

*A Bill Supplement to the Zanzibar Government Gazette
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NOTICE

The Bill following hereunder shall be presented before the House of Representatives for the first reading which will start its session on 5th May, 2021 and is gazetted for the public notice incorporating together with their objects and reasons.

ZANZIBAR
14th April, 2021

(Eng. Zena Ahmed Said)
***Secretary to the Revolutionary
Council and Chief Secretary***

A BILL

for

**AN ACT TO ESTABLISH THE OFFICE OF TREASURY
REGISTRAR AND PUBLIC ASSET MANAGEMENT AND
OTHER MATTERS RELATED THERETO**

ENACTED by the House of the Representatives of Zanzibar

**PART ONE
PRELIMINARY PROVISIONS**

Short
title and
commen-
cement.

1. This Act may be cited as the Office of Treasury Registrar and Public Asset Management Act, 2021 and shall come into operation after being assented to by the President.

Application.

2. This Act shall apply to:

- (a) Public Investment Entities;
- (b) Public Institutions for the case of assets management;
and
- (c) any Public Institution designated by the Minister.

Interpre-
tation.

3. In this Act, unless the context otherwise requires:

“Accounting Officer” has the same meaning as defined in the Public Finance Management Act;

“Asset” means any resource controlled by Public Institution as a result of past event and from which future economic benefits or service potential is expected to flow to the Public Institution;

“Asset management” means the combination of financial, economical, technical, engineering management and any other practices applied to asset with the objective of providing the required level of services or products in a most cost effective manner;

“Asset register” means records of information on each asset that supports the effective financial and technical management of the asset;

“Board” in relation to Public Investment Entities, means Boards of Directors or any other Governing Body by whatever name called, holding positions comparable with those of the Boards of Directors;

- “Constitution” means the Constitution of Zanzibar, 1984;
- “Chief Executive Officer” means the head of every Public Investment Entity established under order made by the President or any other law, who is responsible for the day to day operations of that Public Investment Entity;
- “Company” means a company registered under the provisions of the Companies Act;
- “Dividend” means sums of money paid regularly by Public Investment Entities to shareholders out of its profits;
- “Ex-official member” means person appointed as Board member by virtue of his position in the Public Investment Entity;
- “Establishing Act” in relation to Public Investment Entity, means any law under which Public Investment Entity is established;
- “Financial plan” means budget and any other forthcoming financing plans, includes borrowing, investment plans and other detailed activities of Public Investment Entities;
- “Government” means the Revolutionary Government of Zanzibar;
- “Government Investment Policy” means any document of the Government outlining priorities, strategic areas, investment objectives and goals, and which meets intended economic benefits and financial objectives;
- “Minister” means the Minister responsible for finance;
- “Office” means the Office of Treasury Registrar as established under the provisions of this Act;
- “Public asset” means any resource controlled by the Government from which the Government expects to derive economic benefits or use for service delivery to the general public;

“Public Investment Entity” means any commercial entity, company or Government owned enterprise;

“President” means the President of Zanzibar and Chairman of the Revolutionary Council;

“Public Institution” has the same meaning as defined in the Public Finance Management Act;

“Public Investment” means assets of the Government in form of tangible or intangible and include shares, notes, bonds and mortgages in any corporate body issued by or on behalf of the Government;

“Performance contract” means an agreement which sets targets for measuring performance;

“responsible Minister”, in relation to Public Investment Entity:

- (a) which is not a Government-owned company, means the Minister responsible for the administration of the law governing the establishment and functions of Public Investment Entity; and
- (b) which is a Government-owned company, means the Minister holding the shares and exercising the rights attached to the shares or any other rights in the company on behalf of the Government;

“Revolutionary Council” means the Revolutionary Council as defined under section 43 of the Constitution;

“Government-owned company” means a company incorporated under the Companies Act in which the Government is the sole or majority shareholder;

“Subsidiary Entity” means a company owned or controlled by another company; and

“Treasury Registrar” means the Treasury Registrar appointed under the provisions of this Act;

PART TWO
ESTABLISHMENT OF THE OFFICE
OF TREASURY REGISTRAR

4. There is hereby established the Treasury Registrar Office under the Ministry responsible for finance.

Establishment of office of Treasury Registrar.

5.-(1). There shall be a common seal and logo of the Office in the shape and size as may be determined by the Office.

Seal and logo of the Treasury Registrar office.

(2) The application of seal and logo of the Office on any document shall be authenticated by the signature of the Treasury Registrar or any other officer of the Office authorised by the Treasury Registrar.

6.-(1) The Office shall have the following functions to:

Functions of the Office.

