

# Comparative Analysis of Mineral Rights Licensing Systems in Tanzania and Uganda

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**Abstract:** In order to promote the development of the mineral industry in their countries, Tanzania and Uganda have revised their mining acts in recent years, and the reform of the mineral rights licensing system is one of the key points. This paper is intended to make a comparative analysis of the two countries' mineral rights licensing systems in terms of the main body of approval, approval time, approval information, approval conditions and application fees. Through comparison, it can be seen that the two countries focus on the role of the government in the mineral rights licensing, jurisdiction is more centralized, access system is fairer, the review is more stringent, and the provisions are clearer and more concise. On the whole, Tanzania's mineral rights licensing system is more detailed and standardized than Uganda's, and is more operational in practice. In addition to exploring the advantages of the two countries' mineral rights licensing system, this paper also summarizes and analyzes the shortcomings of the two countries' mineral rights licensing system, how to verify the review of information in the two countries' mineral rights licensing system, how to effectively supervise the activities after licensing, and how to continue to deepen the reform of the two countries' ministries of mines and minerals, which are responsible for the important task of strengthening the administrative capacity and improving the efficiency of the administration, is still an important issue that deserves continuous and in-depth study for the two countries. For both countries, this is still a topic that deserves continuous and in-depth research. Through the comparative analysis of the Tanzanian and Ugandan mineral rights licensing systems, this paper clearly demonstrates the similarities and differences between the two systems as well as their advantages and disadvantages, which can provide decision-making references for relevant mining investments and help investors more comprehensively assess the legal environment, policy risks and operating costs of mining development in the two countries, so as to optimize their investment strategies and reduce compliance risks.

**Keywords:** Mineral rights; Licensing systems; Tanzania; Uganda

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## 1. Introduction

In order to develop new economic growth points for the national economy and tap the potential of their economic

sectors, Tanzania and Uganda in East Africa have in recent years taken the mineral industry as a key area of development, and have successively amended their mining acts and introduced a series of supporting policies. However, although the two countries have carried out reforms in the licensing system of mineral rights, there are still many problems in the actual implementation: “how to improve the efficiency of approval? How can information review and follow-up supervision be effectively linked”? “How can the government’s management capacity adapt to the needs of mining development”?

The purpose of this paper is to systematically analyze the similarities and differences between the Tanzanian and Ugandan mineral rights licensing systems through comparative analysis, in terms of the dimensions of the main body of the approval process, approval time, approval materials, approval conditions, and application fees, etc., and to focus on the following issues: firstly, the strengths and weaknesses of the systems of the two countries in terms of fairness and operationalization; secondly, the deficiencies of the existing regulations in practice, such as the transparency of the approval process, the lack of a supervisory mechanism, and so on; and thirdly, how to optimize the system design to reduce investors’ compliance risk. Through this study, this paper hopes to provide investors with decision-making references, and at the same time make suggestions for further improving the mineral rights licensing system in both countries.

## **2. Comparison of system content**

### **2.1. Category of mineral rights**

In terms of the type of provision for mineral rights, the types of provision in Tanzania and Uganda are not identical, and even the terminology is different. The Tanzania Mining Act 2010 has stipulated prospecting license, retention license, special mining license, mining license, primary license, processing, smelting and refining license. The Uganda Mining Act 2003 has stipulated prospecting license, exploration license, retention license, mining lease, location license, mineral dealer’s license was seen that Tanzania provides for a wider and more detailed range of mineral rights than Uganda.

### **2.2. Approval authority**

The Tanzania Mining Act 2010 stipulates that applications for exploration licenses are to be made to the Commissioner of Mines appointed by the President; applications for retention licenses, special mining licenses, and mining licenses are to be made to the Minister of Mines; and applications for junior mining licenses are to be made to the Regional Mining Officer. The Uganda Mining Act 2003 stipulates that applications for exploration licenses, exploration licenses, mining leases and local licenses are to be approved by the Commissioner of Mines. It can be seen that the approval authority of the Commissioner of Mines in Uganda is more centralized, while that of Tanzania is differentiated according to the type of mineral rights and is more concerned with administrative efficiency.

### **2.3. Information to be provided in the application**

#### **2.3.1. Prospecting license**

The Uganda Mining Act 2003 stipulates that an application for a prospecting license must be made to the Commissioner in the prescribed form and on payment of the prescribed fee, and that the application may contain any matter which the applicant proposes to have considered by the Commissioner. The Tanzanian Mining Act 2010 does not stipulate for this type of license.

