STATE MINING CORPORATION
(STAMICO)

STRATEGIC PLAN 2014/15 – 2018/19

Dar es Salaam

DECEMBER, 2014

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List of Abbreviations and Acronyms

AIDS	Acquired Immune Deficiency Syndrome
ASM	Artisanal and Small Scale Miners
CAG	Controller and Auditor General
CBOs	Community Based Organisations
DED	Directorate of Exploration and Drilling
DHRA	Directorate of Human Resources and Administration
DIM	Directorate of Investments and Marketing
DMES	Directorate of Mining and Engineering Services
EPZ	Economic Processing Zone
FBOs	Faith Based Organisations
GN	Government Notice
GST	Geological Survey of Tanzania
HIV	Human Immunodeficiency Virus
ICT	Information Communication Technology
M&E	Monitoring and Evaluation
MDAs	Mining Development Agreements
MEM	Ministry of Energy and Minerals
MKUKUTA	Mpango wa Kukuza Uchumi na Kupunguza Umaskini Tanzania
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
NAO	National Audit Office
NDC	National Development Corporation
NEMC	National Environmental Management Council
NGOs	Non-Governmental Organisations
OPRAS	Open Performance Appraisal System
PMO	Prime Minister's Office
PSRC	Parastatal Sectoral Reform Commission
SDS	Service Delivery Survey
SESA	Strategic Engineering Services Agency
SIDO	Small Industries Development Organisation
SP	Strategic Plan
STAMICO	State Mining Corporation
SWOC	Strengths, Weaknesses, Opportunities and Challenges
TANESCO	Tanzania Electrical Supply Company Limited
TAWOMA	Tanzania Women Miners Association
TEITI	Tanzania Extractive Industries Transparency Initiative
TIC	Tanzania Investment Centre
TMAA	Tanzania Minerals Audit Agency
TPDC	Tanzania Petroleum Development Corporation
TRA	Tanzania Revenue Authority
UDSM	University of Dar es Salaam
UNDP	United Nations Development Programme

EXECUTIVE SUMMARY

This Strategic Plan (SP) covers a five year period from 2014/15 to 2018/19. It is the Second State Mining Corporation's (STAMICO) Strategic Plan with a view of revamping corporate performance in investment and service delivery. The major obstacles to the successful implementation of the previous strategic plan 2011-2013 were financial constraints, over ambitious targets, inadequate staff, inadequate working tools and increasing competition.

This Strategic Plan aims at addressing the challenges faced in previous strategic plan and establishing priorities in building a self-sustaining corporation contributing significantly to the national economy at large and Government revenues in particular and facilitating transformation of artisanal and small scale miners. The plan will also act as a guiding tool to facilitate the process of operationalizing the new organizational structure in light of its new roles.

It has addressed five strategic goals aimed at answering the four key perspectives of the corporation, that is, the financial perspective which aims to answer the question how the corporation is going to expand its revenue opportunities, improve its cost structure and asset valuation; Customer satisfaction perspective aims to answer how are we going to meet the corporation's key stakeholders desired outcome; the Corporation internal processes perspective aims to answer how are going to improve operation, stakeholders, innovation and regulatory and social management processes of the corporation; and learning and growth perspective aims to answer how the corporation is going to improve its personnel and organization alignment.

The tools, instruments and performance measures set aims at ensuring the results envisioned in the corporation's Strategic Plan will be measured as well as the benefits that will accrue to its clients and other stakeholders. They provide a base on how the various interventions to be undertaken in the course of the Strategic Planning Cycle, will lead to achievement of the corporation's goals.

Statement of the Managing Director

It gives me great pleasure to take this opportunity to present the Second Strategic Plan of the State Mining Corporation (STAMICO) which covers three years period from 2014/15 – 2018/19. The Plan sets out the Vision, Mission, Core Values and Objectives of STAMICO and outlines a range of strategies to achieve the objectives and highlights the key performance indicators as standard measures of our performance. It provides the direction in which STAMICO intends to move as well as the results she expects to achieve during the upcoming five (5) financial years.

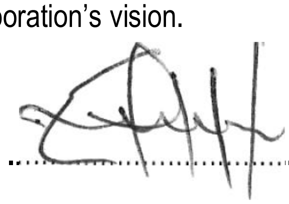
The development of this Strategic Plan was carried out using the Government of Tanzania Medium Term Strategic Planning and Budgeting framework which guided the process. STAMICO's decision to embrace the strategic planning culture will greatly promote the understanding of the challenges and opportunities offered by its internal and external environments. The Plan will enable us to build a self-sustaining corporation which contributes significantly to the national economy at large and Government revenues in particular and transform artisanal and small scale mining. These will be achieved through increased investment in the mining industry; strengthening provision of drilling and exploration services; and facilitating accessibility to extension services, capital and market to artisanal and small scale miners.

We understand that the implementation of this Strategic Plan will take place in the context which requires the corporation to address key issues within the planned time horizon. Therefore, the Strategic Plan before us lays a foundation to meet our long-term goals and demonstrate progress along the way, consistent with our core values.

We appreciate the ongoing support, advice and guidance given by our stakeholders. The corporation will track its progress against this plan on an annual basis and provide a detailed account of this performance through its annual report.

I take this opportunity to acknowledge the hard work and commitment of STAMICO management and staff for taking an initiative to reviewing the previous strategic plan and come up with a new strategic plan.

Finally, in order to efficiently implement this plan, I call upon all stake holders to be transparent, fair and accountable in pursuing their day to day activities. I wish, therefore, to urge all STAMICO staff, management and stakeholders to fully commit themselves to the implementation of the plan and to periodically monitor and evaluate it and report on the overall performance for the benefit of the people of the United Republic of Tanzania. We look forward for your support in our efforts to perform our functions and responsibilities for realization of corporation's vision.



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Eng. Edwin A. Ngonyani

ACTING MANAGING DIRECTOR

CHAPTER ONE: INTRODUCTION

1.1 Introduction

This Strategic Plan (SP) covers a five year period from 2014/15 to 2018/19. It is the Second State Mining Corporation's (STAMICO) Strategic Plan. This plan has been prepared with a view of revamping corporate performance in investment and service delivery. It aims at establishing priorities in building a self-sustaining corporation which contribute significantly to the national economy at large and Government revenues in particular and facilitating transformation of artisanal and small scale miners. The plan will also act as a guiding tool to facilitate the process of operationalizing the new organizational structure in light of its new roles.

1.2 Brief Historical Background

The State Mining Corporation is a wholly-owned Government enterprise established in 1972 under the Public Corporations Act, 1969. It started its operations in 1973. From its inception, STAMICO was a holding public corporation apart from undertaking mineral exploration and mining development and mineral trading. It had eleven subsidiary companies under it. These included: Williamson Diamonds Limited (50% shareholding); Tanzania Gemstone Industries; Tanganyika Meerschaum Corporation; Tanzania Diamond Cutting Company Limited, Nyanza Salt Mines; Buckreef Gold Mine; Minjingu Phosphate Mine; Kiwira Coal Mines; Pugu Kaolin Mines; Lupa Gold Mine and Coastal Saltworks.

Late 1980s through early 1990's, the economic policies of the country changed from command towards market oriented economy. As a consequence, in the year 1992, a new Public Corporations Act, Cap. 257 was enacted by the Parliament thereby repealing the previous Act. Under the new Act, subsidiary companies which were under holding corporations were transferred to the Treasury Registrar. The companies were subsequently privatised through Presidential Parastatal Sectoral Reform Commission (PSRC), put under receivership or liquidated. Under the new economic policies, the thrust was for a private sector - led mineral development and accordingly the Government made a decision to close down STAMICO in April, 1996. To that end, in August 1997, it was placed under PSRC as a Specified Public Corporation.

