



THE HIGHER EDUCATION FUND ACT, 2001

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ACT NO. 6 OF 2001

I ASSENT

Amani Abeid Karume
{ AMANI ABEID KARUME }
PRESIDENT OF ZANZIBAR
AND

CHAIRMAN OF THE REVOLUTIONARY COUNCIL

5th December, 2001

AN ACT TO ESTABLISH THE HIGHER EDUCATION FUND AND
TO PROVIDE FOR OTHER RELATED MATTERS

ENACTED by the House of Representatives of Zanzibar.

PART I
PRELIMINARY PROVISIONS

Short title
and
commencement.

1. This Act may be cited as the Higher Education Fund Act, 2001 and shall come into operation on such date as the Minister may, by notice published in the Gazette appoint.

Interpretation.

2. In this Act, unless the context requires otherwise:-

"Board" means the Higher Education Fund Board established under section 7 of this Act;

"Borrower" means a person who borrows money from the Fund for higher education charges;

"Committee" means committee which appoints the students for higher education established under section 13 of this Act;

"Director" means the Director of the Fund;

"Fund" means the Higher Education Fund established under section 3 of this Act;



"Higher Education" means the course of education starting from the ordinary certificate and above which can be given from six months period and above.

"Minister" means the Minister responsible for education;

"President" means the President of Zanzibar and Chairman of the Revolutionary Council.

PART II

ESTABLISHMENT OF THE FUND

The Fund.

3.(1) There is hereby established a Fund to be known as the Higher Education Fund which shall be kept in the People's Bank of Zanzibar or such other banks as the Board shall from time to time determine.

(2) The Fund shall be a body corporate with perpetual succession and common seal and shall be capable in its corporate name of:-

- (a) suing and being sued;
- (b) taking, purchasing or otherwise acquiring, holding, charging and disposing of both movable and immovable property;
- (c) borrowing money;
- (d) entering into contracts;
- (e) doing or performing all such other things or acts necessary for the proper performance of its functions under this Act which may lawfully be done by a body corporate.

The Director of the Fund.

4.(1) The Director of Higher Education shall be the Director of the Fund and shall also be the Secretary to the Board.

(2) The Director shall be responsible for the day to day functions of the Fund.



(3) The Director shall be responsible for the determination of liabilities and claims of the Fund.

Employees.

5.(1) The Board may, on such terms and conditions as it may determine, appoint such officers and employees as it considers necessary to achieve the Fund's objectives and for the efficient discharge of its responsibilities.

(2) The officers and employees appointed under subsection (1) shall remunerated out of the Fund in such a manner and at such rate and subject to such conditions of service as may be determined by the Board.

(3) Every officer or employee appointed under subsection (1) shall exercise such powers and functions and perform such duties as may be assigned to him from time to time by the Director.

Functions of the Fund.

6. The principal functions of the Fund shall be:-

- (a) to sponsor students who applied for various courses of higher education;
- (b) to promote standard of education in order to conform with the requirements of national economic development;
- (c) to collect funds for the Fund from various resources;
- (d) to consider and alter rate of fees and other charges of students in respect of the relevant institutions they applied;
- (e) to make rules and procedures for those who are involved in the revenue collection for the Fund;
- (f) to receive gifts, contributions, grants and other funds for the Fund;
- (g) to make rules and procedure to be followed by the students when applying for Loan to the Fund.



PART III
THE BOARD OF TRUSTEES

Establishment of the Board.

7. There shall be established a Board which shall be known as the Higher Education Fund Board which shall supervise implementation of Government policy in respect of the Fund and make decision.

Composition of the Board.

8.(1) The Board shall consist of:-

- (a) the chairman who shall be appointed by the President;
- (b) one member each from:-
 - (i) Ministry of Finance;
 - (ii) the House of Representatives of Zanzibar;
 - (iii) Zanzibar Chamber of Commerce;
 - (iv) Ministry of Education, Culture and Sports;

who shall be appointed by the Minister.

(c) the Director of the Fund shall be the Secretary.

(2) The members of the Board shall, every one year, elect one of their number as Vice-Chairman.

(3) A member of the Board shall, unless his appointment is sooner terminated by the appointing authority, or resigns, or he otherwise ceases to be a member, hold office for a period of two years from the date of his appointment, and shall be eligible for re-appointment.

Tenure of office of members of the Board.

9.(1) A member of the Board shall, unless his appointment is sooner terminated by the appointing authority, or resigns, or otherwise ceases to be a member, hold office for the period of three years from the date of his appointment, and may be eligible for re-appointment for another term.



cease to be a member upon the occurrences of any of the following:-

- (a) if he dies;
- (b) if he is absent from sittings without leave of the chairman for three consecutive meetings;
- (c) if he is convicted of any criminal offence;
- (d) if, by writing under his hand addressed to his appointing authority, he resigns;
- (e) if his appointment is sooner terminated by his appointing authority.

