

THE PUBLIC CORPORATIONS ACT
(CAP. 257)

ORDER

(Made under section 4)

THE PUBLIC CORPORATIONS (STATE MINING CORPORATION)
(ESTABLISHMENT)(AMENDMENT) ORDER, 2015

Citation

G.N. No.163
of 1972

Amendment of
the Heading

Amendment of
section 1

Amendment of
paragraph 2

1. This Order may be cited as the Public Corporations (State Mining Corporation (Establishment) (Amendment) Order, 2015 and shall be read as one with the State Mining Corporation (Establishment) Order, hereinafter referred as the principal Order.

2. The principal Order is amended by deleting the heading and substituting for it, the following:

“THE PUBLIC CORPORATIONS (STATE MINING CORPORATION (ESTABLISHMENT) ORDER, 1972.”

3. Paragraph 1 of the principal Order is deleted and substituted for it, the following:

“Title

This Order may be cited as the Public Corporations (State Mining Corporation) (Establishment), Order 1972.”

4. The principal Order is amended by deleting paragraph 2 and substituting for it, the following:

“Interpretation

requires-

Cap. 257

“Act” means the Public Corporations Act;

“Board” means the Board of Directors established under paragraph 6;

“Corporation” means the State Mining Corporation established by this Order;

Cap. 123

“mine” shall have the meaning ascribed to it under the Mining Act;

Cap. 123

“mineral” shall have a meaning ascribed to it under the

Mining Act;

"Minister" means the Minister responsible for mining affairs; and

"to mine" means to engage in any act, operation or process of, or connected with or incidental to, the mining, extraction or treatment of any minerals."

Amendment of
paragraph 3

5. The principal Order is amended in paragraph 3, by adding the words "in its acronym "STAMICO" immediately after the word "Corporation".

Amendment of
paragraph 4

6. The principal Order is amended by deleting paragraph 4 and substituting for it, the following:

"Functions of
the Corporation

be-

4.-(1) The functions of the Corporation shall

- (a) to acquire by agreement and hold interests in any undertaking, enterprise or project associated with the exploration, prospecting and mining of minerals and for such purposes to obtain, exercise, carry out and use any mining lease, licence, concession, franchise, authority, power, right or privilege which any government, public body or other authority may be empowered to grant;
- (b) to acquire mineral rights and conduct or engage in mineral prospecting and mining operations including drilling, surveying, exploration, testing, appraisal, extraction, quarrying, producing, treatment, processing, grading, cutting, storing, transportation and such other related activities, as the Board may, from time to time decide;
- (c) to carry out consultancy services, contract works, feasibility studies and environmental studies in accordance with any relevant laws and to perform mine designing, development and management of matters provided for under this Order;
- (d) to establish corporate entities or firms for the purposes of carrying out projects or engaging in mining of, prospecting, refining, grading, producing, cutting, processing, buying or selling or marketing of minerals whether alone or in joint

venture with strategic investors;

- (e) to acquire shares or interests in any firm, company or other body of persons, whether corporate or unincorporated; engaged in the mining of, or in prospecting, refining, grading, producing, cutting, processing, buying or selling or marketing of minerals;
- (f) to participate in any stock market as the Board may determine;
- (g) to promote, facilitate or support transformation of artisanal and small scale mining into well organised, sustainably productive and environmentally conscious to medium scale mining operations;
- (h) to deal in, or lease out exploration, drilling, mining and mineral processing equipment, tools and materials to medium and small scale miners;
- (i) to import, export, manufacture and maintain mining equipment and machinery;
- (j) to manage the affairs of any corporation, company, firm or other body of persons whose interests are transferred to or acquired by the Corporation under the Act or this Order;
- (k) to carry on its business, operations and activities either within the United Republic of Tanzania or elsewhere, whether as principal agent, contractor or otherwise, and either alone or in collaboration with any other person, firm or body corporate;
- (l) to do anything or enter into any transaction which, in the opinion of the Board, aims at facilitating the proper and efficient carrying on of its activities and functions; and
- (m) to do any other act or undertaking as may be necessary to:
 - (i) uphold and support the credit of the Corporation;
 - (ii) obtain and justify public confidence, and

(iii) to avert or minimize any loss to the Corporation.

Amendment of paragraph 5

7. Paragraph 5 of the principal Order is amended by deleting subparagraphs (1) and (2) and substituting for them, the following:

(1) The authorized share capital of the Corporation shall be fifty billion shillings divided into five million ordinary shares having a par value of ten thousand shillings each.

(2) The paid up capital of the Corporation shall be ten billion shillings which shall be raised by the issue of one million fully paid up shares capital allotted to the United Republic."

Amendment of paragraph 6

8. The principal Order is amended by deleting paragraph 6 and substituting for it, the following:

"Board of Directors

6.-(1) There is hereby established a Board to be known as the Board of Directors of STAMICO.

(2) The functions of the Board shall be as provided for in section 8 of the Act.

(3) Without prejudice to section 8 of the Act, the Board shall oversee the general management of the Corporation.

(4) The provisions of the Schedule to this Order shall have effect as to the composition of the Board, appointment and tenure of its members, its proceedings and such other matters related to the Board.

(5) The Board may from time to time, appoint on such terms and conditions as it thinks fit, such other officers and employees of the Corporation as may be necessary for conducting the business of the Corporation.

(6) The Chairman and members of the Board shall be entitled to such allowances at such rates as the Minister may, from time to time prescribe."

