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THE MINING ACT,
(CAP. 123)

REGULATIONS

(Made under sections 129)

THE MINING (LAPIDARY) REGULATIONS, 2020

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THE MINING ACT,
(CAP. 123)

REGULATIONS

(Made under section 129)

THE MINING (LAPIDARY) REGULATIONS, 2020

PART I
PRELIMINARY PROVISIONS

- Citation 1. These Regulations may be cited as the Mining (Lapidary) Regulations, 2020.
- Application 2. These Regulations shall apply to lapidary activities on gemstones.
- Interpretation 3. In these Regulations, unless the context otherwise requires otherwise-
- Cap. 123 “Act” means the Mining Act;
“authorised officer” has the meaning ascribed to it under the Act;
“Commission” means the Mining Commission established under the Act;
“gem” has the meaning ascribed to it under the Act;
“gemstone” has the meaning ascribed to it under the Act;
“lapidary” means engraving, cutting, or polishing of stones and gems or enhancing gemstones through heat treatment for the purpose of value addition;
“lapidary licence” is a licence issued to the applicant to carry out lapidary activities;

“licensing authority” means the Commission and includes any other person authorized by the Commission to perform licensing activities;

“licensee” means a person who has been granted a lapidary licence by the Commission;

“licensing officer” includes a licensing authority or any other public officer authorized or appointed to perform licensing activities on behalf of the licensing authority; and

“mineral” has the meaning ascribed to it under the Act;

PART II

LARGE AND SMALL LAPIDARY LICENCES

Application for
small lapidary
licence

4.-(1) An application for small lapidary licence shall be made to the Commission by filling in Form No. SLL.1 specified in the Second Schedule to these Regulations in duplicate.

(2) An application under subregulation (1) shall be accompanied by the following-

(a) prescribed fees; and

(b) commitment statement indicating the possession and utilization of three lapidary machines for conducting lapidary activities.

Grant of small
lapidary licence

5. The small lapidary licence shall be as provided under Form No. SLL.2 specified in the Second Schedule to these Regulations.

Renewal of
small lapidary
licence

6. An application for renewal of small lapidary licence shall be made to the Commission by filling in Form No.SLL.3 specified in the Second Schedule to these Regulations in duplicate, accompanied by prescribed fee.

Application for

7.-(1) An application for large lapidary licence

large lapidary licence shall be made to the Commission by filling in Form No. LLL. 1 specified in the Second Schedule to under these Regulations in duplicate.

(2) An application under subregulation (1) shall be accompanied by the following-

- (a) prescribed fee; and
- (b) commitment statement indicating the possession and utilization of required lapidary machines for conducting lapidary activities.

Grant of large lapidary Licence 8. The large lapidary licence shall be as provided under Form No. LLL.2 specified in the Second Schedule under these Regulations.

Renewal of large lapidary licence 9. An application for renewal of large lapidary licence shall be made to the Commission by filling in Form No.LLL.3 specified in the Second Schedule to these Regulations in duplicate accompanied by prescribed fee.

Recording of applications 10. The Commission shall, on receipt of application made under regulations 4 and 7, record the date, time and receipt of payment.

Fees 11. Fees related to small and large lapidary licences shall be as specified in the First Schedule to these Regulations.

Verification of lapidary machines 12.-(1) The Commission shall, within fourteen days, upon grant of lapidary licence, make physical verification in respect of possession of lapidary machines.

(2) The Commission shall, where the licensee fails to produce the lapidary machines stated in the commitment statement, suspend a licence for such time as it may determine.

Inspection and powers of authorised officer

13-(1). For the purpose of ensuring compliance with the provisions of these Regulations, the Commission, or the authorised officer shall, at any reasonable times enter the business premises of the licensee for the purposes of conducting inspection.

Powers of authorised officer

(2) The inspection under subregulation (1) shall include -

- (a) lapidary licence and machines for conducting lapidary activities;
- (b) type and quantity of acquired and value added gemstones;
- (c) source of acquired gemstones;
- (d) books of accounts;
- (e) skills and experience of licensee or employees;
- (f) records and accounts of all transactions as per section 86G of the Act;
- (g) transfer of lapidary skills and expertise to Tanzanians;
- (h) business premises; and
- (i) any other document relating to lapidary activities or business.

(3). An authorised officer shall be entitled to take copies or extracts from any document provided by the licensee for inspection.

