

THE CEREALS AND OTHER PRODUCE ACT, 2009

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SCHEDULE

THE UNITED REPUBLIC OF TANZANIA



NO.19 OF 2009

I ASSENT,

Yoweri Museveni
President

20th November 2009

An Act to make provisions for the establishment of the Cereals and Other Produce Board, for promotion and development of cereals and other agricultural produce and to provide for other related matters.

ENACTED by Parliament of the United Republic of Tanzania.

PART I PRELIMINARY PROVISIONS

Short title
and
commence-
ment

1. This Act may be cited as the Cereals and Other Produce Act, 2009 and shall come into operation on such date as the Minister may, by notice published in the *Gazette*, appoint.

Application

2. This Act shall apply in Mainland Tanzania.

Interpreta-
tion

3.-(1) In this Act, unless the context otherwise requires-

“Board” means the Cereals and other Produce Board of Tanzania established under section 4 of this Act;

“cereals” means edible grains such as maize, oat, wheat, rice, millet and sorghum;

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

“Council” means zonal stakeholders forums for cereals and other produce as established under section 15 of this Act;

“crop” means the produce of what is planted or a part of plant which is harvested after cropping, cut, or gathered from a plant or agricultural field, or of a single kind of grain, legume or fruit gathered in a single season;

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

“input” includes planting material, agrochemical, fertilizer, farm implements and packaging material;

“Inspector” means an officer authorized by the Board or Local Government Authority to act as an inspector in accordance with the provisions of this Act;

“member” means a member of the Board and includes a Chairman;

“Minister” means the Minister responsible for agriculture;

“Ministry” means the Ministry responsible for agriculture;

“natural agricultural resource” includes agricultural land, water and natural vegetation;

“other produce” means agricultural produce as may be *gazetted* by the Minister under this Act;

“premise” means land, building, factory, erection, vehicle, article, or receptacle whatsoever used for the purpose of growing, sorting, processing, storage, transporting or for any other activity connected to the handling of cereals or other agricultural produce;

“processing” with its grammatical variations and cognate expression means any act or thing done to cereals or other produce for the purpose of adding its value and the word “processor” shall be construed accordingly;

“Senior Officer” means an officer who is the head of a Unit, Section or Department;

“shared functions” means functions to be undertaken by all stakeholders as agreed from time to time and may include research, provision of extension services, inputs supply, crop promotion and development, promotion of fair trade and competition, setting indicative prices, collecting, refining, maintaining and disseminating data and information relating to the specific crop industry, improving technologies and delivery system;

“stakeholders’ meetings” means meetings of the Cereal and other produce Council provided for under this Act;

“stakeholder” means a dealer in the specified crop industry such as the central Government, local government authorities, cooperative societies, the Board, research and training institutes, traders and input suppliers, producers and other private actors in cereals and other produce.

PART II

THE CEREALS AND OTHER PRODUCE BOARD

Establish-
ment
of the Board

4.-(1) There is established a Board to be known as the Cereals and other Produce Board of Tanzania.

(2) The Board established under subsection (1) shall be a body corporate and shall-

- (a) have perpetual succession and a common seal;
- (b) in its corporate name be capable of suing and being sued;
- (c) be capable of purchasing or acquiring in any manner and alienating any movable and immovable property;
- (d) be capable of entering into any contract or agreement as may be necessary or expedient for the proper performance of its functions under the provisions of this Act; and

- (e) do all such other acts and perform such functions which a body corporate may lawfully perform.

Composition
of the Board

5.- (1) The Board shall consist of the Chairman to be appointed by the President and twelve other members to be appointed by the Minister as follows:

- (a) a member representing northern agricultural zone;
- (b) a member representing southern agricultural zone;
- (c) a member representing eastern agricultural zone;
- (d) a member representing western agricultural zone;
- (e) a member representing lake agricultural zone;
- (f) a member representing central agricultural zone;
- (g) a member representing southern highlands agricultural zone;
- (h) one person representing the Ministry;
- (i) one person representing the Ministry responsible for marketing of agricultural produce;
- (j) one person representing the Ministry responsible for local government; and
- (k) two persons who possess adequate knowledge and experience in cereal and other produce.

(2) The Minister shall, in appointing members of the Board, ensure that appointment is made from among three names of candidates recommended by Cereals and Other produce Zonal Councils.

(3) The provisions of the Schedule to this Act shall have effect as to the tenure of office of members, cessation of membership, proceedings of the Board and other matters relating to the Board.

(4) The Minister may, by notice published in the *Gazette* amend, vary or replace any of the provisions of the Schedule.

Functions of
the Board.

6.-(1) The main functions of the Board shall be to carry out commercial activities and such other activities as are necessary, advantageous or proper for the development of the cereals and other produce industry.

- (2) The Board may provide facilitation of -
- (a) agricultural research on cereals and other produce;
 - (b) extension services to growers and other dealers of cereals and other produce;
 - (c) input services, including fertilizers and agrochemicals;
 - (d) promotion of production, marketing, processing and storage of cereals and other produce;
 - (e) the dissemination of information or data relating to cereals and other produce ;
 - (f) the promotion of technological advancement in cereals and other produce; and
 - (g) the provision of assistance in the formation of farmers Co-operatives or Organisations.

