

Tanzania

Tanzania Cotton Lint and Seed Board Act Chapter 201

Legislation as at 31 July 2002

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Tanzania

Tanzania Cotton Lint and Seed Board Act Chapter 201

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[Note: This legislation has been thoroughly revised and consolidated under the supervision of the Attorney General's Office, in compliance with the Laws Revision Act No. 7 of 1994, the Revised Laws and Annual Revision Act (Chapter 356 (R.L.)), and the Interpretation of Laws and General Clauses Act No. 30 of 1972. This version is up-to-date as at 31st July 2002.]

[G.N. No. 282 of 1985; Acts Nos. 19 of 1984; 8 of 1985; 5 of 1990; 11 of 1993; 17 of 1996]

An Act to establish the Tanzania Cotton Lint and Seed Board, to provide for the functions of the Board and for other related matters.

Part I – Preliminary provisions (ss. 1-2)

1. Short title

This Act may be cited as the Tanzania Cotton Lint and Seed Board Act.

2. Interpretation

In this Act, unless the context otherwise requires—

"**appointing authority**" means in relation to the Chairman, the President, and in relation to any other member, the Minister;

"**Board**" means the Tanzania Cotton Board established under subsection (1) of section 3;

"**Board of Directors**" means the Board of Directors established under subsection (2) of section 3;

"**cotton inspector**" means the cotton inspector appointed by the Board under section 9;

"**cotton lint**" means ginned cotton;

"**cotton price stabilisation fund**" means the Fund established under section 26;

"**cotton seed**" means cotton seed produced from raw cotton;

"**Director**" means the Director of Technical and Extension Services in the Ministry responsible for agriculture;

"**export**" means export outside Tanzania;

"**gininery**" means any place in which raw cotton is converted into cotton lint;

"**grade A cotton**" means mature raw cotton which is white and free from stain, extraneous matter or damage from any cause;

"**grade C cotton**" means any raw cotton of a merchantable quality inferior to Grade A cotton;

"**grower**" means any person who grows cotton plants;

"**licensed ginner**" means the holder of a ginning licence;

"**licensing authority**" means any public officer or authority appointed by the Minister to be a licensing authority for the purposes of this Act;

"**member**" in relation to the Board of Directors means a member of the Board of Directors and includes the Chairman of that Board;

"**Minister**" means the Minister responsible for crop marketing;

"**prescribed**" means prescribed by regulations made under section 38;

"**raw cotton**" means any cotton after picking and before it has been ginned;

"**society**" means a co-operative society registered under the Co-operative Societies Act ¹;

"**subsidiary company**" means any body corporate established by or under any written law (hereinafter referred to as "the first subsidiary") not less than fifty *per centum* of the share capital of which is owned by the Board, and includes—

- (a) a body corporate (hereinafter referred to as "the second subsidiary") not less than fifty *per centum* of the issued share capital of which is owned by the subsidiary;
- (b) a body corporate (hereinafter referred to as "the subsequent subsidiary") not less than fifty *per centum* of the issued share capital of which is owned by the second or another subsequent subsidiary.

- (2) "Buy" and "sell" includes an offer to buy or, as the case may be, an offer to sell and also any transaction whereby the property in the article in relation to which the expression is used may pass to the buyer in future.
- (3) The Director may, subject to such limitations and restrictions as he may determine, by order published in the *Gazette*, delegate all or any of his functions under this Act to any public officer or other authority.
- (4) Every appointment of a licensing authority shall be made by a notice published in the *Gazette* and the licensing authority shall have jurisdiction over such area as may be specified in the notice.
- (5) Where any order or direction made or given by the Director or the Board under any provision of this Act is not expressly required by that provision to be published in the *Gazette*, such order or direction shall be brought to the notice of persons affected or likely to be affected thereby in such manner as the Director or, as the case may be, the Authority may determine:

Provided that if any such order or direction is published in the *Gazette*, all persons shall be deemed to have notice thereof.
- (6) The expression "offence against this Act" shall, unless the context otherwise requires, include an offence under any subsidiary legislation made under this Act.

