EITI International Secretariat

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Validation of Tanzania (2023)

Final assessment of progress in implementing the EITI Standard

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Acronyms

AG	Attorney General
ASM	Artisanal scale mining
BO	Beneficial ownership
CAG	Controller and Auditor General
CSO	Civil society organisation
CSR	Corporate Social Responsibility
EACOP	East African Crude Oil Pipeline
EI	Extractive Industries
EIA	Environmental Impact Assessment
FATAF	Financial Action Task Force
HGA	Host Government Agreement
IA	Independent Administrator
ICMM	International Council on Mining and Minerals
LGU	Local government unit
MC	Mining Commission
MSG	Multi-stakeholder group
NaCONGO	National Council of Non-Governmental Organizations
OGAT	Oil and Gas Association of Tanzania
PSA	Production Sharing Agreement
PURA	Petroleum Upstream Regulatory Association
QFE	Quasi-fiscal expenditure
SOE	State-owned enterprise
SSM	Small-scale mining
TCM	Tanzania Chamber of Mines
TEITI	Tanzania EITI

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Executive summary

This draft Validation report presents the findings of the International Secretariat's Validation of Tanzania, which commenced on 1 April 2023. The draft report was finalised for review by the multi-stakeholder group (MSG) on 28 July 2023. Following comments from the MSG on 25 August 2023, the Validation report was finalised for consideration by the EITI Board. The assessment suggests that Tanzania has exceeded no EITI Requirements, fully met 13, mostly met eleven, partly met four and not met one requirement, with four requirements assessed as not applicable.

Key achievements

- The Tanzanian Government has renewed its engagement and commitment to the EITI. In addition to improved government engagement, the state has provided more resources to meaningfully implement the EITI in the country. Despite some concerns from civil society on restrictions to civic space, all stakeholders consulted, including civil society, acknowledge that there has been an overall improvement in government engagement and civic space since the previous Validation. Outreach activities been carried out on community level, building capacity and the ability to engage in informed debate, and there is evidence of parliamentary debate on EITI issues.

- Tanzania has collected capital expenditure and operating costs from companies for several years, and the past two EITI Reports publish these figures. TEITI also requires the disclosure of local procurement of goods and services to inform public debate on local content, as well as corporate social responsibility expenditures. Those disclosures can contribute to data analysis on the contribution of companies to the local economy, as well as the actual tax base. These topics are high on the public agenda and TEITI is well positioned to inform that debate with targeted analyses. TEITI may wish to consider expanding disclosure requirements to the mid-stream natural gas sector, given the recent agreement on the building of an LNG export terminal, and given the public interest in understanding the contribution of the extractives sector to economic and social development in Tanzania.

- Tanzania has built a strong foundation for the audit and analysis of extractive industry data. In the case of government agencies, confirmation for the same was provided by the Controller and Auditor General (CAG), who is the statutory Auditor of these entities. The EITI Report describes the audit and assurance practices of the CAG whose reports are public.

Areas for development

- The government has publicly committed to publish contracts and the legal basis to do so for all contracts, including those predating 2021, is in place. There is significant public interest in the disclosure and explanation of existing contracts and concessions. However, early progress achieved in 2021 seems to have stalled. As the government is amid (re)negotiating contracts and Host Government Agreements, the TEITI MSG could add value in ensuring that the barriers to contract disclosure are removed and that information campaigns and capacity building are undertaken to inform citizens on the terms of the agreements in place or being negotiated. Tanzania is well placed to build on the existing disclosure of production sharing agreements (PSAs) to expand disclosure to all remaining contracts and licenses in the extractives sector. Tanzania should review its mechanism for following up on recommendations and corrective actions to ensure that there is progress on addressing gaps.

- Civic space concerns remain and are linked to legislation still in place that could be used to limit the expression and operation of civil society more broadly. Some civil society members are of the

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view that the administrative requirements on civil society organisations to be re-registered at regular intervals constitute a form of control and can lead to self-censorship. This Validation has not identified evidence of self-censorship or restriction in civil society organisations' ability to operate and associate. Several civil society stakeholders have noted that laws that exert control on civil society organisations have not been applied, but not repealed either and thus constitute a latent impediment. The MSG is encouraged to actively monitor if civil society actors substantially engaged on issues of extractives governance are making use of their right to openly criticise government and companies without fear of reprisals.

- Tanzania's EITI work plan would benefit from a clearer linkage to national priorities and outcomes that support strategic sectoral and overall development objectives. TEITI should ensure that all constituencies actively contribute to work plan, progress of its activities is reviewed at least annually and made publicly available.

Progress in implementation

EITI Validation assesses countries against three components – "Stakeholder engagement", "Transparency" and "Outcomes and impact".

Stakeholder engagement

The government has recently renewed its commitment and engagement in the EITI with public statements, approving a new organisational structure for TEITI, and in resourcing the Secretariat with new staff. In the period of mid-2021 to end of 2022 there was a period when the MSG was not in place as it was disbanded following a legal change in the number of allowed members that were active in "committees" of the government. Civil society and industry were strongly against this adjustment undertaken by government. The national secretariat, in consultations, indicated that it undertook some steps to consult stakeholders on the work plan, even when the MSG was suspended. All constituencies appear to be actively engaged and the newly constituted MSG has been meeting regularly. The first meeting took place in February 2023 after a 22-month gap since the last meeting. The International Secretariat takes note of the concerns on civic space submitted during the call for views but does not find evidence of systematic government reprisals. There is an opportunity for the MSG to actively work together to advance on the issues of highest national interest.

Transparency

Tanzania has made progress on licenses for the mining sector in particular, where the information on license holders is systematically disclosed. There has also been progress on production and export disclosures. There are some elements missing to determine the contribution of the extractives sector and the ASM sector in particular to the economy. Substantially more work needs to be done on beneficial and ownership disclosures and analysis. There has been little progress on actual disclosures of contracts and on the scoping of active contracts and licenses. The corrective action on quasi-fiscal expenditures remains unaddressed from the previous Validation. On revenue collection, there are gaps to understand the determination of the comprehensiveness of the reported figures. The MSG is invited to clarify the applicability of barter agreements, questions on SOE transactions and transportation revenues. Data quality review has improved. On subnational contributions progress was made on subnational payments and social and environmental expenditures are now deemed applicable, as result of legal reforms mandating the publication of mandatory corporate social responsibility expenditures.

Outcomes and impact

The TEITI secretariat has taken the lead in drafting and executing the EITI work plan in the past 24 months. The EITI work plan addresses issues of public interest, such as improving data on small scale mining. There is a need for greater stakeholder engagement with the work plan to formulate objectives that are explicitly in line with national and sectoral priorities. EITI has the potential to be implemented as a diagnostic tool for progress on reforms that have been recommended or undertaken in the past years and

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validation cycles. There is also potential in clarifying the mechanism to follow-up on recommendations and corrective actions. There have been no yearly assessments of TEITI activities for the past years. Overall, TEITI has continued to disseminate information on extractives revenues. As TEITI now has a newly constituted MSG, a strengthened secretariat and in the final stages of adopting a strategic plan, there are opportunities to review the objectives and priorities of EITI implementation, as well as a solid monitoring framework to ensure the accountability of TEITI's activities to the wider public.

Validation scorecard

Component & module	EITI Requirement	Progress	Score	
Outcomes and impact		**Moderate**	**75.5/100**	
Extra points	Effectiveness and sustainability indicators		1.5	
Outcomes and impact	Work plan (#1.5)	Mostly met	60	↓
	Public debate (#7.1)	Exceeded	100	↑
	Data accessibility and open data (#7.2)	Fully met	90	-
	Recommendations from EITI (#7.3)	Mostly met	60	↓
	Outcomes & impact (#7.4)	Mostly met	60	↓
Stakeholder engagement		**Moderate**	**82.5/100**	
Multi-stakeholder oversight	Government engagement (#1.1)	Fully met	90	=
	Industry engagement (#1.2)	Fully met	90	=
	Civil society engagement (#1.3)	Fully met	90	=
	MSG governance (#1.4)	Mostly met	60	↓
Transparency		**Moderate**	**73.5/100**	
Overview of the extractive industries	Exploration data (#3.1)	Fully met	90	=
	Economic contribution (#6.3)	Mostly met	60	↓
Legal and fiscal framework	Legal framework (#2.1)	Fully met	90	=
	Contracts (#2.4)	Partly met	30	-
	Environmental impact (#6.4)	Not assessed	-	-
Licenses	Contract and license allocations (#2.2)	Mostly met	75	↑
	License register (#2.3)	Fully met	90	↑
Ownership	Beneficial ownership (#2.5)	Partly met	30	-
State participation	State participation (#2.6)	Fully met	90	↑
	In-kind revenues (#4.2)	Not applicable	-	-
	SOE transactions (#4.5)	Mostly met	60	↓
	SOE quasi-fiscal expenditures (#6.2)	Mostly met	60	↑
Production and exports	Production data (#3.2)	Fully met	90	↑
	Export data (#3.3)	Fully met	90	↑
Revenue collection	Comprehensiveness (#4.1)	Mostly met	60	=
	Barter agreements (#4.3)	Not applicable	-	=
	Transportation revenues (#4.4)	Fully met	90	↓
	Disaggregation (#4.7)	Mostly met	60	↓
	Data timeliness (#4.8)	Fully met	90	=
	Data quality (#4.9)	fully met	90	↑
Revenue management	Distribution of revenues (#5.1)	Fully met	90	=
	Revenue management & expenditures (#5.3)	Not assessed	-	-
Subnational contributions	Direct subnational payments (#4.6)	Mostly met	75	↑
	Subnational transfers (#5.2)	Not applicable	-	-
	Social and environmental expenditures (#6.1)	Mostly met	60	-
Overall score		**Moderate**	**77/100**	

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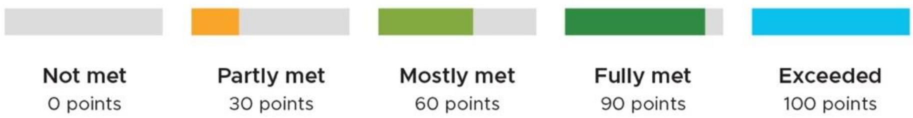
How EITI Validation scores work

Component and overall score

The three components of EITI Validation – "Transparency", "Stakeholder engagement" and "Outcomes and impact" – each receive a score out of 100. The overall score represents an average of the component scores.

Assessment of EITI Requirements

Validation assesses the extent to which each EITI Requirement is met, using five categories. The component score is an average of the points awarded for each requirement that falls within the component.



- **Exceeded** (100 points): All aspects of the requirement, including "expected", "encouraged" and "recommended" aspects, have been implemented and the broader objective of the requirement has been fulfilled through systematic disclosures in government and company systems.
- **Fully met** (90 points): The broader objective of the requirement has been fulfilled, and all required aspects of the requirement have been addressed.
- **Mostly met** (60 points): Significant aspects of the requirement have been implemented, and the broader objective of the requirement is mostly fulfilled.
- **Partly met** (30 points): Significant aspects of the requirement have not been implemented, and the broader objective of the requirement is not fulfilled.
- **Not met** (0 points): All or nearly all aspects of the requirement remain outstanding, and the broader objective of the requirement is far from fulfilled.
- **Not assessed**: Disclosures are encouraged, but not required and thus not considered in the score.
- **Not applicable**: The MSG has demonstrated that the requirement doesn't apply.

Where the evidence does not clearly suggest a certain assessment, stakeholder views on the issue diverge, or the multi-stakeholder group disagrees with the Secretariat's assessment, the situation is described in the assessment.

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1. Effectiveness and sustainability indicators

The country is awarded 0, 0.5 or 1 point for each of the five indicators. The points are added to the component score on Outcomes and impact.

1.1 National relevance of EITI implementation

This indicator considers the extent to which EITI implementation in Tanzania addresses nationally relevant extractive sector challenges and risks.

The current work plan lacks specific references to important national priorities and fails to address certain corrective actions identified in previous Validations. Tanzania EITI aims to reduce poverty and foster economic growth in the extractive sector by improving governance. However, the work plans fall short of citing a concrete document or policy outlining the national priorities. This omission hampers the effectiveness of the work plan in aligning with the overarching objectives of Tanzania's extractive sector.

Tanzania EITI has a strong foundation with the TEITA Act (2015) and its Regulation (2019) to address nationally relevant governance sector goals. TEITI is mandated to collect and disclose information that are relevant to the country's aim at increasing local content, attracting investment, and improving livelihoods of the population. Through those legal bases Tanzania can collect and publish cost data, revenue data from service companies, corporate social responsibility (CSR) payments data, contracts and beneficial ownership information. More recently TEITI has undertaken scoping studies to understand the environmental, social and gender impact of 11 companies' CSR payments. To improve disclosures from the ASM sector, TEITA as conducted a scoping study with relevant findings for EITI implementation, monitoring the sector and the government's aim at increasing the contribution of ASM to the economy. The 2019/2020 EITI Report also included an assessment of the impact of COVID on the extractive sector.

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

1.2 Systematic disclosures of extractive industry data

This indicator considers the extent to which data is systematically disclosed, as well as plans to strengthen systematic disclosures.

The mining cadastre systematically discloses license information and the Mining Commission publishes production volumes and value, government non-tax and revenues (including royalties and fees), and export figures and figures on yearly license allocations (number of licenses allocated per mining license) on a yearly basis through its annual report. The Mining Commission (MC) also publishes as laws and regulations on the sector. The Petroleum regulator (PURA) also publishes laws and regulations via their website and has added information on some licensed blocks. Audit reports of the Controller and Auditor General (CAG) are systematically disclosed. Tanzania Petroleum Development Corporation (TPDC) has published its audited financial statements up to 2020/2021.

Beyond those disclosures, EITI reporting still remains a major pillar for ensuring the availability of data in the public domain. There are plans to implement an electronic EITI reporting portal, this covers the submission of financial data for the compilation of the EITI Report. The Secretariat is not aware of any reforms underway where the MSG has identified opportunities to mainstream disclosures through government and company systems.

The Secretariat proposes zero additional points be added to the score on Outcomes and impact for this indicator.

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1.3 Environment for citizen participation in extractive industry governance

This indicator considers the extent to which there is an enabling environment for citizen participation in extractive sector governance, including participation by affected communities.

In the period under review there have been no significant areas of improvement for increasing citizen participation in extractive sector governance. There is no evidence that the MSG reviewed the policies and practices of the regulatory environment on citizen participation. As noted in the assessment of 1.3, civic space has not improved significantly in the past years.

Through its continued outreach to mining communities such as Geita, Mwanza, Mtwara, Lindi, Songwe, and Mirerani districts TEITI's commitment to engaging with and addressing the concerns of affected communities continues. While those efforts will have improved the understanding of the contribution of extractive revenues, there is no evidence that the EITI contributed to changes in civic space.

The Secretariat proposes that zero additional points be added to the score on Outcomes and impact for this indicator.

1.4 Accessibility and use of extractive industry data

This indicator considers the extent to which extractive sector data is accessible and used for analysis, research and advocacy.

The TEITI Reports serve as a reference for trusted data source on mining, oil, and gas revenues. They are frequently cited in national media, specialised publications, and are used by academics, government officials and policy advocacy agencies. TEITI publishes the summary data files for EITI Reports, both in English and Swahili.

EITI reporting data is available through summary data templates and reconciliation data is available in excel format via the TEITI homepage. Moreover, some TEITI data is also made available through the TEITI Data Dashboard, publishing data sets in open format, though with some time delays for some data sets. This dashboard is a platform for stakeholders to access and view TEITI data, promoting the accessibility and use of extractive industry data.

TEITI data, particularly government revenue figures, have been cited and referenced in national print, radio and broadcast media, as referenced in the outcomes and impact template and stakeholder engagement template. There is more potential in making use of the full breadth of disclosures such as on cost and employment to inform national debate.

