

# THE CROPS LAWS (MISCELLANEOUS AMENDMENTS) ACT, 2009

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## THE UNITED REPUBLIC OF TANZANIA



NO.20 OF 2009

I ASSENT,

*Juanpon Kiwinda*  
 .....  
 President

*20 November, 2009*  
 .....

**An Act to amend various crops laws with a view to rationalizing roles and functions of Crop Boards, their financing and to provide for other related matters.**

ENACTED by Parliament of the United Republic of Tanzania.

## PART I

## PRELIMINARY PROVISIONS

Short title

1. This Act may be cited as the Crops Laws (Miscellaneous Amendments) Act, 2009.

Amendment of crops laws

2. The crops laws specified in various Parts of this Act are amended in the manner specified in their respective Parts.

PART II  
AMENDMENT OF THE TEA ACT

Constru-  
ction  
Cap. 275

3. This Part shall be read as one with the Tea Act, hereinafter referred to as the "principal Act".

Amend-  
ment of  
section 1

4. The principal Act is amended in section 1 by deleting the designation "Tea Act" and substituting for it the designation "Tea Industry Act".

Amend-  
ment  
of  
section 2  
Cap.337

5. Section 2 of the principal Act is amended by-  
(a) inserting in their appropriate alphabetical order the following new definitions:

"Association" means an association formed and registered under the Societies Act;

"contract farming" means farming undertaken under an agreement between tea growers, farmers or producers on one part and financiers including green leaf buyers, factory investors or bankers on the other part;

"Director General" means the chief executive officer of the Tea Board of Tanzania appointed under this Act;

"inputs" means planting materials, agrochemicals, fertilizers, packaging materials and farm implements;

"regulatory function" includes quality control licensing, data collection, analysis and dissemination; market information, enforcement of law and order, enforcing rules and regulations for proper production, processing, marketing, importation, exportation storage of tea inputs and products, setting indicative price, representing Government in international and local fora, control of export and import of tea, and the control of pests and diseases and such other related functions;

Cap.287  
Cap.288

“local government authority” means a district authority, or urban authority established under the Local Government (District Authorities) Act and the Local Government (Urban Authorities.) Act;

“Ministry” means the Ministry responsible for agriculture;

“stakeholder” means a person or an organizations dealing in tea industry including the central government, local government authorities, cooperative societies, the Tea Board, the Agency, Tea Research Institute of Tanzania, the Smallholders Tea Growers Association, Tea Association of Tanzania and private players such as producers, input suppliers, research and extension institutions and all persons with a vested interest in the tea industry;

“shared function” means a joint function to be undertaken by all tea stakeholders as may be agreed upon including research, training, extension services, inputs supply, tea crop development, crop promotion, tea infrastructure development, generic promotion of tea consumption and promotion of fair trade and competition;

“stakeholders meeting” means a meeting of all tea stakeholders referred to under section 26; and

- (b) deleting the definitions of the words “Authority”, “cess”, “Commissioner” and “Trust Fund”.

Amend-  
ment of  
section 5

6. Section 5 of the principal Act is amended by-

- (a) repealing subsection (3) and substituting for it the following new subsections:

“(3) The Board shall carry out regulatory functions and such other activities necessary, advantageous or proper for the benefit of the tea industry.

(4) Without prejudice to subsection (3), the specific functions of the Board shall be to-

- (a) advise the Government on the policies and strategies for the development of the tea industry.
  - (b) regulate and control the quality of tea and tea by-products;
  - (c) collect, refine, maintain, use or disseminate information or data relating to the tea industry;
  - (d) monitor the production and exportation of tea;
  - (e) regulate processing, exportation and storage of tea and tea by-products;
  - (f) represent the Government in international and local fora in matters relating to the tea industry;
  - (g) regulate import and export of tea;
  - (h) control pests and diseases; and
  - (i) promote and protect interests of farmers against syndicates of buyers which may be formed through associations.”
- (b) renumbering subsections (4), (5) and (6) as subsections (5), (6) and (7) respectively;
- (c) deleting a reference to subsection (5) which appears in subsection (7) as renumbered and substituting for it a reference to subsection (6).

Amend-  
ment of  
section 7

7. Section 7 of the principal Act is amended by deleting the phrase “and the Ministry may direct that part of the cess imposed on tea used to finance research activities” appearing immediately after the word “Tanzania”.

Amend-  
ment of  
section 9

8. Section 9 of the principal Act is amended by deleting the whole section and substitution for it the following:-



“Appoint-  
ment of  
Director  
General  
and other  
emplo-  
yees

9.-(1) The Minister shall with the recommendation of the Board appoint the Director General of the Board who shall be the Chief Executive Officer.

(2) The Director General appointed under subsection (1) shall hold office for a term of five years and may be eligible for re-appointment subject to satisfactory performance of his functions.

(3) The Board of Directors may from time to time appoint, at such salaries and upon such terms and conditions such number of senior officers to the management of the Board.

(4) The Director General shall employ number of employees as necessary for proper and efficient performance of the functions of the Board.

Amend-  
ment of  
section  
10

9. Section 10 of the principal Act is amended by-
- (a) deleting paragraph (c); and
  - (b) re-naming paragraph (d) as paragraph (c).

Amend-  
ment of  
section  
12

10. Section 12 of the principal Act is amended by deleting the phrase “the Tanzania Audit Corporation or a reputable audit firm” appearing in subsection (2) and substituting for it the designation “Controller and Auditor General”.

Amend-  
ment of  
section  
23

11. Section 23 of the principal Act is amended by deleting the proviso to that section and substituting for it the following new proviso:

“Provided that a person aggrieved by the decision of the Board may, within sixty days from the date of the decision, appeal in writing to the Minister.”

Repeal  
and  
replace-  
ment of  
Part VII

12. The principal Act is amended by repealing Part VII and substituting for it the following new Part:

**“PART VII**

**GENERAL PROVISIONS**

Contract  
farming

25.-(1) A registered farmer may, for the purpose of facilitating farming activities, enter into contract farming with financier, tea buyers, tea processor, investors or bankers.

(2) The contract farming entered into under subsection (1) shall be in the prescribed standard form and shall contain-

- (a) name, address and status of the registered farmer;
- (b) name, address and status of the financier;
- (c) obligations of the parties;
- (d) type or kind of facilitation to be granted to the farmer;
- (e) terms and conditions imposed on the contract farming; and
- (f) such other information as may be necessary for the purpose of the contract farming.

(3) Every contract farming entered into under this section shall be submitted to the Board for scrutiny and registration.

(4) The Board shall monitor the implementation of the contract farming in order to protect rights of both parties.

(5) Any person being a financier, tea buyer, tea processor, investor or banker shall not facilitate a registered farmer in any manner without a contract farming as required under this section.

(6) A person who contravenes the provisions of this section commits an offence and shall be liable on

conviction to a fine of not less than five million shillings or to imprisonment for a term of not less than six months but not more than two years or to both.

Stake-  
holders'  
meeting

26.-(1) For the purposes of promoting the development of the tea industry, there shall be a stakeholder's forum which shall be responsible for-

- (a) putting in place mechanisms for the management and funding of the shared functions;
- (b) making procedures for conducting annual general meetings;
- (c) determine modalities for financing its activities and meetings; and
- (d) establishing stakeholders' secretariat and other organs for better carrying out the shared functions.

