

Country Focus: Tanzania's Gold Market

August 2025

Executive Summary

Tanzania stands as one of Africa's leading gold producers, with the mineral forming a critical pillar of the nation's economy. Gold exports account for over 40% of Tanzania's total export earnings, significantly contributing to government revenue and employment. This report reviews the historical and recent performance of the gold export sector, the regulatory environment, key market destinations, and outlines both opportunities and risks that exist within the country.

ECONOMIC AND MINING SECTOR OVERVIEW

With an estimated GDP growth rate of 5.3% in 2024, Tanzania maintains a diversified economy, supported by the services, agriculture, and mining sectors. According to the National Bureau of Statistics, the mining industry contributes around 7% to national GDP, with gold accounting for over 90% of the country's mineral export value. Since assuming office in 2021, President Samia Suluhu Hassan's administration has placed strong emphasis on stabilising the mining investment climate, aiming to restore investor confidence after several years of policy uncertainty and regulatory reforms.

Figure 1: Mineral Occurrence in Tanzania (Map)



Source: TanzaniaInvest

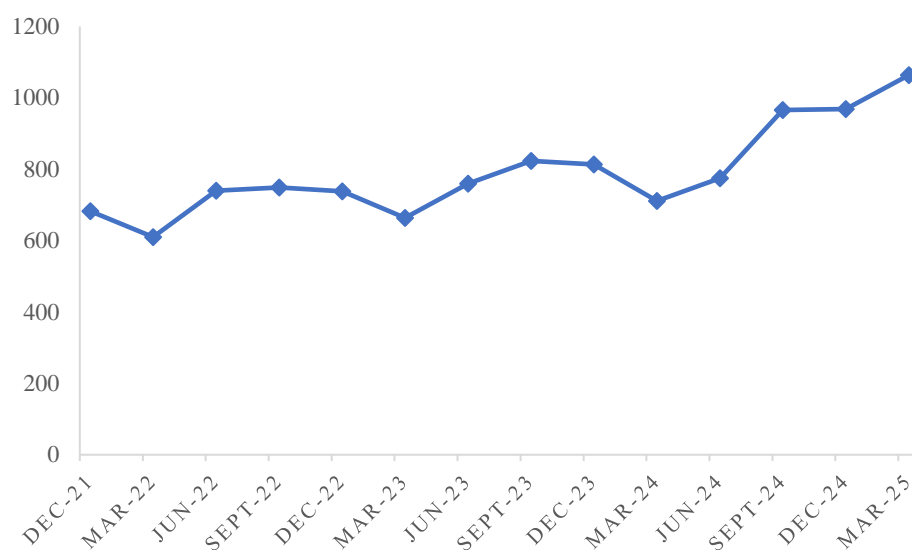
Major gold mining operations are located in Geita, North Mara, Bulyanhulu, Buzwagi, Tulawaka, Golden Pride and Shanta Chunya. Artisanal and small-scale mining (ASM) operations involve up to 1.5 million Tanzanians, contributing to socio-economic livelihoods, despite challenges related to environmental management and worker safety.

CONTRIBUTION TO GDP AND THE MINING SECTOR

As of Quarter 4 2024, Tanzania's mining sector contributed TZS 2.318 trillion (approx. US\$923 million¹) to GDP, representing a 10.1% share. Between 2000 and 2012, the sector's annual growth averaged 10.2%. Gold remains the dominant mineral, accounting for over 90% of Tanzania's mineral export value.

¹ Using exchange Rate of US\$1 = 2,642 TZS

Figure 2: Tanzania's Quarterly Gold Exports (2021 – 2025)