- (a) regulate Public Investments on behalf of the Government;
- (b) approve Investment proposals of Public Investment Entities;
- (c) monitor and evaluate overall performance of Public Investment Entities;
- (d) promote ethics of good governance in all business transactions, including issuing directives to Public Investment Entities on annual budgets, strategic plans, business plans, Investment plans and any other related matters to implement Government's policies in Public Investment Entities;
- (e) supervise, monitor and implement the restructuring process of Public Investment Entities;
- (f) make recommendations to the Minister on dividend policy;
- (g) issue guidelines, procedures and operating manuals for the oversight of Public Investment Entities;

- (h) enter into performance contract with the Chairpersons, or other senior staff of Public Investment Entities;
- (i) review proposals of organizations and salaries' structures, schemes of service and incentives package of Public Investment Entities before submission to the Public Service Commission;
- (j) review and make recommendations on specific policies and legislations pertaining to the development of Public Investment Entities.

Powers of
the Office.

7. The Office shall have the following powers to:

- (a) investigate or inquire into the operation of Public Investment Entity;
- (b) inspect and examine books of accounts, records, returns and any other documents of Public Investment Entity;
- (c) require any information, documents and reports of the activities of Public Investment Entity;
- (d) summon Chairperson, individual Board member, Chief Executive Officer or any other senior staff of Public Investment Entity;
- (e) call for the production of books of accounts, plans and any other documents of Public Investment Entity;
- (f) instruct on the proper management of the activities in Public Investment Entity;
- (g) open or cause to be opened any strong rooms, safes or other containers in which its suspected, on reasonable grounds, that there are any books, records, accounts or any other documents of Public Investment Entity;
- (h) request and take extracts in soft or hard copies of any of the books, records, accounts, or documents;

- (i) require any Chief Executive Officer or Senior staff of Public Investment Entity to furnish information as may be required;
- (j) conduct or cause to be conducted special audit to Public Investment Entity; and
- (k) do any other act as may be incidental or conducive to the attainment of the functions of the Office under this Act.

8.-(1) There shall be a Treasury Registrar who shall be appointed by the President.

Appoint-
ment of
Treasury
Registrar.

(2) The Treasury Registrar shall be the head of the Office and responsible for day to day operation.

(3) A person shall qualify to be appointed as the Treasury Registrar if he:

- (a) is a Zanzibari;
- (b) holds at least first degree or equivalent in economics, business, finance, law, public administration or any other related field from a recognized educational institution; and
- (c) has working experience of not less than seven years in the Public Service.

9. The Treasury Registrar shall have the following functions to:

Functions
of the
Treasury
Registrar.

- (a) determine the appointment of staff of the Office and assign responsibilities to them in accordance with the Public Service Act;
- (b) approve distribution of annual profits and the declaration of dividends, surplus or contribution of Public Investment Entities;
- (c) classify Public Investment Entities into categories.

- (d) register and maintain a register of Public Investment Entities containing the following particulars:
 - (i) name of Public Investment Entity;
 - (ii) establishing instrument;
 - (iii) year of establishment;
 - (iv) objective of Public Investment Entity;
 - (v) category of the Public Investment Entity;
 - (vi) head office and physical address of Public Investment Entity;
 - (vii) name of the Chief Executive Officer of Public Investment Entity;
 - (viii) nominal capital of Public Investment Entity;
 - (ix) name of the Ministry responsible for Public Investment Entity;
 - (x) name of Chairperson and Board members of Public Investment Entity;
- (e) be the sole owner of all Public Investments and custodian of all Public assets on behalf of the Government;
- (f) undertake evaluation of the new project submitted by Public Investment Entity for the purpose of funding;
- (g) advise the Government on matters related to Public Investment Entities and asset management;
- (h) establish principles of corporate governance and leading practice to Public Investment Entities;
- (i) determine criteria of the performance, measurement and evaluation for Board members of Public Investment Entities;

- (j) issue directives to Public Investment Entities on performance contracts;
- (k) approve policies for the operations of Public Investment Entities before being signed by responsible Ministers;
- (l) analyse and make recommendations on corporate plans and annual plans of Public Investment Entities before approval;
- (m) closely monitor and control the financial affairs of Public Investment Entities and design measures to:
 - (i) minimize unproductive expenditure of funds of Public Investment Entities;
 - (ii) prevent loss of funds resulting from negligence, lack of care, theft, dishonesty or otherwise;
 - (iii) increase amount of dividend to be paid or transfer from revenue to the Treasury Registrar;
- (n) conduct periodic review of the business trend of Public Investment Entities;
- (o) advise responsible Minister on how to assist Public Investment Entity experiencing difficulties and measures to be taken;
- (p) supervise the business of Public Investment Entities by:
 - (i) reviewing financial and operational performance of Public Investment Entities and suggest measures such as restructuring or improvement of its performance;
 - (ii) advising the responsible Minister relating to the restructuring of any Public Investment Entity;
 - (iii) evaluating the performance of Public Investment Entity and make recommendations to the responsible Minister;

(iv) conducting special audit to the revenue and expenditure of any Public Investment Entity when it deems necessary.

(q) perform any other function as may be directed by the Minister.

Power to delegate functions.

10.-(1) Treasury Registrar may, by a written instrument, delegate any of his functions to any staff of the Office.

(2) Subject to the provisions of sub section (1) of this section, the delegation instrument shall prescribe conditions, procedures and any other directives of the Treasury Registrar.

(3) The functions delegated under this section, shall be deemed to have been performed by the Treasury Registrar.