Part II – Establishment and functions of the Board (ss. 3-8)

3. Establishment of the Board

- (1) There is hereby established a Board which shall be known as the Tanzania Cotton Lint and Seed Board.
- (2) The Management and functions of the Board shall vest in the Board Directors.
- (3) The provisions of the Schedule to this Act shall have effect as to the constitution and proceedings of, and otherwise in relation to, the Board of Directors.
- (4) Except as to the appointment of the Chairman, the Minister may, by order published in the *Gazette*, amend, add to, vary or replace the Schedule to this Act.

4. Board to be a body corporate

The Board shall be a body corporate with perpetual succession and a common seal and shall be capable in law of suing and being sued in its corporate name, of purchasing, holding, alienating, managing and disposing of any property whatsoever, whether movable or immovable, and whether by way of investment or otherwise, and of entering into any such contract as may be necessary or expedient for the performance of its functions under this Act or any other written law.

5. Functions of the Board

- (1) The functions of the Board shall be—
 - (a) to regulate and control the quality and marketing of cotton lint and seed cotton at Schedule processing and marketing level;
 - (b) to advise the Government on all matters pertaining to cotton production and marketing;
 - (c) to collect, refine, and disseminate information concerning cotton and promote its use, development and improvement of cotton industry;
 - (d) to carry out such other functions in relation to the cotton industry as the Minister may from time to time direct.

- (2) Without prejudice to the generality of subsection (1) and subject to any special or general direction of the Minister, the Board shall have the power—
- (a) to permit buyers and exporters of cotton lint, seed cotton, operators of ginneries and to determine the qualifications and conditions for the granting of such licences;
 - (b) to issue export permits for cotton lint and to determine the conditions for the granting of such permits;
 - (c) to establish quality standards for seed cotton and cotton lint and to ensure the compliance of such standards by persons licensed herein under;
 - (d) to determine the manner and quantity of seed cotton which any ginnery or owner of seed cotton shall retain for the purpose of planting having regard to geographical location;
 - (e) in liaison with producers to represent the Government and producers at all international fora relating to or dealing with the Cotton Industry.

6. Board may perform commercial function

Subject to the prior approval in writing by the Minister, the Board may perform any commercial function for a specified period as the Minister may consider expedient.

[s. 5A]

7. Orders and directions of Board

Contravention of any order or direction lawfully given or issued by the Board shall be an offence against this Act.

[s. 6]

8. Minister may give direction to the Board

The Minister may give to the Board directions of a general or specific character as to the manner in which the Board shall exercise or perform any of its duties or functions and the Board shall be bound to comply with such directions.

[s. 7]

Part III – Purchase, sale and export of cotton lint and cotton seed (ss. 9-14)

9. Purchase and sale of cotton lint and cotton seed

Subject to the provisions of the Act, any person may purchase cotton lint for the purposes of export or re-sale within the United Republic.

[s. 8]

10. Appointment of cotton inspectors

The Board shall have power to appoint fit and proper persons to be inspectors who shall have and exercise powers generally to supervise the purchase, ginning and export of cotton lint and cotton seed and who, without prejudice to the generality of the foregoing power, shall have and exercise such other powers, including the inspection of seed cotton, cotton ginneries and cotton stores, the taking of cotton samples, and the certifying of weights and qualities of seed cotton lint and cotton seed, as are provided for in this Act or as may be prescribed.

[s. 9]

11. Methods of sale of cotton lint and cotton seed

- (1) Licences granted under this Act by the Board, shall be—
 - (a) in the prescribed form;
 - (b) valid for a specified period;
 - (c) subject to such terms and conditions as may be prescribed or endorsed therein;
 - (d) issued subject to the payment of fees as may be prescribed by the Board.
- (2) The Board may cancel or suspend a licence if the licensee fails to comply with terms and conditions of his licence or for good and sufficient cause such cancellation or suspension as the case may be is in addition to a penalty to which the licensee may be liable under this Act.
- (3) Any person aggrieved by the decision of the Board cancelling or suspending his permit under subsection (2), may appeal to the Minister.

[s. 10]

12. ***

[Repealed by Act [No. 11 of 1993](#) s. 9.]

