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SUBSTANTIVE LIMITS OF COMPULSORY MINING CSR IN TANZANIA MAINLAND

AUTHORED BY - ESTER JOHN KILATU,*
PROF. ANGELO MAPUNDA,* & DR. NEEMA BHOKE MWITA*

Abstract

Compulsory corporate social responsibility requires mineral-right holders to contribute to community development. It leaves a harder question: how far does that obligation extend? This article examines the permissible content, financial burden, beneficiaries, and duration of mining CSR in Tanzania Mainland. It combines doctrinal and documentary analysis with qualitative interviews conducted in 2026. Distributive justice and stakeholder theory inform the inquiry; proportionality and additionality provide the principal tests. The analysis identifies uncertainty over cumulative financial demands, expenditure that overlaps with existing duties, geographical allocation, and commitments extending beyond production. It argues for additional community benefits proportionate to the operation and the holder's demonstrated capacity, without allowing financial assessment to displace independent legal entitlements. Compensation, mandatory environmental and employment expenditure, taxation and binding local content commitments require separate treatment. Community facilities should have defined delivery and support obligations, while public authorities retain their statutory responsibilities. Selected South African research and Western Australian closure guidance illustrate how handover and completion can be defined without importing foreign rules wholesale. The article proposes substantive boundaries that protect community benefits and give compulsory CSR an ascertainable scope and endpoint.

Keywords: compulsory CSR; mining; substantive limits; proportionality; additionality; Tanzania Mainland.

* LL.B (SAUT), PGDLP (LST), LL.M in Corporate and Commercial Law (UDSM), PhD Candidate, St. Augustine University of Tanzania (SAUT)

* Professor of Law at the University of Dar es Salaam

* Acting Dean of the School of Law of St. Augustine University of Tanzania

1 Introduction

A community project can be valuable without answering the question of who must pay for it. Tanzania Mainland's mining legislation makes CSR compulsory, but the existence of that duty does not determine the extent of every contribution. Section 136 of the Mining Act requires an annual credible CSR plan, jointly agreed with the relevant local government authority or authorities. It connects environmental, social, economic and cultural activities with host-community priorities. The provision supplies a purpose and a beneficiary connection; it does not prescribe a universal expenditure rate.¹

The distinction matters to residents as well as operators. A new school cannot, merely by benefiting the locality, settle a household's compensation claim. Restoring a water supply damaged by mining may be a remedial duty rather than an additional development contribution. These examples expose a risk in treating all socially useful expenditure as CSR: the community may receive, as an apparent benefit, something already owed under another legal obligation. The separate treatment of compensation, CSR and environmental responsibility in the Mining Act provides the starting point for avoiding that result.²

Interviewees described the problem from different sides. Mine representatives reported requests beyond agreed projects and uncertainty over their total contribution. Public officials emphasised needs exceeding the resources offered. Some participants wanted a clearer financial formula; others resisted treating CSR as another tax.³ Neither the company's budget nor the local development programme can resolve those competing claims on its own.

The central question is therefore: what substantive limits should govern compulsory CSR obligations imposed on mineral-right holders in Tanzania Mainland? This article argues for identifiable additional benefits, directed to the statutory community, through proportionate commitments with a defined duration. It distinguishes limits supported by existing law from proposals requiring clarification. The justification for compulsion, participation procedures and institutional performance are addressed only where necessary to explain a substantive boundary.

¹ Mining Act, Cap. 123, R.E. 2023, s. 136(1), (2), (5). This corresponds to s. 105 in the R.E. 2019 numbering. See also Mining (Corporate Social Responsibility) Regulations, 2023, GN No. 409 of 2023, amended by GN No. 692 of 2025.

² Mining Act, ss. 122, 136, 138.

³ Interviews with a Senior Manager responsible for Sustainability, a Resident Mine Officer and a Municipal Director, 2026.

2 Methodology and analytical framework

The study combines doctrinal and documentary analysis with semi-structured interviews in Geita, Shinyanga, Mara and Arusha. Purposive sampling brought together forty-one participants: sixteen government officials, thirteen mineral-right holder representatives and twelve participants from civil society, professional, academic and community backgrounds. Selection sought informed and contrasting accounts. The sample supports an examination of legal problems in practice, not estimates of their prevalence across Tanzania Mainland.