Addition of new Paragraphs 6A and 6B

9. The principal Order is amended by-

(a) deleting the words "General Manager" wherever they appear in the Order and substituting for them, the words "Managing Director"; and

(b) adding the following new paragraphs immediately after paragraph 6:

"Delegation of Powers

6A. In the performance of its functions and duties, the Board shall have the power to delegate some of its powers to any committee of the Board, the Managing Director or to any employee of the Board on such conditions as may be prescribed by

the Board.

Managing
Director

6B.-(1) There shall be a Managing Director who shall be appointed by the President, upon consultation with the Minister.

(2) The Managing Director shall be the Chief Executive Officer of the Corporation and shall be responsible for the general conduct of the operations and management of the functions of the Corporation and for other duties assigned to him by the Board from time to time.

(3) The Managing Director shall be the Secretary to the Board."

Amendment of
paragraph 7

10. The principal Order is amended by deleting the word "servants" and substituting for it, the word "employee".

Amendment of
paragraph 8

11. The principal Order is amended in paragraph 8 by adding a new sub paragraph (3) immediately after sub-paragraph (2) as follows:

"(3) Without prejudice to sub-paragraph (2), where the Corporation intends to enter into an agreement, public private partnership, the provisions of the Public Private Partnership Act shall apply."

Repeal of
paragraph 9

12. The principal Order is amended by deleting paragraph 9.

Amendment of
paragraph 10

13. The principal Order is amended in paragraph 10 by inserting the phrase "and in accordance with the Act and any other relevant laws" between the words "time" and "borrow".

Repeal of
paragraph 11

14. The principal Order is amended by deleting paragraph 11.

SCHEDULE

(Made under paragraph 6(4))

COMPOSITION, TENURE AND PROCEEDINGS OF THE BOARD

- Composition 1. The Board shall consist of:
(a) a Chairman, who shall be appointed by the President; and
(b) not less than six and not more than eight members who shall be appointed by the Minister.
- Qualifications 2. The Chairman and members of the Board shall be appointed from persons with a sound and recognized experience in mining, mineral processing, economics, finance, accounting, law or management.
- Tenure 3.-(1) The Chairman and other members of the Board shall hold office for a period of three years and may be re-appointed for another one term only.
(2) A person who is a member by the virtue of his holding a certain office shall cease to be a member upon his ceasing to hold that office.
- Vacation of office 4. The office of a member shall become vacant:
(a) on his death;
(b) upon resignation;
(c) if he fails, without sufficient cause to attend three consecutive meetings of the Board; and
(d) if he is, in any manner, disqualified from membership of the Board.
- Filling of vacancies 5. If a member dies, resigns or has his appointment terminated or otherwise vacates his office before the expiry of the term for which he is appointed, the Minister may appoint a person to fill the vacancy during the remainder of the term for which the vacating member was appointed.
- Chairman of the Board 6. The Chairman or in his absence the Vice-Chairman, shall preside at every meeting of the Board and in the absence of both of them, the members present shall appoint a member from amongst themselves to preside over the meeting.
- Vice-Chairman 7. The Board shall elect one of its members to be the Vice-Chairman.
- Meetings of the Board 8.-(1) The Board shall ordinarily meet for the transaction of its business at the times and places determined by it, but it shall meet at least once every three months.
(2) The Board may co-opt any person to attend its meeting, provided that the person shall have no right to vote.
- Notice of meeting 9. The meetings of the Board shall be convened by the Chairman and the notice of the meeting shall be sent to each member not less than fourteen days before the date of the meeting.
- Quorum 10. The quorum at any meeting of the Board shall be one half of the total number of members of the Board.

Voting

11.-(1) At any meeting of the Board, a decision of the majority of the members present and voting shall be deemed to be a decision of the Board.

(2) In the event of equality of votes the Chairman of that meeting shall have a casting vote in addition to his deliberative vote.

Decision of the Board

12. Notwithstanding paragraph (8), a decision may be made by the Board without a meeting by way of circulation of the relevant papers among the members, and the expression in writing of the views of the majority of members, however, a member may require that any such decision shall be deferred until the matter is considered at the next meeting of the Board.

Board to confirm minutes of its meetings

13.-(1) The Board shall cause to be recorded and kept minutes of all business conducted or transacted at its meetings and the minutes of each meeting of the Board shall be read and confirmed or amended and confirmed at the next meeting and signed by the person presiding at the meeting.

(2) Any minutes signed or purporting to have been signed by the person presiding at the meeting of the Board shall, in absence of proof of error, be deemed to be a correct record of the meeting whose minutes they purport to be.

Vacancies etc. not to invalidate proceedings

14. No act or proceeding of the Board shall be invalid by reason only of any vacancy among its members or defect in the appointment of any of them.

Orders, directions etc.

15. All orders, directions, notices or other documents made or issued on behalf of the Board shall be signed by-

- (a) the Chairman of the Board; or
- (b) the Vice-Chairman or Managing Director or any other officer of the Board appointed in writing in that behalf by the Chairman.

Proceedings

16. Subject to this Schedule, the Board shall regulate its own proceedings.

Seal

17. The seal of the Corporation shall not be affixed on any instrument except in the presence of the Managing Director or such other officer of the Board as the Board may appoint in that behalf.

Dar es Salaam,
05 March, 2015


JAKAYA MRISHO KIKWETE
President