

**SUBSIDIARY LEGISLATION**

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**THE EXECUTIVE AGENCIES ACT,  
(CAP. 245)**

*(Made under section 3)*

**THE EXECUTIVE AGENCIES (THE PETROLEUM BULK PROCUREMENT  
AGENCY)(ESTABLISHMENT) ORDER, 2015**

**Citation** 1. This Order may be cited as the Executive Agencies  
(The Petroleum Bulk Procurement Agency) (Establishment)  
Order, 2015.

**Establishment  
of the PBPA** 2.-(1) There is established an executive agency to be  
known as the Petroleum Bulk Procurement Agency also  
known by its acronym "PBPA".

(2) The Petroleum Bulk Procurement Agency shall take  
over the functions of the Petroleum Importation Coordination  
Limited (PICL).

(3) The functions, aims, objectives, authority,  
performance standards and other matters relating to the  
administration and management of the Petroleum Bulk  
Procurement Agency shall be as specified in the Framework  
Document set out in the Schedule to this Order.

**SCHEDULE**

*(Made under paragraph 3)*

**FRAMEWORK DOCUMENT FOR THE PETROLEUM BULK  
PROCUREMENT AGENCY**

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LIST OF ABBREVIATIONS AND ACRONYMS

BOT	-	Bank of Tanzania
BPS	-	Bulk Procurement System
BRELA	-	Business Registration and Licencing Authority
EWURA	-	Energy and Water Utilities Regulatory Authority
FCC	-	Fair Competition Commission
ICT	-	Information Communication and Technology
OMCs	-	Oil Marketing Companies
OSHA	-	Occupational Safety and Health Authority
PBPA	-	Petroleum Bulk Procurement Agency
PICL	-	Petroleum Importation Coordinator Ltd
TANESCO	-	Tanzania Electrical Supply Company
TAOMAC	-	Tanzania Oil Marketing Association of Companies
TBS	-	Tanzania Bureau of Standards
TTF	-	Technical Task Force
TPA	-	Tanzania Ports Authority
TPDC	-	Tanzania Petroleum Development Corporation
TRA	-	Tanzania Revenue Authority
WMA	-	Weights and Measures Agency

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FOREWORD

The introduction of "efficient procurement" through bulk procurement system of petroleum products in 2011 was a deliberate effort by the Government in ensuring security supply of petroleum products in the country. PICL was established for the purpose of administering and managing efficient procurement. However, it has faced a number of challenges. Therefore, the establishment of *Petroleum Bulk Procurement Agency (PBPA)* marks an important turning-point for the petroleum industry in the country.

PBPA is expected to address challenges that faced the *Petroleum Importation Coordinator Ltd*, the private company which was established to administer and manage bulk procurement system of petroleum products. I believe, PBPA will become a centre of excellence in administering and managing bulk procurement system of petroleum products in the country. In this regards, PBPA has to ensure security of supply of quality petroleum products in a timely and cost effective way, while enhancing maximum degree of transparency, accountability, professionalism, integrity and involvement of all key stakeholders.

Local demand of petroleum products (mogas, gasoil, Jet A1 and kerosene) per year is estimated at 1.8 million (MT). At the same time, there is an increase demand averaging at of 9% to 10% per year. The supply of such quantity of petroleum products for local use as well as transit quantity which is estimated at 1.1 million (MT) with estimated demand increase of 30% per year needs a proper and well organized system and entity.

I am very grateful to the President's Office – Public Service Management (PO – PSM) for providing valuable contributions on the establishment of PBPA; the Permanent Secretary, Deputy Permanent Secretary, and Management of the Ministry of Energy and Minerals as well as the Agency Implementation Team (AIT) members for their efforts, commitment and fairness in the preparation of this document.

In a very special way, I would like to express my appreciation to Oil Marketing Companies, TAOMAC as well as other stakeholders for their constructive ideas as well as positive support on the establishment of PBPA. It is my hope that they will continue cooperating with the Agency.

I therefore, wish the Executive Director and staff of PBPA every success in ensuring that importation of petroleum products in the country is carried out in

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effective manner for the benefit of Oil Marketing Companies and national at large.