(4) The holder of a large and small lapidary licence shall be obliged to provide all required assistance and any information requested by the authorised officer for the purpose of carrying out such inspection.

(5) Where, during the inspection, an authorised officer for the purpose of control and supervision of lapidary activities discover non-compliance to any of the provisions of these Regulations, shall have power to confiscate gemstones, value added gemstones, gems, machines or any document from the licensee.

Inspection query

14.-(1) Where in the course of inspection, any query arises other than offences and matter attracting

confiscation, the licensee shall be informed in writing and be required to reply to such query in writing within twenty one days from the date of receipt of such query.

(2) Where a licensee fails to reply in writing to the raised query under subregulation (1), the Commission shall issue a default notice to the licensee requiring the licensee to show cause as to why the licence should not be terminated or suspended.

(3) Where the Commission is not satisfied by the cause shown by the licensee or failed to show cause, the Commission shall terminate or suspend the licence.

Keeping of records

15.-(1) Every licensee shall keep and maintain accurate records at his registered office of all lapidary activities conducted in respect of the licence.

(2) The records kept shall be stored in a form of hard copies or soft copies:

Provided that when records are kept electronically, the system shall provide backup so that copies of records can be retrieved if they are inadvertently deleted or lost through software or hardware malfunction.

(3) The records referred to sub-regulation (1) shall include-

- (a) information of the licensee and licence;
- (b) books of accounts, documents or records of any kind;
- (c) directives issued under the Act to the licensee or its representative;
- (d) vouchers, investigation, and audit carried out at the business;
- (e) training and transfer of skills to Tanzanians employee; and
- (f) any other report that the Commission may require in relation to lapidary activities.

(4) The records kept by the licensee shall be stored for the existence of the licence.

Training and
Transfer of skills

16. An Applicant of a large lapidary licence shall during application, submit to the Commission training and transfer of skills plan aimed to support Tanzanians.

Minimum
turnover
requirement

17. The large lapidary licensee shall during the submission of an application for renewal:

- (a) show evidence of transfer of lapidary skills to Tanzanian;
- (b) quantity and type of equipments; and
- (c) an annual turnover of over fifty thousand US. dollars.

Disclosure by
licensee

18.-(1) A licensee shall be required to disclose any synthetic, doublet, triplet, imitation, enhanced and treated materials from natural gemstones that are intended for sale.

(2) The licensee shall forthwith and in writing report to the licensing authority of any unlawful conduct relating to lapidary activities in which he was asked or approached to participate or which he was asked to facilitate when conducting his lapidary activities.

(3) Subject to this regulation, the licensee who fails to disclose the required information, commits an offence and shall be liable upon conviction to a fine of not less than five million shillings or to imprisonment for a term not exceeding six months or to both.

Grounds for
termination

19. The Commission may terminate lapidary licence when one of the following occurs-

- (a) failure by the licensee to conduct lapidary activities for period of three months from the date of grant of the licence;
- (b) failure by a large lapidary licensee to transfer

of skills to Tanzanians;

- (c) failure by the licensee to keep records and accounts of lapidary activities undertaken by him and failure to produce the same before the Commission when required to do so;
- (d) failure to pay prescribed annual fees by a large lapidary licensee for a period exceeding three months from the time the fees become due; or
- (e) to carry out lapidary activities in other than the premises described on the licence.

Surrender of
lapidary licence

20.-(1) A Licensee who intends to surrender his licence shall apply to the Commission for surrender by giving a one month notice.

(2) An applicant under sub regulation (1) shall pay all arrears in respect of annual rents and fees payable under these Regulations.

(3) Where the Commission is satisfied with the application made under subregulation (1), it shall approve the surrender.

Reports

21. The licensee shall be required to submit quarterly report to the Commission by filling in Form No. SLL. 5 specified in the Third Schedule to these Regulations.

PART III MISCELLANEOUS PROVISIONS

Forfeiture

22. Any gemstones obtained or machines involved in the course of unauthorized lapidary activities shall be forfeited to the Government by the Commission and auctioned through relevant Government Asset Auctioning procedures.

