

**ACT 434****NATIONAL BOARD FOR SMALL-SCALE INDUSTRIES ACT, 1981**

## ARRANGEMENT OF SECTIONS

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**ACT 434****NATIONAL BOARD FOR SMALL-SCALE INDUSTRIES ACT, 1981**

**AN ACT to provide for the establishment of the National Board for Small-scale Industries and for connected matters.**

**1. Establishment of the National Board**

There is hereby established a body to be known as the National Board for Small-scale Industries.

**2. Functions of the Board**

(1) The functions of the Board are

- (a) to establish the criteria that constitute a small-scale industry;
- (b) to identify and define the types of small-scale industries in the country;
- (c) to assist the Minister responsible for Industries in the development and support of small-scale industries;
- (d) to implement policies in relation to small-scale industries duly approved by the Government;
- (e) to design, develop and implement specific plans of action to meet the needs and expectations of organised groups;
- (f) to establish the infrastructure required to accelerate the implementation of policies or execution of programmes;

- (g) to organise field extension network that will identify projects, collect relevant data, disseminate information and provide feedback;
- (h) to render advice in relation to the approval of applications for the establishment of small-scale industries as well as advice on the approval of import licences for small-scale entrepreneurs;
- (i) to co-ordinate through the Minister responsible for Industries the efforts of agencies, Ministries and donor countries to ensure proper flow of information and avoidance of duplication of efforts and waste of material resources;
- (j) to encourage the formation of associations, co-operatives or groups and build industrial estates or any other organisations considered beneficial to small-scale industries development;
- (k) to control through the Ministry responsible for Industries the inflow and outflow of foreign aid and foreign loans granted by donor countries for the development of small-scale industries;
- (l) to monitor through the Ministry responsible for Industries, the utilisation of funds derived from the Government budget and subsidies earmarked for small-scale industries;
- (m) to approve the funding of projects for amounts within the financial limits determined by the Minister responsible for Industries;
- (n) to appoint agencies which shall implement specific programmes in the areas of finance, technology and management development, define their role and determine their responsibilities and duties;
- (o) to assign to the appropriate agencies the implementation of projects and programmes commensurate with their ability to implement the projects and programmes;
- (p) to assist the implementing agencies to improve their capabilities and overcome their weaknesses so as to provide better service to the organised groups;
- (q) to ensure that delegated assignments to the implementing agencies are duly fulfilled;
- (r) to ensure that programmes related to the development of small-scale industries meet the national objectives.

(2) Any other organisation shall not perform a function mentioned in subsection (1) without prior consultation with, and approval in writing of, the Board.

### **3. Composition of the Council**

(1) The governing body of the Board consists of the chairman and seven members of proven ability in industry with particular interest in the small-scale industries sector.

(2) The members of the Council shall be appointed by the President in accordance with article 70 of the Constitution.

(3) The chairman and the other members of the Council shall hold office on the terms and conditions determined by the President.

(4) The Board may co-opt other persons and representatives of organisations or institutions with special interest in small scale industries as ex officio members.

(5) A co-opted person shall vote on any decision of the Council.

#### **4. Qualifications and eligibility of members of Council**

(1) Article 94 of the Constitution shall apply in respect of the eligibility and disability of the member to the Council.

(2) A member of the Council shall cease to be a member if

- (a) the member is found guilty of an unethical behaviour or guilty of a serious misconduct in respect of functions as a member of the Council if the behaviour or misconduct is certified in writing by not less than two-thirds of the members of the Council, or
- (b) the member is absent from three or more consecutive meetings of the Council without sufficient reason, or
- (c) the member is disqualified or suspended from practising professionally in the Republic or in any other country by order of a competent authority made in respect of the member at the instance of any other person.

#### **5. Executive and deputy executive directors**

(1) The Board shall have

- (a) an executive director, and
- (b) a deputy executive director,

appointed by the President in accordance with article 195 of the Constitution.