.....  
**Hon. George B. Simbachawene (MP)**  
**Minister for Energy and Minerals**

## **1 INTRODUCTION**

The development of any country depends on multi factors including security of supply of petroleum products. In the year 2011 the responsibility for security of supply of petroleum products in the country through efficient procurement was given to PICL. PICL is an entity established under the Petroleum (Bulk Procurement) Regulations, 2011 as amended in 2013 and registered under BRELA as an entity limited by guarantee with no share capital owned by OMCs.

Despite several achievements, PICL experienced a number of challenges in terms of governance as well as stock out of the products. This was due to the clear conflict of interest amongst shareholders. Oil Marketing Companies are members (shareholders) of PICL, at the same time most of them are pre-qualified as suppliers, while some of members and/or prequalified suppliers are board directors of PICL. Given the role of PICL Board in making decisions on the planning, tendering and delivery of petroleum products it becomes clear on the conflict of interest and therefore puts the country at risk in terms of reliability and security of supply of petroleum products.

Due to the above challenges which led to insecurity of supply of petroleum products, the government decided to transform PICL into a Government Agency. The main aim of the Agency is to coordinate and administer the procurement of petroleum products in bulk in order to ensure security of supply through a competitive bidding process.

This Framework Document sets out the mandate, functions and governing structure of the Agency. It is an instrument that explains the scope of operations and institutional framework setting out the responsibilities of key players of the Agency namely; the Minister, Permanent Secretary, Ministerial Advisory Board and the Executive Director.

## **2 STATUS AND GOVERNANCE**

The status and governance of Petroleum Bulk Procurement Agency (PBPA) are as follows:

### **2.1 Agency Status**

With effect from ..... day of .....2015, the Order establishing PBPA as an Executive Agency under the Ministry of Energy and Minerals (MEM) in accordance with the provisions of the Executive Agencies Act Cap. 245 came into force. The Agency takes over the functions of Petroleum Importation Coordination Limited (PICL) as expressed in this Framework Document.



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The Agency is established in order to achieve the following general objectives:

- (a) Administer and manage petroleum products demands and requirements;
- (b) Ensure effective and efficient coordination of procurement and delivery of bulk petroleum products; and
- (c) Ensure effective and efficient management of the Agency.

**2.2 Governance**

The Permanent Secretary of MEM shall oversee the implementation of the Ministerial Policies by PBPA. The Executive Director shall be appointed by the Minister of MEM upon advice provided by the Public Service Recruitment Secretariat for a period not exceeding five years as may be stipulated in the appointment letter and shall be eligible for reappointment. The Executive Director shall be the CEO and head of the Agency. There shall be a Ministerial Advisory Board (MAB) appointed by the Minister as per Executive Agencies Act Cap 245 to advise on matters pertaining to efficient and effective performance of the Agency. Furthermore, MAB will advise the Minister over functions and responsibilities of PBPA.

