

THE UNITED REPUBLIC OF TANZANIA



No. 69 OF 1964

I ASSENT,

*Julius K. Nyerere*

President

10<sup>TH</sup> DECEMBER, 1964

An Act to reconstruct and rename the Tanganyika Development Corporation and otherwise to amend the Tanganyika Development Corporation Act, 1962 to make provision for the transfer of certain assets of the Government to the said Corporation, to dissolve the Tanganyika Agricultural Corporation and to transfer its assets and liabilities to the Tanganyika Development Corporation

ENACTED by the Parliament of the United Republic of Tanzania.

1. This Act may be cited as the Tanganyika Development Corporation (Amendment) Act, 1964, shall be read as one with the Tanganyika Development Corporation Act, 1962 (hereinafter referred to as the principal Act), and shall come into operation on such date as the President shall, by notice published in the *Gazette*, appoint.

Short title  
construction  
and commence-  
ment Act 1962  
No.20

AMENDMENT OF THE TANGANYIKA DEVELOPMENT CORPORATION  
ACT, 1962

2.-(1) The Tanganyika Development Corporation Act 1962 shall be re-entitled the National Development Corporation Act, 1962 and may be so cited.

Renaming  
of principal  
Act and of  
Corporation

(2) The Tanganyika Development Corporation shall henceforth be known as the National Development Corporation.

(3) The change of name of the Corporation shall not affect any rights or obligations of the Corporation or render defective any legal proceedings by or against the Corporation, and any legal proceedings that might have been continued or commenced by or against it under its former name may be continued or commenced by or against it under its new name.

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Function of Minister transferred to President	<p><b>3.</b> Subject to the provisions of this Act, the principal Act is hereby amended by substituting for the references to the Minister, references to the President and for the requirements that the Minister shall lay a copy of any report or statement before the National Assembly the requirements that the President shall cause such report or statement to be so laid.</p>
Section 2 of principal Act amended	<p><b>4.</b> Section 2 of the principal Act is hereby amended by substituting a full stop for the semicolon at the end of the definition "Reserve Fund" and deleting the definitions "Minister" and "undertaking".</p>
Sections 3 of principal Act amendment	<p><b>5.</b> Subsection (1) of section 3 of the principal Act is hereby amended by deleting the words "for the purposes or in the course of its business" in paragraph (c).</p>
Section 4 of principal Act amended	<p><b>6.</b> Section 4 of the principal Act is hereby amended as follows: -</p> <p>(a) by deleting subsection (1) and substituting therefor the following new subsection: -</p> <p style="padding-left: 20px;">"(1) The business of the Corporation shall be to facilitate and promote the economic development of Tanganyika.";</p> <p>(b) by adding, immediately before the full stop at the end of subsection (2), the commas and words ", and the Corporation shall use its best endeavours to secure that its business as a whole is carried on at a net profit, taking one year with another"; and</p> <p>(c) by deleting the word "and" in the third line of subsection (3) and by adding, immediately before the full stop at the end of that subsection, the comma and words ", and may facilitate and promote the participation of other persons and bodies in the economic development of Tanganyika."</p>
Section 5 of principal Act amended	<p><b>7.</b> Section 5 of the principal Act is hereby amended by deleting subsections (1) and (3).</p>
Section 6 of principal Act amended	<p><b>8.</b> Section 6 of the principal Act is hereby amended as follows: -</p> <p>(a) by deleting the commas and words ", with the concurrence of the Minister for the time being responsible for finance," wheresoever they occur; and</p> <p>(b) by adding, immediately below subsection (4), the following new subsection: -</p> <p style="padding-left: 20px;">"(5) The President may, on such conditions as he may determine and without further appropriation than this Act, deliver and grant to the Corporation as part of its assets, materials, machinery, vehicles, tools, and other things received by the Government under any agreement or scheme for technical assistance."</p>
Section 7 of principal Act amended	<p><b>9.</b> Section 7 of the principal Act is hereby amended as follows: -</p> <p>(a) by deleting the commas and words ", which shall be given with the concurrence of the Minister for the time being responsible for finance," and the words "with such concurrence" in subsection (1);</p> <p>(b) by deleting subsection (2); and</p> <p>(c) by inserting, immediately below subsection (4), the following new subsection: -</p>

"(5) Without prejudice to the generality of section 4, the Corporation shall have power to secure the payment of money by mortgage, charge or lien of its undertaking or property (both present and future) or any part thereof, and by the issue of debentures, debenture stock, bills and bonds."