Commer-
cial
functions

7.-(1) The Board shall, subject to the provisions of this Act and any other written law, perform any commercial function or hold interest in any undertaking or project associated with cereals and other produce under this Act.

(2) The commercial functions referred to under subsection (1) shall include to-

- (a) purchase and sell cereals and other produce at a competitive price;
- (b) import or export cereals and other produce;
- (c) process cereals and other produce;
- (d) provide warehousing services for cereals and other produce;
- (e) provide grain and other produce, cleaning, drying, weighing, grading and packaging services according to market standards; and
- (f) perform any other commercial functions approved by the Minister for the development of trade in cereals and other produce.

Powers of
the Board

8.-(1) The Board shall, in the performance of its functions under this Act, have powers to-

- (a) build or otherwise acquire buildings or storage structures, warehouses and processing machinery;

- (b) establish cereals and other produce market centres, show rooms and exchange centres;
- (c) provide training on matters relating to cereals and other produce; and
- (d) perform such other functions which advance the objective of this Act.

(2) It shall be the duty of the Board in the exercise of its powers and in the performance of its functions under this Act, to act in such a manner as it appears to it appropriate for the purpose of promoting the quality and competitiveness of the cereals and other produce industry within and outside Tanzania.

Establishment of the Committees

9. The Board may, for the purpose of facilitating performance of its functions establish such number of Committees as may be necessary for effective performance of the specific functions as the Board may determine.

Delegation of functions of the Board

10.-(1) The Board may, subject to the terms, conditions and restrictions as it may specify, delegate to any Committee or the Director General or any other employee of the Board some of the functions and exercise of power conferred on it under this Act.

(2) Delegation made under subsection (1) shall not prevent the Board from performing the same functions or exercising the powers delegated.

(3) Notwithstanding the powers conferred on the Board to delegate its functions, the Board shall not delegate its commercial functions or disciplinary functions.

Disciplinary functions of the Board

11.-(1) The Board shall be-

- (a) the disciplinary authority over the Director General and senior employees of the Board; and
- (b) the appellate disciplinary authority for other employees of the Board.

(2) The Minister may make general or specific regulations prescribing procedures for disciplinary measures against the management or any employee of the Board.

Appoint-
ment of
Director
General

12.-(1) The Minister shall, upon recommendations of the Board, appoint on such terms and conditions a Director General who shall be the Chief Executive Officer of the Board.

(2) The Director General shall hold office for a period of five years and shall, subject to his satisfactory performance, be eligible for re-appointment for a further period of five years only.

Appoint-
ment of
senior
officers and
other staff

13.-(1) The Board may appoint such number of senior officers to the management of the Board.

(2) The Director General shall employ such numbers of other staff to perform the functions of the Board on such terms and conditions of employment.

(3) The Board may, for facilitating performance of functions under this Act, establish such number of departments, units and sections to be headed by directors and other staff appointed under sub-section (1).

Appoint-
ment of
agents and
contractors

14.-(1) The Board may appoint and employ, upon such terms and conditions, such number of agents and contractors as it may deem necessary for the better carrying out of its functions as stipulated in this Act.

(2) Terms and conditions for appointment and employment shall be contained in a written contract or agreement entered between the Board and the agent or contractor.

PART III

ZONAL COUNCILS OF CEREALS AND OTHER PRODUCE

Establish-
ment of
Zonal
Councils

15.-(1) There is established a Cereals and Other Produce Zonal Council in each agricultural zone.

(2) The zones in which Councils are established shall be-

- (a) Lake zone - comprising Mara, Mwanza, Kagera and Shinyanga regions;
- (b) Central zone - comprising Dodoma and Singida regions;

- (c) Northern zone - comprising Arusha, Manyara, Kilimanjaro and Tanga regions;
- (d) Southern zone - comprising Mtwara and Lindi regions;
- (e) Eastern zone - comprising Dar es Salaam, Coast and Morogoro regions.
- (f) Western zone - comprising Tabora and Kigoma regions; and
- (g) Southern highland - comprising Ruvuma, Mbeya, Iringa and Rukwa regions.

(3) The functions of Zonal Council shall be to:

- (a) promote cereal and other produce including formation of farmers associations and other bodies in their respective areas;
- (b) act as a consultative forum for cereals and other produce on price negotiations between farmers and buyers or traders of the cereals and other produce;
- (c) establish and operate a market information system for cereals, other produces and agricultural inputs in their respective areas;
- (d) promote the use of weights, measures and grading standards for cereals and other produce;
- (e) collaborate with the Board and local government authorities in provisions of agricultural educations in respect to the cereals and other produces in their areas of jurisdiction;
- (f) perform such other functions as the Council deems necessary for the development of the cereal and other produce industry; and
- (g) prepare and promote zonal production targets.

(4) The qualification, tenure of office and disciplinary procedure for the members of the Council shall be prescribed in the Regulations.

Procedures
and
meetings of
the Councils

16.-(1) Subject to the provisions of this Act, the Council shall have power to regulate its own procedures in respect of the proper conduct of its business.

- (2) The Council shall, from time to time, agree on:
- (a) time and place for holding annual stakeholder's meetings, and other matters of mutual interest;
 - (b) mechanisms for the management and funding of the shared functions; and
 - (c) organisational structure for the management of its affairs.