**2.3 Organization Structure of PBPA**

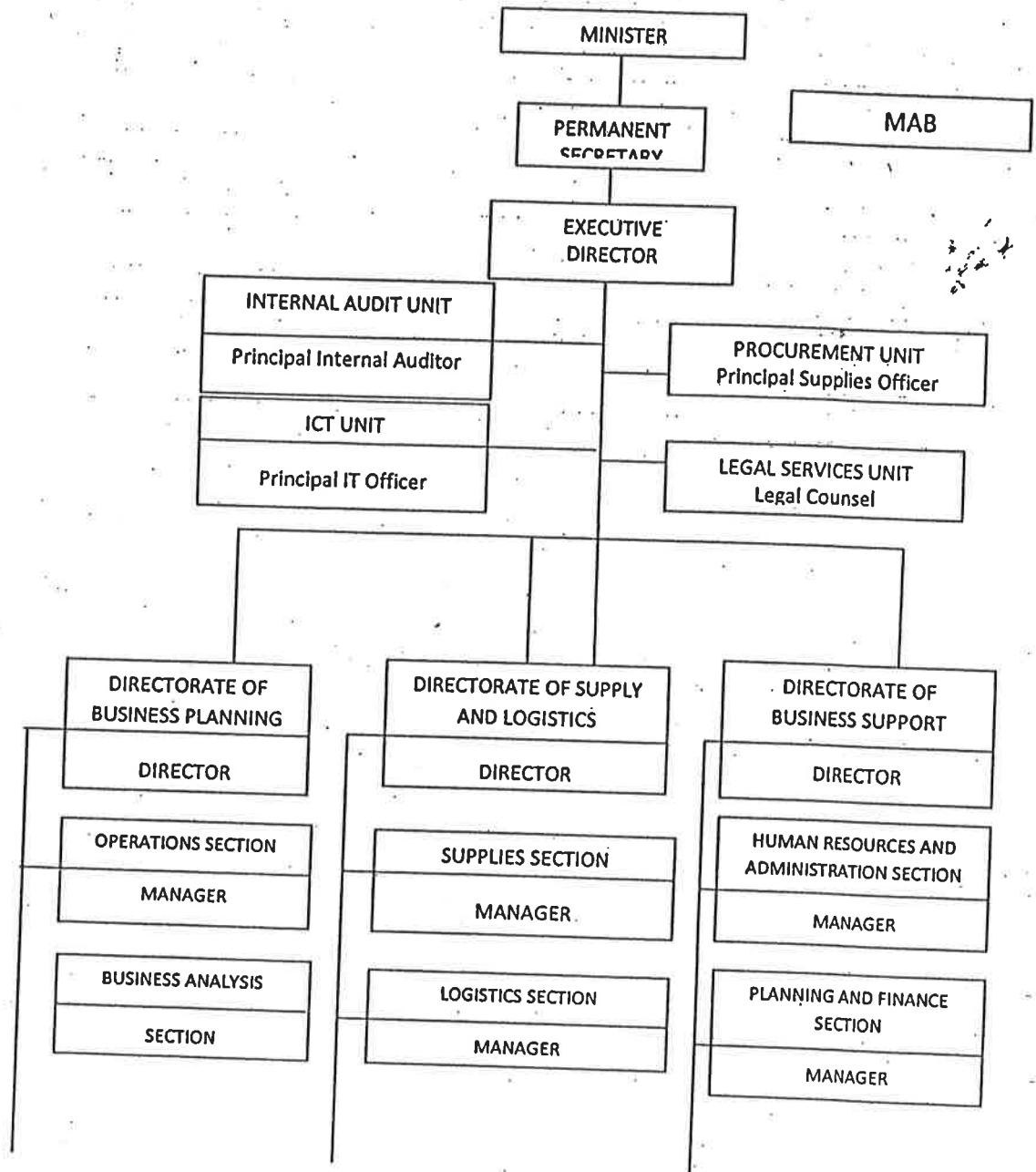
PBPA shall be headed by Executive Director assisted by three Directors (Business Planning; Supply and Logistics; and Business Support) who shall be heads of the Directorates. Also there shall be four Units direct under the office of Executive Director. These Units are Internal Audit, Procurement, Legal Services and ICT. There shall be seven sections under the Directorates. Figure (1.0) below presents the outline of the Agency's Organogram. Review of the Agency's Organogram and responsibilities of the Directors may be done as business need arises.

The Management team of the Agency shall be constituted by the Executive Director, Heads of Directorates and Units. PBPA Management Team shall ensure standards, systems and procedures for resource management, capacity development, coordination of the Agency's technical services, monitoring and evaluation of the performance of the operations are in place and are reviewed as and when required.

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Figure 1: ORGANISATION STRUCTURE OF PBPA



## **2.4 FUNCTIONS OF DIRECTORATES, SECTIONS AND UNITS**

### **2.4.1 Directorate of Business Planning and Operations**

The Directorate of Business Planning and Operations shall be responsible for planning of importation of petroleum products and managing all functions related to tender processes and procedures. Main functions of the Directorate shall include the preparation of demand and supply forecast of petroleum products, preparation of monthly tender documents, liaise with EWURA on petroleum related matters including inputs for petroleum cap price workings as well as research and analysis of petroleum business trend locally and internationally. The Directorate shall be headed by a Director and shall have two sections of Operations and Business Analysis.

#### **2.4.1.1 Operations Section**

The Operations sections shall be responsible for collection of monthly volume requirements from Oil Marketing Companies and preparation of tender documents. Main functions of the section shall include arrangement of delivery schedules of petroleum products in each specific tender, coordinate effective and efficient delivery plan for BPS vessels and non BPS vessels, and monitor oil marketing companies' order requirement in relation to their respective bank guarantees. The Section shall be headed by a Manager.