From 1996 to 2008, STAMICO continued to exist while awaiting execution of the Government decision. The Corporation survived through provision of contract drilling services, consultancy work, property rental income, acquisition of mineral rights and joint venturing.

In 2007, the President of United Republic of Tanzania, HE Dr. Jakaya Mrisho Kikwete appointed a commission, the Bomani Commission on the Mining Sector Review, to advice on the means and ways to manage effectively the mineral sector in the country. Based on the Commission's recommendations and experience gained in implementing the Mineral Policy of Tanzania of 1997, the Government undertook the following actions:-

- Formulation of a new Mineral Policy of Tanzania, 2009, in which the Government participates strategically in the ownership of medium and large scale mines through its institutions;
- Enactment of a new Mining Act by Parliament in April, 2010. Under the Act, the Government will have free carried interest in large scale mines; and
- De-specification of STAMICO in April, 2009 in order to, amongst other roles, oversees Government interest in the mines.

1.3 Mandate

STAMICO is a wholly state owned organisation, established under Public Corporations Act, Cap. 257 as per the State Mining Corporation (Establishment) Order, 1972 and as amended from time to time to act as a government investing arm in the mining sector.

1.4 Vision

To be a world class investor and service provider in the mining industry in Africa contributing significantly to the national economy

1.5 Mission

Invest in the mining industry and provide quality services in management of mines, drilling, consultancies and other related business particularly to artisanal and small scale miners

1.6 Philosophy and Core Values

1.6.1 Philosophy

STAMICO will continue to be an agent for change in public and public private partnership development by providing quality market-driven services in management of mining investments, drilling, consultancy services and development of artisanal and small scale miners

1.6.2 Core Values

The corporation will uphold the following core values:

Core Value	Description
Integrity	Honesty and objectivity in all our deliberations and operations
Professionalism	Commitment in delivering the best to our stakeholders and staff with dignity and courtesy
Innovativeness	Creativity is encouraged to enhance efficiency in our operations
Team work	Working together as a team to achieve the best outcomes
Results oriented	Committed to meet our obligations by being focused and objective
Accountability	Responsible for the effects of our actions and willing to explain or be criticized for them

1.7 STAMICO Stakeholders

This entails the beneficiaries of STAMICO's products and services. It aims at assessing STAMICO effectiveness, efficiency and accountability in satisfying stakeholder's expectations.

The following are the key stakeholders of STAMICO:

(i) STAMICO employees and Ministry of Energy and Minerals (MEM);
(ii) Treasury Registrar and other Government MDA`s, Regulatory Authorities, Corporations and Companies;
(iii) Exploration and mining companies and individual licence holders;
(iv) Politicians, NGO and CBO`s, Mass Media and General Public;
(v) Artisanal and Small Scale Miners (ASM), dealers and their Associations;
(vi) Training Institutes, students and their sponsors; and
(vii) Development Partners.

1.8 Institutional Governance

The Corporation is operating under the Ministry of Energy and Minerals of the United Republic of Tanzania. The Corporate governance structure includes:-

A. Board of Directors which constitutes nine members, led by the Chairperson who is appointed by the President of the United Republic of Tanzania. The other eight members are appointed by the Minister of Energy and Minerals. The Board has three sub-committees that include:-

   (i) Investments and Planning Committee;
   (ii) Auditing Committee; and
   (iii) Finance and Administration Committee.

B. STAMICO Management that is headed by the Managing Director (MD). Serving under the MD are five (5) Directors namely Director of Exploration and Drilling, Director of Mining and Engineering Services, Director of Human Resources and Administration, Director of Investments and Marketing and Director of Finance.

The new organisation structure that came into operation in 2013 comprises five (5) directorates, with twelve (12) Managers and four (4) Heads of Units as listed below. All directorates have respective functional managers except the directorate of Finance which has a Chief Accountant and Finance Manager.

Units and their respective objectives

(i) Internal Audit Unit (IAU) responsible to report to the Board Audit Committee and advise the Managing Director on physical and financial resources management of the Corporation;
(ii) Procurement Management Unit (PMU) responsible of advising on economic procuring and disposal of Corporation's assets;
(iii) Information and Communication Technology Unit (ICTU) responsible of studying and developing Information and Communication Technology (ICT) systems to be used by the Corporation in service provision; and
(iv) Legal Services Unit (LSU) responsible of attending all legal matters pertaining to the Corporation and its subsidiaries.

Directorates and their respective objectives

(i) Directorate of Exploration and Drilling responsible of identifying new prospective areas for mine development and to generate Corporation income through provision of exploration and drilling services;

(ii) Directorate of Mining and Engineering Services responsible of developing and operating mines and mineral processing centers in small scale mining areas and engineering services;

(iii) Directorate of Human Resource Management and Administration responsible of advising on management of human resource and administration;

(iv) Directorate of Investments and Marketing responsible of identifying, advising on and monitoring mining investments and promote Corporation's image and services; and

(v) Directorate of Finance responsible of managing financial resources of the Corporation.

C. To ensure workers participation in decision making, STAMICO also has active Workers' Council, which provide workers' inputs to the Management.

The corporation organization structure is as shown in Annex 1.

1.9 Methodology

The methodology used to develop the 2014/2015 – 2018/2019 Strategic plan was participatory in nature. The assignment was commissioned to the Department of Investment and Planning which spent time gathering information and data from internal and external stakeholders of STAMICO using structured and semi-structured interviews as well as focused group discussions. A key component of the process involved a situation analysis whereby both internal and external environments of STAMICO were appraised to discern the organisation's strengths, weaknesses, opportunities and challenges thereby enabling the department to draw realistic and relevant objectives for the next plan.

The Committee also reviewed the previous Strategic Plan 2011 – 2013 and drew lessons from achievements recorded and the drawbacks encountered in the implementation of the previous plan in order to come up with a comprehensive plan that will addresses challenges and take advantage of opportunities in the next five years.

Objectives that were not attained or were partially attained but deemed to be still relevant to the corporate were rolled over to the 2014/2015 – 2018/2019 Strategic plan. Documentary review which was a major component of the methodology was used to examine relevant literature including various reports, policies and regulations of the organization as well as key documents guiding national plans namely, Millennium Development Goals (MDGs), Tanzania Development Vision 2025, MKUKUTA II, Tanzania Five Year Development Plan, BIG RESULTS NOW Initiative, 2014/2015 budget speech. All were surveyed to discern their implications on the organization's Strategic Plan. Internal survey was conducted to establish the organization's internal capability to confront the challenges and opportunities for the next five years. The development of strategic goals and objectives for the 2014/2015 – 2018/2019 Strategic Plan adopted a balance Score Card technique to align strategic goals (ends) and strategic objectives (means).

Finally, as per the organization's procedures this draft plan, will be presented to a stakeholders meeting, undergo various Management approvals, before being recommended to the Planning and Investments Committee (PIC), a Committee of the Board which once satisfied with the plan will recommended it to the Board of Directors for final approval.