(2) The stakeholders meeting shall be held at least once in a year to agree on the funding, implementation of the shared functions and other matters of common interest.

Power  
to  
make  
by-  
laws

27. The Local government authorities may, upon consultation with the Minister, make by-laws for the better carrying out of the shared functions agreed by the tea stakeholders."

Substitu-  
tion of  
Part VIII

13. The principal Act is amended by deleting references to the heading of Part VIII.

Amend-  
ment of  
section  
31

14. Section 31 of the principal Act is amended by –

- (a) deleting the opening words of that section and substituting for them the following words-

"The Minister may, for better carrying out of the provisions and purposes of this Act and upon consultation with the Board, make regulations-"

- (b) deleting paragraph (a);
- (c) re-naming paragraphs (b), (c), (d) and (f) as paragraphs (a), (b), (c) and (d) respectively.

Amend-  
ment of  
the First  
Schedule

15. The First Schedule to the principal Act is amended in paragraph 2 by deleting sub paragraph (1) and substituting for it the following:

“(1) The Board shall consist of the Chairman who shall be appointed by the President upon the advice of the Minister and seven other members appointed by the Minister, being -

- (a) one person representing the Tea Association of Tanzania;
- (b) one person representing the Tanzania Smallholders' Tea Growers Association;
- (c) one member from the Ministry responsible for agriculture;
- (d) the Chief Executive Officer of the Tea Research Institute of Tanzania;
- (e) the Chief Executive Officer of the Agency; and
- (f) two persons who possess knowledge and experience in the development of the tea industry.”

Amend-  
ment of  
the  
Second  
Schedule

16. The Second Schedule to the principal Act is amended -

- (a) in paragraph 1 by deleting the whole of sub paragraph (1) and substituting for it the following:

“(1) The functions of the Agency shall be to:

- (a) enhance capacity building for smallholder tea growers ;
- (b) facilitate tea extension services to smallholder tea growers;
- (c) strengthen the existing ground level tea grower groups;
- (d) facilitate development of tea cultivation in new areas; and

- (e) mobilize smallholder growers in the construction of green leaf processing facilities.”
- (b) in paragraph 2 by deleting the whole of sub paragraph (1) and substituting for it the following new paragraph:  
 “(1) The Board of Directors of the Agency shall be appointed by the Minister as follows:
- (a) two members representing Smallholder Tea growers;
  - (b) one member from the Ministry responsible for Agriculture;
  - (c) two member with knowledge and experience in the tea industry who shall be appointed by the Minister responsible for agriculture;
  - (d) one member from tea research institute; and
  - (e) the Chief Executive Officer of the Board.”

(2) The Chairman shall be appointed by the Minister.

(3) The Chief Executive Officer of the Agency shall be the secretary to the Board.

- (c) renaming paragraphs (2), (3), (4) and (5) as paragraphs (4), (5), (6) and (7).
- (d) by deleting paragraph 5 and substituting for it the following -

“Appoint-  
ment of  
Director  
General of  
the Agency  
and other  
employees

5.-(1) The Minister shall, upon the recommendation of the Board of the Agency, appoint the Director General who shall be the Chief Executive Officer of the Agency.

(2) The Director General of the Agency shall hold office for a term of five years and may be eligible for renewal subject to the satisfaction of the Board of the Agency on his performance.

(3) The Board of Directors of the Agency may from time to time appoint, at such salaries and upon such terms and conditions such number of officers to the management of the Agency

(4) The Director General of the Agency shall employ such number of employees as necessary for proper and efficient performance of the functions of the Agency.”

- (e) in paragraph 6 in the marginal note, by deleting the word “Agent” and substituting for it the word “Agency” .

PART III

AMENDMENT OF THE COFFEE INDUSTRY ACT

Construction Cap 347

17. This Part shall be read as one with the Coffee Industry Act hereinafter referred to as the “principal Act”.

Amendment of section 2

18. Section 2 of the principal Act is amended by-

- (a) inserting in the appropriate alphabetical order the following new definitions:

““contract farming” means farming under an agreement between coffee growers, farmers or producers on the one part and coffee industry financiers including coffee buyers, factory owners, investors and bankers on the other part;

“Director General” means the Chief Executive Officer of the Coffee Board;

“input” means planting materials, agrochemicals, fertilizers, farm implements and packaging materials;

“local government authority” means district authority, urban authority” established under the Local Government (District Authorities) Act and the Local Government (Urban Authorities) Act;

“regulatory functions” includes quality control and licensing; data collection, analysis and dissemination; market information, enforcement of law and order, making and enforcing rules and regulations for proper production, processing, marketing, importation, exportation and storage of coffee inputs and products, setting indicative prices and such other functions financed exclusively by the Government;

“shared functions” means joint function to be undertaken by all coffee stakeholders as agreed from time to time including research, extension, inputs supply, coffee development and promotion of association or other bodies related to or dealing in coffee industry, promotion of fair trade and competition, provision of technical advisory services to coffee growers, processors, makers of liquor, traders and exporters;

“stakeholders” means dealers in the coffee industry including the Central Government, local Government authorities, cooperative societies, the coffee Board and private

players such as producers, producer associations, traders, processors, marketing agents, exporters, input suppliers, research and extension institutions and any other person with vested interest in the coffee industry; and

“stakeholders meeting” means the meeting of all coffee stakeholders referred to under section 30.”

- (b) deleting the definition of the word “fund committee”.

Amend-  
ment of  
section 5

19. Section 5 of the principal Act is amended by-

- (a) repealing subsection (1) and substituting for it the following new subsection:

“(1) The Board shall carry out regulatory functions and such other activities as are necessary, advantageous or proper for the benefit of the coffee industry.

(2) The functions of the Board shall be to-

- (a) advise the Government on the policies and strategies for the development of coffee industry;
- (b) regulate and control the quality of coffee and coffee by-products;
- (c) to collect, refine, maintain, use or disseminate information or data relating to the coffee industry;
- (d) monitor the production and exportation of coffee;
- (e) make regulations for processing, exportation and storage of coffee and coffee by products;



- (f) facilitate or assist in the formation of associations or other bodies related to or dealing with coffee industry;
- (g) promote and protect the interests of farmers against syndicates of buyers which may be formed through associations; and
- (h) represent the industry in the local and international fora in the matters relating to coffee industry.”

(b) re-numbering subsections (2), (3), (4) and (5) as subsections (3), (4), (5) and (6) respectively.

Amend-  
ment of  
section 14

20. Section 14 of the principal Act is amended by deleting paragraph (c).

Amend-  
ment of  
section  
26

21. Section 26 of the principal Act is amended by -

- (a) deleting paragraph (c);
- (b) re-naming paragraphs (d) and (e) as paragraphs (c) and (d) respectively.

Repeal  
of  
section  
29

22. The principal Act is amended by repealing section 29.

Repeal  
and  
replace-  
ment of  
section  
30

23. The principal Act is amended by repealing section 30 and substituting for it the following -

“Stake-  
holders  
meetings

**30.**-(1) For the purpose of promoting the development of the coffee industry, there shall be a stakeholder’s forum which shall be responsible for-

- (a) putting in place mechanisms for the management and funding of the shared functions;
- (b) making procedures for conducting annual general meetings;
- (c) determine modalities for financing its activities and meetings;
- (d) establishing stakeholders’ secretariat and other organs for better carrying out the shared functions.

