

THE UNITED REPUBLIC OF TANGANYIKA AND ZANZIBAR



No. 37 OF 1964

I ASSENT,

Julius K. Nyerere
President

30TH JULY, 1964

An Act to make provision for the Registration of Agricultural Associations and for matters connected therewith

ENACTED by the Parliament of the United Republic of Tanganyika and Zanzibar.

1. This Act may be cited as the Agricultural Associations Act, 1964, and shall come into operation on the expiry of the Agricultural Credit Agency Ordinance, 1961.

Short title and commencement
Ord. 1961
No. 65

2,(1) In this Act, unless the context otherwise requires-
"the Agency" means the National Development Credit Agency established by the National Co-operative and Development Bank Act, 1964;

Interpretation

Acts 1964
No. 38

"the Minister" means the Minister for the time being responsible for agriculture.

(2) For the purposes of this Act, "agriculture" includes fruit growing, horticulture, dairy farming, any livestock industry, market gardening, nursery grounds, forestry and fishing, and "agricultural" shall be construed accordingly.

(a) Formation and registration of agricultural associations

3,(1) Subject to the provisions of this section, the Agency may register an association of persons formed for the undertaking of some agricultural activity.

Qualifications for registration

(2) The Agency shall not register any association of persons under this Act unless-

(a) the agricultural activity is to be undertaken in one place or in contiguous places in one area;

- (b) all the members of the association are to engage personally in the agricultural activity for which the association is formed; and
- (c) the members of the association have elected one or more managers for the conduct of the business of the association with the Agency.

Registra-
tion

- 4.-(1) Where the Agency registers an association, it shall record-
- (a) the names of all the members of the association and their addresses;
 - (b) the nature of the agricultural activity for which the association is formed and the place where it is to, be undertaken;
 - (c) the names of the managers.

(2) The register of associations shall be kept at the head office of the Agency and shall be open to inspection, on payment of the prescribed fee, during normal office hours.

Cap. 212

(3) Section 332 of the Companies Ordinance shall not apply in relation to an association registered under this Act.

(b) *Grant of loans to, and charges an behalf of, an association*

Grant of
loans

5.-(1) Subject to the provisions of this Act, the Agency may grant loans to the members of an association which it has registered.

(2) Every payment of or under a loan by the Agency to the members of an association as such shall be made to the manager or managers for or on behalf of the members thereof, and the receipt of such manager or managers shall be deemed to be an acknowledgment of such payment by and on behalf of all the members of the association.

(3) Details of all payments made by the Agency to, or received by the Agency from, the manager or managers or recovered from the managers, or any member of the association, or under any chattels transfer instrument, shall be recorded in the register of associations kept by the Agency.

(4) The purposes for which any loan is granted by the Agency and, where such loan or any part of it is to be expended on the purchase of any chattels, the number and description of the chattels shall be recorded in the register of associations kept by the Agency. Any chattel answering to the description so, recorded in the possession of any member of the association, shall, during any period when any charge over chattels of that description given by the manager or managers to the Agency is subsisting, be deemed to be a chattel purchased out of the proceeds of the loan unless the contrary is proved.

(5) The Agency shall not, without the consent of the Minister, grant a further loan to an association until all previous loans to, that association have been repaid.

(6) The Agency shall not grant a loan to an association unless it is satisfied that the manager or managers have been expressly authorized by the members thereof, within a period of one month prior to the grant of such loan, to obtain it for the purposes, and on such terms, including terms as to security, for which it is granted.

6. (1) The manager or, where there is more than one, the managers of a registered association to the members of which a loan has been granted by the Agency may notwithstanding that he has or they have no right or title thereto, grant to, the Agency, as security for the repayment of the loan, a chattels transfer instrument over the crops grown by the members of such association on any parcel of land (other than land held for a Government lease or under a right of occupancy granted under section 6 or 12 of the Land Ordinance) specified in such instrument, and over any chattels purchased by the association or the members thereof out of the proceeds of the loan, and every such instrument shall have effect from the date of its registration in accordance with the Chattels Transfer Ordinance as if it had been made by the owner of such crops or chattels.

Security
for loan

Cap. 113

Cap. 210

(2) Nothing contained in or done under this section shall affect the joint or several liability of any member of an association to whom a loan has been made by the Agency.

(3) Where the manager or managers of an association has or have granted to the Agency an instrument under the Chattels Transfer Ordinance as security for a loan made to the members thereof, every member of such association who, by sale or delivery without the consent of the Agency of any crops or other chattels comprised in or affected by such instrument, or by any other means, defrauds or attempts to defraud the Agency of the same or any part thereof, and thus or by any other means directly or indirectly defeats, invalidates, or impairs the Agency's security over the same or attempts so to do, and every person who willfully aids and abets any person in defrauding or attempting to defraud the Agency by defeating, invalidating, or impairing such instrument or in attempting to do so, shall be guilty of an offence and shall be liable on conviction to, a fine not exceeding two thousand shillings or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

7. Where any member of an association desires to withdraw from the association, or dies, the manager or managers shall be entitled to recover from such member or the heirs or representatives of such member, as the case may be, any chattel purchased out of the proceeds of a loan from the Agency, so long as such loan has not been repaid, and may deliver any such chattel to the Agency; and the Agency may sell such chattel and apply the proceeds towards the liquidation of the loan. Where the proceeds of such sale exceed the amount outstanding on the loan, they shall be returned to the manager or managers for and on behalf of the existing members of the association.

Cesser of
member-
ship of
association

Nothing in this section shall relieve any present or former member of an association, or the representatives of any former member, from any joint or several liability on account of any such loan.

(c) Miscellaneous

8. The Minister may make rules for the government and control of associations registered under this Act and for the payment of fees for any matter relating to the Agency hereunder.

Rules

Saving

9. The expire of the Agricultural Credit Agency Ordinance, 1961, shall not affect the registration of any agricultural association registered thereunder, the liability of the members thereof or the validity of any charge or instrument granted by the managers thereof; and every association so registered shall be deemed to be registered under this Act.

Passed in the National Assembly on the first day of July, 1964.



Clerk of the National Assembly