Staff of the Office.

11.-(1) Subject to the Public Service Act, the Office shall employ staff according to the organization structure of the Office.

(2) In order to facilitate the performance of its functions under this Act, the Office may establish such Departments, Sections or Units to be headed by heads or other staff subject to the provisions of the Public Service Act.

Prohibition to Treasury Registrar and Staff.

12. The Treasury Registrar or any officer employed by the Office shall not be appointed as Chairperson or member to a Board of any Public Investment Entity.

PART THREE ESTABLISHMENT OF PUBLIC INVESTMENT ENTITIES

Establishment of Public Investment Entities.

13. Any Public Investment Entity shall be established by either:

- (a) the order made by the President published in the Gazette;
- (b) an Act passed by the House of Representatives; or
- (c) the Company Act.

14.-(1) Before an establishment of any Public Investment Entity under any of the provisions in section 13 of this Act, the Public Institution shall submit to the Treasury Registrar the following documents:

Procedures for establishment of Public Investment Entity.

- (a) feasibility study;
- (b) business plan; and
- (c) any other relevant information relating to the establishment of Public Investment Entity.

(2) The Treasury Registrar shall, after receiving and reviewing the project proposal, submit recommendations to the Revolutionary Council for consideration.

15. Before submission to any relevant authority for approval, any proposal pertaining to project of Public Investment Entity or between Public Investment Entity and private company or individual investor shall be submitted to the Treasury Registrar for recommendations.

Submission of project proposal.

16. Public Investment Entity established under this Act shall be:

- (a) body corporate which has perpetual succession, common seal and in its name, be capable of:
 - (i) acquiring, holding and disposing of property for carrying out the purposes of Public Investment Entity;
 - (ii) suing or being sued;
 - (iii) entering into any contract or any other transaction for the purpose of performing the functions or exercising the powers of Public Investment Entity;
 - (iv) borrowing, lending or receiving grants of any such sum of money from any financial institution for the purpose of carrying out the business of Public Investment Entity in accordance with provisions of Public Finance Management Act.

Legal personality of Public Investment Entity.

Appointment
of Chief
Executive
Officer.

17.-(1) Public Investment Entity shall have a Chief Executive Officer who is appointed by the President.

(2) The Chief Executive Officer shall be the head of Public Investment Entity and responsible for day to day operations.

(3) The Chief Executive Officer shall be responsible to the Board and reporting on the activities of Public Investment Entity at every meeting of the Board.

Recruitment
of staff.

18.-(1) Subject to the Public Service Act, the Board of Public Investment Entity shall recruit staff and senior staff as may be required for the performance of the functions of Public Investment Entity.

(2) Subject to the subsection (1) of this section, where the Board of Public Investment Entity appoints heads of Directorates, Public Investment Entity shall notify the responsible Minister specifying:

- (a) the name, address and such other personal particulars of the appointee;
- (b) the appointee's qualifications; and
- (c) the criteria on which the appointee was used for appointment.

(3) The Chief Executive Officer shall submit a copy of the notification under subsection (2) of this section to the Treasury Registrar including a copy of the appointment letter.

(4) Promotion and other disciplinary measures relating to the staff and senior staff of Public Investment Entity shall be in the hands of the Board and shall be exercised in accordance with the provisions of the Public Service Act.

(5) Except on Presidential appointment, no employee or officer of any Public Institution or Public Investment Entity shall be transferred to Public Investment Entity without consent of the Board.

(6) The Board shall have the power to employ, suspend or terminate any staff or senior staff of Public Investment Entity in accordance with provisions of the Public Service Act.

19.-(1) The Board shall issue the conditions of service to the staff of Public Investment Entity which shall: Conditions of service for staff.

- (a) be consistent with the staff members' performance contracts; and
- (b) determine clearly benefits to which the staff are entitled to;

(2) Subject to the provisions of subsection (1) of this section, conditions of service issued for the Chief Executive Officer and heads of Directorates shall:

- (a) be fair and appropriate;
- (b) consider their qualifications and experience;
- (c) be related to the functions that are expected to be performed; and
- (d) be reasonably consistent with conditions of service of other Public Investment Entities.

20.-(1) A Public Investment Entity shall have structure as determined by the Board and approved in accordance with provisions of the Public Service Act. Structure of Public Investment Entity.

(2) The Board shall establish such Department, Sections or Units and appoint senior staff to be heads of Department, Sections or Units for the performance of its functions under this Act.

21.-(1) Public Investment Entity shall have the Board of Directors which consist of: Board of Directors.

- (a) Chairperson who shall be appointed by the President; and
- (b) any other members not less than four and not more than six who shall be appointed by responsible Minister including ex-official members.

(2) Before appointment of Board members of Public Investment Entity referred to under subsection (1)(b) of this section, the appointing

authority shall submit list of names to the Office, excluding ex-official members, for assessing their qualifications and experiences.

(3) The Office shall issue procedures for submission of list of names.

(4) After a person has been appointed to be a Board member, the Office shall cause a notice to be published in the Gazette specifying the person's name and the Board to which he has been appointed.