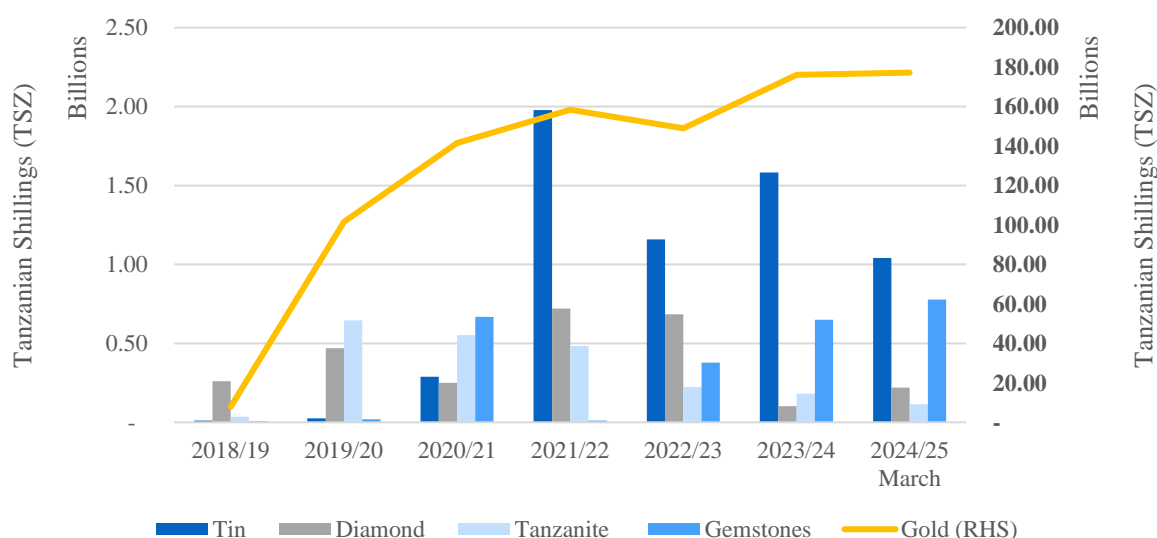
Source: Bank of Tanzania, Quarterly Bulletin

Gold export earnings followed a strong growth pattern. Tanzania earned US\$609.9 million from gold exports in Quarter 1 2022, with this figure rising steadily to over US\$1 billion in the corresponding quarter of 2025. Importantly, export earnings often grew faster than production volumes, indicating favourable global market conditions, increased demand, and competitive pricing for Tanzanian gold on international markets.

Between 2021 and 2025, Tanzania's gold export earnings showed steady growth, marked by notable peaks and occasional dips. The lowest quarterly export earnings during this period were recorded in Quarter 1 2022, at US\$609.9 million. From this point, export earnings consistently increased, reaching a high of US\$823.5 million in Quarter 3 2023.

After a slowdown to US\$711 million in Quarter 1 2024, exports rebounded sharply, with earnings rising to US\$965.8 million in Quarter 3 2024. The strongest quarterly performance was achieved in Quarter 1 2025, when gold export earnings peaked at an impressive US\$1,063.5 million, in line with the highest valuation of gold within the reviewed period.

Figure 3: Tanzania's Mineral Market Performance (2018 – 2025)



Source: The United Republic of Tanzania Ministry of Minerals

Tanzania's mineral sector has experienced remarkable growth over the past seven years, with total market earnings rising steadily from approximately TZS 8,37 billion (approx. US\$338 million) in 2018/19 to over TZS 182,04 billion (approx. US\$74.3 million) by March 2025. This sustained growth underscores the sector's strategic importance to the national economy, driven primarily by the strong performance of gold alongside consistent, though smaller, contributions from minerals such as tin, diamonds, tanzanite, and gemstones.

Gold has remained the backbone of Tanzania's mineral market throughout this period. In 2018/19, gold contributed approximately TZS 7,89 billion (approx. US\$3.2 billion), accounting for 94.14% of total mineral earnings. This figure rose sharply over the years, reaching TZS 177,24 billion (approx. US\$72.3 billion) by March 2025. Gold consistently dominated the sector, maintaining a contribution of over 90% to total mineral market earnings each year.

Meanwhile, other minerals made steady, albeit smaller, contributions. Tin earnings increased from TZS 11.59 million (approx. US\$4370) in 2018/19 to over TZS 1,04 billion (approx. US\$425 million) by March 2025, reflecting rising demand and stronger global prices. Similarly, diamonds experienced notable fluctuations, peaking at TZS 719.70 billion (approx. US\$294 million) in 2021/22 before easing to TZS 219.36 billion (approx. US\$89.5 million) by March 2025.

Tanzanite, Tanzania's signature gemstone, displayed variable market performance over the years. Its value rose from TZS 36.02 billion (approx. US\$14.7 million) in 2018/19 to a peak of TZS 645.93 billion (approx. US\$264 million) in 2020/21, before declining to TZS 114.89 billion (about US\$47 million) by March 2025. Gemstones followed a similar growth pattern, with market earnings increasing from TZS 5.94 million (approx. US\$2,424) in 2018/19 to TZS 776.56 billion (approx. US\$315 million) by March 2025, supported by a growing international appetite for coloured stones.