### 2.3.2. Exploration license

The Tanzanian Mining Act 2010 stipulates that an application for the grant of an exploration license shall contain, in the case of an individual, his full name and nationality, physical and postal addresses, and attach his recent passport size photograph; or in the case of a body corporate, its corporate name, place of incorporation, names and nationality of directors; in the case of more than one person, particulars referred in items (i) and (ii) of each of that person. The application shall state the type of minerals and its relevant group, as indicated in subsection (1); shall state the size of the area of land over which it is sought, which shall not exceed the maximum area prescribed as provided under section 70, and be accompanied by a plan of the area; shall contain a statement giving particulars of the financial and technical resources available to the applicant; and shall contain a statement on the procurement plan of goods and services available in the United Republic; shall contain details of any Mineral Right previously granted to the applicant <sup>[1]</sup>. The Uganda Mining Act 2003 stipulates that an application for an exploration license shall be made to the Commissioner in the prescribed form and upon payment of the prescribed fee; be accompanied by a plan of the area over which the license is sought, drawn in such a manner and showing such particulars as may be prescribed; identify the minerals in respect of which the license is sought; give in respect of the person or, if there is more than one person, the name and nationality of each person, making the application; in the case of a body corporate, its name and place of incorporation, the names and nationalities of the directors, managers and other officers of a similar rank, and if the body corporate has a share capital, the name of any person who is the beneficial owner of more than five per cent of the issued share capital; information on the financial status and the technical and industrial competence and experience of the applicant <sup>[2]</sup>.

From the above, it can be seen that Tanzania and Uganda have basically the same requirements for the information to be provided when applying for exploration licenses. The difference lies in that Tanzania requires more specific information, while Uganda places more emphasis on the commercial feasibility and transparency of the minerals being explored.

### 2.3.3. Retention license

The Tanzanian Mining Act 2010 stipulates the holder of a prospecting license other than a prospecting license for building materials or gemstones may apply to the Minister for the grant of a retention license on the grounds that he has identified a mineral deposit within the prospecting area which is potentially of commercial significance; and the mineral deposit cannot be developed immediately by reason of technical constraints, adverse market conditions or other economic factors which are, or may be, of a temporary character. An application for a retention license shall be accompanied by studies and assessments by appropriate independent experts or consultants acceptable to the Minister on the extent, prospects for recovery, and the commercial significance of the mineral deposit, and the relevant market conditions, trends, technical and economic factors; the impact of mining operations for the recovery of the mineral deposit on the environment and the manner of eliminating or minimizing any adverse effects; and such other information as the Minister may reasonably require as to the proposals of the applicant for the retention and development of the deposit <sup>[3]</sup>. The Uganda Mining Act 2003 stipulates an application for a retention license shall be accompanied by the prescribed fee and the following a full feasibility study and assessment by appropriate experts or consultants acceptable to the Commissioner on the extent and prospect for recovery and the commercial and economic significance of the mineral deposit concerned; the impact of mining operations on the environment and ways and means of eliminating or minimizing any adverse effects; and such other information as the Commissioner may reasonably require regarding the proposals of the applicant for the

retention and development of the deposit <sup>[4]</sup>.

As can be seen from the above, both countries allow for postponement of development due to market or economic factors, but Tanzania has a longer reservation period (10 years), which is suitable for long-term strategic reserves; Uganda, on the other hand, pays more attention to short-term adjustments (3 years).

