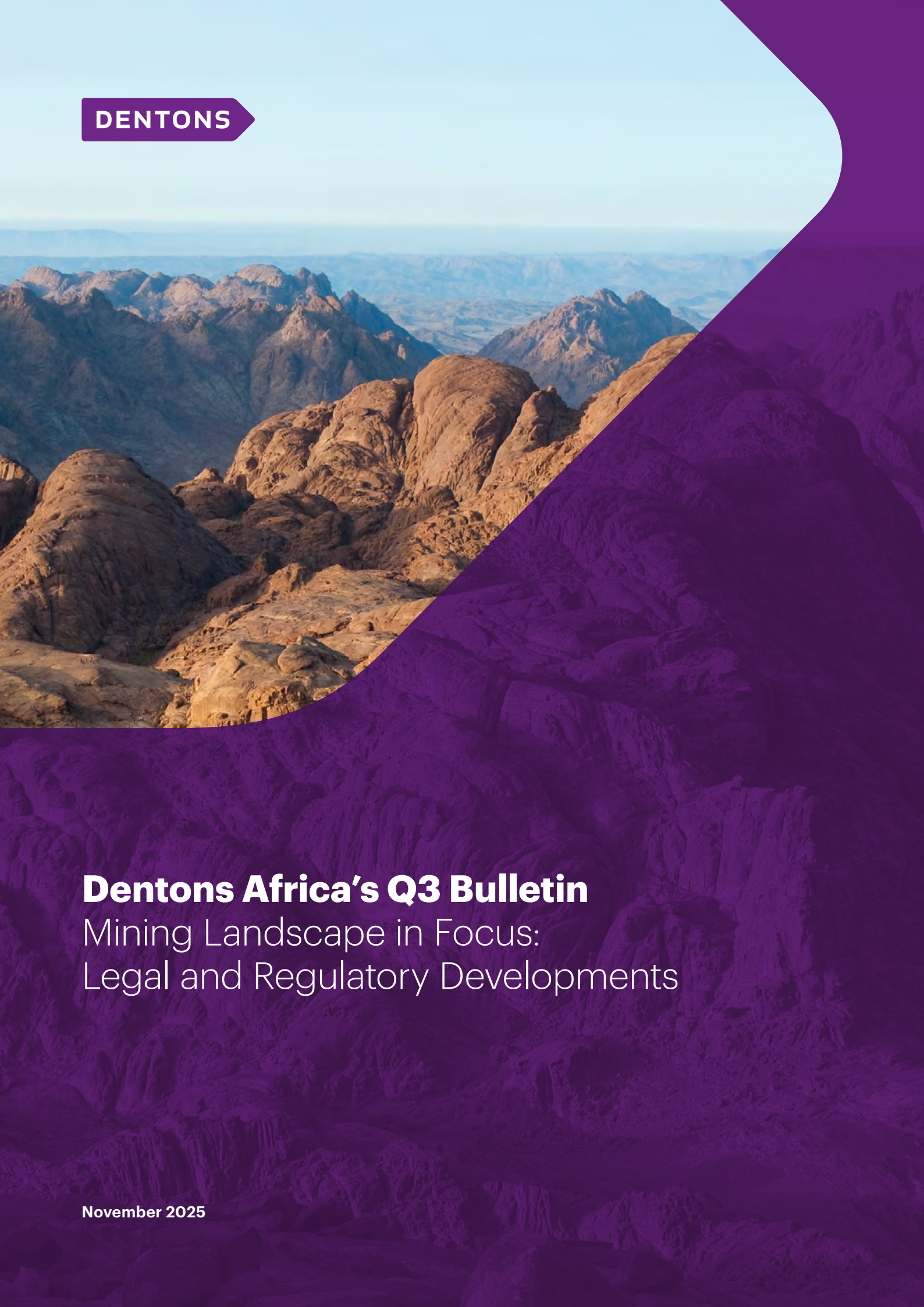




Dentons Africa's Q3 Bulletin

Mining Landscape in Focus: Legal and Regulatory Developments

November 2025

Across Africa, mining laws are changing fast as governments push to secure more benefits from their natural resources. Countries like Tanzania, Kenya, Uganda and Nigeria are showing a strong move towards tighter state control and greater local value retention by tightening local content rules to create jobs and build local skills, and introducing new tax and revenue measures to increase state earnings and support social programmes. Many are also creating or strengthening state-owned companies to represent national interests in mining projects. At the same time, there is growing pressure on investors to add value locally by processing minerals within the country, rather than exporting raw materials.

The sections that follow outline the specific legal and regulatory changes in each jurisdiction and explain how they are reshaping the investment landscape and day-to-day operations in the mining sector.

Cameroon

Cameroon's mining sector is undergoing significant transformation, driven by political will to diversify the economy and by the modernisation of its legal framework. The adoption of the new Mining Code in December 2023 marks a major milestone: it strengthens state participation, improves governance, and provides fiscal and customs incentives designed to attract responsible investment. However, the success of this reform will depend on the effective implementation of its regulations and the development of logistical and energy infrastructure.

Economic context and mining potential

Cameroon possesses a rich and diversified subsoil, with deposits of iron, bauxite, gold, cobalt, nickel, rutile and diamonds. The mining sector is a strategic lever to achieve the Vision 2035 objectives, supporting economic diversification and job creation. Large-scale projects, such as the Mbalam-Nabeba iron deposit and the Minim-Martap bauxite project, illustrate the growing interest of international investors.

Evolution of the regulatory framework

The 2023 Mining Code (Law No. 2023/014 of 19 December 2023) replaces the 2016 version. It introduces major innovations such as: free state participation of up to 10% in mining companies; enhanced role of SONAMINES in the marketing of gold and diamonds; creation of dedicated funds for sector development and site rehabilitation; and strengthened environmental requirements and site restoration obligations.

Investment incentives

The Mining Code and related fiscal laws provide attractive incentives, such as: VAT and customs duty exemptions on exploration equipment; exemption from business licence and registration duties during the exploration phase; accelerated depreciation for mining equipment; 0% VAT rate on exports; and tax deductions for environmental protection expenditures.

Major projects and opportunities

Key ongoing projects include: the Mbalam-Nabeba iron project (East and South Regions), with more than 600 million tonnes estimated; the Minim-Martap bauxite project (Adamawa Region), with 140 million tonnes exploitable over 20 years; and artisanal and semi-mechanised gold mining in the East and North regions.