#### **2.4.1.2 Business Analysis Section**

The Business Analysis Section shall be responsible for determining, analyzing and monitoring of the trend of petroleum products business. Its key functions shall include preparation of reports on bidding premiums, research on possible other sources of petroleum products, monitor and evaluate fuel consumptions locally and transit importation and operational fuel losses. This Section shall be headed by a Manager.

### **2.4.2 Directorate of Supply and Logistics**

The Directorate of Supply and Logistics shall be responsible for ensuring timely arrival of vessels and efficiency discharge and receipt of petroleum products into various terminals. Main functions shall include monitoring of effective and efficient financing of imported products, calculation of demurrage and liaise with marine surveyor for the imported petroleum data. The Directorate shall be headed with a Director and shall have two Sections.

**2.4.2.1 Supply Section**

The Supply Section shall be responsible for linking with suppliers and shipping agent on the arrival of vessels and ensure that all required shipping documents are timely sent to the relevant parties. This section will also ensure that Letters of Credit are established within the required timeframe. This Section shall be headed by a Manager.

**2.4.2.2 Logistics Section**

The Logistics section shall be responsible for ensuring proper discharge and receipt of imported products plan for each vessel is done. It is the role of this section to liaise with marine surveyors and TBS for quality and quantity certifications to do the analysis on losses/gains that may occur and report if the losses/gains are within the acceptable range. This Section shall be headed by a Manager.

**2.4.3 Directorate of Business Support**

The Directorate of Business Support shall be responsible for operational planning and budgeting as well as human resources and administration of the Agency. The Directorate shall be headed by a Director and shall have two sections:

**2.4.3.1 Human Resource and Administration Section**

The Human Resources and Administration Section shall be responsible for all matters related to administration and management of human resource (HR). This section shall be headed by a Manager.

**2.4.3.2 Planning and Finance Section**

Planning and Finance Section shall be responsible for all matters related to operational planning, budgeting as well as management of finances and accounts of the Agency. It shall be the role of this section to ensure that all Agency's revenue is collected timely, expenditure records are properly recorded and maintained as well as financial reports are prepared in a timely manner. This section shall be headed by a Manager.

**2.4.4 Information Communication Technology Unit**

The Information Communication Technology Unit shall be responsible for all matters related to ICT of the Agency. The Unit shall establish a sound

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information management system for all functions of the Agency. The Unit shall be headed by a Principal IT Officer.

**2.4.7 Internal Audit Unit**

The Internal Audit Unit shall be responsible for all matters related to proper resources management and performance of the Agency in accordance with relevant legislation governing finance, procurement and human resources. The unit shall be headed by Principal Internal Auditor.

**2.4.6 Procurement Unit**

The Procurement Unit shall be responsible for acquisition of quality goods and services for PBPA at competitive prices and in accordance with the Public Procurement Act as well as advice the Executive Director on matters related to procurement, maintenance of inventory and asset register. The Unit shall be headed by a Principal Supplies Officer.

**2.4.7 Legal Services Unit**

The Legal Services Unit shall be responsible for providing legal advice to the Agency. Main functions shall include advising on legal matters; drafting contracts or any legal documents; assisting in interpreting any legal document; representing the organisation's interest in any legal related issue with external part. The Unit shall be headed by a Principal Legal Officer.

**2.5 REVIEW OF THE ORGANIZATIONAL STRUCTURE**

The Agency's organization structure may be reviewed when need arises. The Executive Director through the Permanent Secretary and the Ministerial Advisory Board (MAB) shall advise the Minister on the changes required. The proposed structure shall be submitted to the President's Office – Public Service Management for approval.

**3 AIM, ROLES AND FUNCTIONS, VISION, MISSION, OBJECTIVES  
AND EXPECTED OUTCOMES**

**3.1 Aim**

The aim of the Agency is to coordinate and manage efficient procurement of petroleum products through bulk procurement system.

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**3.2 Roles and Functions**

The main roles and functions of PBPA are as follows:

- (a) Forecast and determine demand and supply of petroleum products;
- (b) Collect procurement requirements of petroleum products from OMCs;
- (c) Conduct international competitive bidding for procurement of bulk petroleum products;
- (d) Conclude and administer contracts with suppliers and between the Agency and OMCs;
- (e) Relay information related to petroleum business to all relevant parties; and
- (f) Coordinate diligent receipt by OMCs of petroleum products from the delivery vessels.

