

CHAPTER 198

THE INDUSTRIAL PROMOTION AND DEVELOPMENT FUND ACT

[PRINCIPAL LEGISLATION]

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CHAPTER 198

THE INDUSTRIAL PROMOTION AND DEVELOPMENT FUND ACT

An Act to establish the Industrial Promotion and Development Fund and to provide for the management of that Fund.

[1st July, 1984]

Act No.
11 of 1984

PART I PRELIMINARY PROVISIONS

Short title 1. This Act may be cited as the Industrial Promotion and Development Fund Act.

Interpretation 2. In this Act, unless the context requires otherwise-
Cap. 211 “co-operative society” means a co-operative society registered under the Co-operative Societies Act;

Cap. 287 “district development corporation” means a district development corporation established under the Local Government (District Authorities) Act;

“foreign government” includes any agency of that government;

“Fund” means the Industrial Promotion and Development Fund established under section 3;

“International Organisation” includes specialized agencies of the United Nations Aid Foundations or other Multilateral Aid Institutions;

“Investment Bank” means the Tanzania Investment Bank;

“Minister” means the Minister responsible for finance.

PART II

THE INDUSTRIAL PROMOTION AND DEVELOPMENT FUND

Establishment of Fund **3.** There is hereby established a fund to be known as the Industrial Promotion and Development Fund.

Purpose of Fund **4.** The purposes for which the Fund is established are-

- (a) financing by way of loan or equity investment by parastatal organisations, district authorities, or Co-operative Societies engaged in the manufacture, production or processing of consumer or industrial raw materials and products;
- (b) financing by way of loan or grant, procurement or purchase of raw materials and spare parts by parastatal organisations, co-operative societies or private enterprises engaged in the manufacture, production or processing of consumer or industrial raw materials and products;
- (c) financing by way of loan or grant, research or study by or for the benefit of organisations, enterprises or industries engaged in the manufacture, production or processing of consumer or industrial raw materials and products;
- (d) financing by way of loan or grant, the training of citizens of the United Republic as-
 - (i) industrial operators and technicians;
 - (ii) maintenance and repair personnel;
 - (iii) material management officers, or in any similar crafts;
- (e) financing by way of loan or grant any project agreed or approved for implementation pursuant to any Agreement or Memorandum of Understanding between the Government of the United Republic and a foreign government or international organisation.

Resources of
Fund

5. The resources of the Fund shall be-

- (a) the whole of the proceeds of import support which may be received by the Government from foreign governments and international organisations;
- (b) any sums which may in any manner become payable to or vested in the Fund either under the provisions of any written law or incidental to its administration by the Investment Bank.

Management of
Fund

6.-(1) The Investment Bank shall administer the Fund as a special Fund and, subject to the provisions of this Act.

(2) The Investment Bank shall maintain the Fund in separately designated bank account or accounts and shall manage the same in accordance with any directions which the Minister may issue:

Provided that, the Investment Bank shall not make any payment out of the Fund save with the consent in writing of the Treasury Registrar in accordance with the agreed annual expenditure programme.

(3) Notwithstanding the preceding provisions, the Bank may where circumstances require, administer part of the Fund and maintain accounts for that part of the Fund jointly with a foreign government or international organisation.

(4) Where any payment out of the Fund is made for the purchase of any equity investment, that equity investment shall be held by-

- (a) the Investment Bank;
- (b) any parastatal organisation;
- (c) any district development corporation;
- (d) any co-operative society;
- (e) the Treasury Registrar,

as the Treasury Registrar may direct, and any parastatal organisation, district development corporation or co-operative society holding that equity investment shall, at any time, on the direction of the Treasury Registrar, transfer the

equity investment to any other organisation specified by the Treasury Registrar or to the Treasury Registrar.

(5) The Minister may, by regulations published in the *Gazette* regulate the administration of the Fund.

(6) A person who authorise any payment out of the Fund in contravention of any provisions of this Act or any direction given or of regulations made under this section commits an offence and on conviction, shall be liable to a fine not exceeding fifty thousand shillings or to imprisonment for a term not exceeding five years or to both.

(7) The Bank may deduct from the Fund a service charge to be determined by the Minister.

Accounts and
audit

7.–(1) The Investment Bank shall cause to be provided and kept proper books of account of the payments made into and out of the Fund.

(2) The accounts of the Fund shall be audited annually by the Tanzania Audit Corporation and the audited accounts of the Fund shall be published at the same time as the audited accounts of the Investment Bank are published.

Power of Minister
to allocate
moneys in Fund

8.–(1) Where the Minister is satisfied that, at the close of any financial year there are in the Fund moneys which are not immediately required for the purpose of the Fund which moneys shall in this section be referred to as a “surplus”, he may, if in his opinion financial exigencies or the public interest require, and notwithstanding any provision to the contrary contained in this Act or in any other written law, authorise the application of the whole or any part of the surplus for or towards defraying the development expenditure of any Ministry or Department of the Government in any financial year.

(2) Every authorisation for the application of any surplus made under this section shall be sufficient authority, without further appropriation, to issue from the Fund the sum required for the purpose specified by the Minister.

(3) Where the Minister proposes to authorise application of any surplus other than that agreed to between the Government and any foreign government or international organisation, he shall first obtain the concurrence of the foreign government or the international organisation as the case may be.

Application
Cap. 348

9. The provisions of this Act shall apply notwithstanding the provisions of the Public Finance Act or any other written law and any allocation of any public revenue to the Fund shall be made without further appropriation.