Legal materials were assessed by authority, wording and relationship with adjacent duties. Interview accounts were analysed thematically for financial demands, overlapping obligations, beneficiaries and duration, then compared with those materials. Disagreement was retained where it affected the interpretation. An official's explanation was not treated as legal authority, nor a company's account of financial pressure as audited evidence. Participants were informed of the academic purpose and consent was sought. References identify positions and the interview year, 2026, while withholding names and unnecessary identifying details.

Distributive justice directs attention to the allocation of mining benefits and burdens. Chagadama and Viljoen distinguish distribution from remedial justice in their analysis of mine-host communities.⁴ The distinction is useful here: an additional benefit should not consume an entitlement arising from harm. Distribution also raises questions about disadvantage within an eligible community. It helps evaluate an allocation, but cannot confer a power absent from the legislation.

Stakeholder theory brings workers, neighbouring inhabitants, local enterprises and public bodies into view alongside shareholders. Valentinov's account situates stakeholder relationships within a broader institutional and ethical understanding of business.⁵ Recognising an interest, however, does not make every demand legally enforceable. The analysis must still identify whose claim falls within the statutory duty.

Proportionality and additionality translate these concerns into workable criteria. The first asks whether the proposed undertaking bears a defensible relationship to the operation, community circumstances and burden imposed. The second asks what benefit remains beyond existing duties and ordinary operating expenditure. The Mining Act's separate treatment of

⁴ Stanford Chagadama and Germarié Viljoen, "The Concept of Social Justice in Mine-Host Community Involvement and Benefit Accrual: Reflections from Mineral Extraction in Zimbabwe," *Potchefstroom Electronic Law Journal* 27 (2024): 9, <https://doi.org/10.17159/1727-3781/2024/v27i0a16617>.

⁵ Vladislav Valentinov, "Stakeholder Theory: Toward a Classical Institutional Economics Perspective," *Journal of Business Ethics* 188, no. 1 (2023): 75–88, abstract, <https://doi.org/10.1007/s10551-022-05304-w>.

compensation, CSR and environmental responsibility supports this approach.⁶ The detailed tests below are interpretive and reform proposals, not statutory formulas. Illustrative examples are hypothetical unless expressly attributed to evidence.

3 Proportionality of compulsory CSR obligations

An unmet local need is a reason to consider a project, not a complete measure of what a particular holder owes. Section 136 links CSR to specified activities and the host community.⁷ Within that framework, the extent of the contribution should reflect the operation and the benefit sought. Otherwise, the duty risks expanding into responsibility for whatever public expenditure lacks another source of funding.

Operational scale is relevant, but licence category cannot tell the whole story. Resident Mine Officers and managers of smaller operations described intermittent production and limited financial or technical resources.⁸ Those accounts support differentiation without establishing that every small operator lacks capacity. A smaller operation may be commercially successful; a larger mine may still be under construction. Actual activity, operating stage and demonstrated resources should therefore inform the assessment alongside formal classification.

The scale of the business may also differ from the severity of its effects. The OECD's 2023 Guidelines relate due diligence to such matters as enterprise size, involvement in an adverse impact and its severity.⁹ They do not supply a Tanzanian CSR spending formula. Their limited comparative value is to caution against using size alone: a small operation need not create minor risks, and a large one does not become responsible for every nearby development need. Impact-sensitive assessment must preserve existing rights. Sections 122 and 138 respectively address compensation, relocation and resettlement, and compliance with environmental principles.¹⁰ Where harm must be remedied under those duties, proportionality should not turn the remedy into a cheaper community project. Impact may explain why additional benefits are appropriate. It does not make remediation additional.

Community circumstances also affect the choice of contribution. A Mining Commission official and a Planning Officer emphasised water, health, education and benefits capable of

⁶ Mining Act, ss. 122, 136, 138.

⁷ Mining Act, s. 136(2), (5).

⁸ Interviews with Resident Mine Officers and managers of small mining operations, 2026.

⁹ Organisation for Economic Co-operation and Development (OECD), *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* (Paris: OECD Publishing, 2023), 18, commentary para. 19, <https://doi.org/10.1787/81f92357-en>.

¹⁰ Mining Act, ss. 122, 138.

surviving extraction.¹¹ Their accounts do not establish a hierarchy in which one project type is always preferable. A modest improvement to an existing service may achieve more than an expensive building. The assessment should consider the benefit reasonably expected, including the conditions needed for residents to use it.