The Secretariat proposes that 0.5 additional point be added to the score on Outcomes and impact for this indicator.

1.5 EITI-related changes to extractive industry policy and practice

This indicator considers the extent to which EITI has informed changes in extractive sector policies and practices.

TEITI has played a pivotal role in driving policy and practice changes in the governance of the extractive industries in Tanzania. Its implementation has led to significant amendments in key legislation such as the Anti-Money Laundering Act, the Income Tax Act, and the Companies Act. These amendments introduced new definitions and regulations pertaining to beneficial ownership and the establishment of registers. Notably, sections 4 and 6 of the Income Tax Act were revised, incorporating a new requirement regarding the taxation of beneficial owners or agents representing non-resident entities. These changes were

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enacted through the Finance Act of 2020 and adopt the EITI standards definition of beneficial owners. The influence of TEITI in catalysing these legislative amendments demonstrates its effectiveness in driving reforms that enhance transparency, accountability, and effective governance within the extractive industries sector.

The Secretariat proposes that 0.5 additional points be added to the score on Outcomes and impact for this indicator.

2. Outcomes and impact

This component assesses EITI Requirements 7 and 1.5, which relate to progress in addressing national priorities and public debate.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Work plan (Requirement #1.5) *Mostly met*	The Secretariat's assessment is that Requirement 1.5 is mostly met, which represents a regression from the previous Validation. The 2023 work plan was not subject to multi-stakeholder discussion since there was no sitting MSG at the time of elaboration and adoption of the work plan, but the TEITI Secretariat sought views from the former MSG constituencies on the draft work plan. In its response to the draft assessment, the MSG provided evidence that the 2021-2022 work plan had received input in August 2021 from former MSG members, as the MSG had already been disolved. In its comments, the MSG furthermore pointed out that the 2022-2023 work plan built on the previous work plans and on the five-year work plan (2018/19-2022/23), which was subject to extensive consultations with the wider constituencies. The International Secretariat maintains that the work plan requires annual review and multi-stakeholder discussions to consider changes in priorities and in the political and economic context, available resources, changes in EITI Requirements, existing and new recommendations from reporting, existing and new corrective actions from Validation and lessons learned from implementation. Thus, drawing on an existing work plan does not meet the objective of Requirement 1.5. Given other weaknesses identified in the assessment below, the assessment of "mostly met" is maintained. The work plan narrative frames the EITI as a key intervention to improve transparency and accountability in the extractives sector but falls short of highlighting more concretely what national priorities the EITI's objectives and outcomes are intended to contribute to. Moreover, the work plan does not include activities on TEITI's priorities for following up on corrective actions identified in the previous Validation. In its response to the draft assessment, the MSG stated that the corrective actions that were not included in the work

	plan were those which could be addressed uniquely through EITI reporting, without the need for the MSG to follow-up, and did not represent an extra cost. However, given that some of the corrective actions were not fully addressed, and that they involve reporting entities' and MSG discussions, such as SOE quasi-fiscal expenditures, the International Secretariat considers that a more rigorous review should be included in the work plan, even if there are no costs attached to the activity, to ensure that progress is made over time for the actions and recommendations the MSG wishes to prioritise. Stakeholders consulted stated that they did not have sufficient time to comment on the latest work plan (2023-2024) and could not share it with their larger constituencies. Given these recent developments, the Secretariat's assessment is that the underlying objective of the work plan being the outcome of consultations with broader government, industry and civil society constituencies is mostly fulfilled. Tanzania EITI's work plans state the overall objective for the extractives sector to contribute to reducing poverty and contributing to economic growth. This is to be achieved through strengthening governance, but the work plans fall short of referencing one or several sources of strategic priorities as well as more concrete outcomes to which the EITI is intended to contribute.[1] The 2021-2022 and 2022-2023 work plans were shared with the nominated MSG members for comment, but stakeholders from industry and civil society confirmed that they did not discuss the work plans with their constituencies and did not submit any comments. The MSG chairperson and the permanent secretary of the Ministry of Minerals provided comments, as the permanent secretary was mandated to approve the work plan in the absence of an MSG.[2] Consultations found that for the most recent work plan under development (2023-2024) the period for comment was not sufficient to seek stakeholder views from the larger constituency. The latest work plan is mostly costed, and some activities are not clearly time-bound. The activities to move forward contract transparency for example are not indicated with a timeframe. The work plan includes activities addressing capacity building for secretariat staff, the MSG and parliamentarians. The work plan references the timetable for the EITI Report but does not include any activities around preparing for Validation, which is a key milestone in the implementation cycle. The narrative of the work plan states that the status on corrective actions is to be checked by the IA when the EITI Report is produced. Besides establishing

[1] The outcomes and impact template references the [Tanzania Five Year Development Plan of 2021](), but this is not referenced in the latest work plan. The development plan mentions TEITI as an intervention to meet those goals, and contains several other relevant areas (ASM, increasing foreign investment in the mining sector, to name a few) that TEITI could reference in the work plan.

[2] The amendments to TEITA (the Act) and Part 5 of the Written Laws (Amendment), which specifically modify the Interpretation of Laws, empowered the Permanent Secretary (PS), Ministry of Minerals to assume responsibilities in the absence of a Board/MSG. Consequently, the legislative modifications stipulated that in cases of dissolved Boards/Committees, the PS would assume the role, subject to a duration not exceeding 12 months (refer to Part V, Section 39(c)). Considering these changes, the TEITI secretariat undertook tasks such as developing the EITI Report and work plan, which subsequently received approval from the PS and chair. However, it is worth noting that the secretariat still actively engaged and sought input from Civil Society Organizations (CSOs) and industry stakeholders throughout the process.

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	the oil and gas, and the beneficial ownership register, no other activities on the ten corrective actions are listed in the work plan. The work plan includes activities on improving the reporting from small scale mining (SSM), a reflection of ASM (or SSM) being a priority area. This demonstrates TEITI's consideration of examining the detail and scope of EITI reporting beyond the EITI Standard. The Validation templates and consultations show TEITI's efforts towards improving companies' reporting compliance, a corrective action from the previous Validation. This is being achieved by incorporating initiatives aimed at enhancing awareness regarding the utilisation of EITI data in the 2022/2023 workplan. Moreover, TEITI has integrated plans for mainstreaming and established a consultative platform with relevant government agencies, including the Attorney General, as well as extractive companies. These initiatives are geared towards implementing the provisions for contract disclosure within the 2022/2023 workplan. The 2022/2023 work plan builds on an output-based approach with activities, outputs, expected outcomes and objectives. The work plan has a column that allows for tracking the status of activities. EITI work plans have been updated annually and are publicly available on the TEITI website. TEITI has not yet developed a logical framework and theory of change, which is an encouraged aspect of the Requirement.
Public debate (Requirement #7.1) *Exceeded*	The Secretariat's assessment is that Requirement 7.1 is exceeded. The Secretariat's view is that the objective to enable evidence-based public debate on extractive industry governance through active communication of relevant data to key stakeholders is fulfilled. Tanzania EITI's capacity-building in mining regions to build understanding of extractive sector revenues, support to civil society and local officials to assess corporate social responsibility (CSR) contributions of companies, as well as the production of summary reports in local languages and braille, have exceeded the objective. TEITI findings are also raised and discussed in Parliament. TEITI Reports are available on the TEITI website. While the MSG was in place, members of the constituencies participated in outreach activities including workshops, exhibitions, and one radio show, and the activities are documented in the Outcomes and impact Validation template. There are no outreach activities listed for the year 2020 when the COVID-19 pandemic was at its peak. TEITI has participated in exhibitions to increase the visibility of its work. The activities listed in the Outcomes and impact template suggest that at least fourteen events were organised in the 2021-2022 period, targeting stakeholders in the Geita, Mwanza, Mtwara, Lindi, Songwe and Mirerani districts which are all mining districts. Besides dissemination, these outreach activities also included capacity building for stakeholders to increase understanding of the extractive sector revenues, support to CSOs and local officials to assess CSR contributions, local content, and social investments by companies in communities. The awareness programmes aimed at managing the public expectations on the benefits derived from the exploitation of extractive resources. In addition to dissemination and training on the community level, TEITI has also engaged the Parliament on discussions on EITI Report findings and

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	contract disclosure. While the Secretariat identifies opportunities to further tailor the information, the activities have exceeded the requirement. TEITI has prepared summary reports and in English and Swahili which are the two main languages in Tanzania.[3] TEITI also produces EITI Reports in braille. As noted in assessment of Requirement 7.2, TEITI runs a dashboard with key EITI data accessible in visual format, and downloadable in open format. According to stakeholders consulted, despite the absence of a functioning MSG, TEITI still actively engaged and sought input from Civil Society Organisations (CSOs) and industry stakeholders throughout the outreach process. The Secretariat's review of dissemination materials and data use examples, as documented in the Validation templates, suggest that the largest part of communication efforts and contribution to public debate are on the amount and types of revenues as well as reconciliation discrepancies. There are opportunities for TEITI and the MSG to take measures to use their dissemination efforts to tailor information from the EITI Report to inform the debate on local content, progress on legalising small-scale mining (SSM), to report on compliance with the obligation for environmental impact assessments, capital expenditures, production on project (mining) level, employment figures on local level and trends over time, progress on negotiating new contracts or explaining the terms of newly entered agreements. TEITI may also consider tailoring the information in the mining regions to the companies and activities taking place there, including details on their (beneficial and legal) owners, the terms of the relevant agreements, as well as their social and economic contribution and compliance with their legal and contractual obligations. Desk research did not find any evidence that TETITI has found a role to provide facts or a platform for discussion on the public debate surrounding the construction of the EACOP pipeline. On balance, the Secretariat recognises the outreach efforts to build capacity and understanding of the sector on community level and national level and hence concludes that the requirement is exceeded.
Data accessibility and open data (Requirement #7.2) *Fully met*	The Secretariat's assessment is that Requirement 7.2 is fully met. TEITI has undertaken efforts to publish data more visually and with downloadable datasets through a data dashboard where much of the latest EITI data is available. The open data set containing some of the latest EITI Report data is available on the website. Given the efforts to publish and visualise the data the Secretariat's view is that despite smaller gaps, the overall objective is fulfilled. TEITI has published an Open Data Policy in March 2023, which is available online. There is no evidence from the MSG minutes that the policy was approved by the MSG. The policy stipulates regulations governing accessibility, use and re-use of EITI data. There is no documentation of government entities or companies disclosing open data sets of EITI disclosures. TEITI has undertaken efforts in publishing open data sets in a visually accessible manner and downloadable in excel

[3] See https://www.teiti.go.tz/storage/app/uploads/public/64d/ccb/d1d/64dccbd1d4fc9231356341.pdf and https://www.teiti.go.tz/storage/app/uploads/public/64d/ccd/ecd/64dccdecde6c4354426056.pdf for reference.

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	format through the data dashboard. The link to the data dashboard is not readily visible on the main website – the prominence of this data visualisation and access tool could be improved. Tanzania has submitted to the International Secretariat all summary data files for all EITI Reports published to date, including those covering the period of 2017-2018 and 2019-2020. The latest report for 2019/2020 is available in PDF format, and many, albeit not all, tables featured in the report have been disclosed on the TEITI website in open format (here, see "TEITI data sheet" and "Summary data").
Recommendations from EITI implementation (Requirement #7.3) *Mostly met*	The Secretariat's assessment is that Requirement 7.3 is mostly met, which represents a regression from the previous Validation. The objective of this requirement is to ensure that EITI implementation is a continuous learning process that contributes to policymaking, based on the MSG regularly considering findings and recommendations from the EITI process and acting on those recommendations it deems are priorities. A review of documentation found that the EITI Report is the main mechanism to document progress on recommendations from reporting and corrective actions from Validation. Given that this is a time-bound intervention led by the Independent Administrator (IA) and given that the work plan only includes a few of the corrective actions from the previous Validation, the Secretariat considers the underlying objective to be mostly fulfilled. In its response to the draft assessment, the MSG noted that the follow-up mechanism consisted of letters and meetings conducted with the relevant reporting entities. While not explicitly stated, it is reasonable to assume that the follow-up was carried out by the national secretariat in the absence of the MSG, and continues to play that role. It is however unclear when the corrective actions and recommendations were deemed completed or how the national secretariat reported back to the MSG on the status of progress during the year, i.e. outside of the EITI reporting cycle. It remains unclear what the order of prioritisation is, as the MSG has not described its response how it prioritises corrective actions and recommendations and how the MSG tracks progress on recommendations outside of the EITI reporting period. For the period before the MSG was dissolved, MSG meeting minutes reflect that there was some follow up recommendations from reporting through the MSG meeting, in particular on increasing the number of companies reporting (which improved between the 2018/2019 and the 2019/2020 Reports) through awareness raising activities. Action needed on beneficial ownership disclosure and contract disclosure were discussed in MSG meetings. The International Secretariat concludes that for some corrective actions and recommendations from reporting there has been follow-up from the MSG through its quarterly meetings, but as stated above, only for a subset. Progress on recommendations and corrective actions, such as reviewing the materiality threshold, defining quasi-fiscal expenditures, comprehensive information about the underlying rules governing the relationship between SOEs and the state, to name a few, are not being tracked in the reviewed documents.
Review the outcomes and impact of EITI	The Secretariat's assessment is that Requirement 7.4 is mostly met, which represents backsliding from the previous Validation. Tanzania's EITI Reports include a chapter on the EITI's impact that broadly describes the EITI's effect

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implementation (Requirement #7.4) *Mostly met*	on extractives governance, which is a welcome addition, but it does not review the activities and intended outcomes of the past year. The past two EITI Reports (2018/2019 and 2019/2020) were not subject to MSG discussion or broader input from constituencies. In its response to the draft assessment, the MSG noted that the budget speech of the Minister of Mines had given a public report on the MSG's activities of the previous year and argued that due to the public nature of the speech the requirement should be deemed to have been fully met. Given the absence of progress reports that are available to the public and discussion with constituencies and the MSG for at least the past three years, the International Secretariat considers this objective to ensure regular public monitoring and evaluation of TEITI implementation, including evaluation of whether the EITI is delivering on its objectives and planned activities, to be mostly met. The International Secretariat considers the budget speech a public statement and has revised the assessment from "partly met" in the draft assessment to "mostly met" in the final assessment. The speech presents highlights of the core activities undertaken in the previous year. The speech is not available on the TEITI website, and it needs to be known to the reader that the speech also includes a section on TEITI. To fulfil the underlying objective its accessibility would need to be improved. Stakeholders views confirmed the absence of multi-stakeholder assessment of outcomes and impact. The latest public annual progress report on implementation available on the TEITI website dates from 2018. In its response to the draft assessment, the MSG noted that it had decided to include a section in EITI Reports on the outcomes and impact of the EITI in lieu of a stand-alone annual progress report. The reflections on impact in the EITI Report are welcome and cover a longer period of EITI implementation. Stakeholder consultations indicated that the constituencies were not requested to provide feedback or input in the development of the EITI Report's review of outcomes and impact, and thus the chapter is not the result of a multi-stakeholder review. For 22 months the MSG did not meet, and the national secretariat has not provided an annual account to the public on the activities, the assessment of progress in meeting EITI Requirements or an assessment of progress in meeting the objectives of the work plan since 2018. While it is not reasonable to expect an MSG-approved annual review during the time it did not meet, a more detailed overview of achieved outcomes and activities against the work plan – through EITI reporting or in a different medium - would have highlighted to the public the many efforts the national secretariat has undertaken in particular for dissemination. In its response the MSG referenced the Minister of Mines' budget speech (see points 118-123) from April 2023 which it considers a form of public accountability for TEITA. Even though the International Secretariat did not receive the documentation for previous years, it acknowledges the public nature of the reporting. It is the Secretariat's understanding that the TEITI secretariat has submitted quarterly reports to the line ministry on activities undertaken and expenses incurred. However, those documents are not public and can therefore not be considered as fulfilling the objective of public accountability of EITI implementation. In its outcomes and impact template TEITI argues that the participation in public events and their outreach efforts have been the main mechanism to monitor and evaluate the impacts of EITI implementation.