[s. 11]

13. Restriction on purchase and export of cotton lint and cotton seed

No person shall in any manner purchase and whatsoever—

- (a) exchange or barter, or enter into any agreement for exchange or barter of cotton or cotton seed lint; or
- (b) purchase, sell, export or dispose of any cotton seed or cotton lint, unless he applies and obtains a permit from the Board in accordance with the provisions of section [5\(2\)](#):

Provided that co-operative societies or unions engaging in the marketing of agricultural crops prior to the commencement of this Act, shall be deemed to have been granted permit under section [5\(2\)\(a\)](#).

[s. 12]

14. Contravention of any provisions of this Part

Any person who contravenes any of the provisions of section [11](#) or of subsection (1) of section [13](#), or contravenes any of the terms and conditions of a licence granted under section [11](#) commits an offence.

[s. 13]

Part IV – Administration of the Board (ss. 15-20)

15. Appointment of employees

- (1) The Board of Directors may, from time to time, appoint at such salaries and upon such terms and conditions as it may think fit, such officers and employees of the Board as it may deem necessary for the proper and efficient conduct of the business and activities of the Board.
- (2) The President shall, on the recommendation of the Board of Directors and advise of the Minister, appoint a General-Manager of the Board who shall be the Chief executive officer of the Board.

[s. 14]

16. Transfer of employees

- (1) The Board of Directors may transfer any person who is employed by the Board to the employment of a subsidiary company, or may transfer any person who is employed by a subsidiary company to the employment of the Board or to the employment of another subsidiary company.
- (2) Where any employee is transferred under subsection (1)—
 - (a) he shall, as from the date of his transfer, be deemed to be the employee of the Board or as the case may be, of the subsidiary company to which he is transferred;
 - (b) the terms and conditions of service applicable to him after such transfer shall not be less favourable than those which were applicable to him immediately before the transfer and for the purposes of determining any right to gratuity or any other superannuation benefit, his service with the Board or, as the case may be, the subsidiary company to which he is transferred, shall be regarded as continuous with his service immediately preceding such transfer; and
 - (c) his employment immediately prior to his transfer and his employment by the Board or, as the case may be, the subsidiary company to which he is transferred, shall be deemed to be continuous employment by one employer within the meaning of section 9 of the Severance Allowance Act ², and that Act shall apply to the parties in the same manner as it applies to the cases set out in subsection (1) of the said section 9.

[s. 14]

17. Remuneration and allowances of Directors and members

The members of the Board of Directors shall be entitled to receive such remuneration, allowances and other benefits as the Minister may direct.

[s. 16]

18. Superannuation benefits

The Board of Directors may—

- (a) grant gratuities or other retirement allowances or benefits to the officers and employees of the Board;
- (b) establish and contribute to a superannuation fund or a medical benefits fund for the officers and employees of the Board;
- (c) require any officer or employee of the Board to contribute to any such superannuation fund or medical benefits fund and fix the amounts and method of payment of such contribution.

[s. 17]

19. Agents and contractors

The Board of Directors may, from time to time, appoint and employ upon such terms and conditions as it may think fit such agents and contractors of the Board as it may deem necessary.

[s. 17]

20. Power of the Board to delegate

- (1) Subject to subsection (6) the Board of Directors may, from time to time, by writing under the seal of the Authority, delegate, subject to such terms, conditions and restrictions as it may specify, to any committee of the Board or to any officer or staff of the Board, or to any subsidiary company or public corporation, all or any of its functions, powers, authorities or duties under this Act, and where any delegation is so made the delegated function, power, authority, or duty may be performed or, as the case may be, exercised by the delegate subject to the terms, conditions and restrictions specified in writing.
- (2) Any delegation under subsection (1) may be made to the holder of an office under the Board specifying the office but without naming the holder, and in every such case each successive holder of the office in question and each person who occupies or performs the duties of that office may, without any further authority, perform or, as the case may be, exercise the delegated function, power, authority or duty in accordance with the delegation made.
- (3) The Board of Directors may revoke a delegation made by it under this section.
- (4) No delegation made under this section shall prevent the Board from itself performing or exercising the function, power, authority or duty delegated.
- (5) Any delegation made under this section may be published in the *Gazette*, and upon such publication shall be judicially noticed and shall be presumed to be in force unless the contrary is proved.
- (6) The Board of Directors shall not have power under this section to delegate—
 - (a) its power of delegation; or
 - (b) the power to approve the annual budget or any supplementary budget of receipts and expenditure, the annual balance sheet or any statement of account.