CHAPTER TWO: EVALUATION OF THE IMPLEMENTATION OF 2011 – 2013 STRATEGIC PLAN

2.1 Introduction

Strategic Plan for the year 2011-2013 started when the Government was in the process of revamping STAMICO after reversing the decision to close it down. It was de-specified in March, 2009. The overriding strategic goal of STAMICO was to increase the contribution of the mineral sector to the national economy and creation of employment opportunities through mineral prospecting; developing and operating mines; shareholding; engaging in mineral commodities trading; mineral value addition; and provision of quality services in management of mines, drilling, and consultancies.

This section presents the evaluation of the implementation of the 2011 – 2013 plan, problems and challenges of implementation, roll-over objectives, and the way forward.

2.2 Strategic Objectives of 2011-2013 Strategic Plan

During 2011-2013 Strategic Plan, the corporation focused to achieve the following Objectives:

A. Improve HIV/AIDS infections reduced and supportive services
B. Increase investments and mineral prospecting
C. Increase Market share of STAMICO's geo-products and services
D. Strengthen Financial resources mobilization and management
E. Strengthen Human resources management
F. Transform artisanal and small scale mining operations
G. Enhance Contribution of Research and Development in the mining sector
H. Address cross-cutting issues adequately.

2.3 Evaluation of Implementation of the Previous Strategic Goal

This section presents the status quo of the implementation of each of the previous strategic goal. There was one previous strategic goal with eight objectives. This was to increase the contribution of the mineral sector to the national economy and creation of employment opportunities through mineral prospecting; developing and operating mines; shareholding; engaging in mineral commodities trading; mineral value addition; and provision of quality services in management of mines, drilling, and consultancies.

Table 2: Statistical Presentation of the Implementation of the previous Strategic Goal

Implementation Measure	Objectives	Percentage of Implementation (%)
Total number of planned objectives	8	100
Fully Implemented objectives	0	0
Partially implemented objectives	4	50
Not implemented objectives	4	50

From the table above:

- Fully Implemented objectives – i.e. objectives that were implemented as planned.
- Partially implemented objectives– i.e. objectives which were partly implemented.
- Not implemented objectives – i.e. objectives that were not implemented at all due to a number of constraints.

2.3 Roll over Objectives

Due to the previous strategic plan 2011-2013 strategic objectives not being successfully accomplished to meet the intended targets and their respective importance, the objectives have been revised and six objectives rolled over to the current strategic plan.

A. Improve HIV/AIDS infections reduced and supportive services;
B. Increase Investments and mineral prospecting;
C. Strengthen Financial resources mobilization and management;
D. Strengthen Human resources management;
E. Transform artisanal and small scale mining operations; and
F. Address cross-cutting issues adequately

2.4 Problems and Challenges

The major obstacles to the successful implementation of the previous strategic plan were financial constraints, over ambitious targets, inadequate staff, inadequate working tools and increasing competition.

a) Financial constraints

Financial constraint was a major obstacle to STAMICO's transformation process due inactivity of the corporation investment activities as a result of the government decision to close down STAMICO in April 1996 till 2009 when it was de-specified. Hence during 2011 – 2013 STAMICO was on the process to revamp its economic muscles with no reliable investment base with only government subvention as a source of fund.

b) Over ambitious targets

The plan had set very high target in relation to the financial and human resources available and the time limit for the goal realization.

c) Inadequate Staff

The corporation had very few professional compared to the mandated functions, the goals and targets set thus failing to meet the desired goal.

d) Inadequate working facilities

The corporation had inadequate working facilities such as drilling rigs, office equipment such as computers, printers, furniture for service delivery.

e) Competition

STAMICO faced increasing competition in the previous plan period more than ever before due to rapid changes in technology in the mining industry as compared to the corporation capacity to assimilate to the changes in to meet customer's needs as compared to the competitors

2.5 Way Forward

The above problems are likely to continue. Therefore During the 2014/15 – 2018/19 plan period STAMICO will need to devise strategies that will seek to mitigate the stated challenges.

a) Financial constraints

The corporation will engage in Joint Venture partnership with private companies to share the cost of running projects to ease the financial burden. The corporation also seeks to strengthen financial management system to ensure proper usage of funds and borrow funds from financial institution.

b) Over ambitious targets

The current strategic plan will set SMART objectives that are specific, measurable, achievable, realistic and time-bound depending on the resources available.

c) Inadequate Staff

The corporation has recruited 78 competent staff and will continue recruiting other staff as the need arises due to expansion of corporation's activities.

d) Inadequate working facilities

The Corporation plans to equip itself with enough working facilities such as computers, office furnitures and conducive working environment to increase efficiency

e) Competition

To become more competitive STAMICO plans to equip itself with modern systems, technology and equipment in running its operations for instance the purchase of modern RC drilling rigs, diamond rigs, and geological soft wares such as oasis montaj. The corporation will intensify marketing of its products and services and offer competitive prices to its customers.

CHAPTER THREE: SITUATION ANALYSIS

3.1 Introduction

As with the previous plan, the development of the 2014/2015 – 2018/2019 Strategic plan was conditioned by the influences of the corporation's internal and external environment. This section summarises the results of the internal and external environmental analyses. The internal environmental analysis covers resources, systems, structure, activities and operations of the corporation while the external environment analysis examines the political economic, social, technological, ecological, legal and competitive influences within the operating environment of STAMICO.

3.2 Internal Environment Appraisal

3.2.1 Management system and structure

The management system of the corporation has been well developed to incorporate each and every function of the corporation as allocated in directorates and supporting units. The new organization structure and scheme of service takes into account duties and responsibilities of the staff as well as explaining the reporting system at each level respectively.

3.2.2 Human resources capacity and capabilities

The corporation has a team of highly skilled and experienced professionals to perform its principal duties and functions efficiently.

3.2.3 Finances

The sources of finance for the corporation include government subventions, loans from financial institutions, and own revenue from investments. Government subventions are provided in an interim period to help STAMICO take off and eventually become a self-sufficient corporation which will contribute to the government basket. Loans from financial institutions are aimed specifically to finance investment projects. The availability of multi sources of finance will enhance the attainment of the corporation's strategic goals on increase in mining investment.

3.3 EXTERNAL ENVIRONMENT ANALYSIS

3.3.1 Economic Environment

a) Macroeconomic performance

Current macroeconomic performance is encouraging with regard to low inflation rate of about 6.7 % in 2014 and economic growth rate of about 7 %. This encourages inflow of private investment in Tanzania and the mining sector in particular. The financial intermediation sector has grown significantly at 8 % growth rate which implies more loanable funds will be available.

b) The development Vision 2015 and five year development plan.

The First Five Year Development Plan (FYDP I) which is being implemented from 2011/12 – 2015/16 was launched with recommendations of the 2010 review of Tanzania Development Vision (TDV) 2025. The review calls for formulation of strategic interventions to attain the goals of the TDV 2025 for the remaining 15 years. The goals include among others, transforming Tanzania to reach middle income status characterised by a strong and competitive economy; high quality livelihood; well-educated and learning society; peace, stability and unity; and good governance.

The TDV recognizes the potential of the mining sector in boosting the government revenue thus strengthening of the mining industry has been one of the key issues. The main areas of focus in the mining sector include: increased local participation for beneficiation and value addition; maximisation of mineral tax revenue to finance economic transformation; strengthening State Mining Corporation (STAMICO) to oversee Government free carried interests and purchased shares in mines and partnering with the private sector to develop mines.