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New corrective actions and recommendations
• In accordance with Requirement 1.5, Tanzania is required to clearly reference national priorities the EITI is contributing to. TEITI is required to allow MSG members to consult the broader constituencies for feedback on implementation priorities and objectives, and to document the MSG discussions on the priorities for EITI implementation, as to ensure that the work plan is a result of constituency deliberation. To strengthen implementation, TEITI is encouraged to reflect on a theory of change and implement a log frame to continuously take stock of progress on the work plan activities and to assess at the end of the year if the activities had the intended outcomes and impacts towards the objectives. The annual TEITI work plan could further strengthen the alignment of EITI implementation objectives with the EITI Principles and reflecting national priorities for the extractive industries, including those from the broader industry and civil society constituencies. • To strengthen implementation of Requirement 7.1, Tanzania is encouraged to tailor its EITI-related outreach events, whether organised by government, civil society or companies, to respond to topics of public interest, building on EITI disclosures across the governance value chain. Tanzania is encouraged to make use in particular of its advanced disclosures on cost, disaggregated employment figures and data on procurement of goods and services from local companies (company disclosures). • To strengthen implementation of Requirement 7.2, Tanzania is encouraged to make the data dashboard more visible from the main TEITI website and to ensure that the dashboard contains the latest data from EITI reporting. Tanzania is encouraged to link to other available datasets published by government or company entities that are required or encouraged by EITI Requirements, where publicly available. • In accordance with Requirement 7.3, Tanzania should demonstrate the mechanism for following up on recommendations and corrective actions, and to strengthen the multi-stakeholder oversight to ensure that the necessary steps are taken to achieve progress. • In accordance with Requirement 7.4, Tanzania is required to publish annual reviews of activities, outcomes and impacts of EITI implementation. The annual self-assessment must be subject to review and input from all constituencies prior to publication. To strengthen implementation, Tanzania is encouraged to publish the expenditures of the previous year alongside the assessment of progress on the previous year's work plan.

3. Stakeholder engagement

This component assesses EITI Requirements 1.1 to 1.4, which relate to the participation of constituencies and multi-stakeholder oversight throughout the EITI process.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in annex to this report.

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EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Government engagement (Requirement #1.1) *Fully met*	The Secretariat's assessment is that Requirement 1.1 is fully met, as in the previous Validation. The Secretariat considers that the objective of full, active and effective government leadership of the EITI process is fulfilled, but notes that there was an 14-month period where the MSG was disbanded, and a total of 22-months when the MSG did not meet, as noted in the assessment of Requirement 1.4. Stakeholders have noted that the relatively long period for reconstituting the MSG was due to disagreement between civil society and the government on the process of disbandment and reconstitution. Since reconstituting the MSG in January 2023, the government has stepped up its operational support and reaffirmed its commitment towards the EITI. Stakeholders from all constituencies agree that the government is engaged and supportive of the EITI and note a particular improvement since the second half of 2021. The President of Tanzania renewed her Government's commitment to the EITI through a videorecording at the opening of the EITI Global Conference in Dakar on 12 June 2023. High-level support by the Minister of Minerals Doto Biteko, champion of the EITI, continued in the period under review. The Minister of Minerals highlights the mandate and key figures from the latest EITI Report in yearly budget speeches, as documented in the 'Stakeholder engagement' template. The latest EITI Report findings, including debate presented by the Minister and MSG Chair, are broadcast on national television.[4] During 17 months when the MSG was disbanded (July 2021 to December 2022) the Permanent Secretary of the Ministry of Minerals ensured the basic functioning of the EITI's activities, such as reporting. The senior government individual leading implementation is Minister of Minerals Dr. Doto Biteko. The Chair of the MSG is former Auditor General of Tanzania, Ludovick Utouh, who is considered a key figure in Tanzania for public accountability. During the absence of the MSG Chair and the period without a MSG, the Permanent Secretary of Mines took decisions on behalf of the MSG (such as reviewing and adopting the EITI Report). The government's move to downsize the MSG to comply with guidelines on the maximum number of committee members was met with disagreement from both industry and civil society (*see Requirement 1.4*). The reduction of seats for the government at the MSG from five to four has removed the representative from the Ministry of Regional Administration and Local Government (PO-RALG) from the MSG. The current members are focal points for the Office of the Attorney General, the Tanzanian Petroleum Development Corporation (TPDC), the Mining Commission and the Tanzanian Revenue Authority (TRA). According to industry and civil society stakeholders consulted, the representation and seniority of these focal points are sufficiently senior to allow for decision-making, informed discussions at the MSG meetings and to follow-up with government entities when needed. At the operational level, government entities have participated in EITI reporting. It is unclear if the lack of full unilateral government extractive

[4] Links to the content are documented in the stakeholder engagement template

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	revenues disclosures disaggregated by revenue stream is due to a lack of cooperation or an oversight in the data publication process. Sixteen Local Government Authorities did not submit their reporting template for the latest report. There have been delays in following up on recommendations on contract disclosures and a definition of QFEs but it is unclear if this is due to a lack of government commitment or because of a not fully effective mechanism on following up on corrective actions and recommendations from reporting. The government has strengthened TEITI's financial, organisational and human resource position. In December 2022, President of Tanzania Samia Suluhu Hassan approved a new organisational structure which led to the approval of a new services scheme, effectively providing more autonomy for its operations and providing a basis for the recruitment of new staff. At the time of consultation, the secretariat staff had increased from six to 19 and had received government confirmation to relocate to new offices. The new staff are recruited externally rather than through secondments of Ministry of Minerals staff and the position of national coordinator / executive secretary was advertised in April 2023. The revised organisational structure consists of six units: transparency and accountability, corporate services, legal services, internal audit, procurement, ICT and statistics. Total government financial resources allocated to implementation almost doubled from TZS 443m (USD 187k) in 2020/2021 and 2021/2022 (each year) to TZS 743m (USD 314k) for 2022/2023 and are indicated to be fully covered by the government, according to the work plan.[5] With the new service scheme in place, TEITI has argued that a budget of TSZ 4.8bn (a 6.4 fold increase equivalent to USD 2m) was necessary to execute its mandate following the new organisational structure and service scheme.[6] At the time of Validation the Government had not yet received the MSG request to increasing its funding.. Government stakeholders consulted noted that priority areas are strengthening the extractives industries' contribution to the economy, including strengthening the ASM sector and increasing local content. Documentation referenced in the stakeholder engagement template shows that in 2022 government officials participated in outreach, dissemination and capacity building events led by TEITI.
Industry engagement (Requirement #1.2) *Fully met*	The Secretariat's assessment is that Requirement 1.2 is fully met, as in the previous Validation. The Secretariat considers that the objective of full, active and effective industry engagement in the EITI process is fulfilled given industry's improved engagement in EITI reporting and participation in MSG meetings. The Secretariat took note of companies' view that they lack adequate representation after their constituency was reduced from five to two members and consider that their contribution is less pertinent, as reporting companies are no longer directly represented on the MSG. Nevertheless, company members concur that they have an enabling environment to participate in reporting and their views are adequately represented through their industry representatives. While in the previous MSG companies had five (out of a total of 15) representatives, including a representative for small-scale miners, the new

[5] TEITI stakeholders confirmed that the EITI is fully government funded for the past year. In the absence of a public expenditure report, the Secretariat's assessment is based on the work plan.
[6] MSG meeting minutes, 8 February 2023

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	MSG has two seats which are occupied by the Tanzania Chamber of Mines (TCM) and the Oil and Gas Association of Tanzania (OGAT). Representation of small-scale miners has been moved to the CSO constituency (and is a different organisation). One member stated that they understand the argument of reducing costs of committees being the main motivator for the change, but disagrees that TEITI MSG should be treated as a "government committee" in the sense of the law. The company stakeholder noted that the MSG is an independent body and should therefore not be subject to the limitation of eight members (*see Requirement 1.4*). Companies stated that in general the government ensured an enabling environment for participation but noted concerns on the number of seats reserved for companies (two company seats versus four government seats) and on too tight timeframes to comply with reporting requirements. Some company stakeholders were of the view that the 4-2-2 distribution changes the balance in the MSG in favour of the government and weakens both companies' and civil society's voice. Given they only have two seats, the companies feel that TCM and OGAT are the best way to represent the views of industry and membership of the association covers the main active companies in the sector. Dissemination of information and collection of views is undertaken through the associations' membership engagement activities. All material companies complied with the reporting request for 2019/2020 but note that the time to produce the reporting template has been very tight. Participation in MSG meetings was sufficient to ensure quorum, but the MSG meeting records show that before the MSG was dissolved, one member of OGAT did not participate in any meetings between April 2021 and June 2022. No mining agreements and few oil and gas contracts are public (see 2.4). The Secretariat notes that companies Barrick Gold and AngloGold Ashanti operate in Tanzania. Both companies are EITI supporting companies and have committed to publishing contracts through their membership in the International Council on Mining and Metals (ICMM).[7] In the oil and gas sector, Equinor, Exxon and Shell are EITI Supporting Companies that have pledged support for contract transparency[8] at the international level and operate in Tanzania (in the process of entering a USD 30bn LNG terminal agreement), with Shell making material payments and acting as the primary license holder.
Civil society engagement (Requirement #1.3) *Fully met*	The Secretariat's assessment is that Requirement 1.3 is fully met, but close to mostly met. The previous Validation (2020) determined that there was satisfactory progress. The Secretariat considers that the objective of ensuring that civil society is fully, actively and effectively engaged in the EITI process. Civil society stakeholders have stated that there is not a fully enabling environment for participation and expression given that there are still rules and regulations in place that were identified in the past Validation, and which are also reflected in international indicators for civic space which have worsened since the past Validation. Consulted CSO members however noted that the rules and regulations have not been applied in practice and state that there has been an overall improvement of the ability to operate on extractive

[7] See statement by ICMM: https://www.icmm.com/en-gb/news/2021/new-commitment-contract-transparency
[8] Exxon: https://corporate.exxonmobil.com/news/viewpoints/promoting-fiscal-transparency, Shell: https://www.shell.com/media/speeches-and-articles/2019/showing-who-you-really-are.html and Equinor: https://www.equinor.com/sustainability/governance-and-transparency

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	industries issues, mainly due to the change in country leadership. Secretariat is also aware of one incident where the permission for a civil society outreach in a rural community related to mining was revoked in 2020, but this was an isolated incident and not part of a pattern of government restriction. The Secretariat could not find evidence that laws potentially limiting freedom of speech and operation have been used in the extractives sector in the period under review to limit civic space for EI advocacy. There is no evidence that these have in practice curtailed their engagement on the EITI and expression of views on extractives governance, and that the government is systematically limiting the operations of CSOs engaged in sector governance questions. However, CSO members have noted that they remain cautious in the level of criticism they issue given that the government's actions are still not fully predictable. Civil society continues to play a key role in TEITI's activities and members of civil society engaged in the extractives sector are largely active under the umbrella of the CSO HakiRasilimali. Stakeholders from other constituencies expressed the view that civil society was fully engaged and active. CSO stakeholders consulted were of the view that HakiRasilimali appropriately represented the civil society actors engaged in extractives governance issues. Participation of CSO members was stable both for the previous (two of five MSG members only participated 50%) as of the existing MSG. On the process of re-establishing the MSG, civil society contested the validity of treating the MSG as a "government committee" and also contested the nominations procedure (*see Requirement 1.4*). Constituency coordination happens mainly through HakiRasilimali, which is considered an umbrella organisation, and through the Foundation of Artisanal and Small-Scale Mining Development. The following is an assessment of the broader civic space context, in line with the civil society protocol and includes reviews of allegations to breaches to the civil society protocol. *Expression*: Tanzania's rating in the Freedom in the World index almost halved from 60/100 in 2016 to 45/100 in 2019 to 36/100 in 2023, whereas there was a slight improvement from 2022 to 2023 (+2 points for civil liberties).[9] Freedom house evaluates Tanzania as "partly free". Civicus considers the country to be "repressed" (34 of 100 points) – the result remained the same between 2020 and 2022. Reporters Without Borders has seen the country fall from rank 93 in 2018 of its World Press Freedom Index to 118 in 2019 to 124 in 2020-2021, 123 in 2022 and a sharp drop to 143 in 2023. The country profile does not explain the sharp drop in ranking but states that early optimism of the leadership change has not yet resulted in actual changes in press freedom.[10] A confidential submission on civic space during the call for stakeholder views states that laws enacted between 2015 and 2019 (Media Services Act of 2016, Cybercrime Act of 2015, Access to Information Act of 2016, and the Electronic and Postal Communications (Online Content) Regulations of 2020) curtail civil society's freedom of expression and press. The report cites *LHRC*

[9] https://freedomhouse.org/country/tanzania/freedom-world/2023
[10] https://rsf.org/en/country/tanzania, accessed on 28 June 2023.

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	2019: Tanzania Human Rights Report, published in 2019, that documented views from representatives engaged in extractives sector advocacy that the political and legal climate led to self-censorship in fear of government reprisal. The Tanzania Media Services Act 2016 gives the Minister responsible for information the power to ban any media which may seem to report, publish, print or broadcast information contrary to the code of conduct or threaten peace in the state. The Secretariat is not aware of a media outlet that has published an article on extractives governance that was banned as a result of content critical of government. The Cybercrimes Act grants the power to law enforcement officers to seize and search electronic devices and disclose data without a court order. The civil society report states that this law "potentially infringes the right to privacy and freedom of information", and that it contradicts the Access to Information Act which "could" limit the ability of citizens to use the information for advocacy and accountability purposes. The Secretariat is not aware of any concrete instances where electronic devices were confiscated from civil society actors engaged in the EITI process or active on extractive industries (EI) issues. The Secretariat is not aware of any incidents of CSOs engaged in extractives governance having been subject to electronic interception by the government in the period under review. The 2020 amendment of the Electronic and Postal Communications (Online Content) Regulations are seen to have had a restrictive effect on freedom of expression. Stakeholder consultations with civil society organisations could not confirm that actors involved in extractives governance have limited their expression following the legislation. Civil society representatives consulted acknowledged the existence of restrictive legislation on freedom of expression, but there is a consensus insofar as the fact that the laws are not being enforced. The civil society report further states that the Statistics Act of 2015 was amended in 2019 to remove provisions providing criminal liability for publishing independent data (such as data from the EITI disclosures). The report states that civil society still believes that they could be punished if they discussed reporting data. A cursory review of the CSO umbrella organisation HakiRasilimali shows that they carry out numerous events discussing extractive industry issues publicly through online communication and events, drawing on figures from the EITI Report. The civil society report also cites several conferences that were carried out in 2021 on transparency and accountability of public resources.[11] <u>Operation</u>: The civil society report cites legal changes that have increased government control over non-governmental actors and that in particular NGO guidelines passed in 2020 required NGOs to seek permission from the Registrar of NGOs before entering into funding agreements with foreign donors, submit funding contracts to the Ministry of Finance and Planning and requiring financial reporting on a quarterly basis. The report further states that umbrella organisations cannot register themselves as one structure with the same bank account. There are no instances of organisations seeking foreign funding or seeking continuation of operation on issues of the extractive industries that faced challenges, and were brought to the attention of the Secretariat. The Secretariat is not aware of an organisation working on the extractives sector that needed to be disbanded or did not manage to register

[11] The WAJIBU Institute of Public Accountability 2021: International Transparency and Accountability Conference.