PART IV FINANCIAL PROVISIONS

Funds and
resources of
the Board

17. The funds and resources of the Board shall consist of-
- (a) such sums of money as may be appropriated by Parliament;
 - (b) any money raised by way of loans, donations or grants from, within and outside Tanzania;
 - (c) any loan or subsidy granted to the Board by the Government or any other person;
 - (d) any money derived from commercial activities; and
 - (e) such sums of money or property which may become payable to or vested in the Board under this Act or any other written law or in respect of any matter incidental to the carrying out of its functions.

Books of
Accounts
and Audit

- 18.-(1) The Board shall cause to be kept and maintained proper books of accounts with respect to -

- (a) sums of money received and expended by the Board and matters in respect of which the receipt and expenditure took place;
- (b) the assets and liabilities of the Board; and
- (c) the income and expenditure statement of the Board;

- (2) The auditing of the financial reports and books of accounts of the Board shall be done by the Controller and Auditor General or a person authorized by him.

Annual
Reports

19.-(1) The Board shall, not later than six months after the end of financial year, submit to the Minister a copy of the audited accounts and annual report on the activities of the Board in respect of that year.

(2) The Minister shall, within a period of six months after the accounts have been audited, lay the audited accounts and audit report before the National Assembly.

(3) For the purpose of this section, "financial year" of the Board shall be a period not exceeding twelve consecutive months which conform with the financial year of the Government.

Remunera-
tion of
Members

20. The Chairman and other members of the Board shall be entitled to allowances and fees at the rates as the Minister may in consultation with the minister responsible for finance approve from time to time.

PART V GENERAL PROVISIONS

Direction of
the Minister

21.-(1) The Minister may give to the Board directions of a general or specific nature in writing as to the exercise or performance of its functions and the Board shall give effect to such direction.

(2) Where the Board fails to perform any of its functions or to give effect to a direction given by the Minister without a reasonable cause, the Minister may exercise disciplinary power as may be appropriate.

Offences
and
penalties

22. Any person who –

- (a) buys cereals or other produce in the name of the Board without its authority;
- (b) discloses confidential information of the Board; and
- (c) obstructs or prevents any officer of the Board from exercising his powers under this Act,

commits an offence and is liable on conviction to a fine of not less than five million shillings or to imprisonment for term of not less than six months but not more than two years or both.

Offence by
Body
Corporate

23.(1) Where any offence under this Act or subsidiary legislation made under this Act is committed by a body corporate, any person who, at the time of the commission of the offence was concerned, as a director or an officer, with the management of the affairs of the body corporate, commits an offence and is liable to be proceeded against and punished accordingly unless he proves to the satisfaction of the court that he had no knowledge and could not by the exercise of reasonable diligence have had knowledge of the commission of the offence.

(2) Where an offence under this Act is committed by a body corporate, that body corporate shall be liable on conviction to a fine of not less than ten million shillings.

Offence by
Agents

24. Where an offence under this Act or any subsidiary legislation made under this Act it is committed by a person as an agent or employee then, such agent or employee, the principal or employer commits an offence and is liable to be proceeded against and punished accordingly unless he proves to the satisfaction of the court that he had no knowledge and could not by the exercise of reasonable diligence have had knowledge of the commission of the offence.

General
offences and
penalty

25. Any person who commits an offence under this Act to which no specific penalty is provided shall on conviction be liable to a fine of not less than five million shilling or to imprisonment for a term of not less than one year but not exceeding three year or to both.

Powers to
make
Regulations

26. The Minister may make Regulations for better carrying out the provisions of this Act.

Power to
make Rules

27. The Board shall, with the approval of the Minister, make rules for better farming, grading and trading for each category of crops.

Powers to
make by-
laws

28A. A local government authority may, on consultation with the Minister, make by-laws for better carrying out of the shared functions agreed upon with stakeholders.

SCHEDULE

Made under section 5(3)

PROVISIONS RELATING TO THE BOARD

- | | |
|-----------------------------|---|
| Tenure of office of members | 1. A member of the Board shall hold office for a term of three years from the date of appointment and may be eligible for re-appointment for a further term of three years. |
| Resignation | 2.-(1) Notwithstanding paragraph 1, any member of the Board may at any time resign from the Board 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 receipt of the notice by the Minister, he shall cease to be a member.
(2) Where a person ceases to be a Board 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. |
| Number of meetings | 3. The Board shall meet four times a year for ordinary business and may convene extra ordinary meetings as may be deemed necessary for discharging of its functions under the Act. |
| Vice-Chairman | 4. The Board shall appoint one of their members to be a Vice-Chairman. |
| Proceedings of the meetings | 5.-(1) All meetings of the Board shall be convened by the Chairman or in the absence by the Vice-Chairman and in the absence of both the Chairman and the Vice-Chairman from the meeting, the members present shall elect one of their members to be an interim chairman of that meeting.
(2) The Chairman, or in the absence, the Vice Chairman, shall convene a special meeting of the Board upon a request in writing signed by not less than four members of Board and shall cause such a meeting to be held within twenty one days of receiving such request. |
| Co-opted members | 6. The Board may co-opt any person to attend any deliberations of the meeting of the Board as an expert but such person so co-opted shall not have the right to vote. |

Decision of
the Board

7.-(1) The Board shall make its decision by voting during the meeting and in case of any equality in the votes the Chairman or any other person presiding at meeting shall have a casting vote.