STAMICO strives to attain the objectives envisioned in the Vision 2025 to increase the contribution of the mineral sector in the national economy. With the backing of the government, STAMICO is and will be actively looking for potential investors to partner with in developing and operating mines as well as exploring and developing new prospective areas.

c) The 2015 Millennium Development Goals (MDGs)

The Millennium Development Goals (MDGs) are eight international development goals that were officially established following the Millennium Summit of the United Nations in 2000, following the adoption of the United Nations Millennium Declaration. All 189 United Nations member states including

Tanzania and at least 23 international organizations agreed to achieve these goals by the year 2015. The goals are: Eradicating extreme poverty and hunger; Achieving universal primary education; Promoting gender equality and empowering women; Reducing child mortality rates; Improving maternal health; Combating HIV/AIDS, malaria, and other diseases; Ensuring environmental sustainability, and Developing a global partnership for development.

In response to these goals the government of Tanzania acted by establishing the National Development Vision 2025 and the National Strategy for Growth and Reduction of Poverty (NSGRP).

STAMICO strives to ensure eradication of extreme poverty, promotion of gender equality and environmental sustainability through transforming artisanal and small scale miners into a well-organized; mechanized, productive and environmentally responsive sub sector to all small scale miners regardless of the gender.

It also plans to develop a global partnership for development through private public partnership (PPP) in the mining operations in the form of joint venture partnership with both local and international companies

d) National Strategy for Growth and Reduction of Poverty (NSGRP II) and Zanzibar Strategy for Growth and Reduction of Poverty (ZSGRP II)

The National Strategy for Growth and Reduction of Poverty in Tanzania (NSGRP II) or MKUKUTA II, as well as the Zanzibar Strategy for Growth and Reduction of Poverty (ZSGRP II) or MKUZA II, both modeled on their predecessors NSGRP I/MKUKUTA I and ZSGRP I/ MKUZA I respectively, are committed to Tanzania’s economic growth, superior quality of life, people's empowerment, overall peace, financial stability, high educational achievement and proper allocation of resources. These strategies, which are set to run from 2010-2015, dovetail perfectly with the international 2015 Millennium Development Goals, which target the reduction of poverty, hunger, disease, illiteracy, environmental degradation, and discrimination against women.

The underlying challenge is to be addressed by the corporation through improving investment in mining and artisanal and small scale miners development at all levels. As a result, STAMICO will strive towards addressing this challenge during its 2014/2015 – 2018/2019 Strategic Plan period.

e) **The 'Big Results Now' Strategy of Economic Transformation**

In February 2013, Tanzanian President His Excellency Jakaya Kikwete launched the 'Big Results Now' (BRN) Initiative as part of the Government's effort to transition the country from low to middle-income economy. Among the key sectors that the government has targeted to achieve big results is the Energy sector. It aims to increase power generation capacity, extend the transmission line and increase coverage.

STAMICO operates under the umbrella of the Ministry of Energy and Minerals (MEM) in collaboration with the private sector to establish the power generation project and connect to the national grid.

3.3.2 Socio-political Environment

Tanzania's Political Situation

Tanzania Political stability and peace have created an environment which is suitable for investments. Tanzania has become a favourite destination for direct foreign investment in Africa. This will substantively influence international investors for joint venture partnership with STAMICO.

3.3.3 Technological Environment

There has been a greater advancement in technology in the 21st Century; New ways which are cost efficient are being devised. The mining sector is not left behind new methods and equipment in exploration, drilling, mining and processing have been invented..

STAMICO in collaboration with the private sector will emphasize the use of modern technology. In evaluation of the companies that will compete to form JV partnership with us in our projects, technology carries a significant weight in the process. Keeping other aspects constant, a firm with a more efficient technology is preferred.

3.3.4 Ecological Environment

Environmental impact of mining industry has attracted much attention from the media and environmental activists. The mining industry is known to be amongst the causes of environmental problems such as air pollution, water pollution, deforestation and soil degradation. This needs to be addressed to minimize the adverse impact on environment from our operations. STAMICO will ensure compliance of environmental standards in all of its operations. There is a specific department designated to deal with environmental matters, the Department of Safety and Environment which will make sure we acquire environmental compliance certificate and performs environmental impact assessment of our projects.

3.3.5 Legal Environment

The mineral sector is guided by the mining act. 2010 as amended from time to time. STAMICO adheres to rules and regulation set by the government of the United Republic of Tanzania.

Social factors

The surrounding communities in mining areas have been falling-out with the investors with the former complaining about being exploited and undermined. STAMICO will develop good relationships with the surrounding communities by meeting its corporate social responsibilities

3.4 SWOC Analysis

SWOC Analysis aims at identifying the strengths, weaknesses, opportunities and challenges within the internal and external environment of the corporation which can enhance and have implications to the attainment of the corporation's strategic goal and objectives. Below is the analysis and strategic implication of each aspect. Strength advantages we have within the corporation that we can capitalize on to enhance our performance. Weaknesses are aspects within the corporation that can reduce our efficiency. Opportunities are areas outside the corporation but within our reach which we can take advantage of to improve our performance. Challenges are limitations outside our control that adversely affect our performance.

Strength	Strategic implications
Qualified, Experienced and Committed Board of Directors	Rational and well-thought decision for the good of the corporation
Existence of a strong and competent Management Team and staff	Efficiency in decision making and management of corporation's activities
Availability of management tools such as Financial Regulations, Staff Regulations, and Schemes of Service	Systematic reporting system, separation of power duties and responsibilities and internal control of usage of funds

Possession of mineral concessions.	More opportunities to invest and generate more revenue
Weaknesses	**Strategic implications**
Inadequate financial resources	Inadequate capacity to finance our investment activities
Inadequate financial management system	Misuse of funds
Inadequate modern drilling equipment	Reduce competitiveness in provision of drilling services
Inadequate working facilities and work space	Reduce Efficiency in daily operations
Deprived ICT infrastructure.	Reduced Efficiency in daily operations
Opportunities	**Strategic implications**
Existence of national policies, strategies, regulatory framework and plans such as; MKUKUTA, Vision 2025, MEM's Strategic Plan 2010/11 – 2015/16, Tanzania Investment Policy 1997, Mineral Policy of Tanzania 2009 and Mining Act, 2010	Enhance mining industry development
Existence of Training institutions	Increase skills and competency of the staff
Growth of banking sector and financial institutions.	Increased availability of loanable funds
Availability of modern technology	Increase productivity and efficiency in provision of services
Abundant mineral resources in Tanzania.	More opportunities to increase investment in the mining industry
High mineral commodity demand in the world market	It is worthwhile investing in mining industry
Strong political will of the parent ministry which can be used to	Support in financing and engagement in PPP projects

facilitate corporation's operations	
Challenges	**Strategic implications**
Prohibitive borrowing conditions	Difficulty in raising funds to finance investment
Capital intensive nature of mining investment	Large amount of funds will be required, hence additional financing through JV partnerships, and borrowing are inevitable

CHAPTER FOUR: THE 2014/15 - 2018/19 STRATEGIC PLAN

4.1 Introduction

The strategic plan 2014/15-2018/19 has been prepared with a view of revamping corporate performance in investment and service delivery. The Corporation aims at establishing priorities in building a self-sustaining Corporation which contributes significantly to the Government revenues and national economy at large. It also aims at facilitating the transformation of artisanal and small scale miners into a formal, regulated, productive and environmentally sustainaible sub-sector. The strategic plan will also act as a guiding tool to facilitate the process of operationalizing the new organizational structure in light of its new roles.

