

Mining giants sign deal for coexistence with artisanal miners

THISDAY REPORTER

Dar es Salaam

THE government has signed a framework agreement with two of the biggest mining companies in Tanzania - African Barrick Gold (ABG) and AngloGold Ashanti - to collaborate in a multi-stakeholder initiative aimed at improving the coexistence of small-scale mining (ASM) and large-scale mining (LSM) in the country.

A Multi-Stakeholder Partnership (MSP) Framework Agreement that serves as the Terms of Reference (TORs) for the stakeholder collaboration was signed in Dar es Salaam on June 28. A national Steering Committee is responsible for ensuring the implementation of MSP activities, meeting on a quarterly basis to review progress.

The agreement was signed after a full day meeting of the Multi-Stakeholder Partnership Initiative to Improve ASM-LSM Coexistence in Tanzania was hosted by the government. In attendance were representatives from the Ministry of Energy and Minerals, the Ministry of Home Affairs, small scale mining operators, civil society, the World Bank, and the large scale mining (LSM) industry.

"The Multi-Stakeholder Partnership (MSP) initiative seeks to improve ASM-LSM coexistence in Tanzania by fostering the legal, regulated, safe, sustainable development of an ASM sector that operates within the rule of law and with respect for human rights," the government said in a joint statement with ABG, AngloGold Ashanti and the World Bank.

"Specifically it aims to ensure that all who are legally engaged in ASM work under fair labour standards and in proper health



Mercury and other dangerous chemicals are commonly used in artisanal gold mining, hence harming the environment

and safety environments, allowing small scale operators to exercise a scale of mineral activity that suits their financial capacities and long-term ambitions."

The first stage of actualizing the MSP is the establishment of two pilot schemes — one in near the Geita Gold Mine owned by AngloGold Ashanti and one near ABC's North Mara Gold Mine in Tarime district, Mara region.

Planning of the pilots has been underway since April 2013 in the two respective areas. The pilots aim to model practical

approaches towards ASM-LSM coexistence in the country. Activities may include: improved geological support to small-scale operators, further processing and value-addition opportunities for mine operators, developing responsible gold supply chains from mine to market, mainstreaming gender in the entire value chain, and improving revenue and benefit flows back to local governments and communities.

On behalf of the Government of Tanzania, the Permanent Secretary for the Ministry of

Energy and Minerals, Eliachim Maswi, stated: "The sustainable development of the artisanal and small-scale mining sector has always been a top priority for the government. Over the past four years, we have embarked on reform initiatives including the development of a small-scale mining loan scheme to operators and the design of a small grants program for operators and communities. This MSP Initiative complements activities already underway within our Ministry by leveraging additional technical

knowledge and resources from the private sector and the World Bank to promote greater national participation in our mining industry."

Through its Tanzania Country Director, Mr. Philippe Dongier, the World Bank stated: "The World Bank is committed to supporting initiatives aimed at strengthening the artisanal and small-scale mining sector in Tanzania as this sector impacts on a significant number of people in the rural areas and is therefore relevant to any effort intended to reduce poverty among the rural populations."

In addition, Mr. Christopher Sheldon, Sector Manager for the Oil, Gas and Mining division of the World Bank, responsible for Africa: "The World Bank is pleased to assist in this important initiative. It reflects our institution's commitment to transform the artisanal and small-scale mining sector into a positive contributor to poverty reduction whilst equally increasing the national share of mining benefits."

The initiative also received endorsement from the private sector, "AngloGold Ashanti believes strongly in the need to engage with all stakeholders in finding strategies to address ASM in Tanzania, and we are excited to be part of the MSP pilot scheme in Geita", Laurent Coche, Senior Vice President for Sustainability at AngloGold Ashanti, said at the launch.

ABC Vice President Corporate Affairs, Deo Mwanyika, echoed this industry commitment, "Today consolidates our commitment to supporting the artisanal and small mining industry. The MSP offers a unique opportunity to commence concerted efforts with numerous partners to deliver a successful outcome."

killings: "More anger. More anger in people's hearts. More sorrow," he said.

The Brotherhood called for more big rallies yesterday.

the Brotherhood to fail. Mursi's downfall seems likely to reopen debate on long-term strategy. "The Brotherhood don't

The military says it removed Mursi in response to huge protests against his rule. Millions took to the streets on June 30, the anniversary of his

violen...
"It is clear we face a scenario like 1954," said Mohamed El-Beltagi, a Brotherhood politician on the

Thumbs-up to Energy and Minerals ministry

THE Tanzanian Chamber of Minerals and Energy (TCME) applauds the government in developing the Big Results Now project. After witnessing the launch of national projects in the energy sector by Energy and Minerals minister Prof Sospeter Muhongo in Dar es Salaam on Wednesday (July 3), the TCME executive secretary said: "Our members in the mining industry are keenly following developments in the energy sector, given the impact it is sure to have on the development of the minerals sector. We would like to congratulate the Energy and Minerals ministry in this impressive commitment to delivery."

Mining companies are some of the largest energy users in the country, but all too often they are required to generate their own power through expensive heavy fuel generators. The expansion of

the national grid to north-western Tanzania will make mining a significantly more attractive investment.

All other things being equal, mines powered by a reliable national grid will drive down costs for producers and incentivise them to build more mines and expand current facilities. This will, in turn, create jobs and increase tax revenue for the government.

TCME sees Big Results Now as quite an ambitious undertaking and believes that joint efforts with the government and the private sector will ensure the delivery of direct and tangible benefits to Tanzania and members of the business community.

The Big Results Now project doesn't end with electricity. Mining and energy companies are excited about the prospects of improved logistical infrastructure. Better ports, improved

roads and reinvigorated railways will vastly boost interest in investing in Tanzania.

Confidence in the many inland projects that TCME members are working on will only increase with modern efficient transport, improving the likelihood of development.

With mining representing over 3 per cent of Tanzania's gross domestic product and gold alone representing over half of Tanzania's exports, the sector is critical to ongoing national economic development. There are high expectations that Big Results Now will immensely support the mining industry which will, in turn, further support the Tanzanian economy.

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THE Muslim badly need... to maintain solidarity," said Brotherhood expert Khalil al-... they cited grievances including economic stagnation and perceptions of