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	for the reason that it was an umbrella organisation. No civil society group consulted expressed that the reporting burden is excessive and has limited their engagement with the EITI. There is evidence of advocacy groups engaged on extractive industry governance issues receiving foreign funding.[12] The CSO report on civic space also refers to the legal amendment preventing rights organisations from undertaking public interest litigation. The Secretariat is not aware of any public interest litigation on a topic of extractive industries that was unsuccessful in the period under review. The report also states that election observation activities in 2020 were restrained, but the linkage to extractive industry issues is not clear. *Engagement*: The civil society report highlights weak links engaging communities located around extractive activities, but notes that the limiting factors are related to the lack of formal structures to enable civil society to have the capacity to engage, as well as a shortage of funds. There is one incident where the Permanent Secretary of the Ministry of Mines revoked the permission for a field visit to a local mining community in 2020 (period where the MSG was still meeting). The CSO organisation who had planned the training and site visit were not informed what the grounds for revoking the permit to access the ASM site was revoked but clarified that it was not due to the COVID-19 pandemic. The following year the CSO did not attempt the site visit in that region. In 2020, the permit was maintained. The 2020 incident is the only documented case of the government actively limiting engagement. There is no sign that this is systematic government repression against extractive industry advocacy organisations. *Association*: The civil society report notes that NaCONGO was perceived as a state-controlled entity and interfered with the constituency nomination process. The views in the civil society constituency were divided on this issue. Some did not consider that government interfered in the nomination process but that it took on a coordinating role. The report further highlights that there are difficulties for civil society engaged in the EITI to communicate and cooperate with local communities because of the EITI process being disconnected from local communities, given that there is limited benefit and context-specific information local communities can draw from reconciliation reports. Another limiting factor to engagement stated was insufficient government funds to support EITI dissemination activities. The challenges faced by civil society relate to translating disclosures and findings from implementation into tailored messages for communities (such as focusing on project level information which would be relevant for the visited community, as an example) and are not a result of purposeful government attempts to restrict association between CSO MSG members and the wider civil society members in the mining and oil and gas regions. Finally, the limitation on funds available may have been a limiting factor, but that would apply to the MSG's and secretariat's outreach efforts as a whole, as opposed to targeting civil society. *Access to public* decision-making: The civil society report states that while civil society is engaged in the EITI process, the constituency has found it challenging to engage with the EITI's main product, the reconciliation reports, as those were technical in nature, thus limiting civil society's ability to use the

[12] see for example HakiRasilimali's annual report 2021, NRGI, PWYP, Oxfam and Swiss Aid are among the financial contributors).

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	EITI process to promote public debate and conducting analysis. There is no evidence of government actively curtailing civil society's participation in the MSG and public debate, nor is there evidence of legal restrictions hindering access to information on the extractives sector, beyond the barriers that EITI reporting has already highlighted (access to contracts and beneficial ownership data in particular). To conclude, the Secretariat's assessment is that the members of the civil society constituency are actively engaged in the EITI. There are opportunities strengthen engagement with local communities to communicate EITI findings in a way that is relevant for them. On civic space, international indicators have worsened in the period under review. While there are still laws in place that limit the freedom of expression, there are several examples, as documented in the Outcomes and impact and Stakeholder engagement templates, that demonstrate active civil society debate on extractive industry issues. While acknowledging that limitations to the freedom to engage occurred in 2020, stakeholder interviews and document review did not identify systematic government restrictions on civil society engaged in the extractive industries.
Multi-stakeholder group (Requirement #1.4) *Mostly met*	The Secretariat's assessment is that Requirement 1.4 is mostly met, which represents a regression since the last Validation. The MSG was reconstituted in January 2023 after an 18-month period, and MSG meetings were not held for a total of 22 months. In its comments, the MSG noted that the correct period is 14 months, and that the MSG did not meet due to the COVID-19 pandemic, though decisions continued to be taken through circular. The reason for the re-structuring of the MSG is a legal change[13] on the maximum size of government committees, which restricted membership to eight individuals plus a chairperson to reduce the cost of committees funded by the government. Stakeholders from industry and civil society voiced their frustration with the process of reducing the size of the MSG and noted concerns about the approval of their nominees. Both constituencies are of the view that these changes have weakened their representation on the MSG. Both constituencies are of the view that the law should not have been applied to the TEITI MSG, as they consider the MSG to be independent. Industry and civil society stakeholders have also noted that delays in sharing materials for MSG meetings, including the 2023-2024 work plan, which impedes them from effectively contributing to key TEITI products and hinders them from consulting the broader constituencies. In its comments, the MSG noted that only a draft of the work plan was adopted in its 88th meeting held in April 2023, but not approved, to allow comments and improvement by members of their respective broader constituencies. The minutes note that it was adopted and forwarded to discussion at its next meeting. In June 2021, three months before the passing of the Written Laws (Miscellaneous Amendments) Act No. 4 of 2021 (dated 11 October 2021) the MSG was disbanded, and the term of the MSG Chair was ended. The Government cited new regulations to limit the size of government committees, and thus control committee cost (mainly of per diems). The government considers TEITI a state body. The size of the MSG was reduced from 15 permanent members (plus MSG Chair) to eight permanent members (plus MSG Chair). The last meeting of the outgoing MSG took place on 27 April

[13] See Bill of Written Laws (Miscellaneous Amendments) (No. 4) Act 2021 (page 35): https://www.parliament.go.tz/polis/uploads/bills/1630591607-the%20written%20law%20(no4).pdf

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	2021, and the new MSG met for the first time in February 2023, meaning in practice that the MSG did not meet for 22 months. The distribution of members from each constituency went from an equal distribution of five per constituency to two-two-four, with a larger representation for government than for CSOs and industry. Industry and civil society stakeholders have noted their discontent with both the process, which was conducted without consultation from CSOs and industry and was considered to have been concluded abruptly, and the result in numbers of representatives per constituency, which they consider imbalanced in favour of the government. Civil society and industry members noted that they did not agree with the classification of TEITA as a state-committee, given its multistakeholder nature, and disagreed that the Written Laws Act should applied to it. On nomination procedures, neither the companies nor civil society constituencies have adopted their own constituency guidelines to define how to nominate candidates. In its comments the MSG noted that according to the TEITA Act Art. 15 members shall be appointed from the respective umbrella constituencies without interference from other constituencies. As there are no constituency guidelines, it remains unclear how members of civil society and industry who are not members of the umbrella organisation can put forward their candidature, nor how the umbrella organisations appoint their candidates. Civil society representatives consulted voiced their discontent with the nomination procedure for civil society members. Disagreement with the process, including the timeframe for civil society to nominate their candidates as well as the government's "vetting" of the CSO nominees, were contributing factors explaining why the period to re-constitute the new MSG was drawn out, according to government and civil society stakeholders consulted. To nominate civil society members, the government agency charged with regulating civil society organisations, the National Council of NGOs (NaCONGO), reached out to HakiRasilimali to put forward names of networks and organisations potentially interested to put forward candidates for the MSG. Stakeholders consulted considered the time to put forward nominees was too short. NaCONGO coordinated the outreach and facilitated the nomination process. There was disagreement in the civil society constituency on whether the government was considered to have interfered in the nomination process. Some found that the NGO oversight body went "too far" in determining the criteria for civil society member's nomination.[14] There was a vote to determine the candidates for the MSG. Of the four candidates civil society put forward (two full members and two alternates)[15] the government selected the two main full members as nominees to the MSG, following a vetting process. Stakeholders consulted considered the current two members of the MSG to be well suited to represent civil society engaged in the extractives sector, but aired their frustration about civil society having less members on the MSG. On the process of selecting industry representatives for the new MSG, the government suggested that companies nominate members of the business associations to represent them. TCM and OGAT each nominated two members

[14] https://www.nacongo.or.tz/resources/view/criteria-for-nomination-of-the-civil-society-represenatative-to-tanzania-extractive-industry-multistakeholder-committee
[15] https://www.nacongo.or.tz/resources/view/salamu-za-pongezi

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	and the government selected one member from each. Industry representatives consulted did not consider the final step of selecting two of the four candidates to be government intervention in the constituency nomination process. They however voiced their discontent with the reduction of MSG seats for their constituency, which in practice means that individual reporting companies are no longer represented directly on the MSG, implying that concerns and experiences from EITI reporting could no longer be directly transmitted to the MSG as effectively as previously. In its comments, the MSG noted that the government did not interfere with the nomination process. It stated that the names were submitted to the Minister for publication. The comments made no reference to the vetting process and the government's selection of proposed members by the constituencies. During the period where the MSG was not in place, the Permanent Secretary (PS) of the Ministry of Mines assumed responsibility for all decision-making to ensure EITI implementation continued. The PS approved the latest EITI Report, seeking views from the Chair. The PS approved the work plans 2021-2022 and 2022-2023, with the latter draft work plan shared with previous and nominated MSG members for comment (see *Requirement 1.5*). In the period under review dissemination activities were mainly carried out by the Chair and the Secretariat (for the 2019-2020 EITI Report). When the MSG was in place before its disbandment in 2021, MSG members participated in regional dissemination activities, as documented on the TEITI website and in the Outcomes and impact and Stakeholder engagement Validation templates. The TEITA act covers all aspects of the responsibilities and rights of the MSG and there are no deviations from the TORs noted during the periods when the MSG was in place. Stakeholders confirmed that decision-making is considered inclusive, but civil society members noted that the numerical distribution of the new MSG gives the government more weight. In practice, government sent proxies to MSG meeting which the TEITA Act doesn't explicitly foresee. Document review found that for the new MSG the same proxies participated. During the former MSG, government didn't send proxies, while civil society did. As noted above, industry and CSO MSG members noted there was not sufficient advance sharing of documents. Per diems are codified. There is no evidence of any breaches of the EITI code of conduct. MSG meeting minutes are available on the TEITI website. Tanzania has taken steps towards promoting gender equality and inclusivity within the EITI process. The TEITA Act of 2015, specifically section 5(5), mandates the appointment of Multi-Stakeholder Group (MSG) members while considering gender balance. In the current composition of the MSG, out of 8 members, two members (25%) are women, reflecting a positive effort to ensure gender representation. However, in the 2019-22 TEITA committee, out of 15 members, only two members (13%) were women, indicating a need for further improvement. The TEITA Act underscores the importance of mainstreaming gender considerations across all development and political processes within Tanzania's extractive industries sector. By doing so, it aims to ensure livelihoods, social protection, sustainable peace, and economic

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	growth for women. These measures showcase Tanzania's commitment to fostering an inclusive and equitable EITI implementation process.
New corrective actions and recommendations	
• To strengthen implementation of Requirement 1.1, the government is encouraged to ensure that barriers to disclosures, such as publishing contracts are removed and to ensure that the recommendations and corrective actions from EITI reporting and Validation are followed-up. To strengthen implementation, the Ministry of Energy is invited to increase its engagement with the EITI. • To strengthen implementation of Requirement 1.2, the industry associations are encouraged to ensure a mechanism for systematic engagement and information-sharing related to the EITI process within the constituency, including companies that are active but not members of their respective association. • To strengthen implementation of Requirement 1.3, the MSG is encouraged to monitor the enabling environment for civil society participation in extractive sector governance and to document any issues identified, as well as actions required to address challenges. The government is encouraged to undertake measures to prevent civil society actors from being harassed or intimidated for expressing views related to oil, gas or mining governance. Should civil society actors engaged in the EITI experience threats or harassment for expressing views about the extractive industries or engaging in other EITI-related activities, the government is expected to undertake measures to protect these actors and their freedom of expression. The government, in collaboration with the MSG, is encouraged to document the measures it undertakes to remove any obstacles to civil society participation in the EITI. • In accordance with Requirement 1.4, the government should ensure that all constituencies are treated as equal partners in all aspects of the EITI process, including the MSG's decision-making. To strengthen implementation, civil society and company constituency are encouraged to adopt constituency guidelines which specify the manner the constituency nominates candidates for MSG representation.	

4. Transparency

This component assesses EITI Requirements 2 to 6, which are the requirements of the EITI Standard related to disclosure.

Overview of the extractive sector (Requirements 3.1, 6.3)

Overview of progress in the module

The 2019-2020 EITI Report and government websites provide comprehensive information about the extractives sector in Tanzania, including information on exploration activities and efforts to institutionalise artisanal and small-scale mining activities. While EITI reporting and systematic disclosures provide extensive descriptions of the large-scale mining sector, there is scope for greater integration of artisanal and small-scale gemstone mining into EITI reporting and for strengthening systematic disclosures of the extractive industries' contribution to government revenues. There are gaps in the provision of information in the report on total government revenues, total exports, gender disaggregation within the sector and on the GDP contribution of the small-scale mining sector. While these pieces of information are mostly available through other sources, they are not carried together into EITI reporting, which would be needed to give the reader an understanding of the sector in relation to the economy as a whole.

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Progress by requirement and corrective actions

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EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Exploration (Requirement #3.1) *Fully met*	The Secretariat's assessment is that Tanzania has fully met Requirement 3.1, as in the previous Validation, and was close to exceeding it. Public access to an overview of the extractive sector in the country is provided through systematic disclosure on government websites[16] and through EITI reporting, with relevant documents found on government websites linked in the 2020 EITI Report. In mining and oil and gas, information on reserves and resources with significant economic potential are systematically disclosed online. The 2020 EITI Report adds value by summarising how these sectors currently operate. Information on the artisanal and small-scale mining sectors is discussed along with a history of efforts to formalise this sector. Missing from EITI reporting or systematic disclosure on government websites are recent and planned significant exploration activities. In its comments, the MSG noted that for petroleum, ongoing exploration projects are disclosed through the TPDC's website. For mining, the comments made reference to the Mining Commission's Annual Reports[17] of which at the time of submission of MSG comments the latest available is 2018-2019.
Contribution of the extractive sector to the economy (Requirement #6.3) *Mostly met*	The Secretariat's assessment is that Requirement 6.3 is mostly met, which represents a regression from the previous Validation. Stakeholders consulted did not express views on whether the objective of public understanding of the extractive industries' contribution to the national economy and the level of natural resource dependency in the economy had been fulfilled. It is the Secretariat's assessment that the objective is mostly fulfilled. During the period for comment the MSG provided information on where to find missing data on total government revenue and gender disaggregated employment data. The Secretariat welcomes the ongoing efforts of establishing the overall contribution of ASM to GDP and to total government revenue. The Secretariat is of the view that the EITI reporting plays an important role in providing an overall view of key data on the sector, and as the comparative information is not available the objective is not yet fully met. The government discloses much information on the contribution of the extractive industries to the economy through systematic disclosure as well

[16] The following websites contain information, but are not referenced in the transparency template: https://www.pura.go.tz/documents/gas-discoveries; https://www.vpo.go.tz/uploads/publications/en-1592551170-ASGM%20National%20Action%20Plan_Tanzania_2020.pdf; https://www.tumemadini.go.tz/uploads/files/Minerals%20Available%20in%20Tanzania.pdf; https://www.trade.gov/country-commercial-guides/tanzania-mining#:~:text=Tanzania%20is%20the%204th%20largest,quarter%20in%20the%20previous%20year.

[17] Currently only 2019-2020 is online: https://www.tumemadini.go.tz/publications/report However, the Secretariat has previously downloaded the 2020-2021 Annual Report and section 7.1 makes reference to negotiations under way and contracts concluded in the period 2019-2020.