A balanced score card approach has been used in this strategic planning. This approach integrates the Corporations' mission and vision into specific and measurable goals that can be used to monitor Corporation's performance. It analyses Corporation performance into four perspectives; namely

i. Financial aspect such as financial requirement and corporate returns to investment;
ii. Customer/ stakeholder's satisfaction evaluates customer's needs, and corporation's image;
iii. Internal business processes aiming at evaluating corporations internal operations efficiency and productivity;
iv. Learning and corporation's growth aims at improving corporation's growth and prosperity

4.2 Assumptions of the 2014/15-2018/19 Strategic Plan

Every plan is formulated against certain assumptions. These are typically predictions about the future or beliefs that the future will unveil exactly as we perceive it today. Seven assumptions were made in respect of the 2014/2015 – 2018/2019 strategic plan. It was assumed that:

1) **Prevailing Macro environment forces**

   Stable macro-economic environment which will attract inflow of private investment in the country in particular the mining sector. The corporation expects the government will continue to be supportive to enable STAMICO to take-0ff through good investment and mineral policies despite the change of the political regime. The country policies and strategies favouring investment in the mineral sector in Tanzania are such as The Tanzania Development Vision 2025, MKUKUTA, Mineral

Policy 2009, Big Results Now (BRN), Ministry of Energy and Minerals Strategic Plan 2011/12 – 2015/16 as analysed in the external environment.

The government through Ministry of Energy and Mineral will approve and provide financial and public private partnership (PPP) engagement support for enhancing Corporation's activities.

2) The Market dynamics and competition

The demand of mineral resources over the world market will continue increasing, the price for relative mineral products will relative increase thus fostering increase in mineral investment

Local competition evidenced through the fast mushrooming of private sector will continue to pose a challenge to STAMICO.

3) The Needs and Expectations of Stakeholders

The needs and expectations of stakeholders are expected to increase over time thus the Corporation strives to increase its areas of investment so as to carter the needs of its stakeholders to enhance sustainable development.

4) The availability of Funds

The sources of finance are government subventions, loans from financial institutions and revenue from its own investments to finance its operations and investments towards attaining self-sufficiency goal.

5) The workforce

The number of highly skilled and competent personnel will be maintained and increase over time through training and provision of motivational incentives. The government will grant permission for employment of more staff as the corporation's activities expands.

6) The legal environment

The legal environment will remain favourable for STAMICO to develop new investment (JV) initiatives in its niche areas.

4.3 Strategic Goal

Basing on the corporation's mission, vision, the mandated functions, situational analysis and the strategic assumptions made, the Corporation strategic goals for 2014/15- 2018/19 are:

A. Increase revenue from investment in the mining industry;

B. Promote joint venture partnership in mining and exploration services;

C. Transform artisanal and small scale mining into a well-organized, mechanized, productive and environmentally responsive sub-sector;

D. Strengthen financial management system and support services;

E. Improve human resource management and administration; and

F. Address cross cutting issues such as HIV/AIDs, corruption and occupational health, safety and environment.

4.4 Strategic Objectives

This aims at translating the strategic goals into specific, measurable, achievable, realistic and time-bound (SMART) objectives which integrate the plan into action as well as measuring corporation performance. These are:

i. Increase revenue by TZS. 50 billion from investment in mining operations, mineral trading, geological, drilling and mining consultancy services by June, 2019;

ii. Secure six investors for joint-venture partnership in the development of new mineral properties, mining and mineral processing projects by June, 2019;

iii. Explore (20) mineral prospecting licences by June, 2019;

iv. Facilitate accessibility to investment capital, mineral markets, mining and mineral processing equipment to 200 small scale miners by June, 2019;

v. Transform six artisanal and small scale concentrated mining areas into well organised mining centres by June, 2019;

vi. Improve procurement, legal services and ICT infrastructure by June, 2019;

vii. Improve control, mobilisation and management of financial resources by June, 2019;

viii. Prevent HIV/AIDS spread at work place by June, 2019;

ix. Ensure adherence to occupational health, safety, and environmental guidelines in the STAMICO office premises and its projects by June, 2019;

x. Prevent corruption at work place and ensure a corruption free working environment by June, 2019;

xi. Provide conducive working environment for STAMICO staff by June, 2016; and

xii. Improve Human resource management by June, 2019.

xiii. Promote internal human capacity by June, 2019

4.5 Relation of the Strategic goals and objectives versus the Key Corporation's Perspectives

Based on the balanced score card approach, the strategic goals formulated aims to answer the four key perspectives of the corporation, that is, the financial aspect aims to answer the question how the corporation is going to expand its revenue opportunities, improve its cost structure and asset valuation; Customer satisfaction perspective aims to answer how are we going to meet the corporation's key stakeholders desired outcome. The internal processes perspective aims to answer how are going to improve operation, stakeholders, innovation and regulatory and social management processes of the corporation. Learning and growth perspective aims to answer how the corporation is going to improve its personnel and organization alignment. The following table shows how the strategic goals and objectives address the key perspectives of the corporation.

Table 2: Strategic Goals and Objective versus the Key Perspective

Key Perspectives	Strategic Goal	Strategic Objective
I. Financial Resources Mobilization	A. Increase revenue from investment in the mining industry ;	Increase revenue by TZS. 50 billion from investment in mining operations, mineral trading, geological, drilling and mining consultancy services by June, 2019;
	B. Promote joint venture partnership in mining and exploration services	Secure six investors for joint-venture partnership in the development of new STAMICO projects and mineral properties by June, 2019.
		Explore 20 mineral prospecting licenses by June, 2019
II. Customer/ stakeholder's satisfaction	C. Transform artisanal and small scale mining into a well-organized, mechanized, productive and environmentally responsive subsector	Facilitate accessibility of loan, market and equipment to 100 small scale miners by June, 2019
		Enhance self-transformation in six artisanal and small scale concentrated mining areas y June, 2019.
III. Internal processes	D. Strengthening financial management systems and support services	Improve control, mobilisation and management of financial resources by June, 2019
		Improve procurement and legal services and ICT infrastructure by June, 2019
	E. Address cross cutting issues such as HIV/AIDs, corruption and occupational health, safety and environment at the work place	Prevent HIV/AIDS spread at work place by June, 2019
		Prevent corruption at work place and ensure corruption free working environment by June, 2019
		Ensure adherence to occupational health, safety, and environmental guidelines in the STAMICO office premises and its projects by June, 2019
IV. Learning and growth	F. Improve human resource management and administration	Improve Human resource management by June, 2019
		Promote capacity to staff by June, 2019
		Provide Conducive working environment for STAMICO staff by June, 2019

4.6 IMPLEMENTATION MATRIX

This shows the strategies set for implementation of each strategic objective, the annual targets for each objective and the responsible personnel. Below is the implementation matrix for each strategic goal.