10. Section 9 of the principal Act is hereby repealed.

Section 9  
of principal  
Act  
repealed

11. Section 10 of the principal Act is hereby amended as follows: -

Section 10  
of principal  
Act amended

(a) by deleting the words and comma "such form as the Minister may direct, being in subsection (1); and

(b) by deleting the words "by auditors appointed annually by the Minister" in subsection (3) and by substituting therefor the word "annually"

12. Subsection (1) of section 11 of the principal Act is hereby amended by deleting paragraph (b) and by substituting therefor the following new paragraph: -

Section 11  
of principal  
Act amended

"(b) if executed in that behalf by a member of the Corporation (being a Minister) and the General Manager or the Chief Accountant or some other member of the staff of the Corporation authorized in that behalf by the Corporation."

13. The Schedule to the principal Act is hereby amended as follows: -

(a) by deleting sub-paragraphs (1) and (2) of paragraph 1 and by substituting therefor the following new sub-paragraph: -

"Constitution of the Corporation 1.-(1) The Corporation shall consist of-

(a) a Minister of State, nominated by the President, who shall be Chairman;

(b) five other Ministers, being the Ministers for the time being responsible for finance, industries, commerce, agriculture and tourism;

(c) four other persons (hereinafter referred to as "appointed members") appointed by the President.

(2) The Minister for the time being responsible for finance shall be Deputy Chairman. ;

(b) by substituting for the references to a member of the Corporation in paragraphs 1 (3) and (4), 2, 3 (1) and 7 references to an appointed member of the Corporation; and

(c) by deleting sub-paragraph (2) of paragraph 3 and substituting therefor the following new sub-paragraphs: -

"(2) Where any member of the Corporation is unable to attend the meetings or take part in the business of the Corporation for any temporary period he may appoint an alternate.

Provided that the appointment of an alternate by an appointed member shall be subject to the approval of the Chairman.

Schedule to  
principal  
Act amended

(3) Such alternate shall (unless, in the case of an alternate of an appointed member, the appointment of the alternate or the member is previously terminated) hold office until the member for whom he is appointed alternate is able once more to perform his functions as such, and during such period the alternate shall have all the powers, and duties of the member for whom he is appointed."

TRANSFER OF THE UNDERTAKING OF THE TANGANYIKA AGRICULTURAL CORPORATION AND OF CERTAIN INVESTMENTS AND OTHER ASSETS OF THE GOVERNMENT TO THE NATIONAL DEVELOPMENT CORPORATION

Transfer of undertaking of the Tanganyika Agricultural Corporation

**14.**-(1) Upon the commencement of this Act the provisions of the First Schedule shall apply for the transfer of the undertaking, assets and liabilities of the Tanganyika Agricultural Corporation to the National Development Corporation and for such other matters as are contained therein, and the Tanganyika Agricultural Corporation and the members and officers thereof shall do all such acts as may be necessary or desirable for the more effectual vesting of the undertaking, assets and liabilities of the Tanganyika Agricultural Corporation in the National Development Corporation.

(2) Save as provided in subsection (1), the Tanganyika Agricultural Corporation shall not exercise any function or conduct any business after the commencement of this Act.

(3) Where the Minister for the time being responsible for finance is satisfied that the undertaking, assets and liabilities of the Tanganyika Agricultural Corporation have been effectually transferred to the National Development Corporation, he shall, by order in the *Gazette*, dissolve the Tanganyika Agricultural Corporation.