(2) The stakeholders’ meeting shall be held at least once in every year for the purpose of agreeing on the funding and implementation of the shared functions and other matters of common interest.”

Repeal  
of  
sections  
31 and  
32

**24.** The principal Act is amended by repealing the whole of sections 31 and 32.

Amend-  
ment of  
section 33

**25.** The principal Act is amended in section 33 by -

- (a) deleting the phrase “and the fund” appearing in the first line of subsection (2);
- (b) repealing subsection (3) and substituting for it the following:
 

“(3) The books of accounts of the Board shall be audited by the Controller and Auditor General.”
- (c) renumbering subsection (4) as subsection (3).

Addition  
of section  
34A

26. The principal Act is amended by adding immediately after section 34 the following new sections-

“Contract farming 34A.-(1) A registered farmer may, for the purposes of carrying on and facilitating farming activities enter into a contract farming with financiers, coffee buyers, processor, investors or banker.

(2) The contract farming entered into under subsection (1) shall be in the prescribed standard form and shall contain-

- (a) name, address and status of the registered farmer;
- (b) name, address and status of the financier;
- (c) obligations of the parties;
- (d) type or kind of facilitation to be granted to the farmer;
- (e) terms and conditions imposed on the contract farming; and
- (f) such other information as may be necessary for the purpose of the contract farming.

(3) Every contract farming entered into under this section shall be submitted to the Board for scrutiny and registration.

(4) The Board shall monitor the implementation of every contract farming in order to protect rights of both parties.

(5) Any person being a financier, coffee buyer, processor, investor or banker shall not facilitate a registered farmer in any manner without a contract farming as required under this section.

(6) A person who contravenes the provisions of this section commits an offence and shall be liable on conviction to a fine of not less than five million shillings or to imprisonment for a term of not less than six months but not more than two years or to both."

Addition  
of a new  
section  
35A

**27.** The principal Act is amended by adding immediately after section 35 the following new section-

"Power  
to make  
by-laws

**35A.** The local government authority may in consultation with the Minister, make by-laws for the better carrying out of the shared functions agreed by the stakeholders."

Amend-  
ment of  
section 43

**28.** Section 43 of the principal Act is amended by-

- (a) repealing subsection (2);
- (b) designating subsection (1) as section 43.

Amend-  
ment of  
the  
Schedule

**29.** Paragraph 1 of the Schedule is amended by -

- (a) deleting the word "seven" and substituting for it the word "nine"; and
- (b) adding immediately after item (e) the following new item:  
 "(f) two persons who possess knowledge and experience in the coffee industry."

#### PART IV

#### AMENDMENT OF THE SISAL INDUSTRY ACT

Constru-  
ction  
Cap. 30

**30.** This part shall be read as one with the Sisal Industry Act hereinafter referred to as the "principal Act".

Amend-  
ment of  
section 2

**31.** Section 2 of the principal Act is amended by-  
deleting the definition of the word "Authority";

(a) inserting in the appropriate alphabetical order the following new definitions:

“contract farming” means farming under the agreement between sisal growers, farmers or producers on the one part and sisal industry financiers including sisal buyers, factory, owners and investors and bankers on the other part;

“Director General” means the Chief Executive Officer of the sisal Board appointed under this Act;

“input” means planting materials, agrochemicals, fertilizers, fuel, packaging materials and farm implements;

“local government authority” means the district authority, or urban authority established under the Local Government (District Authorities) Act and the Local Government (Urban Authorities) Act;

“Ministry” means the Ministry responsible for agriculture;

“quality assurance officer” means an officer appointed by the sisal Board under the provisions of this Act to oversee the quality of sisal;

“regulatory functions” includes quality control and licensing; data collection, analysis and dissemination; market information, enforcement of law and order, making and enforcing rules and regulations for proper production, processing, marketing, importation, exportation and storage of sisal inputs and products, and such other functions financed exclusively by the government;

“small holder farmer” means any person who owns at least six hectares of sisal and not more than four hundred hectares;

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“stakeholder” means a dealer in the sisal industry including the central Government, local Government authorities, cooperative societies, the sisal Board and private players such as producers, producer associations, traders, processors, marketing agents, exporters, input suppliers, research and extension institutions, financial institutions and any other persons with vested interest in the sisal industry;

“stakeholders meeting” means the meeting of sisal stakeholders referred to under section 8A.”

- (c) deleting the word “sisalama” appearing in the definition of the word “sisal” and substituting for it the word “sisalana.”

Amend-  
ment of  
section 5

**32. Section 5 of the principal Act is amended by -**

- (a) repealing subsection (1) and substituting for it the following new subsection:

“(1) The Board shall carry out regulatory functions and other activities as are necessary, advantageous or proper for the benefit of the sisal industry.

- (2) Without prejudice to sub section (1), the functions of the Board shall be to-

- (a) advise the Government on the policies and strategies for the development of the sisal industry;
- (b) regulate and control the quality of sisal and sisal by- products;
- (c) collect, refine, maintain, use or disseminate information or data relating to the sisal industry;

- (d) make regulations for processing, exportation and storage of sisal and sisal by products;
- (e) facilitate or assist in the formation of associations or other bodies related to or dealing with the sisal industry;
- (f) protect and promote the interests of farmers against syndicates of buyers which may be formed through associations;
- (g) provide for registration and licensing of persons engaged in growing, processing and marketing of sisal; and
- (h) represent the Government in local and international fora in matters relating to sisal.”

- (b) re-numbering subsections (2) and (3) as subsections (3) and (4) respectively.

Amend-  
ment of  
section 6

**33.** Section 6 of the principal Act is amended by-

- (a) repealing subsection (1);
- (b) re-numbering subsections (2) and (3) as subsections (1) and (2) respectively.

Repeal  
and  
replace-  
ment of  
section 8

**34.** The principal Act is amended by repealing section 8 and substituting for it the following:

“Issuance  
of  
licenses

**8.** (1) The Board shall grant licenses under this Act which shall be valid for a specific period and be subjected to such terms and conditions as may be prescribed by the Board.

(2) The Board may cancel or suspend a license if the licensee fails to comply with the terms and conditions of the license.

(3) Any person aggrieved by the decision of the Board for canceling or suspending his license may, within sixty days from the date of cancellation or suspension, appeal in writing to the Minister.”

Addition  
of  
Section  
8A

35. The principal Act is amended by adding immediately after section 8 the following new section:

“Stake-  
holders  
meeting

8A.-(1) For the purposes of promoting the development of the sisal industry, there shall be a stakeholder’s forum which shall be responsible for-

- (a) putting in place mechanisms for the management and funding of the shared functions;
- (b) making procedures for conducting annual general meetings;
- (c) determining modalities for financing its activities and meetings; and
- (d) establishing stakeholders’ secretariat and other organs for better carrying out the shared functions; and

(2) The stakeholders shall hold a meeting at least once in every year for purpose of agreeing on the funding and implementation of the shared functions and other matters of common interest.”

Amend-  
ment of  
section  
14

36. Section 14 of the principal Act is amended by deleting paragraph (d).



Amend-  
ment of  
section  
17

37. Section 17 of the principal Act is amended by deleting the phrase "the Tanzania Audit Corporation or any other reputable audit firm approved by the Minister" appearing under subsection (2) and substituting for it the phrase "Controller and Auditor General".

