and building residential houses.
- **Foreign Exchange earnings:**
- **Curbing Rural-Urban Migration:**
- **New Discoveries of Mineral Deposits:**





CHALLENGES OF ASM IN TANZANIA



- Limited Government capacity to enforce laws and regulations related to ASM .
- Lack of Capital + Reluctance of banks to provide loans and other financial assistance to ASM (mainly unregulated sub-sector).
- Lack of potential areas suitable for ASM.
- Cross cutting issues such as environment, health and safety, gender, HIV/AIDS and social issues.





CHALLENGES OF ASM IN TANZANIA

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- Use of inappropriate technology, and Poor practices in mining and processing.
- Inefficiency in exploitation and processing of minerals (low recovery).
- Low level of productivity.
- Lack of transparency in their operations.
- Market barriers.
- Uneconomical decisions in investment.
- Lack of record keeping (financial records).
- Tax avoidance.





MEASURES TO IMPROVE ASM IN TANZANIA



A. LEGISLATIVE

- Small Scale Mining for all minerals is exclusive for citizens of Tanzania.
- The Mining Act of 2010 stipulates measures to allocate land areas specifically for small scale mining. In one part this measure aims to reduce conflicts/tensions between small scale miners and large scale miners.
- Improvement in security of tenure from 5 years to 7 years to enable small scale miners to use mineral rights to facilitate bank loans.
- Decentralization in permitting process to the Zonal Mines Office level versus previous provisions whereby Licences were granted by the Commissioner for Minerals.
- Co-existence of mineral rights: Primary Mining Licences may be granted inside another mineral right.



MEASURES TO IMPROVE ASM IN TANZANIA

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B. ADMINISTRATIVE MEASURES

- The Government established a Small Scale Section under the organization structure of the Ministry to administer all matters pertaining to ASM in the country.
- A Baseline Survey on ASM was undertaken by the Government in 2011 under the funding of the World Bank. The survey aimed at providing reliable quantitative information on the position and performance of ASM activities in Tanzania, to be used as basis for preparation of programs to improve ASM performances in general. The survey mainly covered the following areas: socio-economic aspects, organizational, technical, marketing, environmental and OHS issues.





MEASURES TO IMPROVE ASM IN TANZANIA

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C. EXTENSION SERVICES TO ASM

- Small scale miners are offered extension services by various Government institutions in terms of legal and regulatory requirements; techniques on exploration, mining and mineral processing; mineral beneficiation and value addition, mineral markets; acquisition of loans; financial accounting; record keeping and reporting.
- Developed training manuals on ASM and Code of Practices on ASM.
- Developed Transportable Demonstration Units (12 units).
- Establishment of Demonstration Centers on exploration, mining and mineral processing. So far, there is one Center; target is to have 8 Centers countrywide.
- Developed brochures on ASM.
- Facilitation on availability of appropriate and affordable mining and mineral processing technologies.



MEASURES TO IMPROVE ASM IN TANZANIA

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D. DEMARCATING AREAS FOR ASM

- The Government is assisting ASM by identifying mineral rich areas and demarcating such areas exclusively for small scale mining. Currently, there are over 23,000 Primary Mining Licences issued to small scale miners within and outside demarcated areas. Total demarcated for ASM as of June, 2013 was 265,396 Ha.
- Relinquished and/or expired areas under Prospecting Licences are held by the Commissioner for Minerals for a period of 4 months to allow ASM to apply for Primary Mining Licences.