Table 3: A STRATEGIC GOAL AND OBJECTIVES IMPLEMENTATION MATRIX

STRATEGIC GOAL 1: Increase investment in the mining industry and promote corporate services and image

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGETS					RESPONSIBLE PERSON
			2014/15	2015/16	2016/17	2017/18	2018/19	
A. Increase revenue by TZS. 40 billion from investment in mining operations, mineral trading, geological, drilling, and mining consultancy services by June, 2019	Operating medium scale mines; Participating in the operations of subsidiaries and joint-venture mining projects Provide geo-consultancy and drilling services. Provide mining and mineral processing consultancy services Identifying and exploiting metallic and industrial minerals for local and export trading Promote corporate services and image	Amount of revenue collected from mineral trading (TZS)	1.3 billion	1.5 billion	1.7 billion	2.1 billion	2.4 billion	DIM
		Amount of revenue collected from mining operations and consultancies (TZS)	2 billion	2.5 billion	3 billion	5.7 billion	9 billion	DMES
		Amount of revenue collected from drilling and geo consultancy works (TZS)	1.2 Billion	1.5 billion	1.6 billion	2 billion	2.5 billion	DED
		Percentage increase in sales of STAMICO's products and services	2 %	4 %	6 %	8 %	10 %	DIM
B. Secure six investors for joint-venture partnership in the development	Identifying strategic investors in the Government re-possessed mines through competitive bidding process	Increase in value of shares owned by STAMICO	2 %	3 %	3.5 %	4.5 %	5.5 %	DF

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGETS					RESPONSIBLE PERSON
			2014/15	2015/16	2016/17	2017/18	2018/19	
of new STAMICO projects and mineral properties by June, 2019	Participate in local and international trade exhibitions and conferences and promote Advertising through mass media, calendars, websites, bronchures	Number of JV partners secured on potential projects	1	1	1	1	2	DIM
C:Explore twenty (20) mineral prospecting licences by June, 2019	Acquiring new prospecting areas Finding JVs for mineral property exploration Procuring geological, geophysical, drilling, mining and processing equipment and machinery and secure drilling contract and consultancy	Number of mineral prospecting licences explored	2	3	5	5	5	DED

STRATEGIC GOAL 2: Transform artisanal and small scale mining into a well-organized, mechanized, productive and environmentally responsive subsector

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGET					RESPONSIBLE PERSON
			2014/15	2015/16	2018/19	2017/18	2018/19	
A. Facilitate accessibility to investment capital,, mineral markets and equipment to 200 small scale miners by June, 2019	Review conditions for credit and grants to allow engagement of more small scale miners Prepare Bankable Business Plan Models and Mineral Production Registers for small scale miners to improve record keeping	Number of small scale miners accessed with credits and grants	30	35	40	45	50	DMES
	Establish a database for small scale miners to identify their actual needs for mining and processing equipment Establish equipment inventory to enable small scale miners to access appropriate and affordable equipment	Number of small scale miners with access to appropriate and affordable equipment	20	40	45	55	40	DMES

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGET					RESPONSIBLE PERSON
			2014/15	2015/16	2018/19	2017/18	2018/19	
	Establish mining portal for small scale miners for market information and linkage	Percentage change in number of small scale miners accessing mineral market through mining portal (%)	5%	15%	25%	30%	35%	DMES
	Establish tin buying centre for small scale miners at Kyerwa Tin Syndicate	Percentage change of small scale miners accessing mineral market (%)	10%	15%	25%	30%	35%	DMES
B. Transformation in six artisanal and small scale concentrated mining areas into well organised mining centres	Provide geological mineral information to small scale miners	Number of small scale centres with access to geological information	1	1	1	1	2	DMES
	Provide research based training on mining and mineral processing technologies	Number of small scale centers with appropriate knowledge on mining and mineral processing technologies	1	1	1	1	2	DMES
	Provide training on bankable business plan and mineral production registers	Number of small scale centers with appropriate mineral production records	1	1	1	1	2	DMES
	Provide training to small scale miners on proper usage of chemicals, health, safety and environmental	Number of small scale centers complying to health, safety and environmental guidelines	1	1	1	1	2	DMES

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGET					RESPONSIBLE PERSON
			2014/15	2015/16	2018/19	2017/18	2018/19	
	conservation							

STRATEGIC GOAL 3: Strengthening financial management system and support services

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGETS					RESPONSIBLE PERSON
			2014/15	**2015/16**	**2018/19**	**2017/18**	**2018/19**	
A. Improve procurement, legal services and ICT infrastructure by June, 2019	Adapt a computerized transparent procurement system	Number of Peripherals procured, rehabilitated and serviced	40	30	10	10	10	HICT
		Number of ICT systems rehabilitated and serviced	3	3	3	3	3	HICT
	Procure and install efficient computer and network systems	Average days taken between submission of requirement to receipt of goods and services	Maximum 4 days	Maximum 4 days	Maximum 4 days	Maximum 4 days	Maximum 4 days	HPMU
		Average time taken to deliver goods to user department after suppliers delivery	Maximum 2 days	Maximum 2 days	Maximum 2 days	Maximum 2 days	Maximum 2 days	HPMU
	Capacity building on legal matters	Percentage of tendering procedures completed within planned time	100%	100%	100%	100%	100%	HPMU
		Capacity to negotiate and enforce better terms in contracts	80%	90%	95%	95%	95%	CS

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGETS					RESPONSIBLE PERSON
			2014/15	2015/16	2018/19	2017/18	2018/19	
B. Improve control, mobilisation and management of financial resources by June, 2019	Automation of the accounting and financial system Mobilisation of funds from financial institutions and other sources	Type of audit report issued by CAG	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	CIA
		Number of audit queries raised	6	4	3	2	2	CIA
		Amount or revenues collected	4.6 billion	5.5 billion	6.3 billion	9.8 billion	13.9 billion	DF
		Amounts of funds raised from financial institutions for investment projects	4.8 Billion	5.7billion	6.2 billion	5 billion	4 billion	DF
		Number of report prepared and submitted on due date	5	5	5	5	5	DF
		Number of audits completed within planned time	5	4	3	2	1	CIA
		Percentage of internal audit recommendation implemented by management	80%	85%	90%	90%	90%	CIA
		Number of request for *ad hoc* advises/assistance from management attended	5	4	3	2	1	CIA

STRATEGIC GOAL 4: Address cross cutting issues such as HIV/AIDs, corruption and occupational health, safety and environment at the work place

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGETS					RESPONSIBLE PERSON
			2014/15	2015/16	2018/19	2017/18	2018/19	
A. Reduce spread of HIV/AIDS at the work place by June, 2019;	To organise training, conduct voluntary counselling and Testing on HIV/AIDS to STAMICO staff	Percentage of staff undergone Training and voluntary HIV testing	Above 90%	Above 90%	Above 90%	Above 90%	Above 90%	DHRA
	To provide care and support (drugs and food supplement) to HIV affected staff	Number of staff with HIV receiving supportive services	All identified HIV affected staff	All identified HIV affected staff	All identified HIV affected staff	All identified HIV affected staff	All identified HIV affected staff	DHRA
B. Ensure adherence to occupational health, safety, and environmental guidelines in the STAMICO office premises and its projects by June, 2019	To secure safety and environmental compliance certificates, assess and monitor Safety and Environmental compliance to all STAMICO projects	Compliance rate on occupational health, safety and environmental regulations in STAMICO projects	Above 85%	100%	100%	100%	100%	DMES
	To monitor installation of safety equipment at work place and distribution of personal protective equipment	Availability of safety equipment at work place and percentage of staff with personal protective equipment	100%	100%	100%	100%	100%	DMES
C. Prevent corruption at work place and ensure corruption free working	Develop anticorruption strategy at the work place Conduct training of staff on	Reported corruption incidences	0	0	0	0	0	DHRA