Structural challenges and risks

Main challenges include: insufficient transport and energy infrastructure; lack of transparency and traceability in artisanal mining; the need to implement decrees for certain provisions of the 2023 Code; and administrative delays and land tenure complexities.

Strategic recommendations

For investors and institutional partners: conduct comprehensive due diligence on mining titles and environmental obligations; develop partnerships with local stakeholders to maximise national value addition; anticipate infrastructure and compliance costs; and promote responsible and sustainable operations in line with ESG standards.

Conclusion

Cameroon's mining sector evolution is promising. The 2023 legal framework provides a solid basis for sustainable and attractive development. However, the realisation of investments will depend on the state's ability to ensure transparency, regulatory stability and effective implementation of reforms.



DRC

The mining sector remains the backbone of the Congolese economy, representing the main driver of growth and the main source of public revenue for the country. Thanks to its immense geological wealth, the DRC occupies a strategic position within global supply chains, particularly in the energy transition and advanced technologies sectors. Despite its strategic position and economic weight, the Congolese mining sector faces persistent challenges related to governance, transparency and local resource development. It is with this in mind that recent legal developments have been made, with the aim of strengthening the sustainability and competitiveness of this sector.

Against this backdrop, the following highlights present the key changes to the DRC's mining legal and regulatory framework for 2024-2025.

Enhanced powers for the Regulatory and Supervisory Authority for Strategic Mineral Markets (ARECOMS)

Decree No. 25/05 of 21 February 2025, amending and supplementing Decree No. 19/16 of 5 November 2019, on the creation, organisation and operation of ARECOMS, authorises it, in the event of circumstances affecting market stability, to take all temporary measures to regulate and control the production, marketing or export of strategic minerals, including suspensions of exports. ARECOMS will then draw up a detailed report on its implementation and effects, to be submitted to the Prime Minister and to the Minister of Mines.

Channelling and traceability of artisanal mining: stricter rules

Decree No. 25/05 of 21 February 2025, amending and supplementing Decree No. 19/15 of 5 November 2019, on the protection of strategic artisanal mining activities, introduced the following changes:

- ARECOMS has been assigned with cleaning up supply chains through a paperless control system and ensuring that there are no minors, pregnant women or unauthorised persons on extraction sites and in all supply chains for strategic minerals.
- The commercial legal entity responsible for purchasing strategic artisanal minerals from artisanal and semi-industrial mining producers with certificates of compliance (i.e. Enterprise Générale du Cobalt (EGC)) regains an exclusive role, with the possibility of partnerships with mining rights holders and/or quarries to integrate artisanal mining into part of their perimeter.
- Prohibition on purchasing, selling, processing or mixing strategic minerals of artisanal or semi-industrial origin that are not certified with minerals of industrial origin or exported minerals.

Cobalt export quotas and end of suspension measures

Following a suspension measure (in force from February to September 2025), the DRC has reopened cobalt exports under a quota system. Between mid-October and the end of 2025, around 18,000 tons will be allowed to leave the country, followed by 96,600 tons for 2026-2027, in order to stabilise prices and better control flows. These quotas are managed by ARECOMS, with threats of disqualification for non-compliance (taxation, environment, traceability, transfer to third parties).

Clarification of what relates as work commenced in order to keep a mining title

Ministerial Decree No. 00630/CAB.MIN/MINES/01/2025 of 8 September 2025 specifies the list of works (access to the deposit, haulage, mining, storage, mineral processing and metallurgical facilities, networks, etc.) considered as development and construction work within the framework of mining rights or permanent quarry operating permits, to avoid forfeiture of rights in the event of inactivity. This clarification is part of a wave of CAMI controls, with lists of titles threatened with cancellation if work does not commence.

Increased monitoring of inactive titles and cleanup of the land registry

The CAMI recently communicated about titles threatened with cancellation due to failure to start work and about the continued cleanup of the land registry (release of perimeters).

Increase in fees and taxes

The 2018 Mining Code, which remains in force, maintains the classification of strategic minerals (including cobalt, coltan) with a royalty rate now set at 10%, compared with 2% to 3.5% previously. This is useful to bear in mind when assessing the impact of the new market measures.

Conclusion

In the DRC, recent changes emphasise stronger governance and sustainability across the mining sector. Cobalt traceability and certification are now mandatory, with the EGC serving as the legal channel for artisanal sales, while regulated integration at industrial sites is permitted. Adaptive export quotas managed by ARECOMS and stricter compliance requirements for mining title holders further reflect the government's commitment to transparency and responsible growth.

Kenya

The mining industry in Kenya is primarily governed by the Constitution of Kenya, 2010, the Mining Act, 2016 and the various mining regulations made thereunder.

Legal and regulatory updates

In recent years, there have been significant legal and regulatory changes in the mining sector, all of which are aimed at enhancing transparency, promoting sustainability and ensuring equitable resource distribution.

In 2024, several amendments were introduced to the mining regulations as set out in the table below.

Mining Regulations 2024	Scope
Mining (Licence and Permit) (Amendment) Regulations, 2024	Introduced new fees for document perusal, duplication, licence applications, annual rent and mineral development levy of up to 1% of gross sale value.
Mining (Dealing in Minerals) (Amendment) Regulations 2024	Revised procedures and fees for mineral dealers and exporters, and strengthened compliance requirements for mineral transactions.
Mining (Mine Support Services) (Amendment) Regulations, 2024	Updated licensing procedures and introduced online application forms.
Mining (Gemstones Identification and Value Addition Fees) (Amendment) Regulations, 2024	Set out detailed fees for gemstone identification, faceting, tumbling, cabbing and safe deposit box hire.
Mining (Royalty Collection and Management) (Amendment) Regulations 2024	Established a framework for calculating and collecting royalties based on market value, netback and cost-plus methods, and introduced concepts such as deferred royalties and reconciliation points.

However, some of the above changes have faced legal challenges. For instance, the High Court of Kenya (in its judgment for Constitutional Petition No. E549 of 2024 delivered on 10 September 2025 by Hon. Justice Bahati Mwamunye) has declared the above Mining Regulations 2024 unconstitutional, null and void due to the lack of adequate public participation which violated Articles 10 and 118 of the Constitution, effectively quashing the Mining Regulations 2024 in their entirety.

The court also invalidated the Mineral Development Levy introduced under the same Mining Regulations 2024, ruling that it was part of a flawed legislative process and lacked proper statutory authorisation.