Amend-  
ment of  
section 19

38. Section 19 of the principal Act is amended by-

deleting the marginal note and substituting for it the following "Powers of the quality assurance officer";  
deleting the words "sisal inspector" wherever the words appear in this section and substituting for it the words "quality assurance officer"

Amend-  
ment of  
section  
20

39. Section 20 of the principal Act is amended by-

Deleting the marginal note and substituting for it the following "Powers of the quality assurance officer";

Deleting the words "sisal inspector" wherever the words appear in this section and substituting for it the words "quality assurance officer"

(a) deleting the opening phrase and substituting for it the following:

"The Minister may upon consultation with the Board make regulations for the following purposes-"

(b) repealing paragraph (g);

(c) renaming paragraphs (h) and (i) as paragraphs (g) and (h) respectively.

Addition  
of section  
19A

40. The principal Act is amended by adding immediately after section 19 the following new section:

"Contract  
farming

19A.-(1) A registered farmer may, for the purposes of carrying on and facilitating farming activities, enter into a contract farming with financier, sisal buyers, sisal processor, investors or banker.

(2) The contract farming entered into under subsection (1) shall be in the prescribed standard form and shall contain-

- (a) name, address and status of the registered farmer;
- (b) name, address and status of the financier;
- (c) obligations of the parties;
- (d) type or kind of facilitation to be granted to the farmer;
- (e) terms and conditions imposed on the farmer; and
- (f) such other information as may be necessary for the purpose of the contract of farming.

(3) Every contract farming entered into under this section shall be submitted to the Board for scrutiny and registration.

(4) The Board shall monitor the implementation of the contract farming in order to protect rights of both parties.

(5) Any person being a financier, sisal buyers, sisal processor, investors or banker shall not facilitate a registered farmer in any manner without a contract farming as required under this section.

(6) A person who contravenes this section commits an offence and shall be liable on conviction to a fine of not less than five million shilling or to imprisonment for a term of not less than six months but not more than two years or to both.”

Addition  
of section  
20A

**40A.** The principal Act is amended by adding immediately after section 20 the following new section:

“Powers  
to make  
by-laws

**20A.** The local government authority may, in consultation with the Minister, make by-laws for better carrying out of the shared functions as agreed by stakeholders.”

Amend-  
ment of  
the  
Schedule

**41.** The principal Act is amended in paragraph 1 of the Schedule by-

(a) deleting the whole of subparagraph (1) and substituting for it the following new subparagraphs-

“(1) The Board of Directors shall consist of the Chairman who shall be appointed by the President and eight other members to be appointed by the Minister as follows-

- (a) two members from Sisal Association of Tanzania who shall represent the large sisal growers, sisal spinners and manufacturers;
- (b) two members representing small scale farmers recommended by sisal small holders farmers association;
- (c) one member from the Research Institute dealing with sisal.
- (d) one member representing the Ministry;
- (e) two members who have knowledge and experience in the sisal industry.

(2) In appointing members of the Board under subparagraph (1), the Minister shall ensure that the appointment is made from three names of candidates recommended by the relevant organization, association or sector.”

(b) renumbering paragraphs “(2)”, (3), (4), (5), (6), (7), (8), and (9) as paragraphs (3), (4), (5), (6), (7), (8), (9) and (10) respectively.

PART V  
AMENDMENT OF THE COTTON INDUSTRY ACT

Constru-  
ction  
Cap. 203

42. This Part shall be read as one with the Cotton Industry Act, hereinafter referred to as the "principal Act."

Amend-  
ment of  
section 2

43. Section 2 of the principal Act is amended by -

(a) inserting in their appropriate alphabetical order the following new definitions:

"contract farming " means farming under agreements between cotton growers, farmers or producers on the one part and financiers including cotton buyers, ginneries investors or bankers on the other part;

"Director General" means the Chief Executive Officer of the Board appointed under section 39 of the Act;

"input" means planting materials, agrochemicals, fertilizers, farm implements and packaging materials;

"local government authority" means the district authority, the urban authority established under the Local Government (District Authorities) Act and the Local Government (Urban Authorities) Act."

"regulatory function" includes quality control and licensing; data collection, analysis and dissemination, market information, enforcement of law and order, making and enforcing rules and regulations for proper production, processing, marketing, importation, exportation and storage of cotton inputs and products, setting indicative prices and such other functions financed exclusively by the Government;

Caps 287  
and 288

“stakeholder” means a dealer in the cotton industry including the Government, local government authorities, cooperative societies, the Board and private players such as producers, producer associations, traders, processors, marketing agents, exporters, input suppliers, research and extension institutions, financial institutions and any other person with vested interest in the cotton industry;

“stakeholders meeting” means a meeting of all cotton stakeholders referred to under this Act.”

(b) deleting the definition for the term “Cotton Development Fund”.

Amend-  
ment of  
section 5

44. Section 5 of the principal Act is amended by -

(a) repealing the whole of subsection (1) and substituting for it the following new subsections-

“(1) The Board shall carry out regulatory functions and such other activities necessary, advantageous or proper for the benefit of the cotton industry;

(2) Without prejudice to subsection (1), the functions of the Board shall be to-

(a) advise the Government on the policies and strategies for the development of the cotton industry;

(b) regulate and control the quality of cotton and cotton byproducts;

(c) collect, refine, maintain, use or disseminate information or data relating to the cotton industry;

monitor the production and exportation of cotton;

- (d) make regulations for processing, exportation and storage of cotton and cotton by-products;
  - (e) promote and protect the interests of farmers against syndicates of buyers which may be formed through associations;
  - (f) to monitor consumption of Cotton Lint in Local textile industries;
  - (g) promote the development of the cotton industry; and
  - (h) represent the Government in local and international fora in matters relating to the cotton industry.”
- (b) renumbering subsections (2), (3), (4) and (5) as subsections (3), (4), (5) and (6), respectively.

Amend-  
ment of  
section 33

**45.** Section 33 of the principal Act is amended in subsection (1) by deleting paragraph (d) and substituting for it the following new paragraph -

“(d) keep correct records of seed cotton deliveries, lint and seed production and make correct returns to the Board as may be prescribed.”

Amend-  
ment of  
section 34

**46.** Section 34 of the principal Act is amended by deleting paragraph (d).

Amend-  
ment of  
section 35

**47.** Section 35 of the principal Act is amended by repealing subsection (2) and substituting for it the following:

“(2) Any person aggrieved by the decision of the Board, may, within sixty days from the date of the decision, appeal in writing to the Minister.”

Addition  
of section  
14A

**48.** The principal Act is amended by adding immediately after section 14 the following new section:

“Contract  
farming

14A.-(1) A registered farmer may, for the purposes of facilitating farming activities, enter into contract farming with financier, cotton buyer, cotton processor, investor or banker.

(2) The contract farming entered into under subsection (1) shall be in the prescribed standard form and shall contain-

- (a) name, address and status of the registered farmer;
- (b) name, address and status of the financier;
- (c) obligations of the parties;
- (d) type or kind of facilitation to be granted to the farmer;
- (e) terms and conditions imposed on the farmer; and
- (f) such other information as may be necessary for the purpose of the contract farming.

(3) Every contract farming entered into under this section shall be submitted to the Board for perusal and registration.

