

CHAPTER 36

THE UGANDA TEA AUTHORITY ACT.

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CHAPTER 36

THE UGANDA TEA AUTHORITY ACT.

Commencement: 27 March, 1974.

An Act to establish a tea authority for Uganda and to provide for other matters connected therewith or incidental thereto.

1. Interpretation.

In this Act, unless the context otherwise requires—

- (a) “Minister” means the Minister responsible for agriculture;
- (b) “tea” means dried leaves of the tea plant which are capable of being used to make a beverage by steeping, infusion, decoction or by any other means;
- (c) “tea plant” means the plant known botanically as *Camellia Tea (Link)-(Thea Sinensis) (L)* or the seed of that plant.

2. Establishment of the authority.

(1) There is established a body to be known as the Uganda Tea Authority, in this Act referred to as the “authority”.

(2) The authority shall be a body corporate with perpetual succession and a common seal and may sue or be sued in its corporate name and may, in connection with the purposes of this Act, purchase, hold, manage and dispose of any property and enter into such contracts as may be necessary or expedient.

(3) The seal of the authority shall be authenticated by the signatures of the chairperson, the general manager and a member of the board designated for that purpose by the board.

(4) In the absence of the chairperson, two other members may be appointed by the board to sign in his or her place, and any person performing the functions of the general manager may sign in the absence of the general manager.

(5) Every document purporting to be an instrument issued by the

board and to be sealed with the seal of the board authenticated in the manner provided by this section shall be received and be deemed to be such an instrument without further proof unless the contrary is shown.

3. Board.

(1) The governing body of the authority shall be the board consisting of the chairperson and not less than six nor more than eight other members, three of whom shall be public officers representing respectively—

- (a) the Ministry responsible for agriculture;
- (b) the Ministry responsible for finance; and
- (c) the Ministry responsible for commerce.

(2) The chairperson and the other members of the board shall be appointed by the Minister upon such terms and conditions as may be specified in the instruments of appointment and shall, with the exception of those specified in subsection (1)(a), (b) and (c), serve for a period of two years.

(3) Any member of the board may resign his or her office by writing under his or her hand addressed to the Minister, or may be removed from office by the Minister for inability to perform the functions of his or her office or for any other sufficient reason.

(4) Any member of the board ceasing to hold office shall be eligible for reappointment.

4. General manager.

(1) The authority shall have a general manager who shall be appointed by the Minister for such period and upon such terms and conditions as the Minister may determine.

(2) The general manager shall devote his or her full time to the affairs of the authority.

(3) Subject to this Act and to the general control of the board on matters of policy, the general manager shall be responsible for the management of the funds, property and business of the authority and for its administration and organisation and the control of the staff of the authority.

5. Staff.

(1) The board may, from time to time, and on such terms and conditions as it thinks fit, appoint other officers and employees as may be necessary for the proper and efficient conduct of the business and functions of the authority.

(2) Public officers may be seconded to the authority or otherwise give assistance to it.

(3) The board may grant pensions, gratuities or retiring benefits to the officers and other employees of the authority and may require them to contribute to any pension, provident fund or superannuation scheme.

(4) The authority shall have a secretary who shall, in addition to any other function conferred on him or her by this Act or by the board, be responsible for taking minutes at the meetings of the board and keeping any records relating to the business of the authority.

(5) No matter or thing done by any employee of the authority shall, if it is done bona fide for the purposes of this Act, subject the employee or any person acting by his or her direction to any civil liability.

6. Meetings of the board.

(1) The board shall meet for the discharge of its functions under this Act at least once every three months at such time and place as the chairperson may appoint or upon the request in writing of three members of the board.

(2) The chairperson shall preside at all meetings of the board; and in his or her absence a member of the board nominated by him or her, or if no member is so nominated, such member of the board as the members present shall appoint, shall preside.

(3) Questions proposed at a meeting of the board shall be determined by a simple majority of its members present and voting; and in the case of an equality of votes, the person presiding at the meeting shall have a second or casting vote.

(4) Five members shall form a quorum.

(5) Subject to subsections (1) to (4), the board shall regulate its own procedure.

7. Transfer of property, funds, etc. to the authority.

(1) There is transferred to the authority any property or funds vested in or held on behalf of the board established by the Tea Act.

(2) Any obligations or liabilities attaching to any property or funds transferred to the authority by subsection (1) are transferred to the authority.

8. Funds of the authority.

The funds of the authority shall consist of—

- (a) any funds transferred to the authority by section 7;
- (b) proceeds of the cess imposed by section 13 and any other monies accruing to the authority in the discharge of its functions under this Act; and
- (c) any grants from the Government or any person, or any loan raised by the authority, for the purposes of its functions under this Act.

9. Borrowing powers.

(1) The board may, subject to the approval of the Minister and the Minister responsible for finance, borrow sums required by it for meeting any of its obligations or discharging any of its functions under this Act.

(2) An approval given under subsection (1) may be either general or limited to a particular borrowing or otherwise and may be either unconditional or subject to conditions.

(3) A person lending money to the authority shall not be bound to inquire whether the borrowing is within the power of the authority.

10. Functions of the authority.

(1) The functions of the authority shall be to promote the development of the tea industry in Uganda and to market manufactured tea.