While the Mining Regulations 2024 were struck down, the court declined to order refunds of levies already collected, citing public interest considerations and administrative challenges.

In light of the above High Court judgment, all provisions under the Mining Regulations 2024 are unenforceable and any actions taken under them have no legal effect. Future regulations must strictly comply with constitutional public participation standards or risk invalidation by the courts.

Future outlook

Despite the legal challenges highlighted above, the mining sector remains stable, vibrant and a major driver of Kenya's economic growth.

Morocco

The mining sector in Morocco is governed by a comprehensive legal and regulatory framework, primarily structured around Law No. 33-13 on Mines and its implementing decrees. This legislation, promulgated by Dahir No. 1-15-76 of 14 Ramadan 1436 (6 August 2015) (the **Law No. 33-13**), sets the general rules for the prospecting, exploration and exploitation of mineral resources across the country.

Law No. 33-13 aims to modernise the mining industry, promote responsible exploitation of resources and ensure the sustainable development of the sector. It is supplemented by several implementing decrees and ministerial orders that define the procedures for granting and managing mining titles, environmental and safety requirements, and reporting obligations. Among the key regulations are:

- Dahir No. 1-15-76 of 14 Ramadan 1436 promulgating Law No. 33-13 on Mines (Official Gazette No. 6384 of 6 August 2015);
- Decree No. 2-15-807 of 12 Rajab 1437 establishing the procedure for granting mining titles (Official Gazette No. 6484 of 21 July 2016);
- Decree No. 2-19-12021 of 2 Chaabane 1441 (27 March 2020) relating to the procedure for granting research permits and exploitation licences for cavities;
- Decree No. 2-18-548 setting out the procedure for granting authorisations to exploit mine dumps and tailings;
- Decree No. 2-19-97 establishing the list of salt deposits subject to Habous rights;
- Decree No. 2-19-583 identifying the list of deposits falling under customary rights;
- Decree No. 2-18-705 defining the list of mandatory documents to be maintained by holders of mining titles; and
- Order of the Minister of Energy, Mines and Sustainable Development No. 2580-18 dated 6 August 2018 setting the models for geological, mining and statistical reports.

Under this framework, holders of mining titles are required to obtain the appropriate authorisation, permit or licence, and to demonstrate sufficient technical and financial capacity. They must also comply with health, safety, environmental and land-use standards, prepare environmental impact assessments and maintain civil liability insurance covering mining risks. In addition, mining operators are obliged to submit regular technical and financial reports to the authorities and ensure the protection of cultural and archaeological sites discovered during operations.

While Law No. 33-13 does not explicitly define or mandate local content obligations, it emphasises the importance of local job creation and national economic contribution. Exploitation licences must be held by companies established under Moroccan law, which indirectly promotes domestic participation and value creation within the country.

Morocco is currently preparing a new draft bill, No. 72-24 (the **Draft Bill**), aiming to amend and modernise Law No. 33-13. This reform follows the withdrawal of a previous draft, Bill No. 46-20, which had been criticised for its ambiguous language and potential to create legal uncertainty.

The Draft Bill forms part of the key pillars underpinning the implementation of Morocco's national mining strategy, which seeks to position the mining sector as a driver of industrial sovereignty and a catalyst for the country's energy transition, in line with the High Royal Directives and the recommendations of the New Development Model.

In this context, the Draft Bill was developed based on the national achievements in the mining sector and through a participatory approach involving all stakeholders, public and private alike. Its objectives include improving the business climate, enhancing transparency, facilitating access to information related to mining titles and simplifying the procedures for obtaining authorisations in the mining sector.



The Draft Bill also seeks to establish a legal framework that strengthens good governance in the management of mining areas, promotes geological research and investment projects, encourages the valorisation of mineral resources, regulates the exploitation of geothermal resources and underground mining, and ensures workers' health and safety, as well as environmental protection.

For the first time, the Draft Bill introduces specific provisions for strategic and critical minerals, aiming to promote their development, stimulate exploration and exploitation opportunities, and thereby support the national industrial, economic and social fabric. To this end, the establishment of a technical advisory committee is envisaged.

The main provisions of the Draft Bill can be summarised as follows:

- alignment of definitions with the new legal framework and clear distinction between mineral substances governed by this law and those covered by the legislation on quarries;
- authorisation for private entities to valorise locally produced mineral substances without the prior requirement of holding a research or exploitation permit;
- simplification of the procedures and formalities for granting mining titles and authorisations;
- rationalisation and regulation of the exploitation of national mineral resources;
- renewal of research permits for an additional three-year period, subject to the submission of a preliminary feasibility study demonstrating the existence of proven mineral resources;
- restriction of transfers and leases of exploitation permits to prevent speculative practices;
- introduction of subcontracting possibilities for works related to mining titles, research and exploitation permits for cavities, as well as for the valorisation and treatment of residues and tailings;
- priority to local employment and continuous technical and professional training of workers;
- creation of a professional mining worker card, issued by the governmental authority in charge of mines, serving as proof of the rights and obligations set out under the status of employees of mining companies;
- preference for the use of locally or nationally manufactured products;
- accreditation of national laboratories by the competent authority to perform analyses of mineral samples, in addition to the National Laboratory of Energy and Mines; and
- mandatory development of a closure and rehabilitation plan as part of the work programme for research permits, similar to the requirement already applicable to exploitation permits.

Namibia

Namibia's mining sector is currently undergoing a significant legislative transformation aimed at redefining the role of mineral resources in national development. At the centre of this shift is the long-anticipated replacement of the Minerals (Prospecting and Mining) Act of 1992, a law that, while successful in attracting foreign investment, has become outdated in the face of evolving global norms around governance, sustainability and local participation. The draft Minerals Bill, now in its final consultation stages, seeks to recalibrate the balance between foreign investor incentives and broader national benefit, reflecting a maturing resource governance philosophy within one of Africa's most stable mining jurisdictions.

Among the most notable proposed changes is the introduction of a 10% free-carried interest for the state in all new mining and energy projects. This means the government, typically through its state-owned enterprise Epangelo Mining, would automatically acquire a 10% equity stake without contributing capital. The aim is to ensure that the state directly benefits from project upsides, gains visibility at the board level and can better influence the direction of strategic mining ventures. Alongside this, a more ambitious, though still under debate, proposal calls for 51% Namibian ownership in all new mining ventures, signalling a strong push toward empowering local entities and increasing domestic control over mineral wealth.