Vesting of certain investments held by Treasury Registrar

**15.**-(1) Subject to the provisions of this Act, all the investments in the bodies corporate specified in the Second Schedule which, immediately before the commencement of this Act, are vested in the Treasury Registrar shall, on the commencement of this Act, vest by virtue of this Act and without further assurance in the National Development Corporation, and the Corporation shall hold the same as part of its assets free from any trust to which such investments were subject by section 6 of the Treasury Registrar Ordinance.

Cap. 418

(2) The provisions of subsection (1) shall have effect notwithstanding the provisions of any agreement or articles of association, or any document under which any such investments were created, prohibiting or restricting the transfer of such investments, but (subject to any agreement, or to any amendment of such articles or document, made hereafter) where, immediately before the commencement of this Act, the Government or the Treasury Registrar was so prohibited or restricted in respect of any such investments, the Corporation shall hold those investments subject to such prohibition or restriction.

(3) Where, immediately before the commencement of this Act, the Government or the Treasury Registrar was under any liability (whether by agreement or otherwise) on account of any such investments or the acquisition thereof, such liability shall, on the commencement of this Act, vest by virtue of this Act and without further assurance in the Corporation, and every deed, bond or agreement to which the Government or the Treasury Registrar was a party immediately before the commencement of this Act on account of such liability shall, unless its terms or subject matter make it impossible that it should have effect as modified in the manner provided in this subsection, have effect from the commencement of this Act as if-

- (a) the Corporation were a party thereto;
- (b) for any reference (however worded and whether express or implied) to the Government or the Treasury Registrar or its or his attorney there were substituted, in respect of anything to be done on or after the commencement of this Act, a reference to the Corporation; and
- (c) for any reference (however worded and whether express or implied) to any trustee for or officer of the Government, there were substituted, in respect of anything to be done after the commencement of this Act, a reference to a trustee for or officer of the Corporation.

(4) In this section and in section 16 "investments" has the meaning ascribed to that expression in the Treasury Registrar Ordinance.

**16.-**(1) It shall be lawful for the Government to transfer to the National Development Corporation, free of charge and without further appropriation than this Act, any debt due to, or other asset of, the Government on account of any loan made by the Government to any of the bodies corporate specified in the Third Schedule, together with all securities for the repayment of any such loan, and any other investments of the Government in such body corporate; and the transfer to the Tanganyika Development Corporation of any such debt, asset, security or investment before the commencement of this Act is hereby confirmed.

Transfer of  
other assets  
of the  
Government

(2) Where any such debt, asset, security or investment aforesaid is or has been transferred to the Corporation, the Minister for the time being responsible for finance may require the Corporation to undertake any liability of the Government on account thereof and to enter into such agreements with the body corporate concerned for the assumption of the liability, and with the Government for securing the Corporation's satisfaction of such liability, as the Minister may require; and the Corporation shall give effect to every such requirement.

(3) No stamp duty shall be payable by the Corporation on any transfer made to it by the Government in accordance with this section and any stamp duty paid by the Corporation on a transfer made before the commencement of this Act and hereby confirmed shall be refunded to the Corporation.

Securing  
of  
transfer

17. The Minister for the time being responsible for finance may by order provide for any matter which appears to him to be necessary or expedient for the purposes of securing the effectual transfer of any undertaking, assets or liabilities vested in the National Development Corporation by this Act and for the purposes of the transfer of staff of the Tanganyika Agricultural Corporation to the National Development Corporation in accordance with the provisions of the First Schedule, and, without prejudice to the generality of the foregoing, may appoint and direct any person to do any act or sign any document for and on behalf of the Tanganyika Agricultural Corporation or the Government, whereby the provisions of sections 14 and 15 and the First Schedule may be more effectually carried out; and any act done or document signed by any such person in accordance with such directions shall be as effectual as if it had been done or signed by the person on whose behalf it was done or signed.

Expiry and  
repeal  
Cap. 339

18.—(1) The Tanganyika Agricultural Corporation Ordinance shall expire on the date on which the Tanganyika Agricultural Corporation is dissolved by the Minister under subsection (3) of section 14 and thereupon the provisions of subsection (2) of section 10 of the Interpretation and General Clauses Ordinance shall apply in relation to the Tanganyika Agricultural Corporation Ordinance as if that Ordinance had been repealed.