**3.3 Vision**

To be an effective and model institution in the procurement and delivery of quality and reliable petroleum products at national and regional levels.

**3.4 Mission**

To provide quality and cost effective petroleum products through coordination and management of bulk procurement system to ensure reliability and security of supply and contribute to the sustainable socio – economic and national development.

**3.5 Specific Objectives**

In order to achieve its mission and vision the Agency developed six (6) objectives as stipulated in the Strategic Plan, which are:

- (a) Strengthening coordination of bulk procurement system of petroleum products;
- (b) Improvement of financial resources management system;
- (c) Improvement of Human resource management;
- (d) Improvement of working environment;
- (e) Reduction of HIV/AIDS infections and improvement of supporting services; and

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- (f) Enhancement of National Anti-Corruption Policy and strategies.

**3.6 Expected Outputs**

- (a) Reviewed Bulk Procurement Manual;
- (b) Established Fuel financing procurement mechanism;
- (c) Reviewed Procurement contracts;
- (d) Reviewed Bulk procurement system;
- (e) Prepared and operationalized Annual Procurement Plans;
- (f) Established Storage facilities;
- (g) Prepared Mechanism to reduce demurrage costs;
- (h) Prepared and operationalized Importation plan;
- (i) Communication mechanism for stakeholders in the supply chain developed;
- (j) Fuel report sharing system prepared;
- (k) Sources of funding to cater for the Agency requirements identified and mobilized;
- (l) Financial procedures and regulations institutionalized;
- (m) Internal financial control systems developed and implemented annually;
- (n) Financial audit reports prepared and submitted;
- (o) Effectiveness of Audit committee meetings facilitated and enhanced;
- (p) Organisation structure reviewed;
- (q) Job list prepared;
- (r) Scheme of Service prepared;
- (s) Agency required number of employees recruited;
- (t) Incentive scheme prepared;
- (u) Training program prepared;
- (v) Open Performance and Appraisal System operationalized;
- (w) Client Service Charter prepared and launched;
- (x) Strategic Plan reviewed;
- (y) Support services contracts reviewed;

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- (z) HIV/AIDS sensitization programmes prepared;
- (aa) HIV/AIDS sensitization seminars conducted;
- (bb) HIV/AIDS protective gears distributed;
- (cc) HIV/AIDS support scheme established;
- (dd) Sensitization and awareness programmes for Agency's staff developed;
- (ee) Governance and Accountability oriented guidelines and regulations developed;
- (ff) Staff awareness seminars on governance and accountability conducted;
- (gg) Public awareness campaigns on ethical issues conducted;
- (hh) ICT equipment and accessories procured;
- (ii) Office equipment and furniture procured; and Petroleum bulk procurement system database prepared

**3.7 Performance Criteria**

The performance of the Agency will be assessed based on the Strategic and Business Plans developed. Assessment will be based on regular performance report submitted by the CEO to the Permanent Secretary and other relevant authorities. In this regard, particular attention will be paid to the following areas:

**3.7.1 Quality of Service**

- (a) Availability petroleum products; and Level of stakeholders' satisfaction.

**3.7.2 Operational Efficiency**

- (a) Premium trends;
- (b) Demurrage costs trends;
- (c) Timely availability of petroleum products;
- (d) Level of stakeholders' response in bulk procurement system;
- (e) Transparency in petroleum bulk procurement system.



### **3.7.3 Financial Performance**

- (a) Level of financial independence; and
- (b) Audit Rating.

## **4 RESPONSIBILITIES**

The responsibilities of the key players of the Agency are as follows:-

### **4.1 Responsibilities of the Minister**

The Minister for Energy and Minerals shall be responsible for determining the policy framework and the operational boundaries within which the Agency shall operate. The Minister is responsible for:-

- (a) establishing the Agency;
- (b) appointing the Executive Director upon advice of the Public Service Recruitment Secretariat;
- (c) appointing Chairperson and other members of the Ministerial Advisory Board; and
- (d) ensuring that the Government and the public derive maximum benefit from the operations of the Agency.

In discharging responsibilities, the Minister shall be assisted by the Permanent Secretary in ensuring that policies and objectives of the Ministry are adhered to. The Minister shall make strategic decisions for the long-term viability and sustainability of the organization in light of wider Agency and Government strategies, including the overall funding position.