The full undertaking matters. A Senior Manager responsible for Sustainability and a Superintendent responsible for Land Access described demands outside agreed plans.¹² A series of manageable additions can substantially alter the total contribution. Proposed obligations should therefore include foreseeable equipment, connections, maintenance and transitional support where these form part of the promised benefit. Assessing each request separately conceals the cumulative burden.

Uniform expenditure requirements offer only partial certainty. The same amount bears differently on operators with different resources, while a percentage changes meaning according to whether it measures revenue, profit or production. Interviewees seeking a clearer financial basis did not agree on a single formula.¹³ This study does not contain the financial evidence needed to recommend a national rate. Any formula would need a defined base, period and treatment of significant operational change.

Nor is quantification inherently incompatible with CSR. A Resident Mine Officer's concern that the obligation should not become a tax expresses a concern about burdens; it is not a legal holding against numerical rules.¹⁴ An authorised formula could improve predictability. The objection is to rigidity without justification, or precision without a clear legal basis.

Responsibility must also attach to the correct entity. Section 136 places the duty on the mineral-right holder.¹⁵ Membership of a prosperous corporate group does not by itself explain why another company must perform that duty. Reform should nevertheless avoid incentives for artificial fragmentation. That is a design concern, not a finding of avoidance by the interviewed companies. Similarly, one unusually profitable or difficult year should not automatically determine the scale of a long-term commitment.

Existing liabilities belong in the capacity assessment without earning CSR credit. Taxes, compensation and environmental expenditure affect the resources available for an additional

¹¹ Interviews with a Mining Commission official responsible for Local Content and CSR and a Planning Officer, 2026.

¹² Interviews with a Senior Manager responsible for Sustainability and a Superintendent responsible for Land Access, 2026.

¹³ Interviews with a Superintendent Community Relations Manager, a Senior Manager responsible for Sustainability and a Resident Mine Officer, 2026.

¹⁴ Interview with a Resident Mine Officer, 2026; Mining Act, s. 136.

¹⁵ Mining Act, s. 136(1).

undertaking, but their separate legal purposes remain.¹⁶ Consider a holder owing compensation while being asked to finance a clinic. The clinic's wider benefit cannot justify reducing the protected entitlement. Its scale or timing may nevertheless reflect the holder's established financial position after liabilities are recognised.¹⁷ The sequence is important: identify what is already owed, then assess the additional contribution.

Urgency does not remove that distinction. A small-operation manager reported requests associated with floods, roads and unexpected events.¹⁸ If mining caused the damage, assistance may discharge a remedial duty. Otherwise, emergency support may qualify as an additional benefit, but the emergency does not itself establish unlimited responsibility. A proportionality assessment should examine purpose, operational connection, delivery options and the total burden. It may justify staging a future programme; it should not extinguish an independent liability or accrued undertaking.¹⁹

4 Additionality and existing legal duties

Additionality concerns credit against the compulsory development undertaking. It does not suggest that environmental compliance or decent employment falls outside corporate responsibility in its wider ethical sense. The narrower question is whether expenditure necessary for lawful operations may also discharge CSR. The distinction between sections 122, 136 and 138 supports separate treatment, although the Act does not expressly enact the complete additionality test proposed here.²⁰

The practical inquiry begins with the source of the expenditure: what required it? A licence condition, compensation entitlement or ordinary operating need does not change character because performance benefits local people. The next question is what extra benefit remains. Integrated delivery should remain possible, but each component must be attributed to the duty it fulfils. One contract can implement several obligations without making them interchangeable.²¹

Compensation provides the clearest example. Section 122 addresses affected owners and occupiers and connects compensation, relocation and resettlement with land-law requirements.²² A classroom used by an affected family does not establish that the family has

¹⁶ Mining Act, ss. 122, 136, 138; Income Tax Act, Cap. 332, R.E. 2023, s. 4, as amended.

¹⁷ Mining Act, s. 122; Constitution of the United Republic of Tanzania, 1977, art. 24.

¹⁸ Interview with a manager of a small mining operation, 2026.

¹⁹ Mining Act, ss. 122, 136, 138; interviews with Resident Mine Officers, 2026.

²⁰ Mining Act, ss. 122, 136, 138.

²¹ Mining Act, ss. 122, 136, 138.

²² Mining Act, s. 122(1), (2).

received its entitlement. The value of a community project cannot simply be apportioned among residents and treated as payment of their individual claims.