[s. 19]

Part V – Financial provisions relating to the Board (ss. 21-31)

21. Board to have share capital

- (1) The authorised share capital of the Board shall be one hundred and fifty million shillings divided into one million and five hundred ordinary shares each having a par value of one hundred each.
- (2) The Board shall issue to the Treasury Registrar all the shares issued by it.

[s. 20]

22. Treasury Registrar to hold shares on behalf of the Government

The shares vested in the Treasury Registrar by virtue of the provisions of this Act shall be held by the Treasury Registrar on behalf of the Government of the United Republic in accordance with the provisions of the Treasury Registrar (Powers and Functions) Act ⁵.

[s. 21]

23. Shares issued to Treasury Registrar to be deemed fully paid up

The shares vested in the Treasury Registrar shall by the operation of this Act, be deemed to be fully paid up shares.

[s. 22]

24. Share certificate

The Board shall as soon as may be practicable after the vesting date and without any undue delay issue to the Treasury Registrar share certificates for the shares required by this Act to be vested in the Treasury Registrar.

[s. 23]

25. Reserve and special fund

The Board of Directors may, and shall, if so directed by the Minister, establish and maintain such reserve or special funds of the Board as the Board or the Minister may consider necessary or expedient, and shall make into or from any such fund such payments as the Board may deem fit or in the case of a fund established pursuant to a direction by the Minister, as the Minister may direct.

[s. 24]

26. ***

[Repealed by Act [No. 11 of 1993](#) s. 11.]

[s. 25]

27. Investment

With the prior approval of the Minister and of the Minister for the time being responsible for finance, the Board of Directors may, from time to time, invest any part of the moneys available in any fund of the Board maintained by it in such manner as the Board may deem fit.

[s. 26]

28. Power to borrow

- (1) With the prior approval of the Minister and of the Minister for the time being responsible for finance, the Board of Directors may, from time to time, borrow moneys for the purposes of the Board by way of loan or overdraft, and upon such security and such terms and conditions relating to the repayment of the principal and the payment of interest as, subject to any direction by the Minister, the Board may deem fit.
- (2) A person lending money to the Board shall not be bound to enquire whether the borrowing of that money by the Board has been approved by the Minister.

[s. 27]

29. Annual and supplementary budget

- (1) Subject to subsection (2) "financial year" in this Act means any period not exceeding twelve consecutive months designated by the Board of Directors as the accounting period of the Board.

- (2) Not less than two months before the beginning of every financial year (other than the first financial year) the Board of Directors shall, at a meeting pass a detailed budget (in this Act called the "annual budget") of the amounts respectively—
 - (a) expected to be received; and
 - (b) expected to be disbursed,by the Board during that financial year and whenever circumstances so require, the Board of Directors may pass a supplementary budget in any financial year.
- (3) The annual budget and every supplementary budget shall be in such form and include such details as the Minister may approve.
- (4) Forthwith upon passing any annual budget or any supplementary budget the Board of Directors shall submit to the Minister for his approval the annual budget or, as the case may be, the supplementary budget.
- (5) The Minister shall, upon receipt of the annual budget or any supplementary budget, approve or disapprove it or may approve it subject to such amendment as he may consider fit.
- (6) Where the Minister approves any annual or supplementary budget, with or without amendment, the budget, as approved by him, shall be binding on the Board of Directors which, subject to subsection (7), shall confine the disbursements within the items and amounts contained in the applicable estimates as approved by the Minister.
- (7) The Board may—
 - (a) with the instructions in writing of the Minister, make disbursement notwithstanding that disbursement is not provided for in any budget;
 - (b) adjust expenditure limits to take account of circumstances not reasonably foreseeable at the time the budget was prepared, subject to submitting a supplementary budget to the Minister within two months of the alteration of the expenditure limits becoming necessary.