(2) Notwithstanding subparagraph (1) decisions may be made by the Board by circulation of papers to the members whereby each member shall express his views in writing provided that any member may require that any such decision be deferred for discussion at a full meeting of the Board of Directors.

(3) A circular resolution in writing signed by all the Members for the time being in Tanzania shall be as effectual as a decision made at a meeting provided that a member may require that notwithstanding the directors' signature the matter be brought at the following Board.

Quorum

8.-(1) Half of the members of the Board shall constitute a quorum at any meeting and all acts, matters and things to be done by the Board shall be decided by a simple majority of the members present at the meeting.

Vacancies

9. Subject to the provision of this Schedule relating to quorum, the Board may act notwithstanding any vacancy in the members thereof and no act or proceedings 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.

A member
to declare
interest

10. A member who is in any way directly or indirectly interested in a contract or proposed contract or any matter being deliberated by the Board shall declare the nature of his interest to the other directors.

Minutes

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

Seal of
the Board

12. There shall be a common seal of the Board which shall be of such shape, size and form as the Board may determine

(2) The Seal of the Board shall not be affixed to any deed, instrument, contracts or agreement to which the Board is a party except in the presence of the Chief Executive Officer or a person authorised by him.

Power to
regulate its
procedures

13. Subject to the provisions of this Act, the Board shall have power to regulate its own procedures in respect of the meetings and the proper conduct of its business."

PART VI

CONSEQUENTIAL AMENDMENTS TO THE FOOD SECURITY ACT

Constru-
ction
Cap. 249

28.-(1) This Part shall read as one with the Food Security Act, hereinafter referred to as the “principal Act”.

(2) The principal Act is amended -

(a) by deleting the long title and substituting for it the following:

“An Act to establish an Authority to regulate production, processing and marketing of cereals and other produce; to provide for the national food security assurance mechanisms and for other related matters.”

(b) in section 2 by -

(i) deleting the references to the definition of the word “the Board”;

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

“Inter-
pre-
tation 2. In this Act, unless the context otherwise requires -

“Authority” means the Cereal and other Produce Regulatory Authority as established under section 3;

“Board” means the Board of Directors of Cereals and Other Produce Regulatory Authority established under section 3(1);

“buying centre” means a place designated by the local government authorities and approved by the Authority to be a crop buying centre;

“cereals” means edible grains such as maize, oat, wheat, rice, millet and sorghum;

“premises” means land, building, factory, erection, vehicle, article, or receptacle whatsoever used for the purpose of growing, sorting, processing, storage, transporting or for any other activity connected to the handling of cereals or other agricultural produce;

“crop” means the produce of what is planted or a part of plant which is harvested after cropping, cut, or gathered from a plant or agricultural field, or of a single kind of grain, legume or fruit gathered in a single season;

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

“inspector” means an officer authorized by the Authority to act as an inspector in accordance with the provisions of this Act;

“member” means a member of the Board of the Authority and includes a Chairman;

“Ministry” means the Ministry responsible for agriculture;

“other produce” means agricultural produce as may be *gazetted* by the Minister to be regulated under this Act;

“processing” with its grammatical variations and cognate expression means any act or thing done to cereals or other produce for the purpose of adding its value and the word “processor” shall be construed accordingly;

“Register” means the Register for farming activities established under this Act;

“stakeholders’ meeting” means zonal, cereal and other produce council meeting held by specified crop stakeholders;

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

“stakeholder” means a dealer in the specified crop industry such as the Central Government, local government authorities, cooperative societies, the Authority, research and training institutes, producers, traders and input suppliers;

“shared functions” means joint functions to be undertaken by all stakeholders as agreed from time to time and may include research, provision of extension services, inputs supply, crop promotion and development, promotion of fair trade and competition, setting indicative prices, collecting, refining, maintaining and disseminating data and information relating to the specific crop industry, improving technologies and delivery system;

“input” includes planting material, agrochemical, fertilizer, farm implements and packaging material;

“natural agricultural resource” includes agricultural land, water and natural vegetation.”

“dealer” means a person who is engaged in the business of procuring, processing, importation, exporting, distribution or sale of cereals or other produce;

"processor" means a person who converts or transforms on a commercial scale, any cereal or other produce regulated by this Act into a finished or semi-finished product;

"producer" means a person who grows cereals or other produce;

"trader" means a person who, as broker, dealer, marketing company, or other purchaser, acquires any cereals or other produce from a producer or any other person through purchases or otherwise, for the purpose of resale;

“food” means any substance or product whether processed, partially processed or unprocessed intended to be or reasonably expected to be ingested by human in its intended use;

“food security” means a situation whereby all people at all times have physical, social and economic access, to sufficient and safe food to meet their nutritional needs and cultural preferences for an active and healthy life;

- (c) deleting Part II and substituting for it the following new Parts:

“PART II

THE CEREAL AND OTHER PRODUCE REGULATORY AUTHORITY

“Establishment of the Authority

3.-(1) There is hereby established a Authority to be known as the Cereal and Other Produce Regulatory Authority.

(2) The Authority shall be a body corporate and shall -

- (a) have perpetual succession and a common seal;
- (b) in its corporate name be capable of suing or being sued;
- (c) be capable of purchasing or acquiring in any manner and alienating any movable and immovable property;
- (d) be capable of entering into any contract or agreement as may be necessary or expedient for the proper performance of its functions under the provisions of this Act; and
- (e) perform such functions which a body corporate may lawfully perform for the proper discharging of its functions under this Act.