(5) Without prejudice to the generality of provisions of this Act, the following persons shall not be eligible for appointment to be Board members:

- (a) Member of the House of Representatives;
- (b) Member of Parliament of United Republic of Tanzania;
- (c) Chief Internal Auditor General and Staff of the Internal Auditors General Department;
- (d) Controller and Auditor-General and staff of the Office of the Controller and Auditor-General; and
- (e) Treasury Registrar and staff of the Office.

(6) The Board shall be accountable to the responsible Minister in the manner set out under this Act.

Secretary of
the Board.

22. The Board shall appoint Secretary from among the qualified senior public officers within Public Investment Entity.

Tenure of
the Board.

23.-(1) Except for ex-official members, the Chairperson and other Board members shall hold office for a term of three years from the date of appointment and may be eligible for re-appointment for another term only.

(2) A Board member of Public Investment Entity may be removed if he:

- (a) has been guilty of conduct inconsistent with membership;
- (b) has become disqualified for appointment to the Board;

- (c) in case of ex-official member, has ceased to have that position;
- (d) has failed to comply with conditions of Public Service or provisions of performance contract;
- (e) whether individually or together with other Board members, failed to attain the objectives of Public Investment Entity set out in strategic plan;
- (f) has been absent without just cause and without leave of the Chairperson from three or more consecutive meetings of the Board;
- (g) is unable to perform any activities due to illness of body or mind; or
- (h) has been convicted for an offence involving dishonest, fraud or moral turpitude.

(3) The Chief Executive Officer shall, within seven days after the removal of any Board member, inform the Office on the removal from Office of a Board Member of Public Investment Entity.

24. Except for ex-official members, any person shall not be appointed as a Board member of more than three Boards of Directors at the same time.

Limitation of being a member.

25. For public interest, the responsible Minister in consultation with the President may, at any time, dissolve a Board of Public Investment Entity by a legal notice published in the Gazette.

Dissolution of the Board.

26.-(1) For effectiveness and performance of Public Investment Entity, the Board of Directors shall have the following responsibilities to:

Responsibilities of Board of Directors.

- (a) formulate, control and supervise policy of Public Investment Entity;
- (b) approve budget, financial regulations, work plan and other internal policies of Public Investment Entity;

- (c) provide directives to Public Investment Entity;
- (d) supervise the ethics, professionalism and morality of the staff of Public Investment Entity;
- (e) ensure that Public Investment Entity has put in place the strategic plan, risk mitigation plan and measures aiming to improve performance;
- (f) be prudent in controlling the risks and managing properties;
- (g) comply with applicable laws, rules, codes of conduct and best practice standards;
- (h) act for best interests of the Public Investment Entity and Government;
- (i) formulate and implement business rescue procedures when the Public Investment Entity becomes financially distressed;
- (j) ensure that the Public Investment Entity has the necessary financial and human resources strategies to meet its objectives;
- (k) oversee major capital expenditures;
- (l) supervise the acquisitions and divestiture of investments;
- (m) supervise and review management performance of the Public Investment Entity; and
- (n) approve code of ethics, staff and financial regulations, encourage morality and professionalism for employees, management and Board members.

(2) The Board of Directors shall be accountable to the appointing authority.

27.-(1) The Board shall formulate Audit Committee and any other Committees as may determine.

(2) The members of the Committee of the Board shall be among the Board members only.

(3) The Board may invite any person to assist the Committees of the Board to perform its functions.

28.-(1) The Board of Public Investment Entity shall meet ordinary once in every three months and may meet at any time when need arises for the discharge of its business. Meetings of the Board.

(2) The procedures for Board meetings of Public Investment Entity shall be prescribed in the respective Public Investment Entity's law or Order.

29.-(1) Any Board member shall, in any way directly or indirectly has either financial or any other interest, disclose to the Board the nature of his interest at the beginning of the meeting. Disclosure of interest of member.

(2) A member who makes a disclosure of his interest under subsection (1) shall not:

- (a) be present during any deliberation of the Board with respect to that matter; and
- (b) take part in any decision of the Board with respect to that matter.

30. The Treasury Registrar shall, in consultation with relevant authority, determine such allowances, fees and other remuneration to be paid to the Board of Directors of Public Investment Entity. Remuneration of the Board.

31.-(1) Annual General Meeting shall be convened as per nature of Public Investment Entity. Annual General Meeting.

(2) Subject to subsection (1) of this section, the Minister may issue guidelines on the conveyance of Annual General Meeting.

PART FOUR

ACCOUNTABILITY OF PUBLIC INVESTMENT ENTITIES

32. A Public Investment Entity shall prepare strategic plan in accordance with guidelines issued by Treasury Registrar from time to time. Strategic plan.

Performance contract for Chief Executive Officer.

33.-(1) Upon the appointment, Chief Executive Officer shall be required to enter into a performance contract with the Board in accordance with terms and conditions specified by Treasury Registrar.

