

Insight into AfricaMaVal country case studies **TANZANIA**

Tanzania is an emerging player in the global market for critical raw materials (CRMs), offering a rich geological landscape for extraction of key minerals needed for green and digital transitions. The government has implemented various initiatives to foster sustainable mining practices, although challenges remain in infrastructure and regulatory frameworks.



Natural graphite, nickel, niobium, copper, cobalt, and lithium.



Lindi, Morogoro, and Shinyanga Regions.

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COUNTRY OPPORTUNITIES AND GOVERNMENTAL INITIATIVES

Incentives for Foreign Investment and Local Participation:

The government has introduced various fiscal incentives, such as the 2022 Mining Act amendments, tax breaks and reduced royalties, to attract foreign investors to the mining sector. Additionally, policies ensure local participation in the mining value chain. For instance, local companies are prioritized in sourcing goods and services for mining projects under the 2018 Local Content Regulation.

Promoting In-Country Processing and Job Creation:

Government policies encourage in-country processing of raw materials, aiming to add value before export and create more local jobs.

Focus on Sustainable and Responsible Mining:

The government is actively promoting sustainable mining practices through regulatory reforms and compliance with international standards. The “Green Mining” initiative, for instance, focuses on minimizing environmental impact, ensuring companies comply with strict environmental management regulations.

CHALLENGES AND BARRIERS

• Infrastructure deficiencies:

Transport and processing infrastructure in mining regions remains underdeveloped, leading to increased operational costs and limiting access to global markets. The transportation of copper from the Shinyanga Region, for instance, is hindered by inadequate road and rail infrastructure.

• Regulatory and permitting hurdles

Complex regulatory processes and delays in obtaining mining licenses pose challenges for new entrants and investors. The development of the Zanzui Cobalt Project for instance has been slowed due to prolonged permitting procedures.

• Environmental and social risks in artisanal mining:

Artisanal and small-scale mining (ASM) poses significant environmental and social challenges such as unsafe labor practices, particularly due to the informal nature of these operations.