Functions
of the
Authority

4.-(1) The main functions of the Authority shall be to carry out regulatory activities and other matters which are necessary, advantageous or proper for the benefit of the cereals and other produce industry.

(2) Without prejudice to the generality of subsection(1), the regulatory functions of the Authority shall include to-

- (a) develop and enforce sustainable agronomical standards for product, processing and marketing of cereals and other produce;
- (b) ensure fair competition, fair trade, and to set and monitor indicative prices as established by market forces and other matters related thereto;
- (c) collect, refine, maintain, or disseminate information or data relating to the cereals and other produce;
- (d) license persons engaged in the marketing processing of cereals or other produces and their by-products;

- (e) make regulations for cultivation, marketing, processing importation, exportation and storage of the cereals and other produce;
- (f) register grower, dealers, and premise relating to cereals and other produce;
- (g) inspect or cause to be inspected the farms, grains, premises and other facilities for the cereals and other produce;
- (h) issue import and export permits for the cereals and other produce;
- (i) regulate or to control the collection, movement, storage, sale, purchase, transportation, marketing, processing, distribution, importation, exportation, disposal and supply of cereal and other produces;
- (j) establish a system under which cereals and other produce trades shall register and report, for statistical purposes, information on the stocks handled or held by them;

- (k) advise the Minister on the proper production of cereals and other produce in relation to the needs of Tanzania and the extent to which control over the exportation and importation of cereals and other produces is desirable or necessary; and
- (l) perform any other functions as may be require under this Act.

(3) In fulfilling its functions, the Board shall comply with general or specific directions which the Minister may give.

Composition of the Board of Authority

5.-(1) There is hereby established a Board of Directors which shall be the governing body of the Authority and shall consist of the following members—

- (a) a Chairman to be appointed by the President;
- (b) a representative from Tanzania Food and Drugs Authority;
- (c) a representative from Tanzania Bureau of Standards;
- (d) a member from the Ministry responsible for marketing of agricultural produce;
- (e) a member from the Ministry responsible for agriculture;
- (f) a member representing the Attorney General's Office;

- (g) a member from the Ministry responsible for local government authorities; and
- (h) two persons who possess knowledge and experience relevant to the cereals and other produce industry.

(2) the Director General shall be the Secretary to the Board.

(3) Member of the Board of Directors under subsection (1) (b) to (h) shall be appointed by the Minister.

(4) The provisions of the First Schedule to this Act shall have effect to the terms of office of members, cessation of membership, proceedings of the Board and other matters relating to the Board.

(5) The Minister may, by notice published in the *Gazette*, amend, vary or replace any or all provisions of the Schedule to this Act.

Powers of
the
Authority

6.-(1) The Authority shall, in performing its functions, have powers to -

- (a) delegate any of the powers and functions of the Authority to any person in the Authority or to any Committee established by the Authority or, with the consent of the Minister, to any other person;
- (b) arbitrate between farmers and other dealers of cereals and other produce; and

- (c) train crop grading experts, inspectors, farmers and other dealers of cereal and other produce.

(2) It shall be the duty of the Authority in the exercise of its powers and in the performance of its functions to act in such manner as it appears to it appropriate for the purposes of promoting quality and competitiveness of the cereal and other produce industry within and outside Tanzania.

Committees of the Authority

7. The Board may, for the purposes of facilitating performance of its functions, establish such number of Committees to perform specific functions as it may deem necessary.

Delegation of powers or functions of the Board

8. The Board may delegate to any of those committees such of its powers as it may deem fit.

Establishment of Zonal offices

9. For proper discharging of its functions under this Act, the Authority may establish zonal offices as may be deemed appropriate.

Disciplinary function of the Board

10.-(1) The Board shall be-

- (a) the disciplinary authority over the Director General and senior employees of the Board; and

(b) the appellate disciplinary authority for other employees of the Board.

(2) The Minister may make general or specific regulations prescribing procedures for disciplinary measures against the management or any employee of the Authority.

Appoint-
ment of the
Director

11.-(1) The Minister shall, upon recommendations of the Board, appoint on such terms and conditions a Director General who shall be the Chief Executive Officer of the Board.

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

Appoint-
ment of
senior
officers and
other staff

12.-(1) The Board may appoint such number of senior officers to the management under the supervision of the Director General.

(2) The Director General shall employ number of employees to perform the functions of the Board under his supervision on such terms and conditions stipulated in their employment contracts.

Appoint-
ment of
agents and
contractors

13.-(1) The Authority may appoint and employ upon such terms and conditions such number of agents and contractors as it may deem necessary for the better carrying out of its functions under this Act.

(2) The terms and conditions for appointment and employment shall be contained in a written contract or agreement entered between the Authority and the agent or contractor.

PART III

REGISTRATION AND LICENSING OF GROWERS AND TRADERS OF CEREALS AND OTHER PRODUCE

Registra-
tion of
growers
and traders

14.-(1) Any person who deals in cereals and other produce being a trader, processor or warehouse owner or operator shall be required to apply for registration with the Authority.

(2) Application for registration under subsection (1) shall be made in the prescribed form and shall be submitted to the Authority which shall upon registration of the dealer, issue a registration number.

(3) Procedures for registration under this section shall be as may be prescribed in the regulations.