[s. 27A]

30. Accounts and audit

- (1) The Board of Directors shall cause to be provided and kept proper books of accounts and records with respect to—
 - (a) the receipt and expenditure of moneys by, and other financial transactions of the Board;
 - (b) the assets and liabilities of the Board,and shall cause to be made out for every financial year a balance sheet showing details of the income and expenditure of the Authority and all its assets and liabilities.
- (2) At least once in every financial year the accounts including the balance sheet of the Board shall be audited by the Tanzania Audit Corporation established by the Tanzania Audit Corporation Act ⁴.
- (3) As soon as the accounts of the Board have been audited, and in any case not later than six months after such audit the Board of Directors shall submit to the Minister a copy of the audited statement of accounts together with a copy of the report thereon made by the auditors.
- (4) Every such audited balance sheet shall be placed before a meeting of the Board of Directors and if adopted by the Board shall be endorsed with a certificate that it has been so adopted.

- (5) As soon as may be practicable after the receipt by him of the statement of accounts together with the report thereon submitted pursuant to subsection (3) the Minister shall lay a copy of same before the National Assembly.

[s. 28]

31. Annual report

- (1) The Board shall cause to be prepared and submitted to the Minister within six months after the close of each financial year an annual report dealing generally with the activities and operation of the Board during that year. The report shall be accompanied by—
- (a) a copy of the audited accounts of the Board, together with the auditors' report, if any, on the accounts;
 - (b) a statement of all directions given by the Minister to the Board under this Act during that year;
 - (c) such other information as the Minister may direct.
- (2) The Board shall also submit to the Minister such other reports on its financial affairs as the Minister may, by writing, reasonably request from time to time.
- (3) The Minister shall, as soon as practicable after receiving them, lay before the National Assembly, the audited accounts of the Board together with, if any, a report on the accounts.

[s. 29]

Part VI – Miscellaneous provisions (ss. 32-40)

32. Liability of members, etc.

Without prejudice to the provisions of section 284A of the Penal Code ⁵, Public Officers (Recovery of Debts) Act ⁶, no act or thing done, or omitted to be done by any member of the Board of Directors or by any officer, staff or agent of the Board shall, if done or omitted *bona fide* in the execution or purported execution of his duties as such member, officer, staff or agent, subject to any such person to any action, liability or demand whatsoever.

[s. 30]

33. Power of entry and inspection, etc.

- (1) The Director or a cotton inspector may, at any reasonable hour of the day, enter any place where cotton is grown, ginned, baled or stored or where any cotton lint or cotton seed is manufactured or stored, and inspect and examine the same for the purpose of ensuring that the provisions of this Act, or of any regulations or by-laws made hereunder or, of any directions given, or order made by the Minister, the Director or the Board are being complied with.
- (2) The Director or, as the case may be, the cotton inspector may, for the purpose of securing compliance with the provisions of this Act or of any regulations, by-laws, order or direction made or given under any such provisions or directions, take samples of any raw cotton, cotton lint or cotton seed, or any product thereof, found in or on any ginnery, store plant or other place or premises (including any land), and may subject such samples to such tests as he may deem necessary.

⁵

[Cap. 16](#)

⁶

[Cap. 76](#)

- (3) Any person who obstructs the Director or a cotton inspector in the exercise of the powers conferred upon him by this sections, or who neglects or refuses to produce to the Director or cotton inspector any book or record which the Director or Cotton inspector may request to be produced for his inspection commits an offence.

[s. 31]

34. Adulteration of cotton

- (1) Any person who adds or causes or permits to be added any foreign or extraneous matter to any cotton or cotton lint commits an offence.
- (2) If an examination of any cotton lint it is found to contain any substance other than cotton lint, the licensed ginner who ginned such cotton lint commits an offence:

Provided that it shall be a good defence if such licensed ginner satisfies the court that he took reasonable care to prevent the adulteration of such cotton lint aforesaid.

[s. 32]

35. Carrying on trade upon premises used for storage of cotton

- (1) Save with the written permission of the Board and in accordance with such conditions as the Board may specify, no trade, business or profession other than that in respect of which a of licence may be or is deemed to have been issued under the provisions of this Act shall be carried on any premises used for the storing, ginning, baling or sale of raw cotton, cotton lint or cotton seed.
- (2) Any person who carries on any trade, business or profession in contravention of the provisions of this section commits an offence.