MEASURES TO IMPROVE ASM IN TANZANIA

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E. FINANCIAL SUPPORT

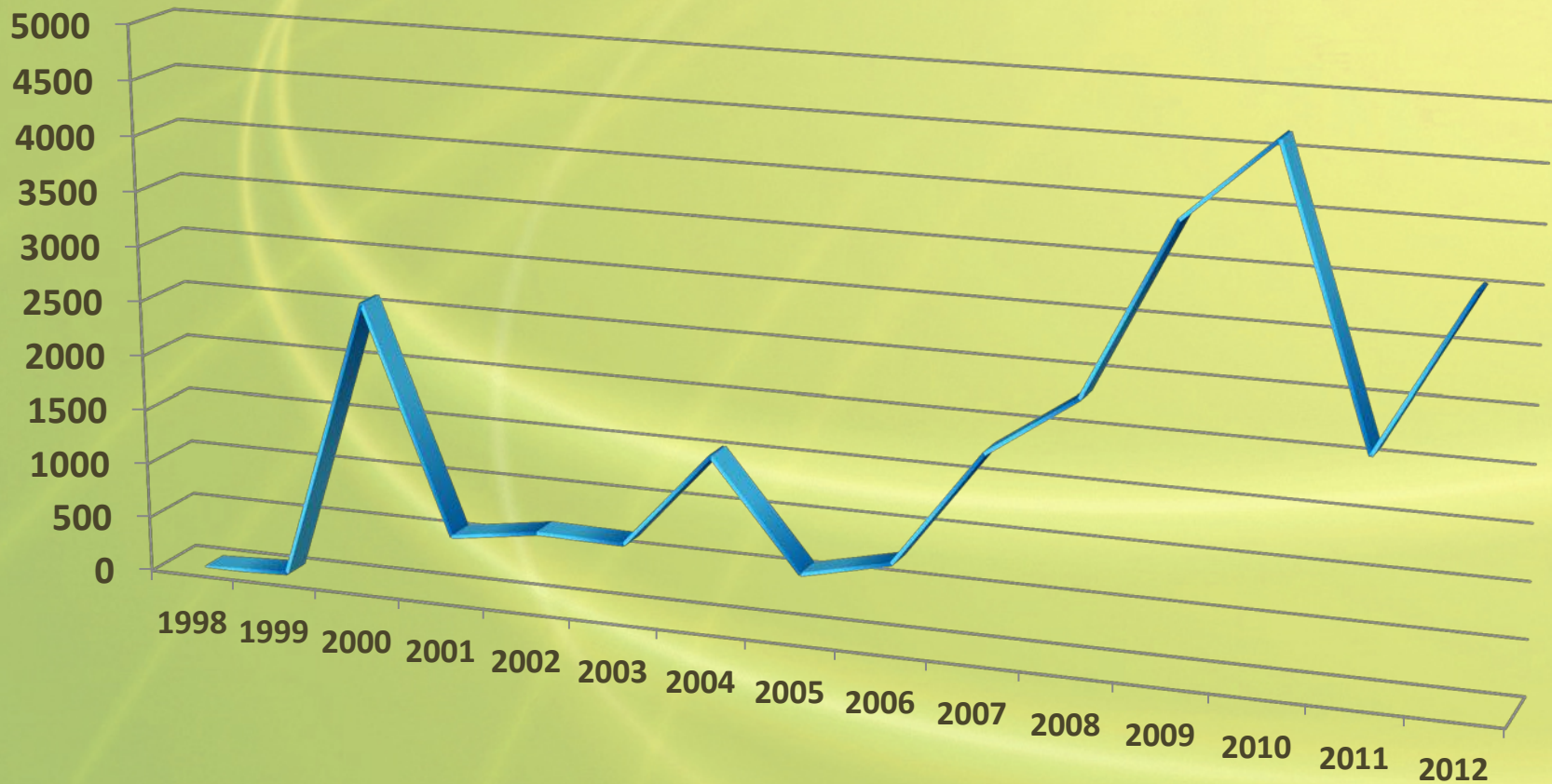
- The Government has established a loan scheme under the Ministry to issue soft loans to small scale miners (The Small Scale Mining Development Revolving Fund). Aim is to provide loans on payments for geotechnical investigations and customer milling services. During 2010, the Government granted TZS 425 million to indigenous local companies to purchase ASM equipment and establish a “hire purchase scheme centers“ of which the miners will access the equipment through hiring or purchasing them at a low non-commercial rates. In 2012/13 a total of TZS 2.5 billion has been set aside for this purpose.
- The Government is supporting small scale miners through a World Bank Program under Sustainable Management of Mineral Resource Project (SMMRP). USD 4 million has been budgeted.
- Assisting ASM in drafting feasibility studies and project write-ups that are required in loan applications.
- Assisting ASM to form Savings and Credit Co-operative Societies (SACCOS) to be able to get loans easily from banks.



MINERALS LICENCING TREND (1998 – 2012)



■ Primary Mining Licence





ASM IN TANZANIA (PHOTOS)



Pollution through Sluicing and Panning



Mercury Pollution



ASM Deforestation



ASM Pits Supported using Cut Trees



ASM IN TANZANIA (PHOTOS)

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Poor Storage of Cyanide



Poor Storage of Cyanide



ASM Vat Leaching Tanks



ASM Vat Leaching Tanks



ASM IN TANZANIA (PHOTOS)

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Women Involved in ASM



Handling Cyanide Solution without PPEs



Evaporating Salt Tanks



Firewood in Salt Production





ASM IN TANZANIA (PHOTOS)

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Proper Sluicing Facility



Modern ASM Hoisting System



Vertical ASM Vat Leaching Tanks



Modern ASM Hoisting System



ASM IN TANZANIA (PHOTOS)

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Gold Rush Site



Gold Rush Mine Camp



Mined Ore Awaiting Transportation



Abandoned waste rocks





CONCLUSION



ASM in Tanzania has a bright future if developed to its full capacity





Questions?