(4) The Director General may delegate his powers for registration to the Zonal Officer in-charge.

Registra-
tion of
processors

15.-(1) The Authority shall, for purposes of facilitating registration, require registration of all processors of cereals and other produce to be effected in their respective districts authorities.

(2) Procedures and other requirements for registration under this section shall be prescribed in the regulations.

Contract
farming

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

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

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

(3) A contract for farming entered to under subsection (1) shall, before being signed, be approved by the Authority.

(4) A financier, buyer, processor, investor or banker shall not facilitate a registered farmer in any manner if that farmer does not have a contract of farming as required under this section.

(5) A person who contravenes this section commits an offence and shall on conviction be liable to a fine of not less than two million shillings but not exceeding five million shillings or to imprisonment for a term of not less than

six months but not exceeding two years or to both

Registra-
tion of
contract for
farming

17.-(1) A farmer who entered into a contract for farming or any agreement with a financier, buyer, processor, investor or banker shall submit a copy of the contract or agreement to the authority for perusal, advice and registration.

(2) The Authority shall monitor the implementation of contract for farming or agreement in order to protect rights of both parties.

Maintena-
nce of
Register

18.-(1) There shall be a Register of growers, traders, processors and warehouse owners or operators where all matters relating to cereal and other produce provided for under this Act shall be entered.

(2) The Authority shall cause to be kept and maintained in such form as the Authority deems fit, a register of all land planted with cereals or any other produce, owners, occupiers and managers thereof and of all buildings used or intended to be used for grading, market centers, warehouses and processing factories.

(3) The register kept or maintained by the Authority under subsection (2) shall be a public document and shall be accessible to the public upon request and payment of prescribed fee.

(4) A person shall have a right to demand and be given an extract from the register upon payment of fee as prescribed in the Regulations.

Issuance of
license

19.-(1) A person registered as a cereals and other produce dealer under this Act shall apply to the Authority for a license for buying, selling, exporting and importing and processing cereals and other produce.

(2) Application for licence shall be in the prescribed form and shall contain the particulars of the applicant, the cereals and other produce activities involved, location of the business and any other information as may be required for that purpose.

(3) The Authority may, after consideration of an application under this section-

(a) issue licence to the applicant upon such terms and conditions as the Authority may prescribe; or

(b) refuse to issue licence and direct the Director General to inform the applicant the reasons for refusal.

(4) A person shall not buy, process, sell, operate warehouse, import or export any cereals or other produce on commercial basis without a licence issued by the Authority.

(5) A person who contravenes the provisions of this section commits an offence and is liable on conviction to a fine of not less than two million shillings but not exceeding five million shillings or to imprisonment for a term of not less than one year but not more than three years.

Form of
licenses

20. The licences granted under the provisions of this Act shall be in the prescribed form and shall contain-

- (a) names, and address of the licence holder;
- (b) the kind of crops involved;
- (c) the Registration number of the licence holder;
- (d) terms and conditions as may be imposed on the licence by the Authority; and
- (e) the seal of the Authority and the signature of the Director General or a person authorized by him.

Cancellation or
suspension
of licence

21.-(1) The Authority may, where the terms and conditions of licence have not been complied with, cancel or suspend any licence issued under this Act.

(2) Any person aggrieved by the decision of the Authority pursuant to this section may, within sixty days from the date of decision of the Authority, appeal to the Minister.

(3) Procedures for appeals shall be as may be prescribed in the Regulations.

Offences
relating to
licences

22. Any person who, buys, imports, exports, or processes cereals and other produce, for commercial purposes, without a licence issued by the Authority commits an offence and on

conviction shall be liable to a fine of not less than a two million shillings but not exceeding five million or to imprisonment for a term of not less than one year but not more than two years.

Power to
call
information

23.-(1) For the purposes of securing proper performance of its functions under this Act, Authority may require in writing any department, organization, authority or body of persons, to furnish information as may be required.

(2) Any person who is required to furnish information under subsection (1) shall comply with that requirement and any person who refuses or fails to comply with that requirement shall be guilty of an offence.

PART IV

CROP GRADING, WEIGHING AND INSPECTION

Grading of
crops

24.-(1) All cereals or any other produce brought at the buying centre for sale shall be kept in such grades depending on the quality of such cereals or any other produce.

(2) It shall be the duty of the producer or seller of the cereals and other produce to ensure appropriate grading of the cereal or other produce prior to selling at the centre.

(3) A person with a valid trading license in cereals or other produce shall grade and weigh the produce by a duly registered grading expert authorized by the Authority.

(4) A person who trades in ungraded cereal or other produce commits an offence and is liable on conviction to a fine not less than five million shillings or to imprisonment for a term not less than six months but not more than two years or to both.

(5) Any person who purports to grade the cereals or other produce without qualification as a grading expert registered by the Authority commits an offence and is liable on conviction to a fine of not less than two million shillings but not exceeding five million shillings or to imprisonment for a term not less than one year but not more than three years or to both.

(6) The Authority shall make rules in respect of procedures for grading, processing, storage, transportation and marketing of each crop.

Appoint-
ment of
grading
experts

25. The Authority shall appoint technically trained persons to be grading experts for relevant crops who shall verify grades of the crops.