In *Attorney General v Lohay Akonaay and Joseph Lohay*, the Court of Appeal recognised customary land interests as constitutionally protected property and addressed fair compensation.²³ Although the case did not concern mining CSR, it reinforces the need to satisfy a property claim on its own legal terms. General development benefits cannot simply replace that inquiry.

Shared resources require similar care. If the law requires replacement of an impaired communal water supply, the replacement remains remedial even though many residents benefit. A separately identifiable extension to previously unserved households may be additional.²⁴ Nor does council approval of the larger project establish authority to compromise everyone's rights. Where a lawful settlement provides benefits in kind, those benefits should be attributed to the settlement rather than credited again as CSR.²⁵

Environmental spending is not a single category. Mandatory pollution control, rehabilitation and closure work belong to lawful mining under the applicable legislation and conditions.²⁶ Their performance should not depend on an available CSR budget. Section 136's inclusion of environmental activities nevertheless leaves room for additional conservation or education projects. In mixed works, only the reasonably attributable additional component should receive CSR credit. This preserves both statutory purposes without excluding environmental development altogether.²⁷

Employment protections require the same discipline. Workers may live in the host community, but paying wages, providing required benefits or supplying protective equipment does not thereby become an additional community contribution. The Employment and Labour Relations Act and Occupational Health and Safety Act govern those duties independently.²⁸ Their importance to household welfare strengthens the case for performance; it does not justify counting the expenditure twice.

Training can be harder to classify. Instruction required for safe or competent employment ordinarily serves the operation. Transferable skills training for non-employees may provide a

²³ *Attorney General v Lohay Akonaay and Joseph Lohay* [1995] TLR 80 (CA), 90; Constitution of the United Republic of Tanzania, 1977, art. 24.

²⁴ Chagadama and Viljoen, "Concept of Social Justice," 9; Mining Act, ss. 122, 138.

²⁵ Mining Act, ss. 122(1), (2), 136(3); *Lohay Akonaay* [1995] TLR 80 (CA).

²⁶ Mining Act, ss. 136(2), 138; Environmental Management Act, Cap. 191.

²⁷ Mining Act, ss. 136(2), 138.

²⁸ Employment and Labour Relations Act, Cap. 366, R.E. 2023, ss. 28, 32–35, as amended; Occupational Health and Safety Act, Cap. 297, R.E. 2023, ss. 62, 95.

separate community benefit, provided it is not already required under another commitment. The local content framework makes that qualification important because training, employment and supplier development may already be regulated undertakings.²⁹ The programme's name cannot determine which duty it performs.

Tax treatment is another distinct inquiry. Sections 11 and 16 of the Income Tax Act address deductions, including specified contributions and statutory payments supporting community development.³⁰ Deductibility neither establishes eligibility for CSR credit nor means that tax falls by the full amount contributed. Equally, a CSR obligation cannot authorise a deduction the fiscal legislation does not permit.

An Assistant Lecturer in Mineral, Petroleum and Environmental Law raised existing taxation when discussing the burden of CSR.³¹ That concern is relevant to capacity. It does not make the payment of public revenue equivalent to a contribution directed towards the host community. Recognising cumulative costs and rejecting double credit are compatible positions. Local purchasing shows why economic benefit alone is insufficient. A supplier's payment ordinarily buys goods or services needed by the operation. Crediting the entire transaction as CSR would allow routine procurement to absorb the development undertaking. Extra supplier support may qualify, but only to the extent that it exceeds the commercial transaction and binding local content requirements.³² Reasonable attribution is preferable to artificial precision. Where the additional element cannot be established, the uncertain amount should await classification rather than automatically receive credit.³³

5 Eligible purposes, beneficiaries, and public responsibilities

The breadth of section 136 accommodates varied community needs. Its environmental, social, economic and cultural categories must nevertheless be read with the host-community connection.³⁴ A claim for eligible expenditure should identify the benefit and intended beneficiaries. General social usefulness is not enough.

Development also extends beyond construction. The Mining Commission official and Planning Officer favoured attention to productive opportunities and usefulness beyond extraction.³⁵

²⁹ Mining (Local Content) Regulations, 2018, GN No. 3 of 2018, as amended; Mining Act, ss. 133–135; Occupational Health and Safety Act, s. 34.

³⁰ Income Tax Act, ss. 11, 16(1)(a), (c); Mining Act, s. 136.