(2) A Board of Public Investment Entity shall direct the Chief Executive Officer to submit a copy of performance contract entered between the Board and Chief Executive Officer to:

- (a) responsible Minister;
- (b) Treasury Registrar; and
- (c) Principal Secretary of the Ministry responsible for respective Public Investment Entity.

Assessment of performance contract.

34.-(1) Chairperson shall annually conduct assessment of performance contract between the Board and the Chief Executive Officer and prepare assessment report.

(2) The assessment report referred to under subsection (1) of this section, shall be submitted to the Treasury Registrar.

(3) Where the Chief Executive Officer fails to perform as per the terms and conditions prescribed in the performance contract, the Chairperson of the Board shall report to the responsible Minister and the Treasury Registrar with full details on lack of performance of that Chief Executive Officer.

Performance Contracts of Board members.

35.-(1) A Chairperson and other Board members of Public Investment Entity shall enter into a performance contracts with the Treasury Registrar in accordance with terms and conditions specified by the Office.

(2) The Treasury Registrar shall conduct evaluation of the performance contracts of Chairpersons and other Board members of Public Investment Entity and submit report to the responsible Minister for consideration.

Preparation of Financial plan.

36.-(1) Public Investment Entity shall prepare annually financial plan.

(2) The financial plan prepared under subsection (1) of this section shall comply with the conditions as prescribed in the Public Finance Management Act.

(3) The financial plan under subsection (1) of this section, shall be submitted within ninety days before the commencement of the next financial year to the Office for approval.

(4) Public Investment Entity shall not act contrary to a financial plan approved by the Office.

(5) Notwithstanding the provisions of subsection (4) of this section, Public Investment Entity may review the financial plan where need arises and submit to the Office for approval.

(6) Any Public Investment Entity which fails to comply with the provisions of this section, shall be required to inform the Treasury Registrar the reasons for that failure.

37.-(1) A Public Investment Entity shall have the power to borrow in accordance with the terms and conditions specified in the Public Finance Management Act.

Power to borrow.

(2) Where Public Investment Entity intends to borrow, before submitting any borrowing application to the relevant authority, shall indicate the borrowing plans and loan repayment strategies in the financial plan.

38.-(1) Public Investment Entity shall have the power to invest in accordance with the Government Investment Policy.

Power to invest.

(2) Any Investment of Public Investment Entity shall be held by Treasury Registrar on behalf of the Government.

(3) Upon coming into operation of this Act, Public Investment Entity which has any investment shall submit to the Treasury Registrar for purpose of registration with the following particulars:

- (a) name of the Investment;
- (b) objectives of the Investment;

- (c) capital of the Investment;
- (d) person or authority who operates the investment on behalf of Public Investment Entity; and
- (e) any other particulars in relation to that investment.

(4) Subject to the provisions of subsection (3) of this section, the Treasury Registrar shall have the power to give any directives where necessary to Public Investment Entity.

Preparation
of the
financial
statements.

39. Public Investment Entity shall prepare and submit to the Office audited financial statements as prescribed in the Public Financial Management Act.

Subsidiaries
of Public
Investment
Entity.

40.-(1) Upon coming into operation of this Act, any Public Investment Entity which has any Subsidiary shall be required to notify the Treasury Registrar.

(2) The Treasury Registrar may impose any obligations in relation to any Subsidiary of Public Investment Entity for the purpose of achieving efficiency and proper monitoring.

(3) The obligations under subsection (2) of this section may be imposed either to the Board or Chief Executive Officer and may include:

- (a) composition of the Board and the appointment process of the subsidiary to Public Investment Entity;
- (b) performance contracts between the Board members of Public Investment Entity and senior staff and subsidiary to Public Investment Entity; and
- (c) any other matter in relation to Public Investment Entity;

(4) Subject to provisions of subsection (1) of this section, the Memorandum of Association or Articles of Association of a subsidiary of Public Investment Entity which are contrary to this Act shall be required to be amended to comply with the provisions of this Act.

41.-(1) The Office shall require Public Investment Entity to make remittances to the Paymaster General at a rate that will be determined by the Minister as follows:

Remittances to the Paymaster General.

- (a) for profit oriented Public Investment Entity, dividend shall be payable; and
- (b) for other non-profit oriented Public Investment Entity, a proportional of revenue shall be payable.

42. Public Investment Entity shall have funds and resources which consist of:

Funds and resources of Public Investment Entity.

- (a) the paid up capital;
- (b) such sums as may be provided by the Government by way of loan, equity or grant for the purpose of Public Investment Entity;
- (c) any sums borrowed by Public Investment Entity; or
- (d) any sums which may in any manner become payable to Public Investment Entity as the result of the performance of its functions.

PART FIVE FURNISH INFORMATION TO THE OFFICE

43.-(1) The Office may direct the Chief Executive Officer of Public Investment Entity to furnish any information or document within the time specified.

Duty to furnish information.

(2) Chief Executive Officer shall comply with the directives within such time as specified under subsection (1) of this section.

44. The Office shall establish mechanism of furnishing information relating to the operation of Public Investment Entity to the Minister, responsible Minister and the Treasury Registrar.

Mechanisms for furnishing information.