[s. 33]

36. General power of revocation of licence or permit

Without prejudice to any specific provisions in this Act, if the holder of any licence or permit issued under the provisions of this Act is convicted of an offence against this Act or of any offence involving moral turpitude, the authority empowered to grant such licence or permit may revoke the licence or permit, as the case may be.

[s. 34]

37. Appeal

Any person aggrieved by any decision of the Board, the Director, a licensing authority or other public officer made or purported to have been made in the exercise or purported exercise of any power conferred by this Act, may within thirty days of the decision being taken or given, appeal there against to the Minister whose decision on every such appeal shall be final and conclusive and shall not be subject to review by any court:

Provided that the Minister may, in his discretion, receive any appeal notwithstanding the fact that it has not been made within the said period of thirty days.

[s. 35]

38. Penalty for offences

Any person committing an offence under this Act shall be liable on conviction to a fine not exceeding one hundred thousand shillings or imprisonment for a term not exceeding five years or to both such fine and imprisonment, and in addition to any such penalty the court may, where the offence committed relates

to any quantity of raw cotton, cotton lint or cotton seed, or any product thereof, order the same to be forfeited to the Board.

[s. 36]

39. Regulations by Minister

- (1) The Minister may make regulations generally for the better carrying out of the provisions and purposes of this Act and any such regulation may, without prejudice to the generality of the foregoing, provide for—
 - (a) the regulation of business relationships between the societies as principals and the Board as their agent;
 - (b) the determination of circumstances in and conditions under which any society may sell cotton directly or through persons other than the Board;
 - (c) the conduct of the business of the Board and the Board of Directors;
 - (d) the appointment by the Board of Directors of subcommittees and co-option of persons thereto;
 - (e) the duties of the Director;
 - (f) the prohibition or control of the import or export of cotton seed;
 - (g) the variety and quality of cotton seed to be used for sowing in any specified area;
 - (h) the regulation and control of the layout, erection and use of cotton buying posts and their control, inspection and management;
 - (i) the control of the erection of ginneries and the conditions upon which they may be erected, maintained and operated;
 - (j) the prevention of the outbreak of disease at cotton buying posts or other premises used for cotton buying;
 - (k) the procedure on appeals under section [37](#);
 - (l) anything which is permitted or required by this Act to be prescribed, other than anything which may be prescribed by by-laws made by the Board under section [40](#).
- (2) Regulations made under this section may be applicable to the whole of Mainland Tanzania or to any specified part thereof.
- (3) No regulation made or purported to have been made under this section shall be invalid or unenforceable by reason only of the fact that the matter provided for or intended to be provided for by such regulations can only be provided for or be provided for by-laws made under section [40](#) and every such regulation shall be deemed to have been lawfully made under this section and shall take effect accordingly:

Provided that where the matter prescribed or provided for by any such regulation has already been prescribed or provided for by by-laws made under section [40](#), then, to the extent of any inconsistency between such regulation and such by-laws, the provisions of the by-laws shall prevail over the provisions of the regulation.

[s. 37]

40. By-laws made by Board

- (1) The Board may, with the consent of the Minister and subject to the provisions of subsection (2), make by-laws for the better carrying out of its functions and powers under this Act, and without prejudice to the generality of the foregoing, may make by-laws—
 - (a) prescribing the fees to be paid for anything to be done under this Act;
 - (b) prescribing the forms to be used under this Act;
 - (c) regulating the applications for, and the issue of any licence or permit authorised to be issued under this Act;
 - (d) prescribing the records to be kept and the returns to be made by the holder of any permit or licence issued in pursuance of this Act;
 - (e) prescribing the manner in which raw cotton, cotton seed and cotton lint shall be stored, providing for the storage of different types of raw cotton and cotton seed separately and prescribing the specification in conformity with which cotton stores shall be built and maintained;
 - (f) prescribing or prohibiting methods of packing raw cotton and prescribing the maximum weight which may be packed in any one bag;
 - (g) prescribing or prohibiting the types of container used in transporting raw cotton;
 - (h) regulating the weighing of raw cotton;
 - (i) regulating the ginning of raw cotton;
 - (j) regulating the purchase, receipt, storage, sale, disposal and export of cotton lint and cotton seed;
 - (k) regulating and prescribing powers, duties, functions, responsibilities and remuneration of officers, employees and agents of the Board and of cotton inspectors;
 - (l) prescribing the fee for any service to be rendered by the Board to ginners, growers and other persons;
 - (m) regulating the submission of returns by gineries, growers, agents and other persons engaged in the cotton industry.
- (2) Subject to the provisions of subsection (3) no by-laws shall be made under this section which in any way conflict with any regulations made under section 39.
- (3) No by-laws made or purported to have been made under this section shall be valid or unenforceable by reason only of the fact that the matter provided for or intended to be provided for by such by-law can only be provided for by regulations made under section 39 and every such by-law shall be deemed to have been lawfully made under this section and shall take effect accordingly.