The fiscal regime is also undergoing substantial revision. The current royalty rates, which range from between 3% and 5%, may be increased to a ceiling of 10% for certain minerals, particularly those deemed strategic such as uranium, lithium and rare earth elements. In addition, the government is considering introducing profit-based taxes designed to capture windfall gains during commodity price booms. This marks a shift away from a purely revenue-based system toward a more progressive and flexible fiscal model. Meanwhile, tax incentives are being designed to support greenfield exploration and regional development, in an effort to maintain Namibia's attractiveness to early-stage investors.

Environmental and social governance is emerging as a cornerstone of the new legislative agenda. The draft law strengthens requirements for environmental impact assessments, mandates detailed post-mining rehabilitation plans and introduces financial assurance obligations to ensure that environmental liabilities are adequately covered. Namibia is also formalising the concept of a "social licence to operate", requiring mining companies to engage meaningfully with affected communities and to establish legally binding community development agreements. These provisions are intended to ensure that mining operations deliver tangible benefits beyond the mine gate and help prevent social conflict.

Strategic minerals and value addition

Another area of significant focus is strategic minerals and value addition. Namibia is prioritising the development of critical minerals essential to the global energy transition, including lithium, rare earths and uranium. To this end, the government plans to restrict the export of unprocessed materials and incentivise local beneficiation to promote downstream industrialisation. This approach aligns with Namibia's broader ambition to become a regional hub for clean energy and green technology, especially in light of recent investments in green hydrogen.

Institutional and administrative reforms

Institutional and administrative reforms are also being introduced to improve the efficiency and transparency of the mining sector. The licensing regime is being modernised through digital systems and time-bound application review processes. Clear criteria for the granting, renewal and cancellation of licences are expected to reduce bureaucratic delays and minimise opportunities for corruption. Additionally, the government is exploring the creation of a new national mining company to serve as an equity partner in strategic projects, facilitate technology transfer and promote skills development.

However, the success of such an entity will depend heavily on transparent governance and operational independence.

Importantly, despite the more assertive posture of the new legal framework, Namibia has reaffirmed its commitment to investor protections. Draft provisions uphold key principles such as access to arbitration and protection from uncompensated expropriation, though the country's international investment treaties are under review to better align with its evolving national interests. This dual approach seeks to balance the imperative of national benefit with the need to maintain policy certainty and investor confidence.

While the mining industry has generally welcomed the modernisation of the legal framework, concerns remain regarding the potential impacts of increased fiscal obligations, ownership requirements and regulatory oversight. Industry stakeholders, including the Chamber of Mines, have called for greater clarity on how the 10% free-carried interest will be applied, how empowerment requirements will be measured and whether existing projects will be affected. There is also apprehension that higher royalties and stricter conditions could render marginal projects economically unviable, particularly in an already highly-taxed operating environment.

Namibia's reforms are part of a broader continental trend in which resource-rich African nations are seeking a more equitable share of their mineral wealth. While countries like Tanzania and South Africa have adopted more aggressive resource nationalism, Namibia appears to be following a more measured path – one that balances state participation with investor-friendly provisions. The country's long-standing reputation for political and regulatory stability, combined with its rich resource base, gives it a unique opportunity to chart a middle course that is both developmental and commercially viable.

Conclusion

Namibia's proposed Minerals Bill represents a pivotal moment in the evolution of its mining sector. By prioritising local ownership, state participation, environmental accountability and community engagement, the country is moving toward a more inclusive and sustainable model of resource governance. The months ahead will be critical in finalising the legislative framework and setting the tone for future partnerships between government, investors and communities. If successfully implemented, these reforms could enable Namibia to unlock greater value from its mineral wealth, positioning the country as a model for responsible mining in the 21st century.



Nigeria

Nigeria's mining sector is experiencing significant legal and regulatory developments, primarily driven by the Federal Government's (**FGN**) commitment to diversifying the national economy as articulated in the Renewed Hope Agenda. In line with this vision, Dr Dele Alake, the Minister of Solid Minerals Development (the **Minister**), has reiterated that the mining sector is positioned to play a central role in achieving this objective. The Minister noted that the FGN will continue to leverage the Roadmap for the Growth and Development of the Nigerian Mining Industry (2016) and the Agenda for the Transformation of the Solid Minerals for International Competitiveness and Domestic Prosperity to unlock the sector's vast potential, attract sustainable foreign direct investment, generate jobs and contribute at least 50% to the national gross domestic product (**GDP**).

In this edition of the bulletin, we provide an overview of recent legal and regulatory developments, as well as key mining projects shaping Nigeria's mining sector.

Legal and regulatory developments

This section discusses the key legal and regulatory developments currently shaping Nigeria's mining sector:

Value-Addition Licensing Rule

Under the new guidelines being developed, the Ministry of Solid Minerals Development (**MSMD**) has identified value addition as a central requirement for the issuance of new mining licences to companies, with an emphasis on domestic processing and industrialisation. According to the Minister, the Mining Cadastre Office (**MCO**) received more than 10,000 title applications within three months, processed 955 and approved 867 mining titles (comprising 512 exploration licences, 295 small-scale mining leases, 60 quarry leases and five large-scale mining leases). The Minister further disclosed that the FGN generated ₦6.95 billion in licensing revenue during the first quarter of 2025 alone – a direct outcome of

Nigeria's ongoing mining sector reforms. This policy shift underscores the MSMD's commitment to job creation, technological advancement and ensuring that the nation derives maximum benefit from the entire mineral value chain.

New Mining Act and related legislative initiatives on the horizon

The MSMD is currently undertaking a review of the Nigerian Minerals and Mining Act, 2007, with the objective of enhancing the sector's competitiveness, strengthening transparency, ensuring environmental sustainability and ultimately improving the livelihoods of Nigerians. Notably, a Nigerian Minerals and Mining Bill was introduced at the House of Representatives in 2019, although no further progress has been recorded. Other legislative initiatives under consideration by the FGN include: A Bill for an Act to Establish the Nigerian Institute of Mining and Geosciences, Garaku to Provide Courses of Instruction, Training and Research in the Exploration and Exploitation of Minerals for National Development and for Related Matters (HB. 2010); A Bill for an Act to Alter the Provisions of the Constitution of the Federal Republic of Nigeria, 1999 to Decentralise the Governance of Natural Resources in the Federal Republic of Nigeria to transfer Mines and Minerals, including Oil Fields, Oil Mining, Geological Surveys and Natural Gas from the Exclusive Legislative List to the Concurrent Legislative List and for Related Matters (HB. 200, 1310, 1446 & 1546); and the Nigerian Metallurgical Industry Bill, 2023 (HB.1353/SB. 92).