PART SIX
INSPECTION AND INVESTIGATION

Inspection. **45.**-(1) The Office may, by notice in writing, conduct inspection to any Public Investment Entity.

(2) The inspection under this Act may involve any matter concerning the operation, business, trade, transactions, asset, liabilities or any other matters of Public Investment Entity.

Appointment of inspectors. **46.** The Office may appoint among its staff as inspectors on such terms and conditions specified in the instrument of appointment.

Powers to inspect. **47.** The inspector shall have powers to:

- (a) enter into the premises and access any information of Public Investment Entity; and
- (b) require the Chief Executive Office or any staff of Public Investment Entity to produce any information or documents.

Investigation. **48.**-(1) Where an investigation is required, the Office shall, after consultation with the responsible Minister, request any person or relevant authority to conduct investigation to Public Investment Entity.

(2) The investigation under this section may involve any matter concerning the operation, business, trade, transaction, asset, liabilities or any other matters of Public Investment Entity.

Powers of investigator. **49.**-(1) An investigator shall have powers to:

- (a) summon Chief Executive Officer, Chairperson, Board member or any employee of Public Investment Entity;
- (b) require Chief Executive Officer, Chairperson, Board member or any employee of Public Investment Entity to produce any documents which are under his custody or control;

- (c) require Chief Executive Officer, Chairperson, Board member or any employee of Public Investment Entity to provide reasonable assistance in connection with the investigation; and
- (d) require Chief Executive Officer, Chairperson, Board member or any employee of Public Investment Entity to appear before the investigator for examination and to answer questions.

(2) Investigator may make copies or take extracts from documents produced.

50.-(1) Investigator shall submit to the Office an investigation report which contain detailed information, findings and recommendations. Investigation Report.

(2) Upon receiving the investigation report, the Office shall submit the report to the responsible Minister for consideration.

(3) The Office may, where the responsible Minister does not take any action in relation to the recommendations of the investigation report, submit the same to the Revolutionary Council.

PART SEVEN

RESTRUCTURING OF PUBLIC INVESTMENT ENTITIES

51.-(1) Where the nature, objectives and economic benefits of Public Investment Entity had changed or altered significantly, the Office may identify any Public Investment Entity to be considered for restructuring. Restructuring of Public Investment Entities.

(2) After making an identification pursuant to subsection (1) of this section, the Office shall inform the responsible Minister.

52.-(1) The Treasury Registrar shall prepare and submit to the responsible Minister a proposal for restructuring of Public Investment Entity. Proposal for restructuring.

(2) The proposal for restructuring referred to under subsection (1) of this section shall contain detailed proposed methods of restructuring of Public Investment Entity.

(3) Where the responsible Minister is satisfied with the proposal for restructuring, the Office shall submit the report to the Revolutionary Council for guidance.

Interim
measures.

53.-(1) Where the guidance from the Revolutionary Council provides to undergo restructuring of Public Investment Entity, the Office may, by notice published in the Gazette, declare that the operations of that Public Investment Entity be under the supervision of the Office.

(2) The Office may appoint temporary management to execute operations of Public Investment Entity.

Declaration
of
Dissolution.

54. The Office shall initiate dissolution of Public Investment Entity where proposal for dissolution has been approved by the Revolutionary Council.

Appointment
of Liquidator.

55.-(1) The Office shall appoint liquidator for the purpose of winding up Public Investment Entity.

(2) The liquidator appointed under subsection (1) of this section shall perform his duties as detailed in the appointment instrument.

(3) The liquidator may vest the whole or any part of Public Investment Entity's asset in trustees in the specified period of his duty.

(4) The office shall formulate procedures for liquidation under this section.

Dissolution
of Public
Investment
Entity.

56. Public Investment Entity may be dissolved or wound up by the order made by President and published in the Gazette.

PART EIGHT PUBLIC ASSET MANAGEMENT

Public asset
management.

57.-(1) The Office shall have the following roles in relation to public assets management:

- (a) formulate or review public assets management policies, guidelines, procedures and various directives for effective management of public assets;

- (b) maintain a centralized Public Asset Register for all public assets under the custodian of the Government;
- (c) authorize updating of the Public Asset Register to ensure compliance to the policies, laws, regulations and procedures;
- (d) conduct physical verification and valuation of assets in Public Institutions;
- (e) ensure that the classification structure related to public assets are maintained in accordance with acceptable standards;
- (f) ensure public assets are disposed-off in accordance with the policies, laws, regulations and procedures;
- (g) compile public assets losses from Public Institutions to be written-off by the Government; and
- (h) establish an effective system of public assets management within Public Institutions.

58. The Accounting Officer of a Public Institution shall have the following roles to:

Roles of
Accounting
Officer.

- (a) ensure that public assets under his control are properly maintained and recorded in accordance with applicable standards;
- (b) ensure proper internal control systems for safeguarding and maintenance mechanism of public assets are in place;
- (c) maintain and update regularly the Public Asset Register by including new public assets acquired and removing the items disposed-off;
- (d) ensure preventive mechanisms are in place to eliminate theft, losses, wastage and misuse;

- (e) be the principal custodian of all public assets under respective Public Institution; and
- (f) ensure public assets obsolescence, losses and any occurring changes of status are reported to the Office for further action.