Appoint-
ment of
Inspectors

26.-(1) The Authority may appoint competent persons to be inspectors who shall have and exercise powers generally to supervise the arrangement for land preparation, cultivation, processing and export of cereals and other produce.

(2) Without prejudice to the generality of subsection (1), the inspector shall have and exercise such

other powers including the inspection of fields, processing plants, marketing centres, the taking of samples and the certifying of weight and quality of crops as are provided for in this Act or as may be prescribed in relevant regulations.

(3) A person appointed by the Authority under subsection (1) shall perform duties upon such terms and condition as may be determined by the Authority.

Power of
Inspectors

27.-(1) An Inspector or any other person duly authorized in writing in that behalf may, at any reasonable time, enter into any vehicle, carrier or any place where cereals or other produce are grown, processed, packed, stored or sold and inspect or examine the same for the purpose of ensuring compliance with the provisions of this Act.

(2) The Inspector or any authorized person may, in the exercise of his powers under this Act, take samples of any crop or its by-product found in or in any store, plant or carrier, or any other place or premises including any land and may tests such samples as he may deem necessary.

(3) Any person who obstructs the inspector or any other authorized person in the exercise of the power conferred upon him by this Act, or who neglects or refuses to produce to the inspector or an authorized person, books, records or anything which may be required for the purpose of inspection commits an offence.

PART V
FINANCIAL PROVISIONS

**Funds and
resources
of the
Authority**

28. The funds and resources of the Authority shall consist of-

- (a) such sums of money as may be appropriated by Parliament;
- (b) money raised by way of loans, donations or grants from within and outside Tanzania;
- (c) loan or subsidy granted to the Authority by the Government or any other person;
- (d) such sums of money or property which may become payable to or vested in the Authority under this Act or any other written law or in respect of any matter incidental to the carrying out of its functions.

**Books of
Accounts
and Audit**

29.-(1) The Authority shall cause to be kept and maintained proper books of accounts with respect to -

- (a) sums of money received and expended by the Authority and matters in respect of which the receipt and expenditure take place;
- (b) assets and liabilities of the Authority; and

(c) the income and expenditure statement of the Authority.

(2) The auditing of the financial reports and books of accounts of the Authority shall be done by the Controller and Auditor General or a person authorized by him.

Annual
Report

30.-(1) The Authority shall, not later than six months after the end of financial year, submit to the Minister a copy of the audited accounts and annual report on the activities of the Authority in respect of that year.

(2) The Minister shall within a period of six months after the accounts have been audited lay the audited, accounts and audit report before the National Assembly.

(3) For the purpose of this section, "financial year" of the Authority shall be a period not exceeding twelve consecutive months which conform to the financial year of the Government.

Remunera-
tion of
members

31. The Chairman and other members of the Board of the Authority shall be entitled to allowances at such rates as the Minister may upon the recommendation of the Board approve from time to time.

(d) by re-designating Part III as Part VI.

PART VII

GENERAL PROVISIONS

Designa-
tion of
agricultural
crop or
food
commodi-
ties for the
national
food
security

32. The Minister may, by notice published in the *Gazette*, designate any agricultural crop or food commodity that he considers essential for the food security in the country for the purposes of national food security.

Duty to
ensure food
security at
household
level

33-(1) In order to guarantee food security at household level, any person in charge of a household shall ensure food security within his household.

(2) The local government authority may, in consultation with the Minister, make by-laws to facilitate effective enforcement of subsection (1).

Offence
and penalty

34. Any person who –

- (a) refuses or fails to furnish any requested information under this Act or furnishes false information;
- (b) obstructs or prevents any officer from exercising his powers under this Act;
- (c) tampers with any information or goods that may be required by any officer for the purposes of enforcement this Act;
- (d) fails to cooperate with any officer in enforcement of this Act, or

- (e) fail to comply with any provision of this Act,

commits an offence and on conviction shall be liable to a fine of not less than two million shillings but not exceeding five million shillings or to imprisonment for a term of not less than six months but not exceeding three years or to both.

Protection
of members

35. No act or thing done or omitted to be done by any member of the Authority or committee, staff, servant or agent of the Authority shall, if the act or thing was done in good faith for the purpose of carrying out the provisions of this Act or of any order or regulations made there under, render such person to any action, liability, claim or demand whatsoever.

Forfeiture

36.-(1) Where any court convicts any person of an offence under this Act or under any subsidiary legislation made under it, may order in addition to any penalty imposed, the forfeiture by the Government of the property in respect of which the offence has been committed.

(2) Any property forfeited under this section shall be delivered to the Government and shall vest in the Authority free of any mortgage, charge, lien or other encumbrance.

(3) The Minister shall have the power to determine the procedures for disposal of anything forfeited to the Government under sub-section (2).

General
offence and
penalty

37.(1) Any person who contravenes a provision of this Act, commits an offence and except otherwise provided in the provision be liable on conviction to a fine of not less than five million shillings or to imprisonment for a term of not less than one year but no more than three years or to both.

(2) Where an offence under this Act is committed by a body corporate, that body corporate shall on conviction be liable to a fine of not less than ten million shillings.

Offences
by Body
Corporate

38. Where any offence under this Act or subsidiary legislation made under this Act is committed by a body corporate, any person who, at the time of the commission of the offence was concerned, as a director or an officer, with the management of the affairs of the body corporate, commits an offence and is liable to be proceeded against and punished accordingly unless he proves to the satisfaction of the court that he had no knowledge and could not by the exercise of reasonable diligence have had knowledge of the commission of the offence.