³¹ Interview with an Assistant Lecturer in Mineral, Petroleum and Environmental Law, 2026.

³² Mining (Local Content) Regulations, 2018, as amended; Mining Act, s. 136.

³³ Mining Act, ss. 122, 136, 138; Mining (Local Content) Regulations, 2018, as amended.

³⁴ Mining Act, s. 136(2), (5).

³⁵ Interviews with a Mining Commission official responsible for Local Content and CSR and a Planning Officer, 2026.

These concerns support livelihoods and transferable skills alongside public facilities, without proving that enterprise programmes always perform better. Visibility at completion should not determine value.

Research at North Mara describes education, health, water and economic contributions.³⁶ Such variety demands careful classification rather than suspicion of every shared benefit. A haul road remains an operating asset even if residents use it. An independently identifiable improvement for public access may be different. Likewise, a clinic reserved for employees mainly serves the workforce, whereas broader access may support an additional development purpose. Purpose, access and attributable cost should guide the distinction. Corporate goodwill need not disqualify a project; an additional community benefit must still remain.³⁷

Requests connected with political visits were among those reported by a manager of a small operation.³⁸ The account does not establish the legal character of every payment, but illustrates why the requester's influence cannot determine eligibility. Party support and personal gifts should not discharge the community obligation. A cultural event may qualify where its development purpose is identifiable and its cost proportionate.

Project administration requires a narrower approach than charging all corporate relationship costs to CSR. Reasonable delivery expenses may form part of the contribution, but advertising and hospitality should not automatically be treated as the benefit itself. OECD guidance on donations, sponsorships and political contributions reinforces the need to examine a payment's actual purpose.³⁹ It supports scrutiny, not a claim that an international guideline has enacted a domestic expenditure rule.

Beneficiary geography is less straightforward than the statutory wording initially suggests. Some interviewees described the host community as unclear, yet section 136(5) does define it by reference to inhabitants of the local area where mining operation activities take place.⁴⁰ The difficulty lies in applying that connection. A mine boundary, ward boundary and service catchment need not coincide. Neither immediate proximity nor district residence alone should replace examination of the statutory relationship.

In *Godfrey Mwita Kegoye and Four Others v Minister for Minerals and Another*, the High Court quashed regulation 4(4)(a) and (b), which allocated 40 per cent of CSR resources to the

³⁶ Immaculate O. Gillo, Odass Bilame and Emiliana A. Assenga, "Corporate Social Responsibility Practices: Insights from North Mara Gold Mine, Tanzania," *International Journal of Research in Business and Social Science* 12, no. 6 (2023): 84, 88, <https://doi.org/10.20525/ijrbs.v12i6.2795>; Mining Act, s. 136(2).

³⁷ Mining Act, s. 136(2), (5).

³⁸ Interview with a manager of a small mining operation, 2026; Mining Act, s. 136(2).

³⁹ OECD, *Guidelines for Multinational Enterprises*, 40, chap. VII, para. 7 and commentary para. 86.

⁴⁰ Mining Act, s. 136(5); interview with a Superintendent Community Relations Manager, 2026.

host community and 60 per cent to the relevant council. The court found the allocation inconsistent with the parent Act.⁴¹ The ruling limits delegated redistribution; it neither abolishes compulsory CSR nor establishes the proportionality test proposed here.

The location of an asset and the destination of its benefit can differ. A clinic outside the nearest village may serve its inhabitants, while a facility within it may principally serve others. These examples do not enlarge the statutory class; they show why intended users matter.⁴² A Municipal Director's view that mining pressures extend beyond the closest wards deserves consideration, but an interview cannot expand legal authority.⁴³ Wider redistribution requires a legislative basis where it exceeds the existing definition.

Within the eligible community, equal territorial shares need not be equitable. Population, disadvantage and access to services may differ. Scholarships and enterprise grants may legitimately reach selected individuals where selection serves a community development purpose rather than patronage.⁴⁴ The proposal is not an equal payment to every resident. It is a defensible connection between scarce benefits and the programme's purpose.

Support for public services must also leave public responsibilities visible. Section 115 of the Local Government (District Authorities) Act assigns welfare, development and service functions to local authorities.⁴⁵ Financing a classroom does not by itself transfer an indefinite duty to employ teachers or administer education. The company may undertake equipment, maintenance or transitional support, but the extent of that promise must be established rather than assumed.

