

CLOSING SPEECH ON THE SOCIO ECONOMIC BENEFITS OF GOLD MINING IN TANZANIA BY THE MINISTER OF ENERGY AND MINERALS, HON. WILLIAM NGELEJA MP, TUESDAY 19TH MAY 2009.

Chairperson Tanzania chamber of Minerals and Energy;

Distinguished participants;

Facilitator;

Ladies and Gentlemen

May I at the onset take this opportunity to express my profound gratitude for inviting me to close this important seminar on Socio- economic benefits of Gold Mining, It is such an important subject in Tanzania that it has warranted the convergence of such a broad spectrum of various Mining Companies operating in the country and Government Ministries.

This morning, the Guest of Honour, the Chief Secretary, in his opening speech identified many areas and issues impinging on the Mining Industry in Tanzania and wanted the seminar to address them with a view to identifying strategic and systematic interventions as we move forward after a decade of opening and operating new modern mines.

Indeed, Rome was not built in a day, it took our neighbours in the SADC region such as South Africa, Namibia, Botswana and others several years of uninterrupted Mineral development endeavours to get to where they are today. We in Tanzania are in the same footing. Having done the first decade with very encouraging results, we are now looking ahead towards the year 2025, where according to the Mineral Sector vision, the Mining sector is expected to contribute 10% to the GDP- sixteen years from now. It is indeed a journey not a destination!

Mr. Chairman, ten years down the road since new mines started operations, the Government found it necessary to review the 1997 Mineral policy and subsequently the Mining legislation. There are certainly those who argue that 'Why fix something that has proved to be working?' The Japanese have a word or term by the name KAIZEN- which literally means 'CONTINUOUS INNOVATION and IMPROVEMENT', this is precisely what the government is doing; To continue improving the policy, legislation and regulation so

that Tanzania can continue to be a rewarding investment destination in a Sea characterized by cut –throat competition for investment dollars.

The government is aware that fiscal stability is a key element in retaining current investors and attracting new ones. The current review has brought with it much apprehension on the part of investors. Let me reciprocate at this point in time that, we are certain that the new mining policy and legislation that the government is putting in place considers the awareness of the sensitivities involved and confidence we need to continue building with investors. I would like therefore to assure investors and allay their fears that it is the Governments avowed intent to come up with a competitive fiscal, legislative and Regulatory Framework for the Mining sector as we move forward.

Equally important is the involvement and consultation with all key stakeholders in the entire process as we have been doing and as alluded to by Ben Aryee of the Ghana Minerals Commission on the Ghanaian experience.

Mr Chairman, I would like to conclude by thanking the Tanzania Chamber of Minerals and Energy, ICMM and others who devoted their time to make this Seminar a success.

Mr. Chairman, Ladies and Gentlemen, I thank you for your attention.