In addition, the Minister shall aim at meeting the Management of the Agency in person at least once in a year to discuss, among other matters, the Agency strategies, its performance and how risks can best be managed. Also the Minister shall work to safeguard the interest of the Agency to ensure its maximum contribution to the national economic growth and keep PBPA aware of high level Government strategic thinking.

### **4.2 Responsibilities of the Permanent Secretary**

The Permanent Secretary being charged with overall responsibility to the Ministry for Energy and Minerals on matters related to voted funds, and as such is the principal policy adviser to the Minister. The Permanent Secretary shall be responsible for overseeing the implementation of the Ministerial policies and financial framework within which the Agency operates. Thus, for that purpose

shall give directions to the Executive Director but with due regard to the need to uphold PBPA's autonomy in the operational management of its affairs.

The Permanent Secretary shall be responsible for all policy matters; resolve boundary issues and assist the Agency to acquire financial support from designated reliable sources.

The Permanent Secretary shall promote interests of PBPA and keep the Executive Director aware of high level Government thinking, put into effects recommendations of the Public Accounts Committee and play a major role in the appointment of the MAB and selection of the Executive Director.

In addition, the Permanent Secretary should aim at meeting the Management of the Agency in person at least twice a year to discuss the PBPA's strategies, its performance and how risks can best be managed.

#### **4.3 Responsibilities of the Executive Director**

The Executive Director shall be responsible for managing PBPA within terms of the Framework Document and the Executive Agencies Act Cap 245, its Regulations and the Strategic Plan agreed with MEM. The Executive Director is the Accounting Officer of the Agency, the Secretary to the MAB and responsible for-

- (a) day to day management of the Agency;
- (b) development and implementation of Agency's Plans;
- (c) annual reviews, monitoring and evaluation of the Agency performance;
- (d) preparation of annual reports and financial statements of the Agency for submission to the relevant authorities;
- (e) management of financial resources, property and business;
- (f) management and development of human resources; and
- (g) ensuring development and sustainability of the Agency.

#### **4.4 The Role of the Ministerial Advisory Board (MAB)**

The MAB shall be constituted as provided under Section 6 through Section 8 of the Executive Agencies Act, Cap 245 and its Regulations. The MAB shall be responsible for advising the Minister on the following-

- (a) development and maintenance of the strategic framework;
- (b) objectives of the Agency;

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- (c) acceptability of the Agency's plans and associated budgets;
- (d) setting of priorities and annual performance targets for the Agency;
- (e) Agency's annual reports and accounts;
- (f) evaluation of the Agency's performance;
- (g) salaries, wages and allowances of employees of the Agency; and
- (h) any other matter in the promotion and furtherance of objectives and functions of this Agency.

## **5 ACCOUNTABILITY**

The accountability of key players of the PBPA is as stipulated below:

### **5.1 Minister**

The Minister shall be accountable to the Parliament for all aspects of PBPA. The Minister shall be assisted, in the discharge of his responsibility, by the Permanent Secretary and the Chief Executive.

### **5.2 Permanent Secretary**

The Permanent Secretary is responsible for assuring a high standard of financial management in the conduct of all responsibilities charged on the Ministry of Energy and Minerals.

### **5.3 Executive Director**

The Executive Director is the Agency's Accounting Officer, and is therefore accountable for ensuring the propriety and regularity of revenue and expenditure, for prudent and economical administration, and ensuring that requirements set by the Ministry responsible for finance are met in accordance with existing financial laws and regulations.

The Executive Director is responsible for establishing proper management system and shall take due account on financial management guidance issued by the Ministry responsible for finance, as well as human resource management guidance issued by President's Office-Public Service Management. The Executive Director shall also put into effect recommendations acceptable to the Government from the Public Accounts Committee and other Parliamentary Committees.

#### **5.4 Public Accounts Committee**

The Permanent Secretary and the Executive Director may be required to appear before the Public Accounts Committee on matters related to PBPA; where the Committee's interest is in the operations of the Agency, the Minister will normally consider the Executive Director as the best person placed to appear.

#### **5.5 Parliamentary and Other Inquiries**

Members of Parliament are encouraged to deal directly with the Executive Director on matters and responsibilities of the Agency. The Minister shall work closely with the Executive Director to prepare formal replies to questions and enquiries raised by Members of Parliament, which fall within the responsibility of PBPA. The Executive Director shall advise the Minister on other Parliamentary matters as may be requested.