#### **2.3.4. Mining license**

The Tanzanian Mining Act 2010 stipulates every application for mining license shall identify the relevant prospecting license; describe the area, not exceeding the maximum area prescribed over which a mining license is sought, and shall be accompanied by a sketch plan in sufficient detail to enable the Minister to identify the area; describe the mineral deposits in the proposed area; include a feasibility study which should set out- the proposed program of mining operations including such measures as the applicant proposes to take in relation to any adverse impacts to the environment; the estimated recovery rate of ore and the applicant's proposals for its treatment and disposal; the applicant's estimate of the quantity of minerals to be produced for sale annually; and shall state the duration, not exceeding ten years, for which the mining license is sought; append a plan on employment and training of Tanzanians and succession plan on expatriate employees in accordance with the Employment and Labor Relations Act as appended to the special mining license; include a statement giving particulars of financial and technical resources available to the applicant; submit a procurement plan of goods and services available in the United Republic <sup>[5]</sup>. The Uganda Mining Act 2003 stipulates that an application for the grant of a mining lease shall be made to the Commissioner; indicate financial and technical resources available to the applicant to carry out his or her obligations under such lease; be accompanied by a full feasibility study including a plan of the area in respect of which the lease is sought; state the period for which the lease is sought; give or be accompanied by a statement giving details of the mineral deposits in the area of land over which the lease is sought, including details of all known minerals proved, as well as possible and probable ore reserves and mining conditions; be accompanied by a technological report on mining and processing techniques proposed to be used by the applicant; give or be accompanied by a statement giving particulars of the programmed of proposed development and mining operations, including a statement of the estimated capacity of production and scale of operations; the estimated overall recovery of the ore and mineral products; and the nature of the mineral products; be accompanied by a report on the goods and services required for the mining operations, which can be obtained within Uganda and the applicant's proposals with respect to the procurement of those goods and services; be accompanied by a statement giving particulars of the applicant's proposals with respect to the employment and training of citizens of Uganda; be accompanied by a business plan giving a detailed forecast of capital investment, operating costs and revenues; and the anticipated type and source of financing including the year for the positive cash flow and financial plan and capital structure <sup>[6]</sup>.

From the above, it can be seen that both countries have common requirements regarding core information such as details of the mineral deposits for which mining licenses are applied, mining operation plans, feasibility studies, local employment and training, and local procurement plans. There are two differences: firstly, the approval authority for mining licenses in Tanzania is the Minister of Mines, while in Uganda, it is the Commissioner of Mines; secondly, Tanzania places more emphasis on environmental and social responsibility, highlighting its emphasis on environmental protection and community rights and interests, while Uganda has relatively relaxed requirements in these areas.



## **2.4. Examination and approval conditions**

### **2.4.1. Prospecting license**

The Uganda Mining Act 2003 stipulates that no prospecting license shall authorize the holder of the license to prospect over an area of land that is, or forms part of an exploration area, a mining area, a retention area or a location license area; or a forest reserve, game reserve, national park, or an urban center, unless the holder of the prospecting license has first given notice to and obtained permission from the relevant authorities and complies with any conditions imposed by such authorities <sup>[7]</sup>.

### **2.4.2. Exploration license**

The Tanzanian Mining Act 2010 stipulates that an applicant for a exploration license whose application was properly made under section 28 and an applicant whose application has been declared to be a successful application under section 29 shall be entitled to the grant of a prospecting license for which he has applied unless he is disqualified from holding a prospecting license under section 8; he is the holder of another mineral right and is, in respect of that other mineral right, in default; the financial and technical resources available to the applicant are not adequate; the area of land for which he has made application or part thereof is subject to another mineral right; the area of land for which application has been made, or any part of it, covers or includes an area designated by the Minister under section 16 as an area reserved for prospecting and mining operations by persons holding primary mining licenses; the area of land for which application has been made covers or includes an area of land for which application has been made by another person who has priority over the applicant under section 14; except in a case to which section 29 applies, the area of land for which application has been made, or any part of it, covers or includes an area deemed to have been designated or designated by the Minister under section 15 as an area in respect of which applications for the grant of a mineral right shall be invited by tender <sup>[8]</sup>. The Uganda Mining Act 2003 stipulates that no exploration license shall be granted to an applicant unless the Commissioner is satisfied that the applicant has adequate financial resources, technical competence and experience to carry on effective exploration operations; the program of proposed exploration operations is adequate for the period of the license; the applicant's proposal for exploration operations has provided for the employment and training of Ugandan citizens; the applicant is able and willing to comply with the terms and conditions of the exploration license; the minerals to which the proposed exploration license relate exist in the proposed exploration area; and the applicant is not in default <sup>[9]</sup>.

From the perspective of approval conditions, Tanzania adopts a hybrid approval model (direct application + bidding), where some regions require bidding competition, with a focus on evaluating the contribution of bidding proposals to the “rapid and beneficial development” of mineral resources (such as expenditure commitments, operational plans, and historical experience). It also explicitly excludes conflicts between reserved areas for primary mining and priority application areas. Uganda's approval process relies more on the subjective judgment of commissioners, requiring compliance with flexible conditions such as “effective exploration operations” and “willingness to comply with terms”. Furthermore, Uganda demonstrates localization requirements here, explicitly requiring that exploration plans include employment and training for Ugandan citizens, reflecting a social benefit orientation.