Establishment of Asset Management Unit.

59.-(1) There shall be an Asset Management Unit in every Public Institution.

(2) The Unit referred to under subsection (1) of this section shall be staffed appropriately.

(3) The Asset Management Unit shall have the following responsibilities to:

- (a) update Public Asset Register under its custodian by taking into account the movement of public assets;
- (b) ensure that all public assets under its custodian are properly and regularly maintained; and
- (c) be accountable and responsible for all assets of respective Public Institution;

Asset Management System.

60.-(1) The Office shall establish Asset Management System to be used by the Public institutions.

(2) The Asset Management Unit shall use the System to manage all assets of the Public Institutions.

(3) The Office shall issue guidelines to Public Institutions for better application and management of the System.

Use of public assets.

61.-(1) Accounting Officer shall be responsible to approve the use of public assets in his respective institution.

(2) The Accounting Officer shall ensure that the public assets are used in economical manner and appropriate with the duty to be performed.

(3) Public assets shall not be used for private purposes unless it is approved by the Accounting Officer.

62. A Public Institution may acquire assets through purchase, construction, transfers, confiscation, heritage, donations and any other method considered appropriate. Acquisition of public assets.

63.-(1) Where the Government acquires any assets through confiscation as a result of a court order or decision, that assets shall be submitted to the Treasury Registrar for custodianship. Confiscation of the assets.

(2) Treasury Registrar on receipt of the confiscated assets shall register them in the Public Asset Register.

(3) The Treasury Registrar shall have power to distribute or dispose-off confiscated assets obtained under subsection (1) in accordance with the provisions of the Public Procurement and Disposal of Public Asset Act.

64.-(1) Public Institution shall maintain documents authenticating that all assets are legally owned by the Government. Ownership, registration and tagging.

(2) The Office shall issue guidelines for registration of ownership and tagging of public assets.

65. The Office shall prepare guidelines on assets classifications, depreciation methods and rates to the Public Institutions. Depreciation.

66.-(1) There shall be Asset Maintenance Plan prepared by the Public Institutions which ensure that assets remain suitable for their intended use. Asset Maintenance Plan.

(2) Asset Management Unit shall report in writing to the Accounting Officer regularly on the status of the implementation of Annual Maintenance Plan.

(3) Public Institution shall allocate funds in its budget for effective implementation of the Annual Maintenance Plan.

67.-(1) A Public Institution shall value or cause to be valued public assets under its custodianship in accordance with the requirement of the acceptable valuation standards. Valuation.

(2) Information from valuation of public assets shall form the basis of records in the Public Asset Register.

Transfer of public assets.

68. Public assets shall not be transferred from one Public Institution to another without prior approval of the Office.

Disposal of public assets.

69.-(1) There shall be Annual Disposal Plan prepared by every Public Institution and submitted to the Office.

(2) A Public Institution shall request permission from the Office to dispose-off public assets.

(3) The Office shall, before granting permission to Public Institution to dispose-off public assets, conduct physical verification.

(4) After the completion of disposal process, the Accounting Officer of the respective Public Institution shall update the Public Asset Register accordingly.

(5) Public Institution shall, other than Public Investment Entity, submit proceeds from the disposal of assets to the Government Consolidated Fund.

(6) Assets shall be disposed-off in a particular financial year of a Public Institution in accordance with the Annual Disposal Plan.

(7) The Office shall issue guidelines on procedure for disposal of assets.

Write off public assets losses.

70. The Office shall issue guidelines on procedures to write off public assets losses.

Physical verification of public assets.

71.-(1) Public Institution shall undertake physical verification of public assets at least once in every financial year or whenever there is significant requirement in ascertaining quantities, value, physical existence, and condition of usage.

(2) Treasury Registrar shall issue guidelines on the arrangement related to physical verification of public assets.

72.-(1) The Asset Management Unit shall prepare Annual Replacement Plan and submit to the Accounting Officer to be included in the Annual Procurement Plan. Replacement of public assets.

(2) Office shall issue guidelines on the arrangement related to replacement of public assets.

PART NINE FINANCIAL PROVISIONS

73. The funds and other resources of the Office shall consist of: Funds of the Office.

- (a) money appropriated by the House of Representatives for the purpose of the Office;
- (b) loans or grants received by the Office for its activities; and
- (c) any other money as may be legally acquired by the Office.

74.-(1) The Office shall, not less than two months before the end of each financial year, prepare and submit to the Minister an annual budget for approval showing estimates of its revenues and expenditures for the following financial year. Budget.

(2) Subject to the provisions of the Public Finance Management Act, the Office may, at any time before the end of the financial year, prepare and submit to the Minister for approval any estimates supplementary to the budget of the current financial year.

75.-(1) The Office shall keep accounts and records of all transactions and ensure that all money received or paid by the Office is properly accounted for. Accounts and audits.