Offences and
penalty

23. A person who-

- (a) contravenes the provisions of these Regulations;
 - (b) produces a statement, record or document under these regulations which is incorrect, false or misleading in any material particular; or
 - (c) obstructs the Commission, authorised officer in the performance of his duties under these Regulations,
- commits an offence and on conviction shall be liable-
- (a) to for in individual a fine not exceeding fifty million shillings or to imprisonment for a term not exceeding twelve months or to both fine and imprisonment;
 - (b) in case of a company, to a fine not exceeding one hundred million shillings.

Termination

24. Where the licensee is in default, the Commission may serve on the licensee a default notice specifying the nature of the default and if within thirty days from the date of receipts of the default notice, the defaults have not been corrected, the Commission shall, by notice to the holder terminate the licence.

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SCHEDULES
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FIRST SCHEDULE

(Made under regulation 11)

FEES

| | | US\$ | TZS |
|-----|------------------------------|------|------------|
| 1. | Application Fees | | |
| (a) | small lapidary licence | - | 50,000.00 |
| (b) | large lapidary licence | 200 | |
| | | | |
| 2. | Application Fees for Renewal | | |
| (a) | small lapidary licence | | 50,000.00 |
| (b) | large lapidary licence | 200 | |
| | | | |
| 3. | Annual Fees | | |
| (a) | small lapidary licence | | 200,000.00 |
| (b) | large lapidary licence | 1000 | |
| | | | |

SECOND SCHEDULE

FORM NO. LLL. 1

THE MINING ACT,
CAP. 123

(Made under regulation 7)

APPLICATION FOR LARGE LAPIDARY LICENCE

Applicant (s) hereby apply to the Commission in accordance with the Mining Act Cap.123

1. Name (s) of applicant.....
2. Nationality.....
3. Physical address, Telephone and E-mail.....
4. Name and Address of company, or any body corporate
5. Information to be attached-
 - (a) Memorandum and Articles of Association and Certificate of Incorporation;
 - (b) employment and training plan; and
 - (c) proof of citizenship status (Passport, certified copies of National identity Card).
6. Commitment statement
I..... hereby make a commitment that I will acquire a minimum of ten (10) or thirty (30) lapidary machines for use under the licence which is sought to be granted.
(name of the applicant)

I hereby declare the above information to be true to the best of my knowledge.

Declared atthis.....day of.....

Signature of applicant

NOTES (FOR GUIDANCE ONLY)

1. Under section 86 F (1) of the Mining Act, large lapidary licence shall be valid for a period of five years from the date of issue.

2. Under Section 86 F (2) renewal of large lapidary licence may be applied not less than six months from the date of expiry of the licence.
3. Under section 86 F (3) of the Mining Act, the Holder of large lapidary licence shall show evidence of transfer of lapidary skills, quantity and type of equipment and annual minimum turnover during application for renewal of licence.

CONDITIONS OF GRANT

1. Prior to the grant of large lapidary licence the applicant shall surrender any licence which previously entitled him to carry out lapidary activities.
2. No licence shall be issued to the applicant who previously held Large Lapidary Licence and was disqualified from holding such licence.
3. No large lapidary licence shall be issued to the applicant who has been convicted of a criminal offence in relation to buying, selling or possession of minerals or unlawfully carrying out lapidary activities.
4. Applicants of large lapidary licence shall submit employment and training plan.
5. The applicant commit to acquire ten (10) lapidary machines in case of Tanzanians and thirty (30) lapidary machines in case of a foreigners after grant of licence which shall be verified by the Commission.

MINING ACT,

CAP. 123

(Made under regulation 8)

LARGE LAPIDARY LICENCE

Licence is hereby granted to (full name).....of (full address) to conduct gemstone lapidary activities.

This licence, unless sooner cancelled, suspended or surrendered pursuant to the provisions of the Mining Act Cap. 123, shall be valid for the period of five years from the date of issue.

The licence is issued subject to the following terms and conditions:

.....
.....
.....
.....

Dated atthis.....day of.....20.....

.....
(Name)

EXECUTIVE SECRETARY

THE MINING ACT CAP.123

(Made under regulation 9)

APPLICATION FOR RENEWAL OF LARGE LAPIDARY LICENCE

Applicant (s) hereby apply to the Commission in accordance with the Mining Act Cap.123

1. Name (s) of Applicant.....
2. Nationality.....
3. Physical address, Telephone and E-mail.....
4. Name and Address of Company, or any body corporate.....
5. Number and date of previous licence
6. Information to be attached
 - (a) proof of transfer of lapidary skills
 - (b) proof of citizenship status (passport, certified copies of national identity card)
 - (c) quantity and type of machines
 - (d) evidence of annual minimum turnover for the period of five years.