Government engagement and partnerships

The MSMD is leveraging international collaborations to strengthen the sector, with a focus on technical capacity development, geology, mining and mineral processing, local mineral value addition and electric vehicle manufacturing. Notable developments during the year include bilateral engagements and agreements with Australia, Saudi Arabia, South Africa, Japan and China.



Establishment of the Nigerian Solid Minerals Corporation

The FGN has established the Nigerian Solid Minerals Corporation (**NSMC**) to assume the responsibilities of the now-defunct Nigerian Mining Corporation (NMC). The NSMC is structured as a public-private partnership with an ownership model comprising 50% for private investors, 25% for the FGN and 25% for Nigerian citizens through a public offering. Its mandate is to transform Nigeria's mineral sector by promoting innovative exploration, sustainable mining practices and strategic partnerships, thereby driving economic growth while safeguarding the nation's natural resources. Notably, the ownership framework of the NSMC models that of the Nigeria Liquefied Natural Gas (NLNG) company, which has achieved notable success largely due to its private-sector-led governance structure and insulation from political interference. The FGN hopes that using this framework for the NSMC will achieve improved transparency, foster investor confidence and address regulatory bottlenecks in the sector.

Increased regulatory enforcement via Mining Marshals

On 21 March 2024, the FGN inaugurated the Mining Marshals, a specialised security unit comprising 2,670 officers, tasked with curbing illegal mining, disrupting unregulated operations, reclaiming occupied mining sites and reinforcing government authority over the nation's mineral resources. Over the past year, the unit has achieved notable successes, including the arrest of 327 illegal miners, the reclamation of 98 unlawfully occupied mining sites and the clearance of more than 3,000 illegal miners from Mining Lease 19325 in Kogi State, which had been under illegal occupation since 2016. Similarly, 28 enforcement operations have been carried out in Kuje (Abuja), Umunneochi (Abia State) and Ankpa (Kogi State), enabling licensed operators to regain effective control of their concessions. In view of these outcomes, stakeholders should anticipate stricter site access controls and a zero-tolerance approach to encroachment or licence violations going forward.

Flagship mining activities and projects

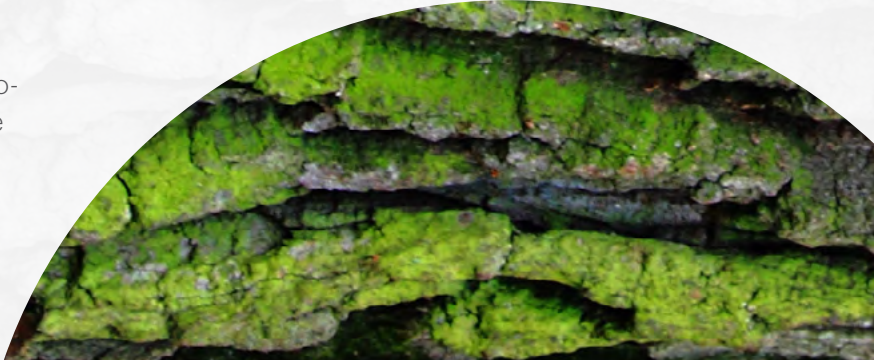
This section discusses the key activities and projects currently shaping Nigeria's mining sector:

World Bank engagement

On 15 August 2025, the MCO hosted a high-level delegation from the World Bank at its Abuja headquarters to explore avenues for strengthening Nigeria's mining sector. The discussions, led by Engr. Obadiah Simon Nkom, Director General of the MCO, and Naora Arfua, Representative of the World Bank, centred on leveraging technology to improve transparency and efficiency, as well as promoting sustainability and social responsibility in mining operations. The World Bank delegation commended Nigeria's ongoing reforms, particularly the MCO's digitalisation initiatives, and reaffirmed its commitment to supporting extractives governance in line with Nigeria's broader economic diversification agenda. The meeting concluded with a shared commitment to pursue partnership opportunities that could enhance the sector's contribution to national development.

Digitisation and increased revenue generation

The MCO has reported revenue of ₦6.95 billion for the first quarter of 2025, attributing this performance to ongoing digitisation, enhanced transparency and a reduction in litigation. Notably, the sectors fully digitised licensing platform EMC+, which became operational in November 2022, now serves as the exclusive channel for all mineral title applications and transactions in Nigeria, significantly improving efficiency and revenue collection.





Mining infrastructure

The FGN has pledged full support to Hasetins Commodities Ltd in the development of a US\$400 million rare earth and critical minerals plant in Nasarawa State, projected to become Africa's largest facility of its kind and to generate more than 10,000 jobs nationwide. Additionally, a US\$600 million lithium processing plant near the Kaduna-Niger border, a US\$200 million lithium refinery on the outskirts of Abuja and two processing plants in Nasarawa State are scheduled to commence operations this year. These investments underscore the FGN's recognition of the strategic importance of mining infrastructure in promoting local value addition, driving industrialisation and positioning Nigeria as a competitive participant in the global minerals market.

Africans for Africa Fund (AfA Fund)

The AfA Fund was launched on 17 July 2025 at the African Natural Resources and Energy Investment Summit (AFNIS) in Abuja to help close the projected US\$2.1 trillion funding gap in Africa's mining sector by 2050. The fund, which targets an initial US\$50 million from institutional partners within its first 90 days, will focus on supporting high-potential, early-stage mining ventures across the continent. With an advisory board that includes Nigerian industry leaders, such as Segun Lawson of Thor Explorations, the initiative is designed to promote mineral sovereignty by ensuring that Africans finance, own and lead the development of their mineral wealth. Nigeria's participation is particularly significant: access to AfA funding can provide much-needed capital for its mining projects, reduce reliance on foreign financing and enhance investor confidence. It also strengthens local ownership, aligns with Nigeria's ongoing sector reforms and positions the country to leverage its deposits of lithium, rare earths and other critical minerals to become a key player in the global energy transition, while driving industrialisation, job creation and broader economic diversification.