(4) The Board shall have the mandate to monitor the implementation of the contract farming in order to protect rights of both parties.

(5) Any person being a financier, cotton buyer, cotton processor, investor or banker shall not facilitate a registered farmer in any manner without a contract of farming as required under this section.

(6) A person who contravenes this section commits an offence and shall be liable on conviction to a fine of not less than five million shillings or to imprisonment for a term of not less than six months but not more than two years or to both.”

Amend-  
ment of  
section 38

**49.** Section 38 of the principal Act is amended in subsection (1) by adding immediately after paragraph (c) the following new paragraphs:

- “(d) engage in sales contract involving cotton lint or cotton seeds without filing the particulars of sale contract with the Board within seven days after the date of the conclusion of the contract;
- (e) engage in sales for local consumption and export unless he is able to make returns, in a prescribed manner, of all sales made for local consumption and export on a weekly basis; and
- (f) deal with textile mills unless he is able to make returns to the Board of all the cotton lint purchased from the ginner in a prescribed form.”

Amend-  
ment of  
section 39

**50.** Section 39 of the principal Act is amended by deleting the designation “General Manager” and substituting for it the designation “Director General”

Amend-  
ment of  
section 43

**51.** Section 43 of the principal Act is amended by-

- (a) repealing paragraph (c); and
- (b) renaming paragraphs (d) and (e) as paragraphs (c) and (d), respectively.

Repeal  
and  
replace-  
ment of  
section 46

**52.** The principal Act is amended by repealing section 46 and replacing for it the following:

“Stake-  
holders’  
meeting

**46.-(1)** For the purposes of promoting the development of the cotton industry, there shall be a stakeholder’s forum which shall be responsible for –



- (a) putting in place mechanisms for the management and funding of the shared functions;
- (b) making procedures for conducting the annual general meetings;
- (c) determining modalities for financing its activities and meetings; and
- (d) establishing stakeholders' secretariat and other organs for better carrying out the shared functions.

(2) The stakeholders shall hold the meeting once in a year to agree on the funding, implementation of the shared functions and other matters of common interest.”

Repeal and replacement of sections 47 and 48

53. The principal Act is amended by repealing sections 47 and 48 and replacing for them the following:

“Powers to make by-laws

47. The local government authority may in consultation with the Minister, make by-laws for better carrying out of the shared functions as agreed upon by the cotton stakeholders.

Financing of shared functions

48. For the purpose of financing shared functions, stakeholders may put in place a mechanism for the management and mode of contribution.”

Amendment of section 49

54. Section 49 of the principal Act is amended by:

- (a) repealing subsections (1) and (2) and substituting for them the following -
  - “(1) The Board shall cause to be kept and maintained proper books of accounts in respect to:

- (a) the income and expenditure statement of the Board; and
- (b) all assets and liabilities of the Board.

(2) The books of accounts of the Board shall be audited at the end of each financial year by the Controller and Auditor General.”

- (b) deleting the phrase “the auditor appointed” appearing in the opening words of subsection (3) and substituting for it the phrase “the Controller and Auditor General”; and
- (c) deleting the word “three” appearing in subsection (4) and substituting for it the word “six”.

Amend-  
ment of  
the  
Schedule

55. The Schedule to the principal Act is amended in paragraph 1 by-

deleting the whole of subparagraphs (1) and (2) and substituting for them the following:

“(1) The Board of Directors shall consist of the Chairman who shall be appointed by the President and six other members to be appointed by the Minister as follows -

- (a) one member representing the local government authorities ;
- (b) one member representing the Tanzania Cotton Association;
- (c) one member representing the Cotton Growers Association;
- (d) one member representing the textiles industry;
- (e) two members who have knowledge and experience in the matter relating to cotton industry; and
- (f) two members representing cotton growers co-operative societies.

(2) The Minister shall, in appointing members under subparagraph (1) ensure that the appointment is made from three names of candidates recommended by the relevant association or sector.”

#### PART VI

#### AMENDMENT OF THE TOBACCO INDUSTRY ACT

Constru-  
ction  
Cap.202

56. This Part shall be read as one with the Tobacco Industry Act, hereinafter referred to as the “principal Act”.

Amend-  
ment of  
section 2

57. The principal Act is amended in section 2 by inserting in appropriate alphabetical order the following new definitions:

““contract farming ” means farming under an agreement between tobacco growers, farmers or producers on the one part and tobacco industry financiers such as leaf tobacco buyers and sellers, tobacco processors or bankers on the other part;

“Director General” means the Chief Executive Officer of the Tobacco Board;

“Environmental Impact Assessment” means a study of environmental impact conducted in accordance with the provisions of the Environmental Management Act;

“financier” means a banker, district council, financial institution, tobacco trader and any other party who may provide financing to tobacco growers in whatever arrangement to support tobacco production.

“local government authority” means the district authority, the urban authority established under the Local Government (District Authorities) Act and the Local Government (Urban Authorities) Act;

“nesting of tobacco” means hiding of inferior tobacco against good quality tobacco in a tobacco bale;

“non-tobacco related material” means plastics, plants, stones, sands, insects, water and any other liquid substance or solid materials;

“over conditioning” means presence of moisture above sixteen percent content in tobacco;

“regulatory function” includes data collection, data analysis and dissemination, market information, enforcement of law and order, making and enforcing rules and regulations for proper production, processing, marketing, importation, exportation and storage of tobacco products and inputs, setting indicative prices and all functions financed exclusively by the Government;

“stakeholders meeting” means the meeting of all tobacco stakeholders to be held at least once a year to agree on the funding and implementation or otherwise of the shared functions and other matters of common interest to tobacco stakeholders;

“shared function” means joint function to be undertaken by all tobacco stakeholders as agreed from time to time and includes research, extension, inputs supply, crop development, promotion, and promotion of fair trade and competition;

“stakeholder” means a public dealer in the tobacco industry and includes the Central Government, local government authorities, Cooperative Societies, the Tobacco Board, Tobacco Research Institutes, tobacco traders and private players who are interested in the tobacco industry; and

“tobacco traders” means leaf tobacco buyers, leaf tobacco sellers, tobacco processing factories and cigarette manufacturers.”

Amend-  
ment of  
section 5

- 58.** The principal Act is amended in section 5 by:  
repealing subsection (1) and substituting for it the following-

“(1) The Board shall carry out regulatory functions and such other activities necessary, advantageous or proper for the benefit of the tobacco industry and shall include-

- (a) advising the Government on the policies and strategies for the development of the tobacco industry;
  - (b) regulating and controlling the quality of tobacco and tobacco by products;
  - (c) collecting, refining, maintaining, using or disseminating information or data relating to the tobacco industry;
  - (d) monitoring the production and exportation of tobacco;
  - (e) making rules for processing, exportation and storage of tobacco and tobacco by products;
  - (f) facilitating or assisting in the formation of associations or other bodies related to or dealing with the tobacco industry;
  - (g) promoting and protecting the interests of farmers against syndicates of buyers which may be formed through associations;
  - (h) controlling and prescribing measures for the preservation of the environment including avoidance of land degradation through compulsory a forestation and economical use of wood fuel programmes; and
  - (i) representing the Government in international and local fora in matters relating to or dealing with tobacco industry.
- (b) repealing sub-section (5).