(3) Where any member of the Board is, by reason of absence from Zanzibar or illness or for other sufficient cause, unable to perform his duties as a member of the Board, the appointing authority may appoint a temporary member in his place, and the temporary member shall hold office until the resumption of duty of the substantive member or until the office of the substantive member expires, whichever first occurs.

(4) When the office of a member of the Board becomes vacant due to resignation or death, the appointing authority may appoint another person in his place and to hold office for the unexpired portion of his term of office.

Procedures of
the Board.

10.(1) The Board shall ordinarily meet for the transaction of business at such times and at such places as the Board may decide, but shall meet at least once in every three months.

(2) The Chairman may at anytime call a special meeting upon a written request by a majority of the members of the Board in the office.

(3) The Chairman shall preside at every meeting of the Board and in the absence of the Chairman the vice-Chairman shall preside and in the absence of both the Chairman and Vice-Chairman the members present shall appoint a member from among themselves to preside such a meeting.



(4) The quorum at a meeting of the Board shall be half of the members.

(5) Questions proposed at a meeting of the Board shall be decided by the majority of the votes of the members present and in the event of an equality of votes, the Chairman shall have the casting vote.

(6) The Board may at any time co-opt any person or persons to act as an advisor or advisors at any of its meetings but no person so co-opted shall be entitled to vote at the meeting on any matter for decision by the Board.

(7) The Secretary shall record and keep minutes of all proceedings of all meetings, and the minutes of each meeting of the Board shall be confirmed by the Board at the next meeting and signed by the Chairman of the meeting.

(8) The validity of any act or proceedings of the Board shall not be affected by any vacancy among its member or by any defects of the appointment of any of them.

(9) Where a member of the Board other than the Chairman absents himself for three consecutive meetings of the Board without sufficient cause, the Board shall advise the appointing authority of the fact and the appointing authority may terminate the appointment of the member and appoint another person in his place.

(10) Subject to the provisions of this Act the Board may regulate its own proceedings.

The functions of the Board.

11. The functions of the Board shall be:-
 - (a) to ensure the Fund's revenues are collected and transferred in full to the Fund account;
 - (b) to oversee the expenditure of these revenues to ensure that they are spent effectively;
 - (c) to approve policy and financial regulations of the Fund;



- (d) to approve an annual budget and work plan of the Fund at the start of each financial year;
- (e) to monitor the disbursement of funds on the basis of quarterly physical and financial progress reports;
- (f) to advise the government and donors on the funding requirements of higher education in Zanzibar;
- (g) to advise the Minister on Fund management and financing policies;
- (h) to make such recommendations as it considers necessary to enable the Fund to achieve its objectives under this Act; and
- (i) to do any other thing which, in the opinion of the Board, is necessary for better implementation of this Act.

Allowances.

12. Members of the Board shall be paid allowances for attendance at Board meetings and that allowances shall be determined by the Board after the approval of the Minister.

PART IV **THE HIGHER EDUCATION COMMITTEE**

Establishment of the Committee.

13.(1) There is hereby established the Higher Education Committee which shall consist of the following members:

- (i) the Chairman of the Board - Chairman
- (ii) the Secretary to the Board - Secretary
- (iii) the Principal Secretaries from Ministries of Education and Finance..
- (iv) the Director of Civil Service;
- (v) a member from the House of Representatives of Zanzibar.



(2) The members of the Committee shall elect one of their member to be Vice-Chairman.

The functions of the Committee.

14. The functions of the Committee shall be:-

- (i) to appoint students for higher education in various institutions;
- (ii) to receive and grant scholarship applications for higher education Institutions inside and outside the country together with sponsorship for scholarships which come direct for the Government of Zanzibar;
- (iii) to prepare standard agreements between students and Government for the sponsorship;
- (iv) to propose law, regulations and rules for the control of higher education courses programme, when necessary.
- (v) to receive determine and approve the higher education annual budget;
- (vi) to cancel or suspend sponsorship of any student when it appears that:
 - (a) he is unable to continue with his scholarship for any sufficient reason;
 - (b) his behavior has deteriorated to the extent that the Government decided to withdraw his sponsorship.

Procedures of the Committee.

15.(1) The Committee shall ordinarily meet for the transaction of business at least once in every four months.

(2) The chairman, in consultation with the Secretary, may at any time call a special meeting when a need arises.

(3) The quorum at a meeting of the Committee shall be half of the members.



(4) Any question proposed at a meeting of the Committee shall be decided by the majority of the votes of the members.

(5) The Committee may at any time co-opt any person to act as an advisor at any of its meeting but that person shall not be entitled to vote.

(6) Members of the Committee shall be paid allowances for attendance at Committee meetings and shall be determined by the Board after the approval of the Minister.

PART V
FINANCIAL PROVISIONS OF THE FUND

Sources of the Fund.