A defined endpoint should not excuse an unusable facility. North Mara research describes community contributions alongside continuing water-service difficulties.⁴⁶ Construction and effective provision cannot therefore be treated as equivalent. Where the undertaking promises a functioning facility, the necessary components belong in the obligation; recurrent support after delivery should be separately identified.

South African research by Serfontein-Jordaan and Dlungwane describes agreements clarifying mine and municipal responsibilities before infrastructure work, including maintenance after

⁴¹ *Godfrey Mwita Kegoye and Four Others v Minister for Minerals and Another*, Miscellaneous Cause No. 000013576 of 2025, [2026] TZHC 72 (HC, Musoma, 28 January 2026), 17, 28.

⁴² Mining Act, s. 136(5); *Kegoye* [2026] TZHC 72, 16.

⁴³ Interview with a Municipal Director, 2026; *Kegoye* [2026] TZHC 72, 17.

⁴⁴ Mining Act, s. 136(2), (5); Chagadama and Viljoen, "Concept of Social Justice," 29.

⁴⁵ Local Government (District Authorities) Act, Cap. 287, R.E. 2023, s. 115(1)(b), (c), (2)(c); Mining Act, s. 136.

⁴⁶ Gillo, Bilame and Assenga, "Corporate Social Responsibility Practices," 86.

handover.⁴⁷ The lesson is modest but useful: initial delivery, transition and continuing service can be separated. Such an agreement cannot guarantee an adequate municipal budget. It can expose an unresolved responsibility before construction leaves residents with an asset that no institution is prepared to sustain.

6 Temporal limits of compulsory CSR

Annual planning does not answer how long every undertaking lasts. Section 136 establishes a recurring planning framework, while particular projects and independent liabilities may operate over different periods.⁴⁸ Neither perpetual funding nor automatic cancellation at year-end follows from an annual plan.

A manager of a small operation reported requests for classrooms before production was established.⁴⁹ That account supports attention to the operating stage, not exemption from the planning duty. Limited preliminary activity should not be assessed as though it were mature production. Conversely, absence of accounting profit should not alone determine the contribution where activity and community pressures have already begun. A clearer framework should permit definite, staged commitments tied to relevant circumstances rather than unilateral postponement.⁵⁰

Some undertakings need more than one annual cycle. A Superintendent responsible for Land Access and a Planning Officer favoured a longer view of community commitments.⁵¹ A phased water scheme can be reflected in successive plans while retaining an identifiable overall undertaking. The current year's contribution should be distinguished from the commitment as a whole and its completion conditions.

Legal status remains decisive. An informal suggestion about a possible project is not necessarily equivalent to a binding undertaking. Section 136's planning requirement does not remove the need to examine a particular commitment's source and terms.⁵² Once an obligation has accrued, the end of the financial year cannot simply be assumed to erase it. Nor should every expression of corporate intention be treated as a debt.

Suspension brings that distinction into focus. Accounts of intermittent production and

⁴⁷ Muriel Serfontein-Jordaan and Sixolile Dlungwane, "Achieving Sustainable Corporate Social Responsibility Outcomes: A Multiple Case Study in the South African Mining Industry," *Communitas* 27 (2022), section "Theme 3: Stakeholder Engagement in Achieving Sustainable CSR Outcomes," subsection "Local Municipalities," <https://doi.org/10.18820/24150525/comm.v27.1>.

⁴⁸ Mining Act, s. 136(1)–(3).

⁴⁹ Interview with a manager of a small mining operation, 2026.

⁵⁰ Mining Act, s. 136(1).

⁵¹ Interviews with a Superintendent responsible for Land Access and a Planning Officer, 2026.

⁵² Mining Act, s. 136(1), (3). The enforceability of a particular undertaking depends on its legal source and terms.

constrained resources explain why future expenditure may need reassessment.⁵³ Under the proposed approach, the cause and duration of interruption, remaining capacity and maturity of the commitment would matter. A recreation project still under consideration differs from a scholarship already awarded for a defined course. These examples illustrate prospective adjustment and existing commitment; they are not reported company decisions.

Unfinished works require particular attention. Abandonment may waste previous expenditure without delivering the promised benefit, but that does not establish an unconditional duty to finish every project regardless of its legal status. Interviewees described uncertainty and delays.⁵⁴ The appropriate response is to identify what remains due and any lawful basis for variation. An operational change should not become a retrospective denial that a binding undertaking existed.