[s. 38]

Part VII – Repeal and consequential provisions (ss. 41-46)

41. Construction

In this Part unless the context otherwise requires—

"effective date" means the date on which this Act comes into operation;

"Authority" means the Tanzania Cotton Authority established by the Cotton Industry Act, 1973⁷;

"repealed enactment" means the Act repealed by section 42.

[s. 39]

42. Repeal of Act No. 3 of 1973

[Repeals the Cotton Industry Act.]

[s. 40]

43. Transfer of assets and liabilities

With effect from the effective date, the assets and liabilities of the and Authority shall vest in such person or body of persons as the Minister shall, after consultation with the Minister responsible for finance, prescribe.

[s. 41]

44. Construction of certain instruments

(1) The instruments to which this section applies are (including contracts, guarantees, agreements, bonds, authorities, mortgages, charges, bills of exchange, promissory notes, bank drafts, bank cheque, letters of credit and securities)—

- (a) to which the Authority is a party;
- (b) under which any money is or may become payable or any other property is to be, or may become liable to be transferred, conveyed or assigned to the Authority; or
- (c) under which any money is, or may become payable or any other property is to be, or may become liable to be transferred, conveyed or assigned, by the Authority,

which are subsisting at the effective date or come into existence after that date.

(2) Every instrument to which this section applies shall, by virtue of this section, continue in full force and effect and the Board shall by this Act—

- (a) be substituted for the Authority as a party thereto;
- (b) be entitled to receive and enforce payment of, any money payable thereunder;
- (c) be entitled to obtain a transfer, conveyance or assignment of, and enforce possession of, any property which is to be transferred, conveyed or assigned thereunder;
- (d) be liable to make payment of any money payable thereunder; or
- (e) be liable to transfer, convey or assign any property which is to be transferred, conveyed or assigned thereunder, as the case may be.

(3) The Minister may, by order published in the *Gazette*, exempt an instrument as aforesaid or any class or category of such instruments.

[s. 42]

45. Special provisions relating to funds

All funds of the Authority established by the Cotton Industry Act, 1973 shall be wound up and shall be paid into and form part of the general revenue of the Board or, where the Minister so directs, any corresponding fund established by the Board.

[s. 43]

46. Savings and transitional provisions

Notwithstanding the repeal of the repealed enactment—

- (a) all rules, directions and orders issued, made or given under the repealed enactment shall be deemed to be regulations, by-laws directions and orders issued, given or made under this Act, and shall, subject to the provisions of this Act relating to penalty for any contravention, remain in force and apply, *mutatis mutandis*, until revoked by regulations, by-laws, orders or directions issued, given or made under this Act:

Provided that this paragraph shall not apply to any rule, direction or order which is inconsistent with any provisions of this Act;

- (b) all permits, licences, certificates, authorities, and appointments issued, granted or made under any provisions of any of the repealed enactment shall remain valid and continue in effect as permit, licence, certificate, authority or appointment issued, granted or made under the corresponding provisions of this Act:

Provided that any such permit, licence, certificate, authority or appointment may at any time be revoked by the Board having power under this Act to issue, grant or make the same.