Conclusion

Bold legal reforms, heightened regulatory enforcement and a surge of strategic investments in value addition and infrastructure are all hallmarks of the current transformation of Nigeria's mining industry. The FGN's efforts to create a transparent, competitive and sustainable industry is evident in its efforts to digitise the MCO procedures, create the NSMC, deploy mining marshals and interact with international partners. With the FGN's flagship infrastructure (US\$800 million lithium and US\$400 million rare earth processing plants) and engagement in new financing models such as the AfA Fund, Nigeria is making notable progress in creating jobs from its mineral wealth and achieving economic diversification. As further reforms and initiatives are announced, we can envisage that Nigeria will continue to build towards a globally competitive mining sector that will create jobs, drive industrialisation and contribute 50% to national GDP.



South Africa

South Africa is renowned for its abundance of mineral resources, accounting for a significant proportion of world production and reserves. South Africa has one of the largest reserves in manganese, platinum group metals, gold, diamonds, chromite ore and vanadium. South Africa's economy is built on gold and diamond mining sectors, as it accounts for a significant proportion of all exports. South Africa is also a major producer of coal and manganese and provides significant potential for the discovery of other high quality mineral deposits in areas that are yet to be discovered.

South Africa's minerals and petroleum resources are regarded as belonging to South African people and the South African Government (Government) is regarded as the custodian. The Mineral and Petroleum Resources Development Act 28 of 2002 (**MPRDA**) serves as the primary statute regulating prospecting and mining in South Africa. The MPRDA has recently undergone a significant review, leading to the publication of the Draft Mineral Resources Development Bill, 2025 (the Bill) by the Department of Mineral and Petroleum Resources (**DMPR**). The introduction of the Bill is poised to significantly alter the legislative framework applicable to South African mining.

The Bill was published for public comment on 20 May 2025 and provided interested parties until 13 August 2025 to provide inputs into the Bill. The strategic objective of the Bill is to amend the MPRDA broadly to increase policy certainty and investor confidence while reducing inefficiencies in mining rights, permits and other regulatory approvals. The Bill also formalises artisanal and small-scale mining, strengthens community consultation obligations, and clarifies the definition of 'controlling interest'. Other key changes include the items below.

The removal of Petroleum related resources from the ambit of the MPRDA

Following the publication of the Upstream Petroleum Resources Development Act, 2024, references to petroleum have been removed from the MPRDA in the Bill, providing legal certainty on the applicability of the separate legislative provisions.

The introduction of artisanal mining rights licensing regime

Section 27A of the Bill aims to introduce artisanal mining permits to the MPRDA by providing for licences to be issued for a period of two years and for a mining area that does not exceed 1.5 hectares.

Inclusion of historic mines and dumps created before the implementation of the MPRDA

The Bill aims to regularise historic mine dumps created before the introduction of the MPRDA. The Bill proposes that dumps should be included in mining programmes within two years of the amendment act commencing.

Introduction and establishment of a Ministerial Advisory Council (MAC)

Established by the minister, the MAC functions as an advisory body to the minister on matters of sustainable development, growth and transformation, beneficiation, and other matters referred to the MAC by the Minister. The MAC may also appoint subcommittees.

Amendments to empowerment requirements in the mining sector

The Bill includes or varies various provisions included in the Mining Charter 2018 as formalised legislation.

The Bill was subject to various public inputs following its publication. Key inputs regarding the bill relate to the following items.

- Reintroduction of state controlled transfer regime, requiring ministerial consent for changes in interest in any unlisted holder of a mineral right.
- Continuing the legislative uncertainty regarding direct and indirect control in chains of ownership of the holder of a mining right.
- Designation of areas for small-scale and artisanal mining likely to be legally challenged.
- Insufficient guidance regarding transformation requirements, lacking provisions for community ownership and gender targets.
- Channels for communities to hold mining companies accountable for non-compliance with their legal obligations lacking.
- Lack of adequate community participation in social and labour plans.

The DMRE is presently considering public comments to the Bill and undertaking a review thereof. At the time of publication, no further commentary had been received from the DMRE.

Tanzania

The mining sector continues to play a central role in Tanzania's economy, contributing significantly to foreign exchange earnings, employment and infrastructure developments. Recognising its importance, the government has maintained an active stance in reforming the sector. For 2025, various legal changes have been introduced to strengthen its regulation and development. The changes introduced aim at strengthening the fiscal regime, protecting small-scale miners, improving the health sector and promoting local processing of minerals.

Key recent developments

Introduction of HIV Response Levy

The Finance Act of 2025, effective from 30 June 2025, has introduced a new Section 113A to the Mining Act Cap. 123 establishing a 0.1% HIV Response Levy on the gross value of minerals payable alongside mineral royalties. The proceeds from this levy are allocated 70% to the AIDS Trust Fund, under the Tanzania Commission for AIDS Act Cap. 378, and 30% to the Universal Health Insurance Fund, under the Universal Health Insurance Act No. 12 of 2023. This levy integrates social health funding into the mining taxation framework and represents an additional compliance and cost obligation for mineral rights holders while improving healthcare services in the country, including combatting HIV/AIDS infections and providing universal health insurance.

Mandatory domestic gold trading and processing

Tanzania has introduced mandatory domestic gold trading and processing requirements to promote local value addition. This was introduced through the Finance Act of 2024 which amended the Mining Act Cap. 123 to require mineral rights holders and dealers (except those with special government agreements) to allocate at least 20% of their gold production for local smelting, refining or trading with eligible buyers, including local refiners, smelters, jewellers or the Bank of Tanzania. However, the Finance Act of 2025, through Section 77, amended

Section 69 of the Mining Act, by extending the 20% local value addition requirement to all licence holders. These measures reflect the government's strong push for domestic beneficiation, economic value retention and deeper participation of local stakeholders in the gold sector.

Increased withholding tax on non-resident services in the extractive sector

The Finance Act of 2025 introduced a significant amendment to the Income Tax Act (Cap. 332) by increasing the withholding tax (**WHT**) rate on insurance premiums and payments for technical or management services provided to entities in the extractive sector. Previously set at 5%, the WHT rate has been raised to 10% for these specific payments. This change is outlined in Section 60 of the Finance Act, which amends Part 4(c) of the First Schedule to the Income Tax Act. This adjustment aims to encourage the use of local service providers, thereby fostering the development of domestic technical expertise and retaining more revenue within Tanzania.