Closure likewise leaves several possible endpoints. A Resident Mine Officer distinguished annual CSR planning from closure planning.⁵⁵ Rehabilitation and pollution-control duties arise independently and may continue after production. Their duration cannot establish that every community programme must continue equally long; conversely, ending ordinary CSR expenditure does not discharge environmental liabilities.

Western Australia's November 2025 closure guidance organises completion criteria, monitoring, maintenance and cost estimation within the closure process.⁵⁶ It imposes no Tanzanian CSR obligation. Its useful lesson is to identify what remains to be done and how completion will be recognised. That discipline supports separate endpoints for community undertakings and independent closure duties rather than treating the last day of production as the end of all responsibility.

CSR can still prepare residents for life after extraction. Interviewees emphasised transferable benefits and longer-term usefulness.⁵⁷ Skills, viable enterprises and functioning public assets may pursue that objective without requiring permanent corporate funding. At unexpected closure, commitments should be classified as completed, accrued, under way or not yet binding. This proposed classification creates neither insolvency priority nor guaranteed recovery. It identifies the undertaking whose continuation, discharge or lawful variation must be considered

⁵³ Interviews with Resident Mine Officers and managers of small mining operations, 2026.

⁵⁴ Interviews with a Superintendent Community Relations Manager and a Superintendent responsible for Land Access, 2026.

⁵⁵ Interview with a Resident Mine Officer, 2026; Mining Act, s. 138.

⁵⁶ Western Australia, Department of Mines, Petroleum and Exploration, *Guideline for Preparing Mine Closure Plans* (November 2025), 20, 28, 31, https://www.wa.gov.au/system/files/2025-11/preparing_mine_closure_plans.pdf.

⁵⁷ Interviews with a Mining Commission official responsible for Local Content and CSR and a Planning Officer, 2026.

under its own legal basis.⁵⁸

7 Conclusion and recommendations

Compulsory mining CSR needs boundaries that protect its beneficiaries as well as constrain demands on operators. Section 136 supplies the statutory purpose and community connection; its relationship with compensation and environmental duties resists treating all expenditure as interchangeable.⁵⁹ The proper obligation is an additional development benefit, proportionate to the operation, owed to the relevant community through an ascertainable undertaking.

Clarification should address financial differentiation first. Operating stage, demonstrated capacity, community circumstances and cumulative commitments should inform the extent of contributions. A numerical formula may assist, but only with clear authority and a defined base and period.⁶⁰ Additionality should then govern what counts: compensation, mandatory environmental and employment expenditure, taxation, ordinary business costs and binding local content commitments should not receive a second credit. Mixed projects should remain possible through reasonable attribution.⁶¹

Eligible purposes and beneficiaries must be considered together. Services, livelihoods, skills and environmental or cultural initiatives may qualify where their community benefit can be established. Political promotion and ordinary corporate functions should not. The interpretation of host community must respect the statutory connection and the limits on delegated authority illustrated by *Kegoye*.⁶² Need informs allocation within lawful boundaries; it cannot alone enlarge them.

Finally, substantial commitments should distinguish delivery, functionality, maintenance and transitional support. Annual plans should accommodate defined multi-year undertakings. Suspension or closure should trigger an examination of what remains due, without automatic cancellation or indefinite continuation. Public functions and environmental liabilities retain their separate legal bases.⁶³ These limits would make CSR more dependable: communities

⁵⁸ Mining Act, ss. 136, 138.

⁵⁹ Mining Act, ss. 122, 136, 138; interviews with a Senior Manager responsible for Sustainability and a Municipal Director, 2026.

⁶⁰ Interviews with Resident Mine Officers and managers of small mining operations, 2026; see the analysis in section 3 above.

⁶¹ Mining Act, ss. 122, 136, 138; Employment and Labour Relations Act; Occupational Health and Safety Act; Income Tax Act; Mining (Local Content) Regulations, 2018, as amended.

⁶² Mining Act, s. 136(2), (5); *Kegoye* [2026] TZHC 72, 17.

⁶³ Local Government (District Authorities) Act, s. 115; Mining Act, ss. 136, 138; Serfontein-Jordaan and Dlungwane, “Achieving Sustainable Corporate Social Responsibility Outcomes,” section “Theme 3,” subsection “Local Municipalities.”

could identify the benefit owed to them, and holders could identify the undertaking they must fulfil.

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