environment by June, 2019	government ethics							

STRATEGIC GOAL 5: Improve human resource management and administration

STRATEGIC OBJECTIVE	STRATEGIES	PERFOMANCE MEASURE	ANNUAL TARGETS					RESPONSIBLE PERSON
			2014/15	**2015/16**	**2018/19**	**2017/18**	**2018/19**	
A. Provide Conducive working environment for STAMICO staff June, 2016	Provide working facilities to staff example office furniture, computers	Percentage of staff equipped with full required office working facilities	70%	75%	85%	95%	100 %	DHRA
		Number and efficiency of Performance management systems operating	HR plan developed as per MSC guideline and OPRAS adopted and used effectively	Client Service Charter in place and Effective use of HR Plan, OPRAS	Client Service Charter in place and Effective use of HR Plan, OPRAS	Client Service Charter in place and Effective use of HR Plan, OPRAS	Client Service Charter in place and Effective use of HR Plan, OPRAS	DHRA
B. Improve Human resource management by June, 2019	Develop Human resource management and succession plan	Employee turnover rate	Below 5%	Below 5%	Below 5%	Below 5%	Below 5%	DHRA
		Percentage of filled vacant posts	100%	100%	100%	100%	100%	DHRA
		Number of staff promoted	0	2	2	3	4	DHRA
C.Promote capacity to staff by June, 2019		Number of staff attending short course training	5	7	8	10	10	DHRA
		Number of staff attending long courses	0	1	2	2	3	DHRA

4.7 Financing Aspects of 2014/15 - 2018/19 Strategic Plan

4.7.1 Financial Resources Requirements

The expected financial resource requirement for the implementation of the year 2014/15 is TZS. 11,486,108,058. For the implementation of the strategic plan 2014/15- 2018/19 it is expected have an incremental increase of 20% at the year 2015/16 and substantially rise from 20 to 30% to the subsequent years due to expansion of corporation's operations and inflation. The expected sources of finance are government subvention, revenue from own investments and loans from financial institutions.

CHAPTER FIVE: MONITORING AND EVALUATION OF 2014/15-2018/19 STRATEGIC PLAN

5.1 Introduction

This chapter intends to show how the results envisioned in the corporation's Strategic Plan will be measured as well as the benefits that will accrue to its clients and other stakeholders. It provides a basis on how the various interventions to be undertaken in the course of the Strategic Planning Cycle, will lead to achievement of the Development Objective. The chapter shows how will the various interventions be monitored and evaluated to reach the desired goal.

5.2 Monitoring and Evaluation Framework

The Monitoring and Evaluation framework for the 2014/15 – 2018/19 Strategic Plan is designed to gauge the implementation of the plan's strategic objectives, annual plans to which individual staff performance shall be linked. In operational terms the framework shall link each strategic objective with relevant strategies, performance measures or indicators, annual targets, means of verification and responsible parties as indicated in Table (refer to Monitoring and Evaluation Matrix).

5.2.1 Strategic Objective Performance Indicators/Measures

Performance indicators are designed to provide a mechanism for establishing whether or not it has been possible to realize the objectives of the strategic plan. The indicators are designed to demonstrate management's need to take timely corrective action for redressing deviations from the plan. The evaluation of strategic objective indicators shall be undertaken in two stages. There shall be a midterm review for certain goals and objectives and there shall also be end of the plan evaluations for all strategic goals and objectives.

5.2.2 Annual Plan Performance Indicators/Measures

Each strategic plan objective shall be implemented using approved strategies. The strategies shall be implemented through activities which will be developed during the annual planning and budgeting sessions and shall be agreed between directors/heads of units/and managers working under them. Since the activities shall be determined during the annual planning session, performance indicators for these activities shall be determined and agreed between managers/heads and their directors and consequently reflected in their units' annual plans. The indicators shall aim to provide information for management attention at a frequency that is designed to assure timely intervention. Immediate responsibility for monitoring these indicators shall be entrusted to the managers/heads, but ultimately to the directors. The annual assessment exercises of the plan shall be undertaken along the annual staff performance appraisal exercises.

5.2.3 Linking Individual Staff Performance with the Strategic Plan

Beginning 2013/2014 the Ministry of Energy and Minerals has directed STAMICO to adopt and operationalise the Open Performance Review and Appraisal (OPRA) system. It is therefore envisaged that through the OPRA system, the efforts of each and every individual staff shall be contributing to the realisation of the organisation 2014/2015 - 2018/19 vision. This will be achieved through the annual planning exercise and use of OPRA agreements between line managers and staffs. The instruments for performance appraisal shall be improved to accommodate the results orientation advanced by this strategic plan.

5.4.1 Directors and Managers/ Heads of Departments/ Units

Individual Directors shall agree with the Managing Director on their performance targets. Each objective/activity in the Director's individual performance plan shall be directly linked to one of the five strategic goals, indicating the Director's role in contributing to that goal. Each individual Director's performance plan, in turn, reflects the performance measure target levels that are in his or her respective unit's annual plan which is consolidated to make the corporation's Annual Work Plan. This one-to-one correspondence between the Director's Performance Plan and department's annual plan shall give assurance that STAMICO's officers are held accountable in concert with the strategic plan.

5.4.2 Managers/ Heads and other Officers

Individual Managers/Heads shall agree with their Directors on their performance targets. Each objective in the manager/head's individual performance plan shall be directly linked to the annual targets set out in the strategic plan or to the strategies which are employed to each objective. Specific activities for implementation of the proposed strategies shall be determined and agreed between directors and the manager/heads during annual planning exercises. Performance Indicators, respective targets and means of verifications shall also be set during these annual exercises and shall form part of the performance agreements.

5.4.3 Processes and Instruments for Monitoring and Evaluation

The Process and Instruments for Monitoring Performance of the Strategic Plan shall include the following:

i. Performance Agreements
ii. Individual Staff Appraisal
iii. Quarterly Performance Progress Report
iv. Annual Performance Progress Reports
v. Mid-Term Review of the Strategic Plan Report
vi. End-of-the Plan Review and Evaluation Report

5.4.4 Integrating Planning, Monitoring & Evaluation, and Performance Appraisal

To ensure that the planning exercise can be designed to integrate annual activities with the strategic plan and the annual planning process is linked to the staff appraisal exercise through Performance Agreements, the following procedure shall be followed:

i. Relevant sections of STAMICO's staff regulations shall be applied to demand superiors to sign performance agreements with their subordinates;
ii. The Strategic Plan shall set the context of all planning and performance appraisal of STAMICO.
iii. The Managing Director shall agree with the Directors on higher level strategic performance targets to set up the annual planning process. The agreement shall be reflected in their performance agreements.

iv. Individual Directors shall agree with Managers/Heads of Units on their performance targets to set up the annual planning process pertaining to areas of their jurisdiction. The agreement shall be reflected in their performance agreements

v. The Managers/Heads of units shall ensure that targets agreed between them and their Directors are reflected in the Performance Agreements between them and officers reporting to them.

5.5 Monitoring and Evaluation Matrix

Table presents the monitoring and evaluation matrix including the means of verification of the planned deliverables and stated performance measures.