Overall, Tanzania's mineral market has demonstrated consistent and robust performance, achieving high total earnings year after year. The sector's total contribution grew from TZS 145,23 billion (about US\$59.3 billion) in 2020/21 to a peak of TZS 183,18 billion (approx. US\$74.7 billion) in 2023/24, before slightly easing to TZS 182,04 billion (approx. US\$74.3 billion) by March 2025. Throughout this period, the mining sector's share of total mineral market earnings remained above 94%, reaffirming its vital role in sustaining Tanzania's economic growth.

Gold Export Performance and Market Trends

Tanzania ranks among Africa's top four gold producers, alongside Ghana, South Africa, and Sudan. In 2023, the country exported approximately 58 tonnes of gold, generating US\$3.1 billion in foreign exchange. The export market is concentrated, with the United Arab Emirates (UAE), India, and Switzerland as top buyers. Export earnings strongly correlate with global gold price movements and local production output.

Estimated export earnings for 2024 reached approximately US\$3.4 billion. Historically, gold accounted for over 90 percent of Tanzania's mineral exports, with many of the same major markets such as India, the UAE, Switzerland, along with China, Turkey, and the United States.

Figure 4: Tanzania's Gold Export Earnings (US\$ in Billions, 2020 - 2024)



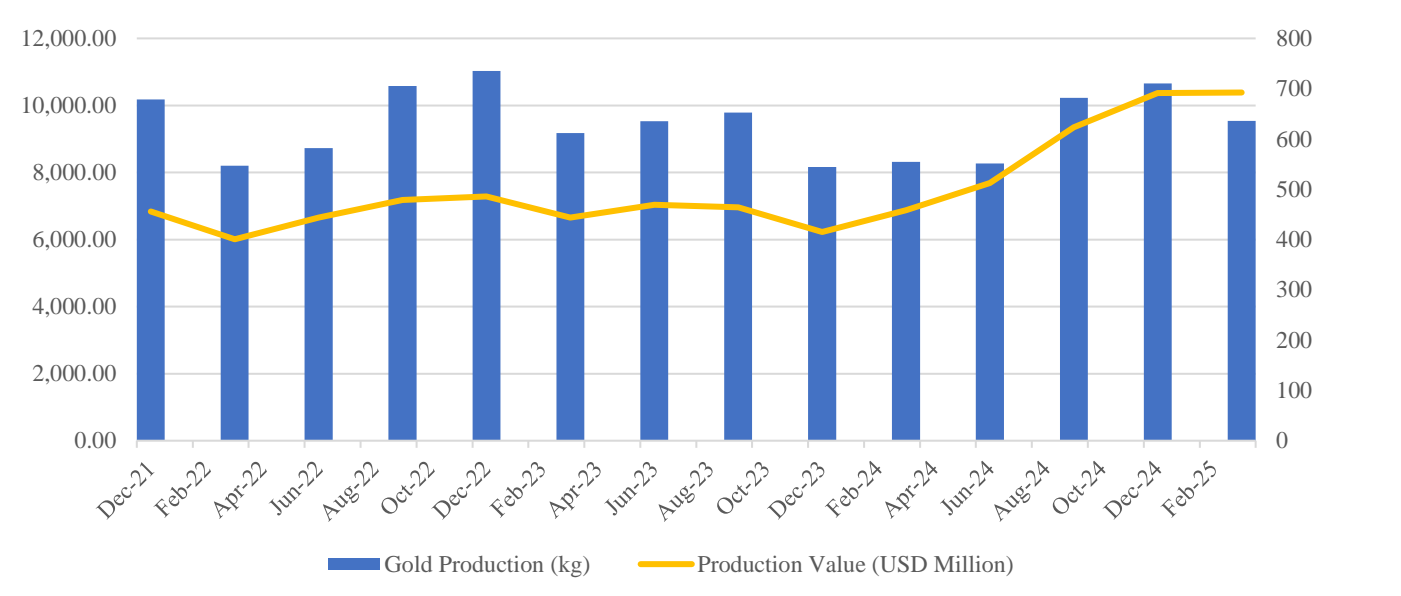
Source: Tanzania Economic Report, HEI Research

Figure 4: Tanzania’s gold export earnings grew steadily from US\$ 2.7 billion in 2020 to US\$ 3.4 billion in 2024, supported by higher production volumes and favorable gold prices.

