Tanzania is blessed with a vast amount of natural resources including large reserves of gas and minerals. Recent growth in the mining sector has outpaced the rest of the economy while major offshore gas discoveries have massively increased investor appetite in the extractive industry, with the potential seen as a possible catalyst to propel Tanzania towards its development goals.

The rapid expansion of the extractive industries and the large untapped reserves in Tanzania hold great promise, however, they also present risks and challenges to the human development of the country. In the short run, new discoveries may lead to displacement of people from their settlements. Furthermore, the majority of Tanzanians employed in the extractive industries are artisanal and small-scale miners (ASM). Employment in this sector is informal, hazardous and unproductive.

Transforming the extractive industry into a well-governed, equitable and inclusive industry will contribute to Tanzania’s development goals. This challenge requires well thought-out and evidence-based interventions based on the principles of open, democratic and transparent governance, as well as formalization of ASM.

The goal of this project will be to support the Government of Tanzania in improving the governance of the extractive industry through establishing and strengthening existing institutional frameworks, policies and regulations as a means of achieving a sustainable and inclusive socio-economic transformation.

The project will seek to improve the well-being and strengthen the inclusion of communities involved in the extractive industries. This will be achieved by focusing on three major areas of intervention, namely improving employment opportunities and levels of income, improving access to social services and promoting entrepreneurialism, especially for ASM.

These outcomes will be pursued through activities strengthening the capacities of national, regional and local authorities for policy development, enforcement and planning; promoting strengthened collection and effective use of revenues from extractive industries; improving value chains and access to markets; enhancing skills matching between local workers and extractive companies; and promoting the formalization of the extractive sector.
ARTISANAL AND SMALL SCALE MINING IN TANZANIA

Most Tanzanians employed in the extractive sector are artisanal and small-scale miners (ASM). ASM supports approximately 0.5-1.5 million people, contributes to income generation at the local level, stimulates small and medium sized enterprises and increase local purchasing power. However, the informal nature and largely un-mechanized mining operations generally result in low productivity. Issues relating to land rights, equitable value chains, environmental degradation and gender equality are critical for this sub-sector.

Regarding gender issues, mineral discoveries typically affect men and women in the local community differently in terms of job opportunities, involvement in decision-making and environmental degradation and hazards. Often, women’s access to the benefits are limited, while at the same time they are negatively impacted by changes in land use (deforestation, degradation etc.) induced by extractive activities, which affect agricultural production, water and firewood sources.

The project seeks to contribute to the transformation of ASM through the development of the mineral sector into a well organised, mechanised, productive and environmentally- and gender responsive sub-sector.

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