(name of applicant)

I hereby declare the above information to be true to the best of my knowledge.
Declared at..... thisday of.....

.....
Signature of applicant

NOTES (FOR GUIDANCE ONLY)

1. Under section 86 F (1) of the Mining Act, large lapidary licence shall be valid for a period of five years from the date of issue.
2. Under Section 86 F (2) renewal of large lapidary licence may be applied not less than six months from the date of expiry of the licence.

CONDITIONS OF GRANT

1. Prior to the grant of large lapidary licence the applicant shall surrender any licence which previously entitled him to carry out lapidary activities.
2. No licence shall be issued to the applicant who previously held Large Lapidary Licence and was disqualified from holding such licence.
3. No large lapidary licence shall be issued to the applicant who has been convicted of a criminal offence in relation to buying, selling or possession of gemstones or unlawfully carrying out lapidary activities.

THE MINING ACT,
CAP. 123

(Made under regulation 4)

APPLICATION FOR SMALL LAPIDARY LICENCE

Applicant (s) hereby apply to the Commission for small lapidary licence in accordance with the Mining Act Cap.123

1. Name (s) of the applicant.....
2. Nationality.....
3. Physical Address , Telephone and E- mail
.....
4. Place of Business (Region, District, ward, street)
.....
5. Types of gemstone (s)
.....
6. Information to be attached
 - (a) 2 coloured passport size photos
 - (b) proof of citizenship (passport, certified copies of national identity card)
7. Commitment statement
I.....hereby make a commitment that I will acquire three (3) lapidary machines for use under the licence which is sought to be granted.
(name of applicant)
I hereby declare the above to be true to the best of my knowledge.

Declared at.....this.....day of.....

.....
Signature of applicant

NOTES (FOR GUIDANCE ONLY)

1. Under section 86 K (1) of the Mining Act, small lapidary licence shall be valid for a maximum period of twelve months from the date of issue and in any case shall expire on 30 June of each year.
2. Under Section 86 K (2) renewal of small lapidary licence may be applied not less than one month from the date of expiry of the licence.

CONDITIONS OF GRANT

1. Prior to the grant of small lapidary Licence the applicant shall surrender any licence which previously entitled him to carry out lapidary activities.
2. No licence shall be issued to the applicant who previously held small lapidary licence and was disqualified from holding such licence.
3. No lapidary licence shall be issued to the applicant who has been convicted of a criminal offence in relation to buying, selling or possession of minerals or unlawfully carrying out lapidary activities.
4. Small Lapidary licence shall not be issued to a foreigner.
5. The applicant commit to acquire three (3) lapidary machines after grant of licence which shall be verified by the Commission.

THE MINING ACT,
CAP. 123

(Made under regulation 5)

SMALL LAPIDARY LICENCE

Licence is hereby granted to (full name).....of (full address).....to conduct gemstone lapidary activities for a period of.....from the date of issue.

This Licence is issued subject to the following conditions:

.....
.....
.....

Dated at.....this.....day of

.....

(Name)

EXECUTIVE SECRETARY

THE MINING ACT,

CAP. 123

(Made under regulation 6)

APPLICATION FOR RENEWAL OF SMALL LAPIDARY LICENCE

The applicant(s) hereby apply to the Commission for renewal in accordance with Mining Act Cap. 123.

1. Name(s) of applicant (s).....
2. Nationality.....
3. Physical Address, Telephone and E- mail.....
4. Place of Business (Region, District, ward, street).....
5. Information to be attached
 - (a) proof of citizenship (passport, certified copies of national identity card)
 - (b) memorandum and articles of association
 - (c) certificate of incorporation
 (name of applicant)

I hereby declare the above to be true to the best of my knowledge
Declared atthis.....day of.....

Signature of applicant

CONDITIONS FOR RENEWAL

1. No small lapidary licence shall be renewed to the applicant who is in default.
2. No small lapidary licence shall be renewed where an applicant has been convicted of a criminal offence in relation to buying, selling or possession of gemstones or unlawfully carrying out lapidary activities.

Dodoma,
19th June, 2020

DOTO MASHAKA BITEKO
Minister for Minerals