(2) The annual financial statements of the Office shall be audited by the Controller and Auditor General.

76.-(1) The Office shall, within seven months after the end of each financial year, prepare or cause to be prepared and submit to the Minister an Annual Report. Annual Report.

(2) The annual report under subsection (1) of this section, shall provide detailed information regarding the activities of the Office during that financial year which it relates, and shall include:

- (a) copy of audited financial statements of the Office together with the auditor's report;
- (b) performance report of the Office of that financial year; and
- (c) such other substantial information of the Office as required by this Act.

(3) For public access to information, upon approval by the Minister, the annual report of the Office shall be published.

PART TEN MISCELLANEOUS PROVISIONS

Designation
of Public
Institution.

77. The Minister shall, after approval of the Revolutionary Council, designate any Public Institution to be Public Investment Entity.

Roles of the
Minister.

78. The Minister shall approve strategic plan, budget and any other document incidental to the operation of the Office.

Transitional
provisions.

79. A person who immediately before the date of commencement of this Act held office of Chairperson or member of the Board of Public Investment Entity is deemed to have been appointed in accordance with the provisions of this Act for the unexpired period of his office as determined by or under the relevant establishing Act, constituent document or the memorandum of association and articles of association of Public Investment Entity, and on the conditions as applied to him as a member immediately before the commencement of this Act.

Regulations.

80. The Minister may make regulations generally for the better carrying into effect of the purposes stipulated under the provisions of this Act.

Repeal and
Savings
the Public
Investment
Act No 4 of
2002.

81.-(1) The Public Investment Act No 4 of 2002 is hereby repealed.

(2) Notwithstanding the repeal of the Public Investment Act No. 4 of 2002, anything done under the said Act which is in force on the effective date of this Act shall be deemed to have been made under the provisions of this Act.

OBJECTS AND REASONS

The main object of this Bill is to establish the Office of the Treasury Registrar for overseeing the operations of the Public Investment Entities and regulating Public assets. The proposed Bill also aims to promote ethics of good governance in Public Investment Entities.

The Bill introduced powers of the Office to investigate or inquire into the operations of Public Investment Entities and to summon Chairpersons, individual Board members and Chief Executive Officers where the Office deems necessary. The Bill also created provisions for the Treasury Registrar to enter into performance contract with Chairpersons, Board members and Chief Executive Officers.

The Bill is divided into Ten Parts:

Part One is about Preliminary Provisions which contain short title and commencement, application and interpretation of words in variably used in the Bill.

Part Two proposes the provisions related to Establishment of the Office of Treasury Registrar. This Part contains the provisions for establishment of office of Treasury Registrar, seal and logo of the Office, functions and powers of the Office. This Part also explains on appointment of Treasury Registrar, functions of the Treasury Registrar, power to delegate functions, staff of the Office and prohibition to Treasury Registrar and Staff.

Part Three creates the provisions dealing with the Establishment of Public Investment Entities. This Part details on provisions relating to procedures for establishment of Public Investment Entities, submission of project proposals, legal personality of Public Investment Entities. This Part also deals with the provisions for appointment of Chief Executive Officer, recruitment of staff, conditions of service for staff, structure of Public Investment Entity, Board of Directors, secretary of the Board, tenure of the Board, limitation of being a member, dissolution of the Board, responsibilities of Board of Directors, Committees of the Board, meetings of the Board, disclosure of interest of members, remuneration of the Board and Annual General Meeting.

Part Four sets out the provisions for Accountability of Public Investment Entities. This Part explains on strategic plans, performance contracts for Chief Executive Officer, assessment of performance contracts and performance contracts of Board members. This Part also talks about provisions for preparation of financial plan, power to borrow, power to invest, preparation of the financial statements, subsidiaries of Public Investment Entity, remittances to the Paymaster General, and Funds and resource of Public Investment Entity.

Part Five deals with the provisions for Furnish Information to the Office. This Part contains the provisions dealing with the duty to furnish information and mechanisms for furnishing information.

Part Six has detailed provisions on Inspection and Investigation which include appointment of inspectors, powers to inspect, powers of investigator and investigation Report.

Part Seven proposes the provisions related to Restructuring of Public Investment Entities. This Part talks about provisions for proposal for restructuring, interim measures on temporary management of Public Investment Entity, declaration of Dissolution, appointment of Liquidator and dissolution of Public Investment Entity.

Part Eight has detailed provisions for Government Asset Management and gives roles of the Accounting Officer, Establishment of Asset Management Unit. This Part also introduces the provisions dealing with Asset Management System, use of public assets, acquisition, ownership, registration and tagging, depreciation and valuation. The Part describes the provisions that include confiscation of the assets, transfer of public assets, maintenance and disposal of public assets.

Part Nine creates the provisions dealing with the Financial Provisions which include funds of the Office, Budget, Accounts and Audits, and Annual Report.

Part Ten talks about Miscellaneous Provisions which include roles of the Minister, transitional provisions, regulations, repeal and Savings of the Public Investment Act No. 4 of 2002.

Zanzibar
14th April, 2021

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ZANZIBAR