### **2.4.3. Retention license**

The Tanzanian Mining Act 2010 stipulates where the commercial development of the deposit is not presently

possible for the reasons specified in the application, but may be possible within a period of ten years, the Minister may grant a retention license to the applicant over that part of the prospecting area which the Minister, after consultation with the applicant, anticipates is required to mine the deposit identified by the applicant <sup>[10]</sup>. The Uganda Mining Act 2003 stipulates that the Commissioner is satisfied that commercial development of a mineral deposit is not presently possible for reasons specified in an application for a retention license, but may be possible within a period of three years from the date of the application, the Commissioner may grant a retention license to the applicant over that part of the exploration area <sup>[11]</sup>.

#### **2.4.4. Mining license**

The Tanzanian Mining Act 2010 stipulates the circumstances under which mining licenses will not be approved, including the applicant is a person to whom section 8 applies; the area in respect of which a mining license is sought is in excess of the area required to mine the deposits identified by the applicant; employment and training program for citizens of Tanzania and succession plan on expatriate employees in accordance with his proposals is not satisfactory; the applicant is or was in default in respect of any other mineral right and has failed to rectify such fault; the applicant is not an entitled applicant and the area of land for which the applicant has made application or part of it is subject to another mineral right, other than a prospecting license for building materials or gemstones; the area of land for which application has been made, or part of it, covers or includes an area designated by the Minister under section 14 as an area reserved for prospecting and mining operations by persons holding primary licenses to mine minerals; the area of land for which application has been made covers or includes an area of land for which application has been made by another person who has priority over the applicant under section 14; except in a case of an application made in accordance with section 71, the area of land for which application has been made, or part of it, covers or includes an area designated by the Minister under section 15 as an area in respect of which applications for the grant of a mineral right have been, or will be, invited by tender; financial and technical resources available to the applicant are not adequate for the conduct of mining operations; the applicant has not included an application for mining license the relevant environmental certificate issued under the Environment Management Act <sup>[12]</sup>. The Uganda Mining Act 2003 stipulates the conditions for obtaining a mining lease, including the area of land over which the lease is sought is not in excess of the area reasonably required to carry out the applicant's program of proposed mining operations; the program of proposed mining operations takes proper account of environmental impact assessment, environmental impact research, environmental statement and safety factors; the feasibility study of the relevant ore body indicates that the mineral deposit in question can be profitably mined; the applicant has adequate financial resources, technical competence and experience to carry on effective mining operations; the applicant's proposals for the employment and training of citizens of Uganda are adequate; the applicant's proposals with respect to the procurement of goods and services obtainable within Uganda are satisfactory; the applicant demonstrates a willingness and an ability to comply with the terms and conditions applicable to the mining lease; the applicant has secured the surface rights of the land the subject of his or her application; and the applicant is not in default <sup>[13]</sup>.

In the approval of mining licenses, there are five differences between the two countries. Firstly, in terms of the strictness of approval, Tanzania has clear and specific conditions with multiple quantitative standards, while Uganda has more qualitative requirements with greater flexibility. Secondly, in terms of the degree of localization, Tanzania reflects it through employment and procurement requirements, while Uganda has equity restrictions in addition to employment and procurement. Thirdly, in terms of environmental requirements, Tanzania must provide

environmental certificates, while Uganda requires environmental impact assessments and studies; Fourthly, in terms of regional management, Tanzania has clearly designated reserved areas and bidding areas, while Uganda mainly manages through area control. Fifthly, in terms of approval transparency, Tanzania provides clear and specific reasons for rejection, while Uganda gives opportunities for correction but with vague standards.

## **2.6. Application fees**

The Mining Regulations issued by Tanzania in 2012 stipulate the application fees for various licenses as follows: USD 300 for exploration licenses of metallic minerals, energy minerals, and Kimberlite diamonds; USD 200 for exploration licenses of building materials and gemstones (excluding Kimberlite diamonds); USD 200 for exploration licenses of industrial minerals; USD 4,000 for reserved licenses; USD 5,000 for special mining licenses; USD 2,000 for mining licenses; USD 2,000 for building material mining licenses; and TZS 50,000 for primary mining licenses.

The License Fee Regulations issued by the Ministry of Mines and Petroleum of Uganda on July 1, 2016 stipulates that the annual fee for exploration licenses is 500,000 Ugandan shillings. The application and preparation fees for exploration license, mining lease, retention license, and local license are 1,000,000, 5,000,000, 5,000,000, and 800,000 Ugandan shillings, respectively.