Amend-  
ment of  
the  
heading  
to Part  
III

**59.** The principal Act is amended by deleting the heading to Part III and substituting for it the following heading:  
**“TOBACCO PRODUCTION”**

Amend-  
ment of  
section  
7

**60.** Section 7 of the principal Act is amended in subsection (3) by adding immediately after paragraph (d) the following new paragraph-

“(e) number of trees to be planted to supply wood fuel in conformity with production expectations and environmental conservation.”

Additio  
n of  
section  
7A

**61.** The principal Act is amended by adding immediately after section 7, the following new sections:

“Contract  
farming

**7A.-(1)** A registered farmer may, for the purpose of facilitating farming activities, enter into a contract farming with financier, tobacco buyers, processor, investors or banker.

(2) The contract farming entered into under subsection (1) shall be in the prescribed standard form and shall contain-

- (a) name, address and status of the registered farmer;
- (b) name, address and status of the financier;
- (c) obligations of the parties;
- (d) type or kind of facilitation to be granted to the farmer;
- (e) terms and conditions imposed on the farmer; and
- (f) such other information as may be necessary for the purpose of the contract farming.

(3) Every contract farming entered into under this section shall be submitted to the Board for perusal and registration.

(4) The Board shall monitor the implementation of contract farming in order to protect rights of both parties.

(5) Any person being a financier, tobacco buyers, processor, investors or banker shall not facilitate a registered farmer in any manner without a contract farming as required under this section.

(6) A person who contravenes this section commits an offence and shall be liable on conviction to a fine of not less than five million shillings or to imprisonment for a term of not less than six months but not more than two years or to both."

Amend-  
ment of  
section  
14

62. Section 14 of the principal Act is amended in sub section (1) by-

- (a) deleting the phrase "precautions taken with respect to the preservation of the environment" appearing in paragraph (h) and substituting for it the phrase "Environmental Impact Assessment report"; and
- (b) repealing subsection (6).

Amend-  
ment of  
section  
16

63. The principal Act is amended in section 16 by-

- (a) deleting paragraphs (2) and (3); and
- (b) renumbering subsection (4) as subsection (2).
- (c) deleting the words " and farming contract" appearing in the marginal note.

Amend-  
ment of  
section  
23

64. The principal Act is amended in section 23 by deleting the phrase "payment of prescribed fee and any other" appearing in paragraph (c).

Repeal  
and  
replace-  
ment of  
section  
28

65. The principal Act is amended by repealing section 28 and replacing for it the following:

“Prohibi-  
tion of  
adultera-  
tion and  
nesting of  
tobacco

28.-(1) Any person who adds, cause to be added any foreign material or causes over conditioning to tobacco for purposes of adulterating, commits an offence and upon conviction shall be liable, in the case of-

- (a) a first offence, to a fine of not less than five hundred thousand shillings but not exceeding two million;
- (b) a second offence, to a fine of not less than two million shillings but not exceeding five million shillings and suspension from tobacco farming for one crop season; and
- (c) a third offence, to a fine of not less than five million shillings but not exceeding ten million shillings and de-registration from tobacco farming.

(2) Any person who mixes different tobacco grades for the purpose of misleading or cheating the tobacco classifier in order to be awarded superior classification grades commits the offence of tobacco nesting and shall, upon conviction be liable to a fine of not less than one million but not exceeding five million shillings and cancellation of his tobacco registration.

(3) Any tobacco bale containing nested tobacco or non-tobacco materials at any stage from the market centre to a processing factory shall be marked accordingly and full particulars of its owner shall be taken for necessary actions provided for under sub sections (1) and (2).



(4) The Board shall, in collaboration with tobacco growers and tobacco traders, put in place a system for monitoring nesting of tobacco, tobacco mixing and non-tobacco related materials from grading and baling centres to processing factories.”

Amend-  
ment of  
section  
34

66. Section 34 of the principal Act is amended by-

- (a) deleting paragraph (c); and
- (b) re-naming paragraphs (d) and (e) as paragraph (c) and (d), respectively

Repeal  
and  
replace-  
ment of  
section  
39

67. The principal Act is amended by repealing section 39 and replacing for it with the following new section-

“Finan-  
cing of  
shared  
functions

39. For the purpose of financing shared functions, stakeholders may put in place mechanisms for the management and for the mode of contribution.”

Amend-  
ment of  
section  
40

68. Section 40 of the Principal Act is amended -

- (a) in subsection (1) by-
  - (i) repealing the phrase “and the tobacco development fund respectively” appearing in paragraph (a) ;
  - (ii) deleting the phrase “and the Fund” appearing in paragraphs (b) and (c).
- (b) by deleting subsection (2) and substituting for it the following provision:
  - “(2) The books of Accounts of the Board shall be audited at the end of each financial year by the Controller and Auditor General.”
- (c) in subsection (3) by-

- (i) deleting the phrase “appointed under the provisions of subsection (2)” appearing in the opening words; and
  - (ii) deleting the phrase “and the Fund” appearing in paragraph (c).
- (d) by deleting subsection (4) and substituting for it the following new subsection:
- “(4) The Board shall, within six months after the end of the financial year, submit to the Minister a copy of the audited accounts and a report on the activities of the Board in respect of that year.”

Amendment of section 42

**69.** The principal Act is amended in section 42 by repealing subsection (3) and substituting for it the following:

- “(3) The functions of the Council shall be to-
- (a) propose to the Board selling and buying arrangements, including contracts, auctions and tendering between farmers and tobacco buyers;
  - (b) set minimum indicative tobacco farmer grade prices, as the case may be, in conformity with mechanism used for selling and buying tobacco as provided under subsection (1); and
  - (c) propose mechanisms for procuring input, pricing and supplying arrangements for approval by the Board.”

Amendment of section 46

**70.** The principal Act is amended in section 46 by-

- (a) deleting the reference to subsection (1) appearing immediately after figure “46”; and
- (b) repealing subsection (2).

Addition of new sections

**71.** The principal Act is amended by adding immediately after section 46, the following new sections:

“Appeals 47. Any person aggrieved by the decision of the Board in matters which are regulatory in nature may, within sixty days after the date of the decision, appeal in writing to the Minister.

Power to make by-laws 48. The local government authority may in consultation with the Minister, make by-laws for the better carrying out of the shared functions agreed by tobacco stakeholders.

Stakeholders meeting 49.-(1) For the purposes of promoting the development of the tobacco industry, there shall be a stakeholder’s forum which shall be responsible for -

- (a) putting in place mechanisms for the management and funding of the shared functions;
- (b) making procedures for conducting the annual general meetings;
- (c) determine modalities for financing its activities and meetings; and
- (d) establishing stakeholders’ secretariat and other organs for better carrying out the shared functions.

(2) The stakeholders shall hold a meeting at least once a year to agree on the funding and implementation of the shared functions and other matters.”

Amend-  
ment of  
Second  
Schedule

72. The Second Schedule to the principal Act is amended-

- (a) in paragraph 8 by deleting the word “Nine” appearing in subparagraph (1) and substituting for it the word “Half”
- (b) by adding immediately after subparagraph (d) of paragraph 8 the following proviso:

“Provided that the quorum shall be constituted where half of the members are representatives of growers and traders.”