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	as through EITI reporting. The mining, oil and gas sectors' contributions to the economy are provided in absolute terms but it is possible to calculate relative terms when comparing extractive sector contribution to overall GDP. Government revenues from the extractive sector are provided in absolute terms, but there does not appear to be a public source of data on extractive revenues relative to total government revenues. Neither the EITI Report nor government disclosures contain full government revenues disaggregated by revenue stream, hence it is not possible to establish the contribution of the extractive industries to government revenues. In its comments, the MSG said that the national budget contains the figure for the full government revenue. The International Secretariat has found the actual government revenue in the budget execution report for the fourth quarter [18], which amounted to TZS 21021.7 bn. Extractive exports are disaggregated by commodity and displayed in volume and value and can be compared against overall exports, although this information does not yet appear to be disclosed systematically. Total export figures, or the share of extractives sector exports to total exports is not available in the Report. The total figure can be found in the annual report of the Bank of Tanzania[19]. Total employment figures are provided and can be compared against total extractive sector employment. However, required employment data by gender is only provided for some material companies that chose to report this information, making this aspect of Requirement 6.3 partially complete. In its comments, the MSG referenced the annual report from the Ministry of Finance and Planning covering 2021, containing the gender structure.[20] Extractive employment sector figures cited in the report summarise gas, mining, and quarrying. Data on production and export on the small scale mining sector (or ASM) is available for the gold and gemstones. The National Action Plan for Artisanal and Small-Scale Gold Mining (2020-2025) reports that ASM directly employs more than 1.2m people (about 3% of the total national population), constituting more than 90% of the mining labour force in the country, with 3998 active licenses for 2019/2020. The Mining Commission's 2019/2020 annual report provides a description of the establishment of 16 trading centres to purchase minerals produced by the small-scale miners, providing a "fair" selling price for minerals and capturing government revenue collected from artisanal and small-scale activities. An estimate of the contribution of the small scale mining sector to GDP is not yet available. In its comments, the MSG noted that the figures on the contribution of the extractives sector in the report include small-scale mining. A scoping study to provide data on GDP contribution of ASM has been commissioned and published[21] by TEITI but does not contain any absolute figures on the contribution of ASM to GDP. The MSG plans to conduct a study which will provide the overall contribution of ASM to GDP and to total government

[18] See https://www.mof.go.tz/uploads/documents/en-1654678521-Budget%20Execution%20Report%20for%20the%20Fourth%20Quarter%202019-20.pdf , section 2, domestic reveneu
[19] See https://www.bot.go.tz/Publications/Filter/34 . The figure is TZS 11,452,238.5 m.
[20] Download here: https://www.nbs.go.tz/index.php/sw/machapisho/pato-la-taifa/756-hali-ya-uchumi-wa-taifa-katika-mwaka-2021, See table 6.3 on page 98. The
[21] See https://www.teiti.go.tz/storage/app/uploads/public/63e/64d/357/63e64d357c28d568326439.pdf

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	revenue. An overview of the location of mining, oil and gas activities is available through EITI reporting and on government websites. While the MSG notes that investment data is available, it is not clear where this information can be found in the documents provided by the MSG for this Validation. In its comments, the MSG provided that this information is available in the State of the Economy report.[22] This is an encouraged aspect of Requirement 6.3.
New corrective actions and recommendations	
To strengthen implementation of Requirement 3.1, Tanzania is encouraged to ensure timely publication of the Annual Reports of the Mining Commission, which contain rich information on ongoing negotiations and recent contracts with companies. In accordance with Requirement 6.3, Tanzania should ensure that there is a public understanding of the extractive industries' contribution to the national economy by including overall government revenues and stating the share of extractive revenues to total government revenues. Tanzania should publish total export values and the extractive share alongside each other to allow a public understanding of the sector's contribution to the economy. Tanzania should publish the contribution of the small-scale mining sector to government revenues as soon as the data is available.	

Legal environment and fiscal regime (Requirements 2.1, 2.4, 6.4)

Overview of progress in the module

EITI reporting provides a solid overview of the legal and regulatory framework for the extractive industries. Given the significant changes in legislation to the Natural Wealth and Resources Contracts (Review and Re-negotiation of Unconscionable Terms) Act and the Natural Wealth and Resources (Permanent Sovereignty) Act, both in 2017, there are several extractive contract re-negotiations underway. The government's obligation to publish contracts, concessions and licenses has been legally anchored through the 2015 TEITA act but has led to only very limited disclosures in the gas sector. Stakeholder consultations indicated that contract transparency is of high importance, in particular to civil society, and that the practical barriers to publication should be addressed. Tanzania could draw on its earlier experience with publishing contracts via the resourcecontracts.org website and advertise its availability through government websites. In its response, the MSG noted that TEITI is in the initial stages to establish a mechanism to ensure contracts and license disclosures.

Reporting on and mitigating the environmental impact of the extractive industries is a key priority for Tanzania and the EITI Report includes a chapter on the regulatory environment and key activities related to the environment. The TEITA act includes an obligation for the Ministry of Mines to publish environmental management plans, but these have not yet been published. Tanzania EITI could add value in more publicly assessing which companies have fully complied with environmental requirements (i.e., the result of the inspections) and publish completed environmental impact assessments (EIAs). The report includes a short summary of the outcome of reviewing the mining closure plans in the period under review.

[22] See https://www.nbs.go.tz/index.php/sw/machapisho/pato-la-taifa/756-hali-ya-uchumi-wa-taifa-katika-mwaka-2021., pages 103-109. The Report is in Swahili. It is not clear on what page there is reference to the extractive sector related investment figures.

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Progress by requirement and corrective actions

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EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Legal framework and fiscal regime (Requirement #2.1) *Fully met*	The Secretariat's assessment is that Requirement 2.1 is fully met, as in the previous Validation. The EITI Report gives a comprehensive overview of the legal framework, fiscal regime, and role of government entities which allows stakeholders to have a basis to understand all aspects of the regulatory framework, fiscal regime and roles of government entities. A narrative overview of the legal framework and fiscal regime is available in the EITI Report and is comprehensive. Government stakeholders confirmed that the Ministry of Mining has recently entered three framework agreements. The EITI Report lists the Natural Wealth and Resources Contracts Act from 2017 as well as the 2019 Mining Acts amendments from 2021, which give the government a legal basis to renegotiate contracts in the extractives sector. The EITI Report could increase its relevance by providing an overview of the status of those contract renegotiations, not least given the requirement to publish any newly awarded or amended contracts (*see Requirement 2.4*). There is no description of ongoing legal or regulatory reforms in the extractive industries or public finance management, which is an encouraged aspect of the requirement.
Contracts (Requirement #2.4) *Partly met*	The Secretariat's assessment is that Requirement 2.4 is partly met. Despite the government's public commitment and the legal basis for contract disclosure, as well as some disclosures to date, there has been limited progress towards the objective of ensuring the public's understanding of the contractual rights and obligations of companies operating in the country's extractive industries. Tanzania does not fully disclose all contracts and licenses which were entered into, or amended since 1 January 2021. An overview of all active contracts and licenses and the status of their publication is not yet available. MSG meeting minutes and the work plan demonstrate that contract disclosures continue to be a priority issue for EITI implementation. In its comments on the draft report the MSG noted that the Office of the Attorney General has issued guidance on how to implement the contract disclosure requirement. Currently, TEITI in collaboration with other government entities is in the initial stages of working on a mechanism to implement contract disclosure roadmap in the coming TEITI Reports. The 2015 TEITA Act (Art 16.1) legislated the requirement to publish all licenses, contracts and concessions relating to the extractive industries, and Minister of Minerals, Doto Biteko, made a public commitment at the 2019 EITI Global Conference to publish all such agreements. However, in practice, only some contracts in the petroleum sector have been published to date, while no mining agreements have yet been published. While TEITI has published a roadmap for contract disclosure, it has not been updated in the past two years. A public inventory of all active contracts and licenses is lacking. During consultations industry and civil society stakeholders have noted that contract disclosures and explanation to the public in the mining and petroleum sector are of very high interest. Several stakeholders noted their frustration by the lack of

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	communication on progress. Some government entities consulted were not aware of the contract disclosure requirement. In the oil and gas sector, the Production Sharing Agreement (PSA) for the SongoSongo development license (2001) is publicly available. It is not clear if there have been any amendments made since its conclusion. On other public contracts, the 2012 amendment to the PSA on block 2 between the government, Equinor and ExxonMobil is available on the same platform (resourcecontracts.org), although the original PSA does not appear publicly accessible. In May 2023, the government has entered a Host Government Agreement (HGA) with Equinor on the development of an LNG terminal (which is a mid-stream activity and thus not in the scope of required disclosures under Requirement 2.4). Finally, the resourcecontracts.org platform also hosts the 1995, 2004, 2008, 2010 and 2013 model PSAs, as well as one oil and gas service contract (2011).[23] None of the full text of any license is publicly available. The TEITI website hosts a list of all petroleum production and exploration licenses, but it does not include links to the publicly available agreements and the status of publication. There is no date stamp on the document and five of the eleven licenses have award dates that imply that they have already expired, based on statutory license durations. In terms of progress, the government has been making the conclusion of agreements in the oil and gas sector public (such as on the preliminary agreement of the Host Government Agreement (HGA) for the LNG project with Equinor and ExxonMobil and mining framework agreements of 2021). TEITA adopted a contracts publications plan (probably in 2019 and update in 2021, no date stamp available) but implementation lags far behind the planned timeline. In mining, there are no publicly available contracts or licenses. The transparency template notes that the Mining Commission and the Ministry of Minerals provides contracts upon request. This could not be confirmed in stakeholder consultations and the MSG is invited to clarify if this is indeed the case. If contracts are available upon request, the MSG is invited to clarify why contracts have not yet been made publicly available, for instance on a government or TEITI website. The MSG comments did not provide a response to the availability of contracts upon request but noted that TEITI is working on a mechanism to ensure contracts are disclosed. On licenses, the transparency template shares a link to the Mining Commission where license holders can request access to the Online Mining Cadastre Transactional Portal. Given that the public (including the International Secretariat) does not have the necessary credentials to request access, the content of licenses could not be accessed. An inventory of all active licenses, concessions and agreements, as well as information on amendments and the publication status and location is not publicly available for mining. Stakeholder consultations indicated a lack of clarity around what is holding up progress. In its most recent MSG meeting in April 2023, the minutes note that the Ministry of Minerals had written to the Attorney General (AG) for advice on

[23] In its comments, the MSG confirmed that they do not actively use the site resourcecontracts.org as government repository for contracts.

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	how to implement the contract disclosure requirement and that the AG representative on the MSG should ensure follow-up of the request. There are two activities in the 2022-2023 work plan for capacity building on contract interpretation for the MSG, Secretariat, parliamentarians and media. Given the absence of an annual progress report it is unclear if those activities have been carried out.
Environmental impact (Requirement #6.4) *Not assessed*	The Secretariat's assessment is that Requirement 6.4 remains not assessed as Tanzania's EITI disclosures have not yet covered actual practices and compliance of companies towards their environmental obligations, implying that the underlying objective of the Requirement is not yet fulfilled. The EITI Report documents the relevant legal and administrative rules for environmental management, the transparency template includes links to regulations and manuals related to environmental management, and the EITI Report documents information on environmental monitoring procedures and administration for the mining sector. In addition, the 2015 TEITA Act requires the Minister to publish the implementation of environmental management plans of the extractive industry companies. The Secretariat could not access the environmental management plans by companies on the Ministry or Mining Commission website. The EITI Report provides a comprehensive overview of the recent changes and goals, in particular on the mining impact. On mines closure plans the report provides some insight to the adequacy of the companies' closure plans. The EITI Report states that Tanzania EITI prioritises environmental management initiatives to address the environmental impact of mining in particular. The report has a dedicated chapter describing the legal obligations on how the government has assessed environmental impact, but falls short of documenting in detail the result of the assessment for 2019/2020. In order to fully meet this requirement, Tanzania could publish the level of extractive companies' compliance with regulatory requirements related to the environment, systematically disclose the EIAs to strengthen public understanding of companies' own environmental assessments and to assess companies' adherence to their environmental obligations.

New corrective actions and recommendations

- To strengthen implementation of Requirement 2.1, Tanzania is encouraged to publish the status of the government's renegotiation of contracts or entering of framework agreements with large mining companies in EITI reporting. As soon as there are any plans for further reforms or amendments of existing legislation, these are to be communicated on government websites or through EITI reporting.

- In accordance with Requirement 2.4, Tanzania is required to disclose any mining, oil and gas contracts, concessions and licenses that are granted, entered into or amended from 1 January 2021. Tanzania is encouraged to publicly disclose any mining, oil and gas contracts, concessions and licenses, including those awarded or amended prior to 2021, to comply with the TEITA Act of 2015. The multi-stakeholder group is expected to update the publication plan for disclosing contracts with a clear timeframe for implementation, addressing any barriers to comprehensive disclosure. Tanzania should provide a list of all active contracts, concessions and licenses (including annexes, amendments and riders), indicating which are publicly available and which are not. For all published contracts and licenses, it should include a specific link or reference to the location where the contract and/or license is published. If a contract or license is not published, the legal or

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practical barriers should be documented and explained. Where disclosure practice deviates from legislative or government policy requirements, an explanation should be provided. • To strengthen implementation of Requirement 6.4, Tanzania is encouraged to document actual practice related to environmental management legal and administrative provisions and to publish EIAs on government websites.

Licenses and property rights (Requirements 2.2, 2.3)

Overview of progress in the module

Tanzania has made important progress on disclosing license data, in particular on mining. An online cadastral portal allows for public oversight of mining licenses in real time. The Mining Commission systematically discloses information on criteria for mining applications and transfers. In its comments, the MSG did not provide more information on the methodology used for assessing the existence of non-trivial deviations from statutory license award and transfer procedures. On petroleum, while some information on licensed blocks is systematically disclosed, the full overview of all active oil and gas rights (as of 2020) is available only through EITI reporting.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Contract and license allocations (Requirement #2.2) *Mostly met with improvements*	The Secretariat's assessment is that Requirement 2.2 is mostly met with improvements, which is an improvement to the previous Validation. The EITI Report clarifies that no mining or oil and gas licenses were allocated using the bidding process. The EITI Report states that there are no deviations from statutory procedures in practice but provides no information on the methodology used to arrive at that conclusion. The identity of transferees of mining licenses is not disclosed. In its comments, the MSG noted that this information is provided on request[24] and provided an excel file including the identity for the subsequent year (2020-2021).[25] Whereas there were no concerns raised during stakeholder consultations on the integrity of the license allocation process, the Secretariat is of the view that the underlying objective to provide a public overview of all awards and transfers, to identify any possible weaknesses in the allocation and transfer process, is mostly fulfilled. The number of allocated licenses is published in the EITI Report and systematically disclosed. Information on individual license transfers is not disclosed.