16. There shall be paid into the Fund:-
- (a) all grants from the Government or donors;
 - (b) any contributions from any person, public or private Institutions from inside or outside Zanzibar;
 - (c) any small projects established by the Board for the purposes of fund raising;
 - (d) any money comes from the return of loan given to the students;
 - (e) penalties for any delay of payment or breach of contract;

Power to borrow.

17.(1) With the prior approval of the Minister, the Board may authorise the Fund to obtain loans and other credit facilities for the legitimate purposes of the Fund upon such terms and conditions relating to the repayment of the principal and the payment of interest and subject to any directions by the Board.

(2) A person giving any loan or other credit facility to the Board shall be bound to inquire whether the Board has obtained the approval of the Minister for the purpose of the loan or other facility.

Annual and
Supplementary
Budget.



18.(1) In this part, "financial year" means any period not exceeding twelve consecutive months designated in that behalf by the Board:-

Provided that the first financial year after the commencement of this Act shall commence on the date of the commencement of this Act, and may be of a period longer or shorter than twelve months.

(2) Not less than one month before the beginning of every financial year (other than the first financial year) the Board shall, at a meeting, pass a detailed budget (in this Act called the "annual budget") of the amounts, respectively:-

- (a) expected to be received;
- (b) expected to be disbursed for higher education;
- (c) expected to be utilised on administration purposes by the Fund during that financial year.

(3) Where in any financial year the Fund requires to make any disbursement not provided for in the annual budget for the year, the Board shall, at a meeting, pass a supplementary budget detailing that disbursement.

(4) Where the Board has approved any annual budget or supplementary budget, whether with or without amendment, the budget as approved by the Board, shall be binding on the management of the Fund, which, subject to the provisions of subsection (5), shall confine the disbursements of the Fund within the items and amounts contained in the applicable estimates as approved by the Board.

(5) The Fund management may, with the sanction of the Board, adjust expenditure limits to take account of circumstances not reasonably foreseeable at the time the budget was prepared subject to submitting a supplementary budget to the Board within two months of the alteration of expenditure limits becoming necessary.



Financial and
Audit
Procedures.

19.(1) The Fund shall keep books of account and maintain proper records in relation to them and the books of account and records of the Fund shall be kept in accordance with accounting standards acceptable to the Controller and Auditor General.

(2) The books of account of the Fund shall be audited by an independent auditor appointed by the Board in consultation with the Controller and Auditor General at such times as the Board may determine but shall be audited at least at the end of each financial year.

(3) The audited accounts and the auditor's report on such accounts shall be submitted to the Board not later than three months after the end of the financial year to which they relate.

(4) It shall be the duty of the Board as soon as possible, but in any case not later than one month, after receipt of the report of the auditor under this section, to forward such report to the Minister.

(5) A copy of the auditor's report shall also be submitted by the Board to the Controller and Auditor-General.

(6) The Board shall, not later than four months after the end of each financial year, submit to the Minister an annual report on the management of the Fund in respect of that financial year, including the balance sheet of the Fund in respect of that year.

(7) The Minister shall lay the report together with his observations on it before the House of Representatives.

PART VI **MISCELLANEOUS PROVISIONS**

Loan.

20.(1) Any student who is appointed by the Committee for higher studies shall be granted a loan in accordance with the qualifications and procedures laid down by the Board.



(2) The loan granted under subsection (1) of this section shall be paid immediately by the student when he is employed as the Board may direct.

(3) Any borrower who is employed by the Government or its public corporations for not less than five years shall pay fifty percent (50%) of that loan.

(4) Any borrower who is employed in the private sector, self employed or in the government but less than five years shall pay hundred per cent (100%) of that loan.

(5) Any student who is qualified for loan shall sign contract, which shall specify the conditions of loan as the Board may determine.

(6) Any borrower, before the loan is granted shall have not less than two sureties accepted by the Board and who shall pay that loan in case the borrower breaches the contract.

(7) The payment of loan shall be made directly by the employer to the account of Fund.

Penalties.

21. Any employer who fails or delays to submit required payment to the Fund within the period specified by the Board shall be liable to a penalty equivalent to the bank interest.

Regulations.

22.(1) The Minister, in consultation with the Minister for Finance, may make such regulations or give such directions as may appear to him to be necessary and convenient for the effective and full implementation of the intent and purposes of this Act and the safety, economy and advantage of the Fund.

(2) The Minister shall take all proper steps to ensure that any directions given under this section are brought to the notice of all persons directly affected thereby.

(3) All regulations made under this section shall be published in the Gazette.



Taxes.

23. The Fund, as a non-profit making Government institution, shall be exempted from the payment of all taxes and duties.

Passed in the House of Representatives on the 18 the day of October, 2001.

Kst Chande
{ KHAMIS JUMA CHANDE }
CLERK OF THE HOUSE OF REPRESENTATIVES