The Enacted Mining (Technical Support to Small-Scale Miners) Regulations, 2025

The Mining (Technical Support to Small-Scale Miners) Regulations, enacted under Government Notice No. 260 of 2025 and effective from 25 April 2025, establish formal technical support agreements (**TSAs**) to enhance safety, environmental compliance and operational capacity among holders of primary mining licences (**PMLs**), with the aim of building local technical skills, promoting sustainable small-scale mining and ensuring greater compliance with local content requirements. The requirements for the TSAs are that they must be in writing, cover no more than 10 tenements and be valid for up to three years, renewable to a maximum of 10 years, while adhering to local content rules. Foreign technical support is permitted only if the Mining Commission, based on recommendations



from the Resident Mines Officer, confirms that the expertise is unavailable locally. PML holders are required to employ Tanzanian nationals in non-managerial roles and comply with local content regulations. Oversight of TSAs, including approvals, inspections and monitoring, is conducted by the Mining Commission and its Regional Offices.

The Mining (Local Content) (Amendment) Regulations, Government Notice No. 563 of 2025

The government issued the Mining (Local Content) (Amendment) Regulations, Government Notice No. 563 of 2025 (the **2025 Local Content Amendments**) to strengthen the Mining (Local Content) Regulations of 2018 (the **2018 Local Content Regulations**). These amendments tighten the rules on foreign participation, expand opportunities for indigenous Tanzanian companies and streamline administrative procedures.

Under the 2018 Local Content Regulations, a non-indigenous company could only supply goods or services to a contractor, subcontractor or licensee within Tanzania if it formed a joint venture (**JV**) with an indigenous Tanzanian company and granted it at least 20% equity participation. The law defined an indigenous Tanzanian company as one with a minimum of 51% Tanzanian citizen ownership. The 2025 Local Content Amendments impose stricter conditions. A non-indigenous company must now form a JV with a company wholly (100%) owned by Tanzanian citizens.

Beyond these JV requirements, the 2025 Local Content Amendments introduce a new provision – Regulation 13A – which reserves certain business opportunities exclusively for indigenous Tanzanian companies that are 100% citizen owned. Under the 2025 Local Content Amendments, the Mining Commission is required to publish a list of goods and services that are restricted to such companies. This list will be made publicly available through the Government Gazette, the Commission's official website and other national media platforms.

The 2025 Local Content Amendments also revise reporting thresholds and bidding procedures. Companies are no longer required to report every sole-sourced contract. Instead, they must notify the Mining Commission only when the contract value exceeds the equivalent of US\$10,000 in Tanzanian shillings. The 2025 Local Content Amendments further streamline prequalification requirements.

The requirements for information provided before issuing a prequalification notice to bidders have been simplified. Before issuing a prequalification notice, companies now need to disclose only three elements: the scope of work; the prequalification criteria; and the number of days allowed for submitting an expression of interest, which must be at least seven days. This simplified framework replaces the more burdensome requirements under the 2018 Local Content Regulations, which demanded copies of notifications and detailed contact lists of companies.

Conclusion

The changes in the mining sector for the year 2025 are instrumental in ensuring that the sector aligns with broader national priorities. The introduction of the HIV Response Levy reflects a trend towards sectoral contributions to social programmes, while the technical support regulations mark a significant step towards formalising small-scale miners.

Uganda

Uganda's Mining and Minerals Act 2022 introduced a modern framework for the sector, replacing the 2003 law. The Act emphasises transparency, environmental and social responsibility, and sustainable resource management, with notable reforms to licensing, local content and community engagement.

The Act introduced a requirement for state equity participation in medium- and large-scale mining ventures. Section 178 provides for up to 15% free-carried, non-dilutable equity in such projects. This participation is to be held and managed by the Uganda National Mining Company (**UNMC**), formally established under Section 21 of the Act. The UNMC is to act as the government's commercial arm, mandated to hold and manage the state's free-carried equity. The Act also introduced new fiscal provisions, reinforced by the Income Tax Amendment Act 2023 and VAT (Amendment) Act 2023, which are reshaping the financial landscape for mining companies.

The UNMC is now fully constituted and serves as the state's commercial arm in the mining sector. Its mandate includes managing government equity interests, negotiating joint venture agreements and ensuring that the state derives direct commercial value from Uganda's mineral resources. However, the provisions concerning state equity participation do not apply to mining licences granted prior to the enactment of the Mining and Minerals Act, 2022.

Impact of the UNMC and state equity participation

Investors will need to factor the non-dilutable 15% stake into their project economics and may face more complex shareholder negotiations, particularly around governance, dividend policies and decision-making rights.

Partnerships may potentially ease regulatory engagement and facilitate access to government support.

Tax reforms

Fiscal reforms introduced through the Income Tax Amendment Act 2023 and the VAT (Amendment) Act 2023 are also reshaping the financial landscape for mining companies;

- Ring-fencing provisions under the Income Tax Act mean that mining companies can no longer offset losses in one license area against profits in another. Each license is treated as a separate business for tax purposes.
- VAT reforms narrowed exemptions and imposed stricter rules for claiming input VAT, increasing the compliance burden on mining companies.
- Excise duty increases on fuel indirectly affect project costs and should be factored into feasibility studies and operating models.

What to watch out for under the UNMC and state equity participation

Implementation of the UNMC's mandate: The extent of UNMC's involvement in project governance, shareholder agreements and operational oversight will determine the balance between state participation and investor autonomy.

Stability of fiscal regime: Uganda's recent trend toward increased taxation and state equity mirrors wider resource nationalism on the continent. Investors should watch for further amendments or new fiscal instruments, especially regarding royalties and capital gains taxation.

Zambia

2025 paved the way for legislative milestones with the enactment of the Minerals Regulation Commission Act No. 14 of 2024 and Geological and Minerals Development Act No. 2 of 2025, among others. The country has seen significant reforms through institutional strengthening and operational improvements within the mining sector.

The Minerals Regulation Commission Act No. 14 of 2025 and institutional realignment

The most significant development shaping 2025 is the Minerals Regulation Commission Act, which repealed and replaced the Mines and Minerals Development Act No. 11 of 2015. The Act establishes the Minerals Regulation Commission (MRC) as the central regulatory authority responsible for the licensing, monitoring and regulation of mining operations. In practice, this consolidation is intended to eliminate bureaucratic overlap and streamline regulatory processes that were previously fragmented among different agencies, such as the Mining Cadastre Department and the Geological Survey.