[24] Reference is given to Section 123 of the Mining Act Cap. 123
[25] Available here : https://www.teiti.go.tz/publications/Licenses

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	There were no oil or gas licenses allocated or transferred in the year under review according to the EITI Report, and the methods of allocation are clearly explained. The Report specifies that weighing criteria for bidding are published when the procedure is used in the petroleum sector. For mining, the steps to apply for a license are also described on the Mineral Commission's website. The EITI Report discloses the license allocation mechanisms – first come-first served is the prevailing method unless two applicants apply for the same license at the same time. If there are two applications at the same time a tender process is applied, asking applicants to submit a (non-monetary) bid, upon which the Mining commission selects the applicant with more relevant technical expertise and financial resources and proposed mining program, as well as the expenditure foreseen to be committed. A more detailed description and the weighting of technical and financial criteria is not publicly available, but the tender process was not deployed in the year under review. According to the information received by the IA about the 4,208 allocations of licenses, there is no evidence of non-trivial deviations from the statutory procedures. However, neither the EITI Report, nor members of the Mining Commission or Ministry of Mines, could elaborate on what method was used to come to that conclusion. The MSG is invited to comment on what methodology was used to come to this conclusion. In its comments, the MSG noted that an email was sent to the Mining Commission (MC) asking for confirmation that there were no trivial deviations, which the MC confirmed to the IA. The comments did not include an explanation on the method used by the MC to come to that conclusion. The EITI Report links to PDF files that extract the data from the license cadastre on the licenses allocated in the year under review. The analysis shows that firstly, both companies and individuals can apply for licenses (listed as "parties"- percentage ownership is listed, but not always complete). A comparison of the numbers of licenses per type listed in the report and listed in the linked PDF showed that there are at times quite significant differences. The report contains information on the number of licenses granted. For "Mining licenses", only 19 of the 21 are listed. For "Primary mining licenses": the report states 3,998 licenses were granted but the PDF only contains 3774 primary mining licenses (5% gap). Only 14 of the 29 "processing licenses are" listed in the PDF (50% missing). On prospecting licenses: only 107 of total 155 are listed (31% of total are missing). The report contains a reflection on the effectiveness of approaches of granting mining licenses, which is seen to be transparent because all licenses are lodged into the online mining cadastre, which is available for viewing for companies and individuals that apply for licenses. The report published information on the number of transfers but no information on what licenses were transferred. The report describes the technical and financial criteria for the transfer of licenses, both for mining and petroleum licenses. There is no assessment of non-trivial deviations for transfers.
Register of licenses (Requirement #2.3) *Fully met*	The Secretariat's assessment is that Requirement 2.3 is fully met, which is an improvement to the previous Validation, where progress was inadequate. The Mining Commission systematically discloses license data through a public mining cadastral portal.[26] Stakeholders consulted highlighted the mining cadastre as a

[26] https://portal.madini.go.tz/map/

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	main achievement in improving governance of the licencing process. The petroleum register is only accessible through EITI reporting. The online mining cadastral portal maintained by the Mining Commission holds the information required by the EITI Standard and is regularly updated. A special mining license allocated in April 2023 is registered (SML 693/2023). There are 19 Special Mining Licenses registered in the cadastre but there is no list view of all active special mining licenses in the EITI Report or systematically disclosed to enable users to check the comprehensiveness of all material mining licenses in the cadastre. On petroleum licenses, the information is disclosed on the TEITI website. The document does not include a date stamp. The Petroleum Upstream Regulatory Authority (PURA) website contains information on Block 1 (linked in the website menu) and blocks 2 and 4 (only findable using the website search). All active and material licenses are disclosed.
New corrective actions and recommendations	
• In accordance with Requirement 2.2, Tanzania should provide information on the method for reaching the conclusion of non-trivial deviation in the allocation and transfer of licenses. Tanzania should identify and publish the licenses and identity of licensees transferred in the period under review. • To strengthen implementation of Requirement 2.3 Tanzania is encouraged to systematically disclose information on all oil and gas licenses.	

Beneficial ownership (Requirement 2.5)

Overview of progress in the module

Adherence to Requirement 2.5 on beneficial ownership is assessed in full in Validations as of 1 January 2022 as per the framework agreed by the Board in June 2019.[27] The assessment consists of a technical assessment and an assessment of effectiveness.

Technical assessment

The technical assessment is included in the Transparency template, in the tab on Requirement 2.5. Before establishing a regulatory framework, the 2015 TEITA act (Art. 16(1b)) established the requirement for reporting companies to submit the names of individual shareholders who own interests in extractive companies. Tanzania has established robust legal and regulatory framework the collection of beneficial ownership data from all companies operating in the country through the Companies Act, Cap 212, Business Registration and Licensing Authority Act, 200, and Finance Act, 2020, but there is currently no legal framework for public disclosure of beneficial ownership information. The amended Finance Act 2020 introduces the concept of beneficial ownership to establish parameters for identifying owners and beneficiaries of multiple entities for tax purposes. The amended Companies Act, Cap. 212 ensures that accurate and up-to-date records of beneficial owners of legal entities are identified, obtained, verified, and maintained. Moreover, under the Companies Act, Cap. 212, BRELA mandates that companies provide complete registration details, such as the corporate entity's full name, legal status, year of incorporation, and a directory of directors and their physical addresses. This is crucial for determining the beneficial

[27] https://eiti.org/document/assessing-implementation-of-eitis-beneficial-ownership-requirement.

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owners of the corporation. Part III of the revised Companies Act, Cap. 212 further obligates companies to submit details about beneficial owners who are not presently regulated under the Act. Additionally, the Government is implementing awareness programs through TEITI to enhance the disclosure of beneficial ownership.

In practice, it does not appear that the beneficial (BO) collection framework effectively contributes to improved transparency within the extractive industry. The law provides for BO collection, but there is no public register to enable an assessment of the comprehensiveness of information collected by BRELA. Tanzania's MSG provides an assessment of the comprehensiveness of BO data collected by BRELA and notes that collection efforts have improved since the previous Validation but this cannot be independently verified. The coverage of BO information is uncertain, and it is unclear if the law requires reporting obligations for PEPs and joint ventures associated with high corruption risks. Therefore, there is a need for greater clarity and transparency in the BO disclosure framework in Tanzania to effectively combat corruption and promote good governance.

Assessment of effectiveness
Tanzania has used the EITI to document the existing legislation on beneficial ownership data and to detail some stock exchange information for those companies that are listed. Beneficial ownership information is not publicly accessible and while this information is collected by the Business Registrations and Licensing Agency (BRELA), there is not a clear roadmap to public disclosure of this data. Likewise, BRELA does not possess the proper personnel to process and ascertain the validity of BO information that it receives given that all companies, not just extractive companies, are required to submit BO data. In practice, there are seven individuals within BRELA charged with reviewing more than 17,000 submissions and a small sample collected for this Validation contains some entries where legal owners have been submitted in place of true beneficial owners. Given that neither the MSG nor the IA were able to independently verify BO information with BRELA, there is not a public understanding on the comprehensiveness of beneficial ownership information. Third-party assessments of the legal and regulatory environment for beneficial ownership disclosure such as the June 2021 ESSAM FATAF Mutual Evaluation Report found partial compliance on beneficial ownership of legal persons and non-compliance on transparency and beneficial ownership of legal arrangements. Further efforts are required to ensure a fully operational and effective system for identifying beneficial owners of reporting companies. Since October 2022 Tanzania is listed on the Financial Action Task Force (FATAF) "Grey list". The FATF noted that Tanzania had made improvements to its AML/CFT infrastructure following its 2021 MER, but had not made sufficient progress in addressing key points in its action plan.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Beneficial ownership (Requirement #2.5) *Partly met*	The Secretariat's assessment is that Tanzania has partly met Requirement 2.5. The objective of this requirement is to enable the public to know who ultimately owns and controls the companies operating in Tanzania's extractive industries to help deter improper practices in the management of extractive resources. Despite legislation requiring the submission of beneficial ownership (BO) information from domestic and foreign companies operating in the country, the public does not have access to this information and the Secretariat's assessment is that the objective of this requirement is not fulfilled. Government representatives consulted noted that steps are being taken toward full public

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	disclosure of this data and that financial institutions and government agencies currently have access to this information. In its comments the MSG also noted that several awareness raising efforts are under way and the register is foreseen to be built by 2024. The definitions of beneficial ownership and politically exposed persons are established through the 2020 Finance Act and amendments to the Anti-Money Laundering Act and the Companies Act, though it is not clear whether there is a threshold adopted for reporting of beneficial ownership information. These definitions are in line with international best practice, as established by definitions found in FATF guidance. The 2020 Finance Act mandates that all companies, domestic or foreign, operating in Tanzania must report BO information to BRELA, which includes all companies bidding or applying for extractive licenses. Government stakeholders confirmed that a 25% threshold is used to report BO information, though the IA noted the use of a 1% reporting threshold when collecting BO information from material companies in EITI reporting. There is a legal framework for the collection of legal and beneficial ownership information by the Business Registrations and Licensing Agency (BRELA) but this registry is not publicly accessible. The regulatory and legal framework also should be properly implemented given gaps identified in the publicly available legal ownership register as it pertains to extractive companies and a cursory comparison between legal ownership information provided in the 2020 EITI Report and that found on the BRELA website led to differing results or a complete lack of entry on the BRELA register. Government stakeholders acknowledged shortcomings in undertaking quality assurances and verification processes detailed in the regulatory framework, largely due to insufficient staffing, for confirming BO information but stated that more staff will be brought on to review BO information as of 1 July 2024. Currently, there are seven staff members responsible for reviewing more than 17,000 company submissions of BO information. Industry stakeholders consulted also placed the onus for more stringent confirmation of BO data on government agencies. While the MSG sent the EITI's standard BO template to all material companies as part of EITI reporting, only 26 out of 40 material companies filled out these reporting templates and a review of submitted information found that 14 out of the 26 companies that filled out the BO reporting template included legal ownership information rather than beneficial ownership information when reporting shareholders. The MSG provides an assessment of disclosed BO information from material companies, deeming that there has been significant improvement since the last reporting period but that disclosure is still not comprehensive. There is no assessment of how to overcome barriers to full public disclosure of BO information for all extractive companies, as is mandated in Requirement 2.5. An ESSAM FATF Mutual Evaluation Report from June 2021 found that Tanzania was 'partially compliant' with Recommendation 24 on Transparency and beneficial ownership of legal persons and 'not compliant' with Recommendation 25 on Transparency and beneficial ownership of legal arrangements. In October 2022 Tanzania was added to the "grey list" which implied increased monitoring by FATF.
New corrective actions and recommendations	

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- In accordance with Requirement 2.5, Tanzania is required to disclose the beneficial and legal owners of all companies holding or applying for extractive licenses. To achieve this target, Tanzania should establish an enabling legal and regulatory framework for the public disclosure of beneficial ownership information of all oil, gas and mining companies that includes all data points listed in Requirement 2.5. In particular, these disclosures should ensure that the identity of politically exposed persons and the identity of shareholders and their share of equity in all companies holding mining and petroleum rights in Tanzania. While government agencies currently collect this information, Tanzania should strengthen data assurance and reliability processes to ensure that reported data is accurate, comprehensive and up to date through the publication of regular assessments that highlight significant gaps and weaknesses in collection and disclosure. Tanzania's MSG should name those entities that have failed to disclose all or parts of the required beneficial ownership information. Tanzania is encouraged to systematically publish BO information through a public register.

State participation (Requirements 2.6, 4.2, 4.5, 6.2)

Overview of progress in the module

Information on state participation in the extractive sector in Tanzania is publicly accessible and covers most EITI Requirements related to state-owned enterprises (SOEs). STAMICO and NDC are SOEs operating in the mining sector while TPDC is the sole SOE in the oil and gas sector.

Most information required is systematically disclosed and available on the SOE websites of STAMICO, NDC and TPDC but EITI reporting serves as an easy point of reference to find key information about each SOE, such as information on retained earnings, dividend payments to government and the terms and involvement of SOEs in extractive projects. The Controller and Auditor General (CAG) publishes Audited Financial Reports for each SOE that are publicly accessible. The legal and regulatory framework governing SOEs' interactions with the state are defined through the Public Corporations Act of 1969, and updated and amended in 2015 through the Public Corporations Order. Information on SOE subsidiary companies can be found via SOE websites and in the 2020 EITI Report.

An IMF Report published in April 2023 provides an overview of Tanzanian SOEs in the extractive sector and notes the lack of financial independence and liquidity risks that NDC and STAMICO face. Additionally, this Report cautioned that TPDC had highly leveraged liability-to-asset ratio that, along with NDC, indicated that these SOEs' net operating income may not be sufficient to cover interest expenses, which would necessitate financial assistance from the Tanzanian government. There are ongoing efforts to establish a definition of quasi-fiscal expenditures (QFEs), by which SOEs can undertake extractive-funded expenditures on behalf of the government that are not reflected in the national budget. While stakeholders indicate that such expenditures did not take place in the period under review, it is difficult to ascertain the validity of these assertions without an agreed-upon definition of QFEs. More broadly, unexplained discrepancies between SOE payments to government and government revenues received from SOEs cast doubt as to whether revenues accruable to the state follow statutory procedure. In its comments the MSG provided a definition, but it remains unclear how this was applied and discussed with the SOEs.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

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EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
State participation (Requirement #2.6) *Fully met*	The Secretariat's assessment is that Requirement 2.6 is fully met, an improvement from the previous Validation. The corrective actions highlighted in the previous Validation have been fulfilled. The objective of this requirement is to ensure an effective mechanism for transparency and accountability of SOE's and state participation through a public understanding of whether the SOE's management is undertaken in accordance with the relevant government framework. Some civil society members and the Independent Administrator were of the opinion that SOEs operate within the established government framework and that SOE reporting flows through the correct channels. It is the Secretariat's assessment that previous corrective actions requesting detailed information concerning retained earnings and reinvestment have been addressed and that SOE participation in extractive projects, as well as the terms attached to this participation, is comprehensively disclosed through EITI reporting and that the objective has been fulfilled. The 2020 EITI Report has adequately explained the role of SOEs in the mining and oil and gas sectors in the country with STAMICO and NDC operating in mining and TPDC operating in oil and gas. Subsidiary entities of TPDC, STAMICO and NDC are identified and described, though government stakeholders consulted raised concerns about the lack of dividends paid to STAMICO from its subsidiary, STAMIGOLD. The 2020 EITI Report confirms that the terms attached to TPDC's, STAMICO's and NDC's equity in each of the extractive companies in which each SOE holds equity is full-paid equity. The 2020 EITI Report describes both the rules and practices related to SOEs' financial relations with government, with information on statutory financial relations systematically disclosed. In practice, the figures associated with these financial relations are reported in the 2020 EITI Report and in SOE's audited financial statements found on the National Audit Office's website. EITI reporting confirms that there were no loans or loan guarantees in the period under review but government stakeholders consulted noted that NDC holds two outstanding loans. These stakeholders argued that these loans were in fact capital investments by government, and that these investments did not pertain to the upstream extractive industries. While available public data is quite comprehensive in practice, it appears only through EITI reporting and is not yet systematically disclosed on government websites. The 2020 EITI Report provides detailed information on SOEs' interests in subsidiaries and joint ventures, including the terms attached to equity in companies and projects. Audited financial statements for SOEs are provided.
Sale of the state's in-kind revenues (Requirement #4.2) *Not applicable*	The Secretariat's assessment is that Requirement 4.2 is not applicable, as in the previous Validation. The MSG indicates in this Transparency template that Requirement 4.2 is not applicable in the period under review. While the previous assessment also found this requirement to be not applicable, there is no review of this requirement found in the 2020 EITI Report or in the 2019/2020 Scoping Study. However, consultations with government stakeholders confirmed that there are no in-kind revenues in the extractive industries.
Transactions related to state-owned	The Secretariat's assessment is that Requirement 4.5 is mostly met, which represents back-sliding from the previous Validation. Due to discrepancies between SOE payments and government revenues, the Secretariat's assessment is that the

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enterprises (Requirement #4.5) *Mostly met*	objective to ensure the traceability of payments and transfers involving SOEs to strengthen public understanding of whether revenues accruable to the state are effectively transferred to the state and to assess the level of state financial support for SOEs is mostly met. Stakeholders consulted did not express any particular views on the fulfilment of this objective. Transactions between SOEs and government are considered material by the MSG and audited financial statements are publicly accessible through the General Audit Office, though more direction could be provided by the IA and the MSG as to where relevant data is located within these financial statements. EITI reporting documents where SOEs collect revenues on behalf of the state and notes values of transfers between government entities and SOEs. The 2020 EITI Report conducted a reconciliation of company payments and government revenues and found material differences that remain unresolved. Due to these discrepancies, and until clarified by the MSG, it is not clear that disclosure of SOE payments and government revenues can be considered comprehensive and reliable. The MSG did not provide any comments on this requirement.
Quasi-fiscal expenditures (Requirement #6.2) *Mostly met*	The Secretariat's assessment is that Requirement 6.2 is mostly met, an improvement to the previous Validation. The objective of this requirement is that where state-owned enterprises undertake extractive-funded expenditures on behalf of the government that are not reflected in the national budget that these are disclosed to ensure accountability in their management. It is the Secretariat's opinion that this objective has not yet been fulfilled. While the MSG provided a definition of quasi-fiscal expenditures in its comments and argues that the requirement should be assessed as 'not applicable', there are no minutes or explanation provided to allow the International Secretariat to understand how the MSG came to the definition as it applies to Tanzania's SOEs, and how it concluded that such expenditures were not undertaken by TPDC, STAMICO and NDC. As the MSG has not agreed and communicated to the SOEs a clear definition of quasi-fiscal expenditures (QFEs), the Secretariat is not able to confirm that extractive SOEs are not, for example, providing subsidies or undertaking infrastructure investments that could be considered as QFEs. The MSG notes in the Transparency template that a letter was sent to the Ministry of Finance on 22 February 2023 requesting assistance in establishing a definition of quasi-fiscal expenditures. It appears that efforts to agree upon a definition of QFEs are ongoing since the previous Validation as this was also the corrective action in the last assessment. Consensus has not been reached on this issue and discussions with TPDC, STAMICO and NDC have not yielded a definition. While the IA confirms that there are no QFEs by SOEs in the period under review, this assessment is incomplete without a definition to base such an assertion. It is not clear whether SOEs are providing subsidies or undertaking infrastructure investments that could be considered QFEs in line with the IMF's. In its response to the draft report, the MSG noted that they are using the definition whereas QFEs include arrangements whereby SOEs undertake public social expenditure such as payments for social services, public infrastructure, fuel subsidies and national debt servicing, etc. outside of the national budgetary process.[28] The MSG notes that based on this definition this requirement was not applicable since the definition of QFE has been agreed upon. The comments did not indicate at what meeting the MSG came to that conclusion and if there had been any discussions with SOEs reviewing the agreed definition to understand whether any

[28] This is the definition as of

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	SOE expenditures fit this definition. The International Secretariat recognizes the importance of agreement of the definition. However, there is limited understanding on the MSG's discussions on the definition and its conclusion of non-applicability. In order to meet "not applicable" the MSG is required to demonstrate such considerations.