### **6 FINANCE, PLANNING AND STRATEGIC CONTROL**

Matters of the Agency related to Finance, Planning and Strategic Control are described below.

#### **6.1 Funding**

The key sources of the Agency's revenue shall be from:-

- (a) Contributions collected from Oil Marketing Companies on each liter of petroleum product imported under BPS;
- (b) Sale of pre-qualification and tender documents;
- (c) Income from Agency operations;
- (d) Grants and loans; and
- (e) Government subventions.

The Agency's expenditure will be subject to daily, monthly, quarterly and annual monitoring and review.

#### **6.2 Strategic and Business Plans**

The Executive Director shall be responsible for preparation, implementation and review of Strategic and Business Plans.

### **6.2.1 Strategic Plan**

The Strategic Plan shall cover a five-year term, rolled forward and reviewed annually. It shall reflect the achievement of strategic objectives and targets as well as outcome of the review of performance criteria. To this effect, the Strategic Plan shall set out the following:-

- (a) The Vision and Mission of PBPA,
- (b) Strategic Objectives,
- (c) An assessment of internal and external environment,
- (d) Strategies for achieving PBPA's aim and objectives,
- (e) Performance targets and indicators, and
- (f) Result Framework.

### **6.2.2 Business Plan**

The Business Plan shall set out details for PBPA's operational activities for each year of the Strategic Plan, and shall include-

- (a) Performance review of previous year,
- (b) Annual Objectives,
- (c) Priorities, performance targets and indicators,
- (d) Budgets, profiles of revenue and expenditure,
- (e) Performance and review for the financial year, and
- (f) Key assumptions, which include resources which are likely to underpin performance targets.

### **6.2.3 Approval**

The Executive Director shall submit Strategic and Business Plans to the Ministerial Advisory Board and thereafter to the Permanent Secretary for approval. The Executive Director may seek to review the Business Plan in the course of the year to reflect changes in policies, resources or priorities. Approval of these plans will constitute authority for PBPA to conduct its operations accordingly.

## **6.3 Strategic Control**

### **6.3.1 Annual Report and Accounts**

The Executive Director shall submit an Annual Report and Statement of Financial Accounts to the Ministerial Advisory Board and thereafter to the Permanent Secretary and the Minister at the end of each financial year. The report shall contain:-

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- (a) a copy of the audited accounts of PBPA, together with the Auditor's report of those accounts;
- (b) performance against targets;
- (c) Operations of PBPA during that financial year;
- (d) The annual performance agreement between the Permanent Secretary and the Executive Director; and
- (e) Any other information as may be required by the Permanent Secretary.

The Reports shall be published and circulated to the relevant Authorities.

**6.3.2 Financial Delegation**

The Executive Director has the authority to approve all expenditure which are consistent with the approved Strategic and Business Plans and which are in accordance with the letter of delegation. He shall acquire Treasury Circular from Paymaster General which guarantees the authority to manage Agency's financial resources.

**6.3.3 Value for Money**

The Executive Director is responsible for ensuring value for money in the procurement of goods and delivery of services. It is the role of the Executive Director to make sure that there are standards and value for money for any transaction carried out by the Agency, work contracted out and that security and confidentiality are maintained.

**6.3.4 External Audit**

PBPA is subject to external audit by the National Audit Office of Tanzania (NAOT). It is the right of NAOT to conduct interim audits, special audits and value for money studies relating to PBPA activities.

**6.3.5 Internal Audit**

The Executive Director is responsible for ensuring that adequate arrangements exist for the provision of internal audit functions. The audit functions shall accord with the standards set by the Ministry responsible for finance, and in accordance with the PBPA Financial and Accounting Manual and Procedures.

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**6.3.6 Budgetary Flexibilities**

The Executive Director shall have powers in relation to budgetary flexibilities as per existing financial laws and regulations in accordance with guidelines of the Ministry responsible for the Finance.

**6.3.7 Capital Expenditure**

The Executive Director shall have the powers in relation with the capital expenditure to:-

- (a) Authorize capital expenditure on individual capital projects,
- (b) Transfer of resources allocated to one item in the budget to another, and
- (c) Carry over in full to the next financial year any unspent funds on capital provision from the previous financial year.

