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THE MINING ACT,
(CAP. 123)



ORDER

(Made under section 27D)

THE MINING (NATIONAL GOLD AND GEMSTONES RESERVE) (ESTABLISHMENT)
ORDER, 2024

ARRANGEMENT OF PARAGRAPHS

Paragraph Title

1. Citation.
2. Interpretation.
3. Establishment of National Gold and Gemstones Reserve.
4. Objective of Reserve.
5. Sources of Reserve.
6. Management of Reserve.
7. Governing Board of Reserve.
8. Functions of Board.
9. Meetings of Board.
10. Remuneration of Board members.
11. Secretariat.
12. Audit.
13. Utilisation of Reserve.
14. Restrictions on use of Reserve.
15. Deposit of minerals.
16. Disposal of minerals.
17. Insurance cover.

“Minister” means the Minister responsible for finance;
and
“Ministry” means the Ministry responsible for finance.

Establishment of
National Gold
and Gemstones
Reserve

3. There is hereby established the National Gold and Gemstones Reserve which shall be under the control of the Bank of Tanzania.

Objective of
Reserve

4. The objective of the Reserve is to preserve gold and gemstones in order to address both the current needs during the state of emergency and future national needs contributing towards achievement of sustainable development goals.

Sources of
Reserve

5. The sources of the Reserve shall be-

- (a) refined minerals paid as royalty in kind pursuant to the requirement of the Act;
- (b) minerals impounded or otherwise confiscated in accordance with the law;
- (c) minerals purchased by the Government in accordance with the provisions of the Act;
- (d) dividend minerals paid under any arrangement or agreement; and
- (e) minerals otherwise acquired by the Government.

Management of
Reserve

6.-(1) The Minister shall have the overall oversight role in the performance of the Reserve.

(2) The Minister shall receive reports from the National Gold and Gemstones Reserve Board for noting, authorisation or guidance.

(3) The Bank of Tanzania shall be responsible for-

- (a) control and management of the Reserve;
- (b) custodianship of all gold and gemstones deposited into the Reserve; and
- (c) advising the Minister and the Board in all matters related to the effective management of the Reserve.

Governing Board

7.-(1) There shall be the National Gold and

of Reserve Gemstones Reserve Governing Board which consists of a Chairman who shall be appointed by the Minister and nine other members.

(2) Members of the Board shall be appointed by the Minister from the President's Office, the Ministry responsible for finance, Ministry responsible for minerals, Ministry responsible for home affairs, the Office of the Treasury Registrar, the Office of Director of Public Prosecutions, Tanzania Revenue Authority, the Bank and Mining Commission.

(3) Persons to be appointed as members of the Board shall be required to possess knowledge, skills and experience in the fields of economics, mining, finance, investment management, law or any other related field.

(4) Member of the Board shall serve for a term of three years and may be eligible for reappointment for one further term.

Functions
Board of

8.-(1) The functions of the Board shall be to-

- (a) ensure growth and sustainability of the Reserve;
- (b) formulate, deliberate, and advise the Minister on the investment strategy of the Reserve, as well as oversee its implementation;
- (c) adopt and submit semi annual reports on the performance of the Reserve to the Minister;
- (d) propose withdrawal and arrange for the disposal of minerals; and
- (e) issue directives to the Bank on proper management of the Reserve as it may deem fit.

(2) Deliberations of the Board shall consider-

- (a) overall objective for the benefit of current and future generations of the United Republic;
- (b) current economic conditions, opportunities and constraints in the investment markets and constraints under which the Bank and other relevant institutions operate; and

(c) Reserve sustainability when the need for transfer to meet unanticipated mineral revenue shortfall arises.

Meetings of Board

9.-(1) The Board shall meet at least once in each quarter for the conduct of its business and affairs.

(2) Quorum of the meeting shall constitute seven members.

(3) Decisions of the Board shall be reached by consensus.

(4) Without prejudice to the provisions of subparagraph (3) where members of the Board fail to reach a consensus on any matter, the matter shall be decided by voting and where the votes are equal, the Chairperson shall have a casting vote in addition to his deliberative vote.

Remunerations of Board members

10. Members of the Board shall be remunerated according to the remuneration guidelines issued by the Bank.

Secretariat

11. The Bank shall be the Secretariat to the Board.

Audit

12. The Controller and Auditor-General shall audit the Reserve operations.

Utilisation of Reserve

13.-(1) The Minister may, upon consultation with the Board, authorise utilisation of the Reserve.

(2) Without prejudice to subparagraph (1), utilisation of the Reserve shall be for-

(a) purchase of gold or gemstones to boost the Reserve; and

(b) funding the Government expenditure upon state of emergency approved by the Cabinet.

Restrictions on use of Reserve

14. The Reserve shall only be used for the intended objective of this Order.

Deposit of minerals

15.-(1) Where the Ministry intends to deposit

minerals to the Reserve, it shall notify the Bank in writing.

(2) Subject to subparagraph (1), notification from the Ministry shall be-

- (a) signed by the authorised officer of the Ministry;
- (b) submitted at least one working day prior to the day of deposit;
- (c) indicating the group, type, quantity and purity level of minerals intended to be deposited;
- (d) indicating the names of authorised officers from the Ministry and the Mining Commission designated to escort the minerals.

(3) The authorised officer of the Mining Commission shall break the seal and open the parcel containing minerals for the purpose of conducting physical verification of minerals with the view to ascertain their authenticity.

(4) The Mining Commission shall ensure that there are authorised officers involved in the verification of minerals depending on the circumstances to safeguard the integrity of the process.

(5) The Mining Commission shall, after completion of the procedures for deposit execute and issue a mineral certificate in the form to be determined by the Bank.

Disposal of minerals

16.-(1) The Board may, upon approval of the Minister, at any time dispose of by way of sale minerals deposited in the Reserve.

(2) Notwithstanding the provisions of subparagraph (1), the Board shall not sell the whole amount of minerals available on the Reserve.

(3) Subject to the preceding provisions of this paragraph, in selling minerals available on the Reserve, the Bank shall have the first right of purchase.

Insurance cover

17.-(1) The Board shall take insurance cover for

minerals during transportation to, and custody in the Reserve.

(2) For the purpose of subparagraph (1), the Bank shall, after consultation with the Ministry, determine the appropriate insurance cover for the minerals.

Dodoma,
30th June, 2024

MWIGULU LAMECK NCHEMBA MADELU,
Minister for Finance