New corrective actions and recommendations

- To strengthen implementation of Requirement 2.6, Tanzania is encouraged to systematically disclose information on SOEs' financial relations with the state on government websites and only use EITI reports to summarise this information.
- In accordance with Requirement 4.5, Tanzania's MSG should provide a clear assessment of the reliability and comprehensiveness of company payments and government revenues in light of discrepancies found during reconciliation.
- In accordance with Requirement 6.2, Tanzania is required to provide evidence of the MSG's discussions on the definition of QFEs and document its review of SOE expenditures in order to conclude whether any SOE expenditures could be categorised as "quasi-fiscal". Where SOE expenditures are categorised as "quasi-fiscal", they should be comprehensively disclosed in accordance with Requirement 6.2.

Production and exports (Requirements 3.2, 3.3)

Overview of progress in the module

Tanzania has made important progress on the disclosures of production and exports since the last Validation and is now fully meeting the requirement. The Mining Commission publishes an annual report with production and sales data by commodity and includes information on revenues generated by production and export licenses. In 2019 the government directed mineral producing regions to establish centralised mineral trading centres (or mineral markets) to accommodate miners, government officials, traders, and financial institutions in a formal market, improve monitoring of production and sale, increase tax and combat smuggling. There are figures on smuggled minerals that were intercepted, but no estimate of smuggled minerals, which is encouraged.

Production figures on the two producing gas projects are available in the EITI Report. No gas was exported in the year under review.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Production (Requirement #3.2)	The Secretariat's assessment is that Requirement 3.2 is fully met, which is an improvement from the previous Validation. The 2019-2020 EITI Report publishes production volumes and values by commodities, drawing on the figures

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Fully met	systematically disclosed on an annual basis by the Mining Commission. The Secretariat's view is that the underlying objective of ensuring production levels in order to address extraction-related issues is fully met. Stakeholders did not share particular views on progress towards the underlying objective of this requirement. The Mining Commission (MC) publishes yearly figures on production systematically through its annual reports, and these are referenced in the EITI Report. The website also contains visuals on key commodities. The production figures for gold are disaggregated by size of the mining operation (large, medium and small-scale) and thus includes ASM (or small scale mining, SSM). The figures are not yet further disaggregated by company or project, which is an encouraged aspect of the requirement. The Mining Commission annual report includes % share of production for the largest gold companies. There is no specific description that the Secretariat is aware of on the method for determining the minerals production volume and value. However, the Secretariat is aware that the Mining Commission's website and annual reports describe the establishment of local mineral trading centres or mineral markets in producing regions to facilitate legal trade of gold and other minerals, and hence that there are mechanisms in place to effectively monitor ASM gold production. There is no gold production that is considered "informal" under Tanzania's minerals sector, as ASM mines are licensed. The production figures from oil and gas are disclosed by project through EITI reporting and sourced from the TPDC, which does not yet systematically disclose these figures on the website.
Exports (Requirement #3.3) *Fully met*	The Secretariat's assessment is that Requirement 3.3 is fully met, which is an improvement from the previous Validation. The EITI Report publishes export data, disaggregated by commodities, and by (some larger) companies, and mining export figures are disclosed systematically. The Secretariat considers the underlying objective of ensuring public understanding of the value and volume of extractive resources is fulfilled. Stakeholders did not share any views on this requirement. The Mining Commission (MC) publishes exports by commodity and provides some information on the valuation of minerals through its annual report. There are no estimates on smuggling of minerals but the MC reports on intercepted smuggled minerals in its annual report by commodity, weight and value. In the year under review there have not been any gas exports, according to the EITI Report.
New corrective actions and recommendations	
• To strengthen implementation of Requirement 3.2, Tanzania is encouraged to publish production volumes and value disaggregated to project level. TPDC is encouraged to systematically disclose the data on gas production. Tanzania is encouraged to include sources and the methods for calculating production volumes and values. • To strengthen implementation of Requirement 3.3, Tanzania is invited to disclose minerals export by state/region of origin, company or project. Tanzania is encouraged to include an estimate of smuggled minerals.	

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Revenue collection (Requirements 4.1, 4.3, 4.4, 4.7, 4.8, 4.9)

Overview of progress in the module

Since the previous Validation there have been improvements on the reliability of the data. However, Validation notes that there is some regression on comprehensiveness. There is no full government disclosure of extractive industry revenues by revenue stream, which has hindered the inclusion of a clear assessment of the comprehensiveness and materiality of revenue streams and determination of actual coverage of the reconciled figures. There has some progress on new aspects of the 2019 EITI Standard, namely on project-level disclosures. Tanzania can take pride in its strong track record of the supreme audit institution auditing revenue collection entities and in the inclusion of an assessment of the availability of external audits for reporting companies in the reliability assessment of EITI reporting. There are some concerns on the comprehensiveness of revenues disclosed in the EITI Report. The MSG has noted in its comments that barter-type arrangements did not occur in the year under review and has provided some clarifications on transportation revenues.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Comprehensive disclosure of taxes and revenues (Requirement #4.1) *Mostly met*	The Secretariat's assessment is that Requirement 4.1 is mostly met, as in the previous Validation. The assessment of Requirement 4.1 is between 'partly met' and 'mostly met'. On balance, the Secretariat's assessment is that Requirement 4.1 is mostly met given that no stakeholders have raised concerns about material misstatements or omission of EITI revenue reporting. While full government revenues from the extractives sector is available, those are not disaggregated by revenue stream. There remain concerns about the methodology and communication on the coverage of the report. Hence the technical aspects of the requirement and the underlying objective have not yet been fully met. The EITI Report has selected 40 companies to report, whereas 51 fell into the scope, without explaining the rationale of this omission. It is also unclear how the reconciliation scope was determined. The corrective action and recommendation from the previous Validation have not yet been implemented. Stakeholders consulted did not raise any concerns on the comprehensiveness of publicly available data on government extractive revenues. The International Secretariat considers the omission of full government revenues disaggregated by stream as a significant gap. With the information available, it is not clear how the coverage of TZS 1.220 billion of the total stated TZS 1.933 billion is determined, which undermines the comprehensiveness of the 2019/2020 EITI Report. The omission of the ten payees is considered a gap, but it is understood that the relative importance in terms of contribution in revenues is low. In its comments, the MSG noted that the correct number of companies was 40 and the other figure was an error. The MSG further pointed to a table that included government revenues disaggregated by revenue types as a full government EI revenue overview disaggregated by revenue type. The review of the table found that the

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	figures are not in line with the total government revenue disclosures by reporting entities as recorded in the scoping study. The International Secretariat is of the view that the gaps identified remain material. The 2019/2020 EITI Report includes the full government revenue received, but does not disaggregate by revenue stream. Between the total EI government revenue of TSZ 1.933 trillion and the TSZ 1.220 trillion reconciled amount there is a 28% gap, and it is not possible for the reader to understand how the IA arrived at that amount. The materiality level for companies, TZS 1 billion (for 2019/2020, 0.05% of total EI revenues) is the same as the previous years (which had been endorsed by the then MSG, and for 2019/2020 Report the Permanent Secretary approved the threshold). The report identifies 52 companies which pay TZS 1.761 (91% of total) billion and goes on to note that 41 (corrected to 40) companies contributing TZS 1.738 billion were identified to participate. It seems that the difference between the TZS 1.738 billion and the actual reconciled amount of TZS 1.220 billion are due to the removal of payments such as Pay-As-You-Earn, Value-Added Taxes, withholding taxes, social security contributions as these are made on behalf of employees (EITI Report, p. xvii). However, since a full overview of EI government revenues by stream is lacking it is not clear what the relative importance of revenue streams are, and how the IA arrived at the TZS 1.220 trillion coverage. The report states that based on the total 1.933 government revenues, the 41 companies make up 89% coverage (TZS 1.738 billion). Where the revenues (within the scope) are disaggregated by payment type there are classification errors – payments received by TPDC are attributed to the Mining Commission. The names and relative importance of the payees omitted (11) are not stated or available publicly. The MSG notes in the comments that there were not 50 companies, but 40. As in the draft assessment, the Secretariat considers those to be tax payers who would nevertheless be included in the scope but maintains that their relative importance is less than 1.5% of total revenues and thus negligible. According to the Independent Administrator, the ten omitted payees are individuals who are license holders and that made payments above the TZS 1 billion threshold. The reason for removing them from the scope is that they do not have the necessary financial records to be able to state the paid amounts in the reporting templates. However, neither the scoping nor the final EITI Report explain the reason of the omission of payees above the agreed threshold. It is the International Secretariat's view that the reason for omission is not sufficient to remove entities from the scope of reporting. The relative importance in terms of % contribution to total government EI revenues is negligible (less than 1.5%). The Report does not reference a materiality threshold for revenue streams. The Report does however outline all relevant revenue streams. The lack of disaggregation by revenue streams for the full TZS 1.933 trillion means that it is not possible to determine the level of importance of the different revenue streams, or which revenue streams were removed in the reconciliation coverage of TZS 1.220 trillion. In its comments, the MSG states that TZS 1.2 bn is the revenue derived *after* the reconciliation activity, while TZS 1.738 bn is the revenue contribution for 40 companies during the scoping activity. If the total revenue remains the same, the coverage is 63%. Of the 45 government entities included in the scope of reporting, 29 submitted the templates. The 16 non-submitted templates were from Local Government

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	Authorities (*see Requirement 1.1*). The assessment of the IA states that "the overall comprehensiveness and reliability of data from the companies and Government Agencies was satisfactory", despite the gaps of explaining how reporting arrived at the TZS 1.220 trillion of the TZS 1.933 trillion identified. The EITI Report does not comment on whether extractive companies making material payments to government have publicly disclosed their audited financial statements (AFS) or main items, which is an expected aspect of this requirement. There are no available public records, such as MSG meeting minutes, which discuss the request to reporting companies to disclose their AFS. In its response, the MSG clarified that the certification of reporting templates by external auditors, as required by the MSG's assurance mechanism, is at the same time the confirmation that the 2019/2020 financial statements were audited in compliance with International Auditing Standards, and that as reported, 37 out of 40 reporting entities had fulfilled the requirement to publish annual financial statements.
Infrastructure provisions and barter arrangements (Requirement #4.3) *Not applicable.*	The Secretariat's assessment is that if such agreements exist, then Requirement 4.3 is not met. The Transparency template indicates that this requirement is applicable, and that Tanzania has not met the requirement. However, the 2019-2020 scoping study did not identify any in-kind payments structured as a barter-type arrangement or infrastructure agreements and industry stakeholder consulted confirmed that no such agreements were entered in the period under review. The MSG is invited to explain why it has indicated that the requirement was applicable in its submission. The MSG confirmed during the commenting period that the entry was an error. Hence the Secretariat deems the requirement not applicable. During desk research the International Secretariat has not encountered any agreements, or sets of agreements involving the provision of goods and services (including loans, grants and infrastructure works), in full or partial exchange for oil, gas or mining exploration or production concessions or physical delivery of such commodities.
Transportation revenues (Requirement #4.4) *Fully met*	The Secretariat's assessment is that Requirement 4.4 is fully met, as in the previous Validation. In its comments the MSG clarified that the payments made from TANESCO and Ubungo to Mikocheni were considered transportation revenues and that the new figure amounted to TZS 484.3 bn. Secretariat considers that the objective of ensuring greater transparency in revenues from the transit of oil, gas and minerals involving the state has only been fully met and invites the MSG to clearly list the full transportation revenues in forthcoming reporting. The EITI Report states that TPDC receives payments from Tanzania Electric Supply Company for gas transportation through the Ubungo-Mikocheni pipeline, but these revenues are not listed in the overview of all material payments, although these revenues probably relate to the transportation of processed gas to end-users, rather than transporting unprocessed natural gas. The EITI Report also lists that there are two types of tariffs on transportation that are paid to TPDC: for gas transportation through Mtwara-Dar es Salaam gas pipeline and through the SONGAS gas pipeline and the revenue figures are available disaggregated by pipeline in the Report. The MSG, in its comments, noted that

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	the payments from Ubungo to Mikocheni as shown on page 56 were also considered transportation payments. While there is currently no crude oil pipeline in operation, the East African Crude Oil Pipeline (EACOP) is under construction in Uganda and Tanzania, which will give rise to material revenues to the state in future.
Level of disaggregation (Requirement #4.7) *Mostly met*	The Secretariat's assessment is that Requirement 4.7 is mostly met, which is a regression from the previous Validation. While the EITI Report includes the definition of a project, a comprehensive list of revenue streams that are levied at a project level is missing and was not shared in the MSG comments on the draft assessment, which only referred to the existing (non-exhaustive) list of revenue streams in the EITI Report. Whereas the summary data includes a classification of the revenue types by revenue stream, there are more revenue streams identified than in the non-exhaustive list. Revenues are in practice not disaggregated by project in the EITI Report, and a list of projects was not submitted for material companies. There were no views expressed from stakeholders on the lack of project-level data, but there is an understanding that the availability, together with information on contracts, would enrich the public debate on the contribution of extractives activities, beyond the existing disclosures on total revenues and CSR contributions. The Secretariat's view is that, given the lack of information on revenues by project, with the exception of the submission in the summary data, the objective of the requirement to enable the public to assess the extent to which government can monitor its revenue receipts as defined by its legal and fiscal framework, and that the government receives what it ought to from each individual extractive project, is only mostly fulfilled. Public disclosures of financial data on material company payments and government revenues are disaggregated by company, government entity and revenue stream. The EITI Report defines a project as an "operation activity governed by an agreement, single license and form the basis for payment liabilities with the government". The EITI Report then lists a non-exhaustive list of revenues that fall into that category[29]. Revenue data is not disaggregated by individual project. The summary data template does not list any projects in the submission for the 2019/2020 EITI Report.
Data timeliness (Requirement #4.8) *Fully met*	The Secretariat's assessment is that Requirement 4.8 is fully met, as in the previous Validation. The 2019/2020 Report was submitted in March 2022, within the 24-month period. Some stakeholders from the media have indicated that the publication delay of two years is quite significant. Given that the 24-month period was respected for the year under review the Secretariat considers the objective to be fully met. The report under review uses the same accounting period as previously (July to June). The 2022-2023 work plan included activities to set up an electronic reporting platform, which would speed up the submission of data and could improve timeliness.