Cap. 1

(2) Section 4 of the Williamson Diamonds Ltd. (Acquisition of Shares) Ordinance is hereby repealed.

Cap. 407

#### THE FIRST SCHEDULE

(Section 14)

##### TRANSFER OF THE UNDERTAKING OF THE TANGANYIKA AGRICULTURAL CORPORATION

Vesting  
of assets  
and  
liabilities

1.—(1) Subject to the provisions of this Schedule, the undertaking, assets and liabilities which, immediately before the commencement of this Act, were the undertaking, assets and liabilities of the Tanganyika Agricultural Corporation, shall, on the commencement of this Act, vest by virtue of this Act and without further assurance in the National Development Corporation.

(2) On the commencement of this Act, the Tanganyika Agricultural Corporation shall deliver to the National Development Corporation, or as the National Development Corporation may order, possession of the immovable property vested by this Schedule in the National Development Corporation, including, without prejudice to the generality of the foregoing, all books, papers, documents, minutes, receipts and ledgers appertaining to the Tanganyika Agricultural Corporation and its operations.

(3) The references to liabilities in this paragraph shall, without prejudice to the generality thereof, include a reference to the liability for repayments under schemes made under the Colonial Development and Welfare Acts of the Parliament of the United Kingdom of Great Britain and Northern Ireland.

Agreements,  
etc.

2.—(1) Subject to the provisions of this Schedule, every deed, bond and agreement (including contracts for personal service) to which the Tanganyika Agricultural Corporation was a party immediately before the commencement of this Act, whether in writing or not and whether or not of such a nature that rights or assets thereunder could be assigned by the Tanganyika Agricultural Corporation, shall, unless its terms or subject matter make it impossible that it should have effect as modified in manner provided by this sub-paragraph, have effect from the commencement of this Act as if—

- (a) the National Development Corporation were a party thereto;
- (b) for any reference (however worded and whether express or implied) to the Tanganyika Agricultural Corporation there were substituted, as respects anything falling to be done on or after the commencement of this Act, a reference to the National Development Corporation;

- (c) for any reference (however worded and whether express or implied) to any Committee, sub-committee, officer, trustee or member of the Tanganyika Agricultural Corporation there were substituted, as respects anything failing to be done on or after the commencement of this Act, a reference to the corresponding Committee, sub-committee, officer, trustee or member, as the case may be, of the National Development Corporation.
- (2) Documents, other than those referred in sub-paragraph (1), but not including written laws, which refer, whether specifically or - generally, to the Tanganyika Agricultural Corporation, shall be construed in accordance with the provisions of sub-paragraph (1) so far as applicable.
- 3-(1) Subject to the provisions of this paragraph, where by reason of paragraph 2 the National Development Corporation becomes a party to any contract for Personal service, by a former employee of the Tanganyika Agricultural Corporation-
- (a) such employee shall be deemed to have been appointed to the service of the National Development Corporation in such employment as the National Development Corporation shall determine (being employment similar to that in which he was engaged in the service of the Tanganyika Agricultural Corporation), but, save as provided in sub-paragraph (2) of this paragraph, otherwise on the terms and conditions of service prescribed by the staff regulations of the Tanganyika Agricultural Corporation in force immediately before the commencement of this Act; and for purposes of determining any right to gratuity or other supernannuation or terminal benefit, his service with the National Development Corporation under such contract shall be regarded as continuous with his service with the Tanganyika Agricultural Corporation immediately before the commencement of this Act;
- (b) such employee's employment by the National Development Corporation and by the Tanganyika Agricultural Corporation shall be deemed to be continuous employment by one employer within the meaning of section 8A of the Severance Allowance Act, 1962, and that Act shall apply to the parties in the same manner as it applies to the cases set out in subsection (1) of the said section 8A.
- (2) Where by reason of paragraph 2 of this Schedule, the National Development Corporation becomes a party to any contract of service by a former employee of the Tanganyika Agricultural Corporation, such employee may within thirty days of the commencement of this Act serve notice on the National Development Corporation that he wishes to be discharged from his contract of service, and such notice shall constitute notice to the National Development Corporation of the employee's intention to terminate such contract of service in the manner provided by such contract and shall have effect accordingly (or if no provision for termination is contained in such contract as notice to terminate such contract at the expiration of thirty days from receipt thereof by the National Development Corporation): and notwithstanding anything contained in such contract of service or otherwise-
- (a) the employee shall not be liable for any contractual penalty for terminating the contract in accordance with the notice, and payment shall be made for any gratuity and leave provided for in the contract of service (or in the terms and conditions prescribed in such staff regulations aforesaid) in proportion to the employee's length of service, and of any passage allowance so provided; and
- (b) for the purposes of the Severance Allowance Act, 1962 the employment shall be deemed to have been terminated by the employer without default on the part of the employee.
- (3) For the purposes of sub-paragraph (1) of this Paragraph, persons formerly employed by the Tanganyika Agricultural Corporation in managerial or supervisory capacities (including the General Manager and the Chief Accountant) shall be deemed to be employed by the National Development Corporation in similar employment if they are employed in corresponding capacities in relation to that part of the undertaking of the National Development Corporation which is hereby transferred from the Tanganyika Agricultural Corporation or in such other capacities as may be agreed between the National Development Corporation and the person concerned.
- 4-(1) Any legal Proceedings Pending immediately before the commencement of this Act to which the Tanganyika Agricultural Corporation is a party in so far as the relate to any property, right, liability or obligation hereby vested in the National Development Corporation or to any deed, bond, agreement or other document which has effect in accordance with paragraph 2, may be continued by or against the National Development Corporation.
- (2) In any such proceedings or in any Proceedings instituted by or against the National Development Corporation after the commencement of this Act in respect of any right, liability or obligation formerly vested in the Tanganyika Agricultural Corporation, the National Development Corporation and every other party to the Proceedings may take all such objections and exceptions as might have been taken in Proceedings by or against the Tanganyika Agricultural Corporation.