Offences
by Agents

39. Where an offence under this Act or any subsidiary legislation made under this Act it is committed by a

person as an agent or employee of the principal then, such agent or employee, the principal or employer commits on offence and is liable to be proceeded against and punished accordingly unless he proves to the satisfaction of the court that he had no knowledge and could not by the exercise of reasonable diligence have had knowledge of the commission of the offence.

Notifica-
tion of
Orders and
directions

40. Where any order or direction made or given by the Minister or the Authority under this Act is not required to be published in the *Gazette*, the order or direction shall be brought to the notice of persons affected or likely to be affected thereby in a manner determined by the Minister, or as the case may be, the Authority.

Burden
of
proof

41. In any proceedings for an offence under this Act the burden to prove that the order, direction or requirements, the contravention of which constitutes the offence with which the accused is charged, shall not lie on the accused.

Power to
make
regulations

42.-(1) The Minister may make Regulations for effective implementation of the provisions of this Act.

(2) Without prejudice to the generality of the power conferred by subsection (1), of this section the Regulations shall-

- (a) prescribe for the better performance of the duties of the Authority;
 - (b) direct or prohibit the movement of cereals or other produce within or outside the country, either generally or in specified circumstances and subject to any conditions which may be specified;
 - (c) prescribe for the manner in which data shall be collected and maintained by the Authority;
 - (d) prescribe for the procedures for making any application and registration of farmers or dealers of cereal and other agricultural produce;
 - (e) prescribe for fees to be charged under this Act;
 - (f) prescribe for the establishment and functions of any sub-committees, zones or centers;
 - (g) prescribe for the standards of conduct of every dealer in relation to the trade in any cereals and other produce;
 - (h) prescribe for the necessary conditions for ensuring food security and the household level; and
 - (i) prescribe for any other matter or thing which is required or necessary to be prescribed or provided for under this Act.
- (e) by introducing the following Schedule.

SCHEDULE

(Made under section 5(3))

PROVISIONS RELATING TO THE CEREALS AND OTHER PRODUCES REGULATORY AUTHORITY

- Tenure of office of members** 1. A member of the Board of Directors appointed in terms of this Act, shall hold office for a term of three years from the date of his appointment and may be eligible for re-appointment for a further term of three years.
- Resignation** 2.-(1) Notwithstanding paragraph 1, any member of the Board may at any time resign from the Board 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 receipt of the notice by the Minister, he shall cease to be a member.
(2) Where a person ceases to be a Board 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.
- Number of meetings** 3. The Board shall meet four times a year for ordinary business and convene extra ordinary meetings at any time as it may deem necessary for discharging its functions under the Act.
- Vice-Chairman** 4. The Board shall appoint one of their members to be a Vice-Chairman.
- Proceedings of the meetings** 5.-(1) All meetings of the Board shall be convened by the Chairman or in the absence by the Vice-Chairman and in the absence of both the Chairman and the Vice-Chairman from the meeting, the members present shall elect one of their members to be an interim chairman of that meeting.
(2) The Chairman, or in the absence, the Vice Chairman, shall convene a special meeting of the Board upon a request in writing signed by not less than four members of Board and shall cause such a meeting to be held within twenty one days of receiving such request.
- Co-opted members** 6. The Board may co opt any person to attend any deliberations of the meeting of the Board as an expert but such person so co-opted shall not have the right to vote.
- Decision of the Board** 7.-(1) The Board shall make its decision by voting during the meeting and in case of any equality in the votes the Chairman or any other person presiding at meeting shall have a casting vote.

(2) Notwithstanding subparagraph (1) decisions may be made by the Board by circulation of papers to the members whereby each member shall express his views in writing provided that any member may require that any such decision be deferred for discussion at a full meeting of the Board.

(3) A circular resolution in writing signed by all the Members for the time being in Tanzania shall be as effectual as a decision made at a meeting provided that a member may require that notwithstanding the directors' signature the matter be brought at the following Board.

Quorum

8. Half of the members of the Board shall constitute a quorum at any meeting and all acts, matters and things to be done by the Board shall be decided by a simple majority of the members present at the meeting.

Vacancies

9. Subject to the provision of this Schedule relating to quorum, the Board may act notwithstanding any vacancy in the members thereof and no act or proceedings 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.

**A member to
declare interest**

10. A member who is in any way directly or indirectly interested in a contract or proposed contract or any matter being deliberated by the Board shall declare the nature of his interest to the other directors.

Minutes

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

**Seal of the
Board**

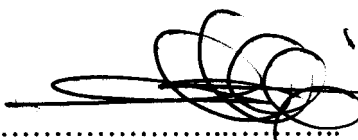
12.-(1) There shall be a common seal of the Board which shall be of such shape, size and form as the Board may determine.

(2) The Seal of the Board shall not be affixed to any deed, instrument, contracts or agreement to which the Board is a party except in the presence of the Chairman of the Board or any other member authorised by him, Chief executive Officer or a person authorised by him.

**Power to
regulate its
procedures**

13. Subject to the provisions of this Act the Board shall have power to regulate its own procedures in respect of the meetings and the proper conduct of its business."

Passed in the National Assembly on the 30th October, 2009.



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Clerk of the National Assembly