[29] The Report states: «With that understanding, all payments attributed to a specific project, like royalty, profit share, training fees, license fees, application fees, annual rent, etc., were required to be disaggregated and reported at a project level." The inclusion of "etc" at the end of the sentence suggests that the list is not complete.

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Data quality and assurance (Requirement #4.9) *Fully met*	The Secretariat's assessment is that Requirement 4.9 is fully met, an improvement on the previous Validation. There were no stakeholder views on the reliability of data provided by extractive companies. Tanzania has improved its performance on this requirement because the EITI Report includes a clear statement how many reporting entities adhered to the quality assurances agreed by the MSG for EITI reporting. The report also includes a clear statement from the IA on the reliability and comprehensiveness of the data. However, it is not clear from the draft assessment if all 40 reporting companies had their annual financial statements (AFS) externally audited. The MSG clarified that the certification step included the obligation to indicate whether the company had its financial statements for the period under review audited and that it reported that 37 of 40 material companies had provided this confirmation. Hence, the International Secretariat considers that the underlying objective, that stakeholders can have confidence in the reliability of the financial data on payments and revenues, has been fulfilled. On government data, stakeholders highlighted the role of the Controller and Auditor General, which has a strong track record of auditing EI revenues and whose reports are public. While the EITI Report clearly outlines the methodology, the Report lacks specific information to what degree the reporting companies were subject to independent audits according to international standards. The IA applied the same procedure to address data quality and assurance based on a standard procedure endorsed by the EITI Board as in previous reports, which had been discussed and approved by the MSG. All government reporting entities are audited by the Controller and Auditor General (CAG) according to INTOSAI standards and those audits are systematically disclosed by the National Audit Office.

New corrective actions and recommendations

- In accordance with Requirement 4.1, Tanzania must ensure that all extractive industry revenues are disaggregated by revenue stream to allow detailed public understanding of the contribution of the extractive industries to government revenues, and to understand the coverage of reconciled payments. Tanzania should ensure that all government revenues from material companies' payments are comprehensively and reliably disclosed in a disaggregated manner. Tanzania is encouraged to consider applying a higher materiality threshold for selecting companies and revenue streams in the scope of reconciliation and continue disclosing additional data through unilateral government disclosures.

- To strengthen implementation of Requirement 4.4, Tanzania is encouraged to explain the different types of transportation revenues. Tanzania is encouraged to agree a procedure to address data quality and assurance of information on transportation revenues, in accordance with Requirement 4.9.

- In accordance with Requirement 4.7. Tanzania should ensure that a comprehensive list of all revenue streams that are levied on a project level is disclosed and ensure that all material revenues from the extractive industries are disaggregated by project, where the revenues are levied on a project level. If multiple agreements are substantially interconnected, the multi-stakeholder group must clearly identify and document which instances are considered a single project.

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- To strengthen implementation of Requirement 4.8, Tanzania is encouraged to pursue efforts of improving the timeliness of reporting.
- To strengthen implementation of Requirement 4.9 and the Terms of Reference for Independent Administrators, Tanzania could consider identifying the individual companies that had their financial statements audited.

Revenue management (Requirements 5.1, 5.3)

Overview of progress in the module

The Ministry of Finance and Planning systematically discloses information on budgets and expenditures and the 2019-2020 EITI Report summarises information found on government websites. The Controller and Auditor General (CAG) provides annual audits of public sector entities, including extractive SOEs. Tanzania could use EITI reporting to publicly disclose information on projections and assumptions underpinning the budget or forecasts about future budgets or fiscal revenues that would help inform debate around resource dependency and revenue sustainability.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Distribution of extractive industry revenues (Requirement #5.1) *Fully met*	The Secretariat's assessment is that Requirement 5.1 is fully met in Tanzania, as in the previous Validation. The objective of this requirement is to ensure the traceability of extractive revenues to the national budget and ensure the same level of transparency and accountability for extractive revenues that are not recorded in the national budget. Stakeholder consultations and disclosures suggest that the objective has been met. Tanzania has the potential to exceed this requirement with clarifications from the MSG as to where the required data is systematically disclosed on government websites. The 2020 EITI Report confirms that all extractive revenues are recorded in the national budget, aside from those revenues retained by state-owned enterprises and those collected at the subnational level and recorded in subnational budgets. Extractive revenue allocations to funds, such as the Natural Gas Revenue Fund and the Oil and Gas Fund, occur after being recorded in the national budget. It is a welcome improvement from the previous Validation that SOE retained earnings are noted in the 2020 EITI Report and can also be found in the audited financial statements of TPDC, NDC and STAMICO. It is however unclear from the EITI Report if retained earnings from TPDC are deductions from state revenues by the SOE, and the MSG is invited to clarify. References to national and international revenue classifications are in the 2020 EITI Report.

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Revenue management and expenditures (Requirement #5.3) *Not assessed*	The Secretariat's assessment is that Tanzania has made some progress in disclosing revenue management and expenditure information, although gaps remain in encouraged aspects of Requirement 5.3. Therefore, Requirement 5.3 remains not assessed, pending comprehensive disclosures of all information encouraged to be disclosed. The 2020 EITI Report provides information on the federal government's budget and audit procedures and links to the website of the Controller and Auditor General that provide access to government audit reports. EITI reporting notes that all public sector entities, including extractive SOEs (STAMICO, NDC and TPDC), are audited by the Controller and Auditor General (CAG). Budget and expenditure information is disclosed systematically through Ministry of Finance and Planning budget reports but there is no mention of projections and assumptions underpinning the budget or forecasts about future budgets or fiscal revenues. Financial reports for earmarked revenues are not needed as earmarked revenues do not exist in Tanzania. The Mining Commission publishes annual reports, the latest is 2020-2021, presenting *estimated* and actual revenues collected by revenue stream.[30] The Report further shows the revenue collection trend (aggregate figures) over a period of five years.
New corrective actions and recommendations	
• To strengthen implementation of Requirement 5.1, Tanzania is encouraged to systematically disclose more disaggregated data on government extractive revenues. • To strengthen implementation of Requirement 5.3, Tanzania is encouraged to publish information related to projections and assumptions underpinning the budget or forecasts about future budgets or fiscal revenues.	

Subnational contribution (Requirements 4.6, 5.2, 6.1)

Overview of progress in the module

Subnational payments exist in Tanzania, with extractive companies paying a service levy to subnational government entities. Subnational transfers, on the other hand, are not present in Tanzania. Extractive companies in the mining sector undertake mandatory social and environmental expenditures that are set out in Corporate Social Responsibility plans, although there are no mandatory social expenditures in the oil and gas sector. Social expenditures, in particular, are made both in cash and in kind to build necessary infrastructure such as hospitals and schools.

EITI reporting plays an integral role in documenting mandatory social expenditures as these payments are reported unilaterally by extractive companies. There is room for more comprehensive reporting of these payments to better understand the non-governmental beneficiaries who receive these payments. A 2017 reform to the Mining Law made expenditures linked to Corporate Social Responsibility Plans mandatory, which denotes increased participation of mining companies in subnational affairs and a greater need for these payments to be fully disclosed through EITI reporting or through systematic disclosure on company

[30] Mining Commission, annual report, p. 9. In September 2023 the report was no longer available online.

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websites and by local government units so the public can have a clear understanding of how these expenditures are being spent.

Progress by requirement and corrective actions

The detailed assessment of progress in addressing each EITI Requirement or corrective action is available from the data collection templates referenced in the annex to this report.

EITI Requirement / past corrective action and assessment	Summary of progress in addressing the EITI Requirement
Subnational payments (Requirement #4.6) *Mostly met with considerable improvements*	The Secretariat's assessment is that Requirement 4.6 is mostly met, with considerable improvements from the previous Validation. Stakeholders consulted did not express views on the objective of this requirement to enable the public to understand the benefits that accrue to local governments through transparency in companies' direct payments to subnational entities and to strengthen public oversight of subnational governments' management of their internally generated extractive revenues. It The Secretariat's assessment is that the objective has been mostly fulfilled, with improvements from the previous Validation, but that a lack of comprehensive disclosure of direct subnational payments by all material companies and local government entities prevents fulfilment of the objective. There is no indication that the MSG sets a specific materiality threshold for selecting material direct subnational payments to be included in the scope of reconciliation, and as the report does not define a materiality threshold for revenue streams, it is considered to be at zero. This was confirmed in the comments provided by the MSG. In practice, service levy is the only direct subnational payment made by extractive companies. Most material companies and some local government units (LGUs) reported payments made and revenues received but at least four material companies did not report these payments and only ten out of 35 LGUs reported corresponding revenues. The MSG noted in the comments that this is due to the challenges of collecting data from the local government authorities and to time limitations during the preparation of the EITI Report. Part of the previous corrective action has been fulfilled in that material companies indicate which LGU received payments. Subnational direct payments are de facto reported by revenue stream given that project levy is the only direct subnational payment made by extractive companies. Payments are made by company but not by project. Subnational direct payments were included in the scope of reconciliation and in the cases where a company and LGU reported payments/revenues, there were often discrepancies identified in the reconciliation. Direct subnational payments were reported through MSG-approved reporting templates that adhere to data quality and assurance procedures, in accordance with Requirement 4.9.
Subnational transfers (Requirement #5.2)	The Secretariat's assessment is that Requirement 5.2 remains not applicable in the period under review. The previous Validation noted that Requirement 5.2 was not applicable in the period under review, as in the previous Validation. The MSG indicates in this Transparency template that this is still the case, though it

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Not applicable	is not directly addressed anywhere in the 2020 EITI Report or in supporting documentation.
Social and environmental expenditures (Requirement #6.1) *Mostly met*	The Secretariat's assessment is that Requirement 6.1 is mostly met in Tanzania. In the previous Validation, Requirement 6.1 of the 2016 EITI Standard (that only covered social expenditures) was considered non-applicable. However, mining industry stakeholders consulted noted that in 2017, legal reforms were passed in the mining sector that made social and environmental expenditure mandatory as part of corporate social responsibility plans. Stakeholders clarified that these reforms did not extend to the oil and gas sector. However, reporting on CSR plans are incomplete given that the beneficiary is not specified for all social contributions. The Secretariat considers that the underlying objective to enable public understanding of extractive companies' social and environmental contributions and provide a basis for assessing extractive companies' compliance with their legal and contractual obligations to undertake social and environmental expenditures is mostly fulfilled. Concerning social expenditures, the 2020 EITI Report explains that Chapter 123, Section 105(1) of the Mining Act requires that all mineral rights holders prepare an annual Corporate Social Responsibility plan that is agreed upon by the local government unit, the Minister overseeing LGUs and the Minister of Finance and Planning. Social payments made through CSR plans are disaggregated by payment type and by LGU or non-governmental beneficiary for material companies and all 40 material companies submitted reporting templates. While EITI reporting notes that social payments can be made in cash or in kind, unilateral company disclosures include descriptions of social initiatives that would lend themselves to in-kind payments, such as construction of schools and stadiums. In its comments, the MSG noted that companies undertake social expenditures in cash, not as in-kind expenditures. While social payments are made to local government entities and non-governmental beneficiaries, inconsistencies in company reporting templates concerning beneficiaries of social payments make it difficult to ascertain the beneficiary in all cases. In its comments on the draft assessment, the MSG noted that the CSR plans and their implementation can be accessed from websites of the Mining Commission, of respective companies and of local governments. On comprehensiveness, the MSG commented that table 61 of the EITI Report indicated the reported social expenditure (CSR) of the material reporting companies and that the total CSR contribution of the sector can be accessed through the Mining Commission and TPDC Annual Reports. The MSG further clarified that social expenditures mandated by CSR plans are mandatory and the plans are legally binding agreements. However, MSG comments did not address the lack of beneficiary information surrounding some social expenditures. Concerning environmental expenditures, the 2020 EITI Report lists 'environmental conservation projects' as the only form of environmental expenditures. Environmental expenditures to third parties are mandated through Corporate Social Responsibility Plans, though it is unclear whether all companies adhered to these provisions. Mandatory environmental

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	contributions through CSR plans are made to third parties, and not to government entities and Requirement 6.1.b is not applicable in the period under review. It appears that five companies made environmental expenditures in the period under review but three companies do not provide a description of these expenditures to understand whether they were made in cash or in kind. Of these three aforementioned companies, two do not provide beneficiary information. Social and environmental contributions are disclosed in accordance with data quality provisions (*see Requirement 4.9*) inasmuch as contributions were recorded in the reporting templates sent by the MSG. On the issue of environmental expenditures, the MSG responded that environmental conservation projects' are considered environmental expenditures and that other environmental fees exist, as described in the Environmental Management Act enacted on 14 May 2021, although the list of environmental fees paid to government by extractive companies is not provided. As the regulation was published in 2021, it does not apply to the year under review.[31] TEITI published a scoping study on identifying the environmental, social and gender impacts of social and environmental expenditures, on 11 extractives companies in June 2022.
New corrective actions and recommendations	
• In accordance with Requirement 4.6, Tanzania is required to comprehensively disclose all material direct subnational payments by extractives companies to local government entities, with appropriate quality assurances in accordance with Requirement 4.9. • To strengthen implementation of Requirement 5.2, Tanzania is encouraged to reconsider the applicability of Requirement 5.2 in future EITI reports in case there are subnational transfers of extractive revenues. • In accordance with Requirement 6.1, Tanzania is required to ensure public disclosure of all material social and environmental expenditures made by extractive companies and to specify whether these expenditures were made to non-government beneficiaries. To strengthen implementation, Tanzania is encouraged to disclose voluntary social expenditures and environmental expenditures.	

[31] Reference is made to: https://www.nemc.or.tz/uploads/publications/sw-1645446807-FEES%20AND%20CHARGES_REGULATIONS,%202021.pdf

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Background

Overview of the extractive industries

An overview of the extractive industries is accessible on the country page of the EITI webpage for Tanzania.

History of EITI implementation

The history of implementation is accessible on the country page of the EITI webpage for Tanzania.

Explanation of the Validation process

An overview of the Validation process is available on the EITI website.[32] The Validation Guide provides detailed guidance on assessing EITI Requirements, while the more detailed Validation procedure include a standardised procedure for undertaking Validation by the EITI International Secretariat.

The International Secretariat's country implementation support team include Gilbert Makore, while the Validation team was comprised of Christina Berger, Riley Zecca and Williams Noah. The internal review for quality assurance was conducted by Alex Gordy, Bady Balde, Gilbert Makore and Joanne Jones.

Confidentiality

The detailed data collection and assessment templates are publicly accessible, on the internal Validation Committee page here.

The practice in attribution of stakeholder comments in EITI Validation reports is by constituency, without naming the stakeholder or its organisation. Where requested, the confidentiality of stakeholders' identities is respected, and comments are not attributed by constituency. This draft report is shared with stakeholders for consultation purposes and remains confidential as a working document until the Board takes a decision on the matter.

Timeline of Validation

The Validation of Tanzania commenced on 1 April 2023. A public call for stakeholder views was issued on 15 February 2023. Stakeholder consultations were held virtually on 3-18 May 2023. The draft Validation report was finalised on 28 July 2023. Following comments from the MSG on 25 August 2023, the Validation report was finalised for consideration by the EITI Board.

Resources

Validation data collection files on Stakeholder engagement, Transparency and Outcomes and impact are available here: https://www.teiti.go.tz/publications/Validations

[32] See https://eiti.org/validation

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