## **2.7. Examination and approval time**

The Tanzania Mining Act of 2010 stipulates that the approval time for an exploration license is within four weeks from the date of registration of the exploration license application, and the applicant shall be notified of whether the application has been approved or rejected; within four weeks from the date of receiving the notification, the applicant shall notify the accepting authority of their willingness to accept the approved license and pay the relevant fees. Failure to send a notification shall be deemed as withdrawal of the application; and the accepting authority shall approve the application and arrange for the issuance of the license to the applicant within four weeks from the date of receiving the notification of acceptance. However, the approval time for special mining licenses, mining licenses, and primary mining licenses is not stipulated in either the Mining Act or the Mining Regulations.

The 2003 Mining Act of Uganda stipulates that the approval time for mining leases is within 60 days after receiving the application for mining leases. However, regarding the approval time for exploration permits, exploration licenses, reservation licenses, and local licenses, there are no relevant provisions in the 2003 Mining Act, 2004 Mining Regulations, or 2000 Mineral Policy of Uganda <sup>[14]</sup>.

# **3. Analysis of the mineral rights licensing system**

## **3.1. Focusing on the changing role of government**

Previously, many African governments preferred to take a small stake in mining enterprises, either in the form of dry shares or in the form of optional participation in the operation or management of mining enterprises, while the mining acts of Tanzania and Uganda both chose to establish a series of tax systems such as surface royalties, annual rents and royalties to safeguard the government's rights and interests in the use of the national resources expenditure, thus realizing the role of the government from a mandatory participant to service-oriented manager <sup>[15]</sup>.

### **3.2. More centralized jurisdiction**

In order to do a good job of changing the role of resource managers, Tanzania and Uganda have respectively set up the Ministry of Energy and Minerals and the Ministry of Mines and Petroleum, which are specifically responsible for minerals and mining matters. As can be seen from the aforementioned review subjects, the departments of these two countries' mineral rights granting departments are mostly concentrated in one department, and the applications, renewals and transfers of mineral rights are all accomplished in the same department, which avoids overlapping or staggered jurisdiction and brings more trouble to the applicants. This avoids the overlapping of jurisdiction or staggering of jurisdiction, which may cause more trouble to the applicant.

### **3.3. Fairer access system**

As mentioned earlier, the division of mineral acts in Tanzania and Uganda is similar, and the mining acts of the two countries do not restrict the applicant's citizenship or the nature of the legal person, that is, foreign companies, national companies, state-owned companies, private companies, foreign investors and domestic investors are treated equally and equally, and different investors are given the same opportunities and treatments in terms of the industry's access; and in terms of the small-scale exploration and mining licenses, the two countries coincidentally choose to favor national citizens or local companies, requiring the applicant to be a national citizen or an enterprise in which national citizens hold 50% of the shares, otherwise they are not qualified to apply. In terms of small-scale exploration and mining licenses, the two countries coincidentally chose to favor their own citizens or local companies, requiring that the applicant must be a national citizen or an enterprise in which a national citizen accounts for more than 50 percent of the shares, or else it will not be eligible to apply. This system is designed to reflect the fairness and impartiality of the acquisition of mineral acts regardless of identity, regardless of national boundaries, can well attract foreign investment to join the country's mineral industry, with the help of foreign capital to open up the power of accelerating the development of the country's mineral industry; Secondly, in line with the national conditions of the country, the African countries themselves have a large number of small-scale mining, artisanal mining, accommodate a lot of the country's labor force, and small-scale mining, artisanal mining and almost all mechanized, labor-intensive, less than a high degree of mechanization <sup>[16]</sup>. Small-scale mining, artisanal mining and almost all are not high degree of mechanization, labor-intensive production, large enterprises do not favor this, small-scale mining, artisanal mining applications to make the subject of the eligibility requirements not only to ensure the survival of small-scale mining enterprises in the local opportunity to survive, but also does not restrict the development of large foreign-funded enterprises, to do so in accordance with the local conditions.