STRATEGIC OBJECTIVE	PERFOMANCE MEASURE	ANNUAL TARGETS					MEANS OF VERIFICATION	RESPONSIBLE PERSON
		2014/15	2015/16	2018/19	2017/18	2018/19		
i. Increase revenue by TZS. 40 billion from Investment in mining operations, mineral trading, geological, drilling and mining consultancy services by by June, 2019	Amount of revenue collected from mineral trading	1.3 billion	1.5 billion	1.7 billion	2.1 billion	2.4 billion	Documentation Review	DIM
	Amount of revenue collected from mining operations and consultancies	2 billion	2.5 billion	3 billion	5.7 billion	9 billion	Documentation Review	DMES
	Amount of revenue collected from drilling and geo consultancies	1.2 Billion	1.5 billion	1.6 billion	2 billion	2.5 billion	Documentation Review	DED
	Percentage increase in sales of STAMICO's products and services	2 %	4 %	6 %	8 %	10 %	Data from survey	DIM
ii. Secure six investors for joint-venture partnership in the development of new STAMICO projects and mineral properties by June, 2019	Increase in value of shares owned by STAMICO	2 %	3 %	3.5 %	4.5 %	5.5 %	Documentation Review	DF
	Number of JV partners secured on potential projects	1	1	1	1	2	Documentation Review	DIM
iii. Explore twenty (20) mineral prospecting licences by June, 2019	Number of mineral prospecting licences explored	2	3	5	5	5	Documentation Review	DED

STRATEGIC OBJECTIVE	PERFOMANCE MEASURE	ANNUAL TARGETS					MEANS OF VERIFICATION	RESPONSIBLE PERSON
		2014/15	2015/16	2018/19	2017/18	2018/19		
iv. Facilitate accessibility to investment capital, mineral market and equipment to 200 small scale miners by June 2019	Number of small scale miners accessed with credits and grants	30	35	40	45	50	Documentation Review	DMES
	Number of small scale miners with access to appropriate and affordable equipment	20	40	45	55	40	Documentation Review	DMES
	Percentage change in number of small scale miners accessing mineral market through mining portal	5%	15%	25%	30%	35%	Documentation Review	DMES
	Percentage change of small scale miners accessing mineral market	10%	15%	25%	30%	35%	Documentation Review	DMES
v. Enhance self-transformation in six ASM concentrated mining areas into a well organised mining centers by June, 2019.	Number of small scale centres with access to geological information	1	1	1	1	2	Documentation Review	DMES
	Number of small scale centers with appropriate knowledge on mining and mineral processing	1	1	1	1	2	Documentation Review	DMES

STRATEGIC OBJECTIVE	PERFOMANCE MEASURE	ANNUAL TARGETS					MEANS OF VERIFICATION	RESPONSIBLE PERSON
		2014/15	2015/16	2018/19	2017/18	2018/19		
	technologies							
	Number of small scale centers with appropriate mineral production records	1	1	1	1	2	Documentation Review	DMES
	Number of small scale centers complying to health, safety and environmental guidelines	1	1	1	1	2	Documentation Review	DMES
vi. Improve procurement, legal services and ICT infrastructure by June, 2019	Number of computers and peripherals procured, rehabilitated and serviced	40	30	10	10	10	Documentation Review	HICT
	Number of ICT systems rehabilitated and serviced	3	3	3	3	3	Documentation Review	HICT
	Average days taken between submission of requirement to receipt of goods and services	Maximum 4 days	Maximum 4 days	Maximum 4 days	Maximum 4 days	Maximum 4 days	Documentation Review	HPMU
	Average time taken to deliver goods to user	Maximum 2 days	Maximum 2 days	Maximum 2 days	Maximum 2 days	Maximum 2 days	Documentation Review	HPMU

STRATEGIC OBJECTIVE	PERFOMANCE MEASURE	ANNUAL TARGETS					MEANS OF VERIFICATION	RESPONSIBLE PERSON
		2014/15	2015/16	2018/19	2017/18	2018/19		
	department after suppliers delivery							
	Percentage of tendering procedures completed within planned time	100%	100%	100%	100%	100%	Documentation Review	HPMU
	Capacity to negotiate and enforce better terms in contracts	80%	90%	95%	95%	95%	Documentation Review	CS
vii. Improve control, mobilisation and management corporate financial resources by June, 2019	Type of audit report issued by CAG	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Documentation Review	DF
	Number of audit queries raised	6	4	3	2	2	Documentation Review	DF
	Amount or revenues collected	4.6 billion	5.5 billion	6.3 billion	9.8 billion	13.9 billion	Documentation Review	DF
	Amounts of funds raised from financial institutions and other sources	4.8 Billion	5.7billion	6.2 billion	5 billion	4 billion	Documentation Review	DF
	Number of report prepared and submitted on due date(4 quarterly, 1financial)	5	5	5	5	5	Documentation Review	DF
	Number of audits completed within planned time	5	4	3	2	1	Documentation Review	CIA

STRATEGIC OBJECTIVE	PERFOMANCE MEASURE	ANNUAL TARGETS					MEANS OF VERIFICATIO N	RESPONSIBLE PERSON
		2014/15	2015/16	2018/19	2017/18	2018/19		
	Percentage of internal audit recommendation implemented by management	80%	85%	90%	90%	90%	Documentation Review	CIA
	Number of request for ad hoc advises/assistance from management attended	5	4	3	2	1	Documentation Review	CIA
viii. Reduce spread of HIV/AIDS at the work place by June, 2019;	Percentage of staff undergone voluntary HIV testing	Above 90%	Above 90%	Above 90%	Above 90%	Above 90%	Documentation Review	DHRA
	Number of staff HIV receiving supportive services	All identified HIV affected staff	All identified HIV affected staff	All identified HIV affected staff	All identified HIV affected staff	All identified HIV affected staff	Documentation Review	DHRA
ix. Ensure adherence to occupational health, safety, and environmental	Compliance rate on occupational health, safety and environmental regulations in STAMICO projects	Above 85%	100%	100%	100%	100%	Documentation Review	DMES

STRATEGIC OBJECTIVE	PERFOMANCE MEASURE	ANNUAL TARGETS					MEANS OF VERIFICATION	RESPONSIBLE PERSON
		2014/15	2015/16	2018/19	2017/18	2018/19		
guidelines in the STAMICO office premises and its projects by June, 2019	Availability of safety equipment at work place and Percentage of staff with personal protective equipment to staff	100%	100%	100%	100%	100%	Documentation Review	DMES
x. Prevent corruption at work place and ensure corruption free working environment by June, 2019	Reported corruption incidences	0	0	0	0	0	Documentation Review	DHRA
xi. Provide Conducive working environment for STAMICO staff June, 2016	Percentage of staff equipped with full required office working facilities	75%	85%	95%	100%	Above 80% satisfied	Survey	DHRA
	Number and efficiency of Performance management systems operating		Client Service Charter in place and Effective use	Client Service Charter in place and Effective	Client Service Charter in place and Effective	Client Service Charter in place and Effective use	Documentation Review	DHRA

STRATEGIC OBJECTIVE	PERFOMANCE MEASURE	ANNUAL TARGETS					MEANS OF VERIFICATIO N	RESPONSIBLE PERSON
		2014/15	2015/16	2018/19	2017/18	2018/19		
			of HR Plan, OPRAS	use of HR Plan, OPRAS	use of HR Plan, OPRAS	of HR Plan, OPRAS		
xii. Improve Human resource management by June, 2019	Employee turnover rate	Below 5%	Below 5%	Below 5%	Below 5%	Below 5%	Documentation Review	DHRA
	Percentage of filled vacant posts	100%	100%	100%	100%	100%	Documentation Review	DHRA
	Number of staff promoted	0	2	2	3	4	Documentation Review	DHRA
xiii. Promote capacity to staff by June, 2019	Number of staff attending short courses training	5	7	8	10	10	Documentation Review	DHRA
	Number of staff attending long course training	0	1	2	2	3	Documentation Review	DHRA

Annex 1: Organization Structure of State Mining Corporation (STAMICO)