**6.3.8 Operational Expenditure**

The Executive Director shall have the power to:-

- (a) Manage all operational expenditure as per approved budget;
- (b) Transfer resources allocated to one item in the budget to another; and
- (c) Carry over to the next financial year any unspent funds on operational expenditure from the previous financial year.

**6.3.9 Assets and Liabilities**

In regard to assets and liabilities the Executive Director may:-

- (a) Authorize special payments, write-offs and disposal of assets in accordance with the existing financial and procurement laws and regulations;
- (b) Authorize expenditure on consultancy services according to the PBPA internal Regulations, guidelines and policy;
- (c) Authorize expenditure on various projects and single sourcing in accordance with Financial regulations, procurement Act and related Regulations;
- (d) Procure goods and service as per procurement Act and Regulations; and

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- (e) PBPA on its own name, can acquire, hold or dispose of movable and immovable property as per applicable laws.

**6.3.10 Business Risk Management**

The Executive Director shall have the role of undertaking risk management which includes identification, assessment and prioritization of risks (*the effect of uncertainty on objectives*). This will be followed by a coordinated and economical application of resources to minimize, monitor and control the probability and/or impact of unforeseen events or to maximize the realization of opportunities.

**7. HUMAN RESOURCE (HR) MANAGEMENT**

The management of HR of the Agency will be based on:

**7.1 Status and Condition of Service**

PBPA staff are public servants and therefore provisions and conditions of service shall be guided by relevant policies, laws, regulations and circulars. Such laws, regulations and policies shall include the Public Service Act, Cap. 298; Labour Relations Act No. 6 of 2004; the Executive Agencies Act, Cap. 245; and their related regulations; and Public Service Management & Employment Policy of 2009.

**7.2 Human Resource**

The Executive Director shall be responsible for the management of the Agency's Staff as stipulated in this Framework Document, Executive Agencies Act Cap. 245, Public Service Act, Cap 298 and their Regulations, and the Labour Relations Act of Number 6 of 2004. Further, the Executive Director shall be responsible for ensuring that an equal opportunities policy is formulated and implemented, within these parameters and may introduce changes as necessary to maximize PBPA efficiency and effectiveness.

**7.3 Staff Relations**

The Executive Director shall be responsible to manage affairs of the Agency efficiently and effectively. He shall further, promote good staff relations and ensure control and discipline.



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**7.4 Health and Safety**

The Executive Director is responsible for the health and safety of the Agency staff at the work place and for complying with all relevant laws and regulations. In this regard, he shall consult with staff in recognizing Trade Union representatives and relevant Authorities on health and safety matters.

**7.5 Risk Conditions Mitigation**

The Executive Director shall take appropriate measures to Agency staff working in risky conditions and shall not expose them to dangerous situations such as radiation, toxic reagents, flammable chemical and rough weather. The Executive Director shall comply with all relevant legislations and in this regard, shall consult with staff and their Trade Union representatives and relevant Authorities on risky working conditions.

**7.6 Equal Opportunities**

The Executive Director shall create suitable environment to ensure equal opportunities for every staff as stipulated in the Public Service Management and Employment Policy of 2009 and Public Service Act, Cap. 298.

**7.7 Fight against Corruption**

Executive Director shall play a leading role in developing and implementing strategies to address corruption and other malpractices in PBPA.

**8 REVIEW, AMENDMENTS AND PUBLICATIONS**

Review procedures, amendments and publication of the Framework Document may be done as outlined hereunder-

**8.1 Review and/or Amendments**

The Executive Director in consultation with the Minister and the Permanent Secretary may at any time (at least at an interval not exceeding five years) propose a review and/or amendment to this Framework Document in the light of the PBPA's operation experience or any change of circumstances. Further, he shall ensure that consultation with staff and their recognized Trade Union representatives is done for any changes affecting human resource. Any such proposals for change shall be subject to approval from the President's Office – Public Service Management.

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**8.2 Publication**

This Framework Document and the Order establishing PBPA will be published in accordance with existing laws and regulations. This Document may be accessed through Agency' website and copies with other information about PBPA can be obtained from the address below:

**CONTACT ADDRESS**

The Executive Director,  
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DAR ES SALAAM.

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Dar es Salaam,  
....., 2015

GEORGE B. SIMBACHAWENE,  
*Minister for Energy and Minerals*