Terms of  
employment  
of staff  
transferred

Acts 1962  
No. 57

Legal  
Proceedings

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Completion of acts	5. Where anything has been commenced by or under the authority of the Tanganyika Agricultural Corporation prior to the commencement of this Act and such thing is within the power of the National Development Corporation or was done in relation to any of the matters transferred by this Schedule from the Tanganyika Agricultural Corporation to the National Development Corporation, such thing may be carried on and completed by, or under the authority of, the National Development Corporation.
Licences	6. Any licence or permit issued under the law in force in Tanganyika to the Tanganyika Agricultural Corporation and in force immediately before the commencement of this Act shall be deemed to have been issued to the National Development Corporation and shall, subject to the provisions of the law under which it was issued, continue in force for the remainder of the period for which it was so issued.
Provident Funds	7. The investments forming part, and the balance to the credit, of any provident fund or any other superannuation fund or scheme for the benefit of the employees of the Tanganyika Agricultural Corporation shall be appropriated by the National Development Corporation solely for the purposes of a similar fund or scheme of the National Development Corporation.

THE SECOND SCHEDULE  
(Section 15)

BODIES CORPORATE, INVESTMENTS IN WHICH ARE VESTED IN THE CORPORATION

Nyanza Salt Mines Ltd.  
Tanganyika Packers Ltd.  
Williamson Diamonds Ltd.

THE THIRD SCHEDULE  
(Section 16)

BODIES CORPORATE, INVESTMENTS, ETC., IN WHICH MAY BE TRANSFERRED TO THE CORPORATION

Kahama Nzega Igembesabo Co-operative Union Ltd.  
Lake Manyara Hotels Ltd.  
Ralli Estates Ltd.  
Sikh Saw Mills (T) Ltd.  
Tanganyika Development Finance Co. Ltd.  
Tanganyika Meerschaum Corporation Ltd.  
Tanganyika and Italian Petroleum Refinery Company (Tiper) Ltd.  
Tanita Co. Ltd.  
Uplands Bacon Factory (Kenya) Ltd.

Passed in the National Assembly on the second day of December, 1964.

  
Clerk of the National Assembly