Amend-  
ment of  
First  
Schedule

73. The First Schedule to the principal Act is amended by -
- (a) deleting the word "eight" appearing in the opening words to paragraph 1(1) and substituting for it the word "nine";
  - (b) deleting subparagraph (e) of paragraph (1) and substituting for it the following:
    - "(e) two members being persons who possess knowledge and experience in tobacco industry."

## PART VII

### AMENDMENT OF THE PYRETHRUM ACT

Constru-  
ction  
Cap.376

74. This Part shall be read as one with the Pyrethrum Act, hereinafter referred to as the "principal Act".

Amend-  
ment of  
short title

75. The principal Act is amended by repealing the short title and substituting for it the following new short title:

"This Act may be cited as the Pyrethrum Industry Act."

Amend-  
ment of  
section 2

76. The principal Act is amended in section 2 by-

- (a) inserting in the appropriate alphabetical order the following new definitions:
  - "contract farming" means farming under an agreement between financiers or pyrethrum buyers on the one part and pyrethrum producers on the other part;
  - "Director General" means the Chief Executive Officer of the Pyrethrum Board;

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Cap. 288

“Director” means the director for the time being responsible for crops.”

“input” means planting materials, splits, agrochemicals, fertilizers, farm implements and packaging materials;

“local government authority” means a district authority, or an urban authority established under the local Government (District Authorities) Act and the Local Government (Urban Authorities) Act;

“regulatory function” means public function and includes quality control and licensing, data collection and dissemination, market information, enforcement of law and order, making and enforcing rules and regulations for proper production, processing, setting indicative prices, marketing, importation and storage of pyrethrum inputs and products and such other functions financed exclusively by the Government;

“shared function” means joint function to be undertaken by all pyrethrum stakeholders as agreed from time to time, including research, extension services, inputs supply and improvement, pyrethrum crop development, promotion and promotion of fair trade and competition, collecting, refining, maintaining and disseminating data relating to the pyrethrum industry, improving technologies and delivery system;

“stakeholders’ meeting” means the meeting of all stakeholders to be held at least once a year to agree on the management, funding and implementation or otherwise of the shared functions and other matters of common interest to the stakeholders;

“stakeholder” means a dealer in the pyrethrum industry and it includes the Government, local Government authorities, pyrethrum growers association, cooperative societies, the pyrethrum board, private buyers and any other person with a vested interest in the pyrethrum industry.”

- (b) deleting the definitions of the terms “fund” and “Commissioner””

Amend-  
ment of  
section 3

77. Section 3 of the principal Act is amended-

- (a) in subsection (1) by-
- deleting the word “Northern” appearing in paragraph (a) and substituting for it the word “Southern”;
  - deleting the words “Growers Association” appearing in paragraph (b) and substituting for them the word “stakeholders”;
- (b) in subsection (5) by deleting the designation “Minister” and substituting for it the designation “President”.

Amend-  
ment of  
section 5

78. The principal Act is amended in section 5 by -

- (a) deleting the opening phrase and substituting for it the following-
- “The Board shall carry out regulatory functions and such other activities necessary, advantageous or proper for the benefit of the pyrethrum industry and in particular shall include-”
- (b) deleting paragraphs (c), (d) and (e) and substituting for them the following paragraphs:

- “(c) to issue license to persons engaged in production, buying, processing and marketing of pyrethrum;
- (d) to ensure fair trade, competition and monitor prices as determined by market force;
- (e) to advise the Government on matters arising from the stakeholders meeting of strategy and policy related to the development of the pyrethrum industry;
- (f) to represent the Government in local and international fora in matters relating to the pyrethrum industry;
- (g) to enforce quality standards for production and processing of pyrethrum; and
- (h) to enforce regulations for control of pests and diseases.”

(c) re-naming paragraph (f) as paragraph (i).

Repeal of  
section 7

79. The principal Act is amended by repealing section 7.

Amend-  
ment of  
section 11

80. The principal Act is amended in section 11 by repealing the phrase “chief executive officer” appearing in subsection (1), and substituting for it the phrase “Director General”.

Repeal and  
replace-  
ment of  
section 14

81. The principal Act is amended by repealing section 14 and replacing for it the following:

“Stake-  
holders  
meeting

14.-(1) For the purposes of promoting the development of the pyrethrum industry, there shall be a stakeholder’s forum which shall be responsible for-

- (a) putting in place mechanisms for the management and funding of the shared functions;
- (b) making procedures for conducting the annual general meetings;
- (c) determining modalities for financing its activities and meetings; and
- (d) establishing stakeholders' secretariat and other organs for better carrying out the shared functions.

(2) The stakeholders' shall meet at least once a year to agree on the funding and implementation of the shared functions and other matters."

Amend-  
ment of  
section 15

**82.** The principal Act is amended in section 15 by -

- (a) deleting paragraph (b) and (d); and
- (b) re-numbering paragraph (c) as (b).

Repeal and  
replace-  
ment of  
section 16

**83.** The principal Act is amended by repealing section 16 and replacing for it the following new section-

"Financing  
of shared  
functions"

**16.** For the purpose of financing shared functions, stakeholders may put in place a mechanism for the management and mode of contribution."

Repeal of  
section 17

**84.** The principal Act is amended by repealing section 17.

Amend-  
ment of  
section 20

**85.** Section 20 of the principal Act is amended-



- (a) in subsection (1) by deleting the phrase “and the Trust Fund Committee” appearing under paragraph (a);
- (b) in subsection (2) by deleting the phrase “the Tanzania Audit Corporation or any other reputable audit firm” and substituting for it the phrase “Controller and Auditor General”.

Addition  
of section  
26

**86.** The principal Act is amended by adding immediately after section 22 the following new sections:

“Appeals      **23.** Any person aggrieved by the decision of the Board on matters which are regulatory in nature may, within sixty days from the date of the decision, appeal in writing to the Minister.

Contract farming      **24.-(1)** A registered farmer may, for the purpose of facilitating farming activities, enter into a contract farming with financier pyrethrum buyers, processor, investors or banker.

(2) The contract farming entered into under subsection (1) shall be in the prescribed standard form and shall contain:

- (a) name, address and status of the registered farmer;
- (b) name, address and status of the financier;
- (c) obligations of the parties;
- (d) type or kind of facilitation to be granted to the farmer;
- (e) terms and conditions imposed on the farmer; and
- (f) such other information as may be necessary for the purpose of the contract farming.

(3) Every contract farming entered into under this section shall be submitted to the Board for perusal and registration.

(4) The Board shall monitor the implementation of contract farming in order to protect rights of both parties.

(5) Any person being a financier, pyrethrum buyer, processor, investor or banker shall not facilitate a registered farmer in any manner without a contract of farming as required under this section.

(6) A person who contravenes this section commits an offence and shall be liable on conviction to a fine of not less than five million shillings or to imprisonment for a term of not less than six months but not more than two years or to both.

Power to  
make by-  
laws

25. The local government authorities may in consultation with the Minister make, by-laws for the better carrying out of the shared functions agreed upon by stakeholders in the pyrethrum industry.”