### **3.4. More rigorous review approach**

Unlike the pure bidding access system of the United States, the United Kingdom, Australia, Norway and other countries, and also unlike the first-to-file doctrine of Japan, the Tanzanian and Ugandan mineral acts access system adopts a substantive examination method, which not only requires the applicant's suitability for a small-scale license, but also evaluates the applicant's capacity in terms of its technical ability, financial status, past experience and environmental protection measures in order to select the most capable and competitive enterprise to enter the mineral industry. In the case of large licenses, the applicants are also evaluated on their technical capabilities, financial status, past experience, environmental protection measures and other aspects, with a view to selecting the most capable and competitive enterprises to enter the mineral industry.

### **3.5. Provisions are relatively clear and unambiguous**

As can be seen from the provisions of the Tanzanian and Ugandan mining acts on the subject matter of the approval, the information to be submitted and the conditions for approval, both countries have relatively detailed provisions on the licensing system for mineral rights. In addition, in order to make the provisions of the mining acts better implemented, the corresponding ministries of mines or mines of Tanzania and Uganda have issued corresponding regulations to guide the application of mineral acts, which not only include model forms to be submitted for application, but also have guidelines for all kinds of situations after the submission of the application (e.g., the application will be returned if the information is not complete, etc.), which is of great significance in guiding the applicants of mineral acts without the need to repeatedly consult or wait without any information. This is a great guidance for the applicants of mineral rights, without the need to consult or wait without any clue.

## **4. Deficiencies in the mineral rights licensing systems of the two countries**

### **4.1. The approval time is not transparent**

Tanzania has not stipulated the approval time for some licenses (such as mining licenses), while Uganda only clarifies the approval time limit for mining leases. The lack of time constraints for other licenses may affect investment efficiency.

### **4.2. Weak supervision mechanism**

Both countries lack detailed regulations for the supervision of mining activities after licensing, especially in terms of environmental protection and community rights and interests' protection, and the enforcement may be insufficient.

### **4.3. Contradictions in localization requirements**

Uganda's equity restrictions (such as requiring 51% local shareholding for local licenses) may inhibit foreign investment, while Tanzania's employment and procurement requirements, although strict, lack supporting measures.

### **4.4. The reasonableness of cost differences**

Tanzania's cost structure is more segmented (such as by mineral type), but some costs are relatively high (such as \$5,000 for a special mining license); Uganda's costs are relatively uniform, but local enterprises may be at a disadvantage due to the annual fee burden.

## **5. Mining investment suggestions for investors**

### **5.1. Selection of investment destinations**

Investors who prefer regulatory compliance and stability may choose Tanzania, which boasts detailed systems and high transparency, making it particularly suitable for large-scale mining projects. However, they need to anticipate higher compliance costs (such as environmental assessments and local procurement). Investors who prefer flexibility and fast access may consider Uganda, where the approval process is relatively simple, but they need to navigate localization requirements and vague regulatory standards.

## **5.2. Selection of investment destinations**

Conduct advance research on reserved areas and bidding areas: In Tanzania, it is necessary to avoid primary mining reserved areas and designated bidding areas; in Uganda, it is necessary to confirm that the application area has not been designated as a protected area or priority land. Emphasize local cooperation: When investing in Uganda, priority should be given to joint ventures with local enterprises to meet equity requirements; in Tanzania, detailed local employment and procurement plans need to be formulated. Allow sufficient approval time: Especially for license types in Uganda that do not have a clear time limit, a buffer period should be added to the project planning.

## **5.3. Long-term operational advice**

In terms of environmental and social responsibility, both countries are increasingly emphasizing environmental protection and community rights. Investors should conduct environmental impact assessments in advance and establish community communication mechanisms to reduce the risk of conflict. Regarding policy dynamics, the mining acts in both countries are still in the reform stage. Investors need to closely monitor policy changes (such as fee adjustments and revisions to localization provisions) and promptly adjust compliance strategies.

## **5.4. Cost optimization**

Firstly, compare the cost structures. Tanzania's special mining license fees are relatively high, suitable for high-value mineral projects; Uganda's annual fee model is suitable for the medium and long-term exploration stage. Secondly, utilize the retention system. In Tanzania, licenses can be retained (for 10 years) to cope with market fluctuations; Uganda's retention period is shorter (3 years), suitable for short-term adjustments.

## **6. Conclusion**

The mineral rights licensing systems in Tanzania and Uganda both aim to balance resource development and public interests. However, Tanzania places more emphasis on regulation and foreign investment guidance, while Uganda focuses on localization and flexibility. Investors should fully assess the differences between the two systems and their own risk tolerance, choose the optimal investment path based on project characteristics, and actively participate in policy dialogue to reduce compliance risks and enhance long-term returns.

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