GOLD PRODUCTION CAPACITY

Tanzania’s total gold production stood at 60,000 kg in 2024, an increase from 55,000 kg in 2023, marking its highest recorded output. Production has steadily increased from an average of 40,650 kg in the 1990s, with consistent growth since the early 2000s.

Figure 5: Tanzania’s Gold Production (kg) compared to Production Value (US\$ millions)



Source: Bank of Tanzania, Quarterly Bulletin

Tanzania’s gold industry has remained one of the country’s strongest economic sectors, with steady growth in production, production value, and export earnings over the past four years. The period between 2021 and 2025 highlights how gold continues to play a vital role in generating foreign exchange earnings and supporting overall economic activity.

Gold production experienced some fluctuations during this time. The highest production level was recorded in December 2022, with 11,032.1 kilograms of gold produced. The lowest output occurred in March 2022 at 8,201.10 kilograms. However, production recovered well in the following months, with notable increases in late 2024. By March 2025, production stood at 9,538.5 kilograms, a stable figure compared to earlier years.

In terms of value, Tanzania’s gold production recorded consistent growth. The production value increased from US\$ 400.6 million in March 2022 to US\$ 692.4 million by March 2025. This upward trend reflects not only higher production volumes in certain periods but also stronger international gold prices and possibly improved operational efficiencies within the sector.

Regulatory and Policy Environment

The sector operates under the Mining Act, with significant amendments in 2017 introducing government equity stakes in mining projects, local content obligations, and restrictions on unrefined gold exports. The government holds shares in major mines through partnerships such as Twiga Minerals Corporation, a joint venture with Barrick Gold.

Additionally, the Bank of Tanzania has introduced a new policy requiring all gold exporters to sell 20% of their gold to the central bank before exporting the remaining volumes. This move, aimed at strengthening the country’s gold reserves and stabilizing the Tanzanian shilling, offers local miners a guaranteed domestic market for a portion of their output. The policy benefits miners through competitive, market-aligned prices, faster payment turnaround, and reduced royalties and export fees. For the broader gold market, this regulation promotes formalized trade, increases transparency, and ensures a steady flow of gold into the country’s reserves, which positions Tanzania as a more financially resilient player in the global gold market.

Opportunities and Challenges

Key opportunities for Tanzania's gold sector include expanding domestic refining capacity and developing value-added industries such as gold jewellery manufacturing. Local manufacturing could create new markets for African gold jewellery both within the continent by leveraging trade opportunities through the African Continental Free Trade Area (AfCFTA) and internationally. This is especially important since major export destinations like the United Arab Emirates and Switzerland likely perform significant value addition, such as Swiss watchmaking. Expanding value-added production and tapping into regional and global markets could significantly enhance the sector's growth and economic impact.

These initiatives align with the government's broader strategy to gradually reduce the export of raw minerals in favour of higher-value processed products that can generate greater economic returns and create local employment opportunities. Additionally, growing regional demand for refined gold products offers further potential for market expansion.

However, the sector continues to face notable challenges. The formalisation of artisanal and small-scale mining remains a priority, as the informal nature of this segment limits government revenue collection and complicates effective sector management.

Environmental sustainability and responsible mining practices are also critical concerns, particularly as mining activities expand into new areas. Furthermore, the persistent issue of gold smuggling continues to undermine official export figures, reducing state revenues and weakening the transparency and integrity of Tanzania's gold market.

Addressing these challenges will be essential to unlocking the sector's full economic potential in the years ahead.

Market Outlook

Tanzania's gold export sector is expected to maintain steady growth through 2030, driven by strong global demand, technological improvements, and ongoing infrastructure development. Government efforts to formalise small-scale mining and expand local refining capacity are set to boost official export volumes and increase state revenue, with the sector projected to contribute over 10% to GDP by 2030.

Gold export earnings have closely tracked global price trends, with export values surpassing US\$3 billion in 2024. Large-scale mining operations continue to expand, supported by investor-friendly policies and international programs such as those from the World Bank. Additionally, the Bank of Tanzania's policy requiring the purchase of 20% of domestic gold production could stabilise local prices, strengthen foreign reserves, and promote a more formalised, resilient gold market.

Rising local output, coupled with strong international demand, positions Tanzania's gold sector for continued growth and long-term stability.

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