## PART VIII

### AMENDMENT OF THE SUGAR INDUSTRY ACT

Constru-  
ction  
Cap.251

87. This Part shall be read as one with the Sugar Industry Act, hereinafter referred to as the “principal Act”.

Amend-  
ment of  
section 2

88. The principal Act is amended in section 2 by inserting in the appropriate alphabetical order the following new definitions:

“contract farming ” means farming under an agreement between sugarcane growers, farmers or producers on the one part and financiers such as sugarcane buyers, processors, investors or bankers on the other part;

“Director General” means the Chief Executive Officer of the Sugar Board of Tanzania;

“input” means planting materials, agrochemicals, fertilizers, farm implements and packaging materials;

“local government authority” means a district authority, or an urban authority established under the Local Government (District Authorities) Act or the Local Government (Urban Authorities) Act ;

Caps.  
287  
and  
.288

“regulatory function” means public function and includes quality control and licensing, data collection, analysis and dissemination, market information, enforcement of law and order, making and enforcing rules and regulations for proper production, processing, marketing, setting indicative prices, importation and storage of sugarcane and sugar inputs and products and all functions financed exclusively by the Government;

“shared functions” means joint functions to be under taken by all sugar stakeholders as agreed from time to time and it includes research, extension, inputs supply, crop development training, promotion and promotion of fair trade and competition;

“stakeholder” means a dealer in the cane and sugar industry and includes the Central Government, local Government authorities, cooperative societies, the Board, all private traders and any other person with a vested interest in the sugar industry; and

“stakeholders meeting” means the meeting of all stakeholders to be held at least once a year to agree on the funding and implementation or otherwise of the shared functions and other matters of common interest to the stakeholders.”

Amend-  
ment of  
section 4

**89.** Section 4 of the principal Act is amended-

- (a) in subsection (1):
  - (i) by deleting the opening phrase and substituting for it the following
    - “(1) The Board shall carry out regulatory functions and such other activities necessary, advantageous or proper for the benefit of the sugar industry and shall include-”;
  - (ii) by deleting the word “forum” appearing under paragraph (1) and substituting for it the words” conducive environment;
  - (iii) by adding immediately after paragraph “(s)” renamed the following new paragraph-
    - “(p) to promote diversification to bio-ethanol and co-generation.”
- (b) in subsection (2) by-
  - (i) deleting paragraph (d); and
  - (ii) deleting the phrase “and regulations” appearing in paragraph (g);
- (c) deleting subsections (3) and (5); and
- (d) renumbering subsection (4) as subsection (3).

Amend-  
ment of  
section 6

**90.** Section 6 of the principal Act is amended in subsection (6) by-

- (a) deleting paragraphs (b) and (c);
- (b) deleting paragraph (d) and substituting for it the following-
  - “(d) any contributions by stakeholders including sugar manufacturers, cane growers, sugar importers and exporters;”

- (c) naming paragraphs (d),(e), and (f) as paragraphs (b), (c) and (d), respectively.

Amend-  
ment of  
section 14

91. Section 14 of the principal Act is amended in sub-section (2) by deleting the phrase "payment of a fee and upon".

Amend-  
ment of  
section 15

92. The principal Act is amended in section 15 by deleting the phrase "payment of a fee and upon."

Amend-  
ment of  
section 17

93. The principal Act is amended in section 17 by deleting paragraph (c) and substituting for it the following-  
" (c) issued subject to such terms and conditions as may be provided."

Amend-  
ment of  
section 24

94. The principal Act is amended in section 24 by-

(a) repealing paragraph (c); and

(b) re-naming paragraphs (d) and (e) as paragraphs (c) and (d), respectively.

Amend-  
ment of  
section 26

95. Section 26 of the principal Act is amended in subsection (3) by deleting the phrase "sugar manufacturers and".

Repeal  
and  
replace-  
ment  
section 27

96. The principal Act is amended by repealing section 27 and replacing for it the following:

"Financing  
of shared  
functions"

27. For the purpose of financing shared functions, stakeholders may put in place a mechanism for the management and for the mode of contribution."

Amend-  
ment of  
section 28

97. The principal Act is amended in section 28 by -

- (a) deleting the phrase “and the fund” wherever it appears in that section;
- (b) deleting subsection (3) and substituting for it the following-
- “(3) The books of accounts of the Board shall be audited at the end of each financial year by the Controller and Auditor General.”
- (c) deleting the phrase “auditor appointed under the provisions of subsection (3)” appearing in the first line of subsection (4) and substituting for it the phrase “Controller and Auditor General”.

Repeal of  
section 36  
and 37

98. The principal Act is amended by repealing sections 36 and 37.

Addition  
of new  
sections  
36, 37, 38  
and 39

99. The principal Act is amended by adding immediately after section 35 the following new sections:

“Appeals

36. Any person aggrieved by the decision of the Board on matters which are regulatory in nature, may within sixty days after the date of the decision, appeal in writing to the Minister”.

Contract  
farming

37.-(1) A registered farmer may, for the purpose of facilitating farming activities, enter into contract farming with financier, cane and sugar buyers, processor, investors or banker.

(2) The contract farming entered into under subsection (1) shall be in the prescribed standard form and shall contain-

- (a) names, address and status of the registered farmer;

- (b) name, address and status of the financier;
- (c) obligations of the parties;
- (d) type or kind of facilitation to be granted to the farmer;
- (e) terms and conditions imposed on the farmer; and
- (f) such other information as may be necessary for the purpose of the contract farming.

(3) Every contract farming entered into under this section shall be submitted to the Board for perusal and registration.

(4) The Board shall monitor the implementation of contract farming in order to protect rights of both parties.

(5) A person being a cane buyer, sugar buyer, processor, investor or banker shall not facilitate a registered farmer in any manner without a contract as required under this section.

(6) A person who contravenes this section commits an offence and is liable on conviction to a fine of not less than five million shillings or to imprisonment for a term of not less than six months but not more than two years or to both.

Stake-  
holders  
meeting

38.-(1) For the purposes of promoting the development of the sugar industry, there shall be a stakeholder's forum which shall be responsible for-

- (a) advising on mechanisms for the management and funding of the shared functions;
- (b) making procedures for conducting stakeholder's meetings;
- (c) determining modalities for financing its activities and meetings; and

- (d) establishing stakeholders' secretariat and other organs for better carrying out the shared functions; and
- (e) discussion of the matters of common interests.

(2) The stakeholders meeting shall be held at least once a year to agree on the funding and implementation of the shared functions and other matters of common interest.

Power  
to make  
by-laws

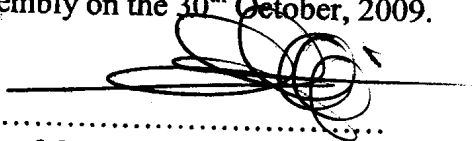
39. The local government authorities may in consultation with the Minister make by-laws for the better carrying out of the shared functions agreed upon by stakeholders."

Amend-  
ment of  
First  
Schedule

100. Paragraph 1 of the First Schedule to the principal Act is amended in sub-paragraph (1) by deleting-

- (a) the word "eight" appearing in subparagraph (1) and substituting for it the word "nine";
- (b) the phrase "Tanzania Sugar Producers' Association" appearing in paragraph (c) and substituting for it the phrase "recommended by apex organization of sugar processors";
- (c) the phrase "Tanzania Sugarcane Growers' Association" appearing in paragraph (d) and substituting for it the phrase "recommended by apex organization of sugar cane growers"; and
- (d) the word "one" appearing in subparagraph (f) and substituting for it the word "two".

Passed in the National Assembly on the 30<sup>th</sup> October, 2009.

  
.....  
Clerk of the National Assembly