A key innovation under this regime is the Mining Appeals Tribunal under Part IX of the Minerals Regulation Commission Act, which provides a structured mechanism for the resolution of disputes between license holders and the regulator. This tribunal serves as an intermediary between the Commission and the Court of Appeal, offering a specialised forum that is expected to expedite dispute resolution and reduce the backlog of mining-related cases in ordinary courts.

Geological and Minerals Development Act No. 2 of 2025

In a complementary development, the Geological and Minerals Development Act No. 2 of 2025 (**GMDA**) was enacted to strengthen Zambia's geological infrastructure and geo-scientific database, and to provide for the establishment of the Artisanal and Small-Scale Mining Fund, under Part V of the Act, to provide technical and financial support to small miners.

The GMDA aims to improve geological data collection, facilitate resource mapping and promote sustainable exploration practices in Zambia's mineral governance framework. It further emphasises preference for goods and services produced locally. In particular, it mandates in Section 10 that mining rights holders and mineral processing licensees must give priority to materials and products made in Zambia, and to contractors, suppliers and service agencies located in Zambia which are citizen empowered or citizen-owned companies.

Local Content Regulations 2025

Complementing the GMDA are the Geological and Minerals Development (Preference for Zambian Goods and Services) Regulations, 2025, which reinforce the country's commitment to deepening local economic participation in the mining sector. These Regulations have been officially signed into law in October 2025 and require mining companies operating in Zambia to give priority in procurement, employment, contractor use and supplier development to Zambians and citizen-owned/empowered companies.

In particular, the Regulations mandate that a mining company or mining-related company must reserve a minimum threshold of 20% of its annual procurement budget for a local company involved in the supply or provision of a core mining good or service. Interestingly, the Regulations ensure that the minimum threshold increases periodically. Therefore, all mining companies should have a minimum threshold of no less than 40% of their annual procurement budget for a local company within five years of the Regulations' commencement.

Critical Minerals Policy in Zambia (2025)

In 2024, Zambia launched its National Critical Minerals Strategy 2024-2028, a comprehensive five-year plan aimed at harnessing the country's abundant mineral resources to support the global clean energy transition. This strategy focuses on the sustainable development and value addition of critical minerals such as cobalt, lithium, nickel, graphite and rare earth elements.

Licensing, taxation and ownership reforms

Effective 1 January 2025, the government introduced a new tax regime for the transfer of mining rights through the Property Transfer Tax (Amendment) Act No. 27 of 2024. This legislation requires that whenever ownership of a mining, exploration or mineral processing licence changes hands, property transfer tax must be paid based on the value realised from the transaction, with mining and mineral processing licences taxed at 10% and exploration licences at 8%.

Additionally, the 15% export duty on precious stones and metals has been removed. Originally introduced several years ago, it was suspended in 2019 under Statutory Instrument No. 82 of 2019, then briefly reinstated by Statutory Instrument No. 88 of 2024, scheduled to take effect in January 2025. However, following strong opposition from the mining sector, the government revoked it in February 2025 through Statutory Instrument No. 4 of 2025, eliminating the 15% export duty on these minerals.

Technological and environmental advancements

Another development is the modernisation of the licensing process through the introduction of an online mining cadastre system. This platform is intended to reduce human discretion and enhance transparency by allowing all stakeholders in the mining sector in Zambia to engage directly with the Ministry of Mines and Minerals Development.

Conclusion

In summary, 2025 represents a period of consolidation and operationalisation of Zambia's mining law reforms, through the strengthened authority of the Minerals Regulation Commission, the promotion of local ownership, the modernisation of licensing systems and the pursuit of environmental accountability.

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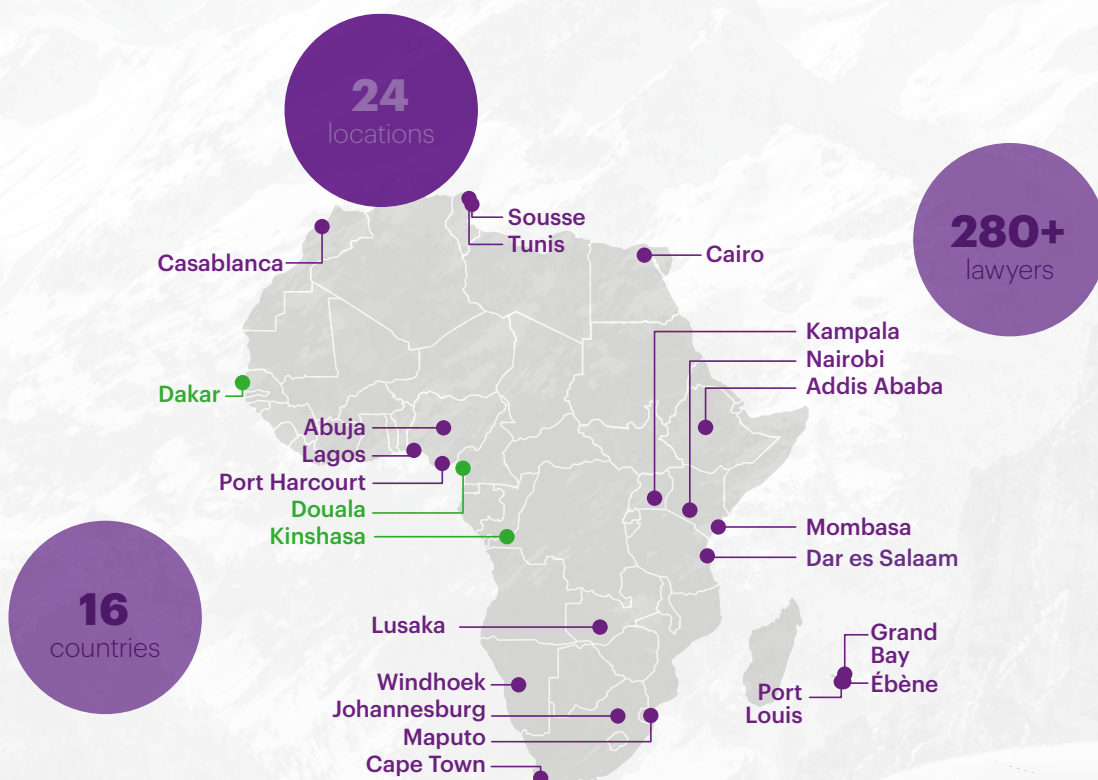
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