(2) The terms and conditions of employment of the executive director and the deputy executive director shall be determined by the Minister responsible for Industries on the advice of the Public Services Commission.

#### **6. Functions of the executive and deputy executive directors**

(1) The executive director in co-operation with the technical staff of the Board and the implementing agencies shall

- (a) execute the functions of the Board and any other functions assigned by the Council;
- (b) appoint the appropriate implementing agencies to conduct research and analyse statistical information on local sources of raw materials to be used in substitution for imported inputs and to establish the percentage of the total cost representing imported raw materials unavailable locally;
- (c) develop an effective export promotion programme for small-scale industries and handicraft products;
- (d) interpret Government policies and programmes to interested organisations, groups and individuals;

- (e) identify opportunities possible for small-scale industries in urban and rural areas by contacting private and public companies in the Republic and identifying their requirements;
- (f) assess present and future manpower training requirements for small-scale industries;
- (g) identify constraints imposed on small-scale industries respecting high taxation, lack of credit, lack of borrowing facilities, high rates of interest and conflicting government policies for small-scale industries;
- (h) study and evaluate economic opportunities in various fields of small-scale industries and to establish the needs and objectives of organised groups at the regional, district and village levels;
- (i) help establish and maintain a data bank of knowledge relating to central, regional and district policies, strategies, action plans and programmes for the development of economic opportunities that contribute to or support small-scale industrial development;
- (j) assess or help determine the amounts of capital investment required for machinery, equipment, tools and the technical assistance required to support small-scale industries in co-operation with the appropriate technology institutes;
- (k) assess the level of technology, the skills of the technicians, the productive capacity of machines, the proper use of equipment and tools, the maximum utilisation of existing methods of production for small-scale industrialists who have sought the help of the Board;
- (l) evaluate the present productivity of small-scale industries and devise, with the co-operation of existing technical research institutes, ways and means to increase productivity; and
- (m) report and recommend to the Council actions taken in the exercise of these functions.

(2) The deputy executive director shall assist the executive director in the performance of functions assigned under this Act.

### **7. Staff of Board**

The President shall, in accordance with article 195 of the Constitution, employ other officers and employees reasonably required for the efficient performance of its functions of the Board.

### **8. Regulation of business**

(1) The chairman or not less than four members of the Council shall convene meetings of the Council.

(2) The chairman shall preside at the meetings of the Council and in the absence of the chairman a member chosen for that purpose by a majority of members present shall preside.

(3) The quorum of the Board is four.

(4) Subject to subsection (1), the Council shall regulate its own procedure.

(5) The Council shall meet at least once every quarter.

#### **9. Validity of proceedings**

The proceedings of the Council shall not be invalidated by a vacancy in the membership of the Council or a defect in the appointment or qualification of a member.

#### **10. Funds**

(1) The funds of the Board include

- (a) grants received from the Government by the Board for the performance of its functions;
- (b) loans granted to the Board by the Government;
- (c) grants received from the United Nations Organisation, an international organisation or any other foreign sources;
- (d) moneys accruing to the Board in the course of the performance of its functions under this Act; and
- (e) gifts.

(2) Moneys received on account of the Board may be paid into a bank approved by the Council for the credit of the Board's general current or deposit account, but the Council may invest the moneys not required for current use as it considers fit.

#### **11. Accounts and audit**

(1) The Council shall

- (a) keep proper books of accounts and other records in relation to them, and
- (b) prepare an annual statement of accounts in the form and containing the particulars directed by the Auditor-General, or as may be required to satisfy its undertakings or engagements.

(2) The accounts of the Board shall be audited annually by the Auditor-General, who shall make a report on them to the Government.

#### **12. Annual report**

(1) The Council shall annually, not later than six months after the end of its financial year, prepare and submit through the Minister responsible for Industries to the Government, a report on its activities to the Board during the preceding year.

(2) The financial year of the Board shall be the same as that of the Government.

#### **13. Minister responsible for Board**

The Minister responsible for Industries is responsible for the Board.