[s. 44]

Schedule (Section 3(3))

1. Composition of Board

- (1) The Board of Directors shall consist of the following members—
- (a) a Chairman who shall be appointed by the President;
 - (b) not more than ten other members appointed by the Minister to represent—
 - (i) the Ministry responsible for agriculture;
 - (ii) the Board of External Trade;
 - (iii) the Ministry responsible for finance;
 - (iv) the Ministry responsible for communications and transport;
 - (c) six members appointed by the Minister to represent the societies;
 - (d) not more than four other members to be appointed by the Minister.
- (2) The members of the Board of Directors shall elect a Vice-Chairman from amongst their number, who shall hold office for so long as he remains a member.
- (3) A member shall, unless his appointment is sooner determined by the Minister, or he otherwise ceases to be a member, hold office for such period as the Minister may specify in his appointment, or if no period is so specified, for a period of three years from the date of his appointment and shall be eligible for re-appointment:

Provided that in the case of a member who is a member by virtue of his holding some other office, he shall cease to be a member upon his ceasing to hold that office.

- (4) Any member may at any time resign by giving notice in writing to the Minister, and from the date specified in the notice or, if no date is so specified, from the date of the receipt of the notice by the Minister, he shall cease to be a member.
- (5) The members appointed under paragraph 1(b) and (c) shall be persons who in the opinion of the Minister are experienced in the production and marketing of cotton or cotton products, in financial matters, in public administration or in matters relating to economic planning and development.
- (6) The Board of Directors may, with the approval of the Minister, appoint any member of the Board or any officer of the Board or any public officer to be the Secretary of the Board.

2. Absent members to be replaced at meetings

If a member is unable for any reason to attend a meeting, the body or the Ministry, as the case may be, which he represents, may in writing nominate another person in his place for the purpose of that meeting.

3. Casual vacancies

Where any member ceases to be a member for any reason before the expiration of his term of office, the Minister shall appoint another person in his place and the person so appointed shall hold office for the remainder of the term of office of his predecessor.

4. Meetings

- (1) An ordinary meeting of the Board of Directors shall be convened by the Chairman and the notice specifying the place, date and time of the meetings shall be sent to each member at his usual place of business or residence not less than fourteen days before the date of such meeting. In case the Chairman is unable to act by reason of illness, absence from the country, or other sufficient cause, the Vice-Chairman may convene such meeting.
- (2) The Chairman, or in his absence, the Vice-Chairman, shall be bound to convene a special meeting of the Board of Directors upon receipt of a request in writing in that behalf signed by not less than three members of the Board. Not less than fourteen days notice of such meeting shall be given to all members to the Board in the manner prescribed in subparagraph (1).
- (3) The Chairman, Vice-Chairman, or the temporary Chairman elected in accordance with the provisions of paragraph 5(2) presiding at any meeting of the Board of Directors may invite any person who is not a member to participate in the deliberations of the Board, but any such person shall not be entitled to vote.

5. Procedure

- (1) One-half of the total number of the members of the Board of Directors or seven members, whichever is the lesser number, shall form a quorum or a meeting of Board.
- (2) In the absence of the Chairman from a meeting of the Board of Directors the Vice-Chairman shall preside. In the absence of both the Chairman and the Vice-Chairman from any meeting, the members present shall elect one of their number to be a temporary Chairman of that meeting.
- (3) At any meeting of the Board a decision of the majority of the members present and voting shall be deemed to be a decision of the Board. In the event of an equality of votes the Chairman of the meeting shall have a casting vote in addition to his deliberative vote.

6. Minutes of meeting

Minutes in proper form of each meeting of the Board of Directors shall be kept and shall be confirmed by the Board at the next meeting and signed by the Chairman of the meeting.

7. The seal of the Authority

The seal of the Board shall not be affixed to any instrument except in the presence of the General-Manager or the Secretary and one member of the Board of Directors.

8. Vacancies, etc., not to invalidate proceedings

Subject to the provisions of paragraph 5 relating to quorum, the Board of Directors may act notwithstanding any vacancies in the membership thereof, and no act or proceeding of the Board shall be invalid by reason only of some defect in the appointment of a person who purports to be a member thereof.

9. Orders, directions, etc.

All orders, regulations, directions, notices or documents made or issued by the Board or the Board of Directors shall be signed by—

- (a) the General-Manager; or
- (b) any member of the Board or other officer of the Board authorised in writing by the General-Manager in that behalf.

10. Board may regulate its own proceedings

Subject to the provisions of this Schedule the Board of Directors shall have power to regulate its own proceedings.