(2) Without prejudice to the generality of subsection (1), the authority

shall—

- (a) be exclusively responsible for the export and marketing of tea outside Uganda;
- (b) make recommendations to the Minister as it thinks fit regarding the amount of the cess;
- (c) apply such portion of its funds as the Minister may determine for the benefit of the tea industry;
- (d) invest any surplus funds in any manner permitted by law or in any project approved by the Minister after consultation with the Minister responsible for finance;
- (e) perform such functions relating to the growing and harvesting of tea as may be prescribed by the Minister;
- (f) participate solely or jointly in the establishment of manufacturing factories for green leaf or derivative tea and in the control and management of such factories;
- (g) do all such things as are conducive or incidental to the attainment of the foregoing objects.

(3) For the purposes of its functions relating to the marketing of tea, the authority shall have power to appoint agents outside Uganda.

11. Accounts and audit.

(1) The authority shall keep books of account and proper records in relation to them.

(2) The accounts shall, in respect of every financial year, be subject to audit by the Auditor General or an auditor appointed by him or her.

(3) The Auditor General shall deliver to the Minister a copy of the audited accounts of the authority not later than six months from the end of the financial year to which they relate.

(4) The Minister shall lay before Parliament a copy of the audited accounts delivered under subsection (3).

(5) In this section, “financial year” means the period of twelve months ending on 31st December, or such other period of twelve months as the Minister, by writing under his or her hand, may authorise the authority to adopt as its financial year.

12. Estimates.

(1) The authority shall within such period from the end of each financial year as the Minister shall determine make and submit to the Minister for his or her approval estimates of the income and expenditure of the authority for the next ensuing year.

(2) No expenditure shall be made out of the funds of the authority unless the expenditure has been approved by the Minister under the estimates for the year in which it is to be made or in any other estimates supplementary to those estimates.

13. Imposition of cess.

(1) There is imposed a cess which shall be paid in respect of all tea manufactured in Uganda.

(2) The rate of the cess shall be such as the Minister may, after consultation with the authority, by statutory order impose.

(3) Any cess paid under this Act shall be collected by the authority or by any person designated by the authority to collect on its behalf.

(4) No cess or variation of the cess imposed under this section shall become effective until the expiration of two months from the date of publication of the order imposing or varying it.

(5) The cess shall be collected and paid in the prescribed manner from and by every person who is the holder of a tea manufacturing licence.

(6) Any person who does any act with intent to avoid payment of any cess due to be paid by him or her under this Act commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

(7) Cess due under this Act may be recovered by the authority by civil proceedings as if it were a debt arising upon a contract, and the fact that criminal proceedings have been taken against any person under this section shall not relieve that person from liability to pay any cess which he or she is

or may be liable to pay.

14. Tea planting licence.

(1) No person shall plant tea on any land which has not been planted with tea before the date of commencement of this Act, except under a licence (hereafter referred to as a “tea planting licence”) issued to him or her for that purpose by the authority.

(2) Every tea planting licence shall specify the acreage of land on which tea may be planted by virtue of the licence, and the holder of the licence shall not plant tea on any land in excess of the acreage so specified.

(3) For the purposes of subsection (2), tea shall not be deemed to be planted if it is planted in a tea nursery maintained for the propagation of tea plants from seed or by any other horticultural method.

(4) Before it issues a tea planting licence to any person, the authority shall satisfy itself—

- (a) that the land upon which it is proposed to plant tea is suitable for tea planting;
- (b) that the applicant has complied with soil conservation measures required by the commissioner of agriculture;
- (c) that the land has been cleared and cultivated and all woody material has been removed from the soil;
- (d) that holes of not less than two centimetres in diameter and not less than six centimetres deep have been dug at least one month before planting;
- (e) that the holes are spaced and follow the contour on sloping land as directed by the authority or its authorised agent.

(5) Any person who contravenes subsection (1) or who, being the holder of a tea planting licence, contravenes subsection (2) commits an offence and is liable on conviction to a fine not exceeding two thousand shillings or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

(6) Where a person is convicted of an offence under this section, the court which convicts him or her may in addition to any other penalty order him or her to uproot, within a time to be fixed by the court, any tea plants in respect of which the offence was committed, and if that person does not

comply with the order within the time so fixed, he or she commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to imprisonment for a period not exceeding twelve months or to both such fine and imprisonment.

15. Application for tea planting licence.

An application for a tea planting licence shall be made in writing to the authority and shall be accompanied by the prescribed particulars or, where no particulars have been prescribed, by such particulars as the authority thinks necessary.

16. Form of tea planting licence, etc.

- (1) Every tea planting licence—
 - (a) shall be in the prescribed form or, where no form has been prescribed, in such form as the authority thinks fit; and
 - (b) shall be subject to such conditions as the authority may determine.

(2) The authority may at any time vary the conditions of any tea planting licence and may cancel or suspend any such licence in the event of a breach of any term or condition of the licence.

17. Permit for erection of tea factories.

(1) No person shall commence to erect a factory for the manufacture of tea except under a permit issued by the Minister.

(2) Any person who contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

18. Issue of permits.

A permit to erect a factory for the manufacturing of tea may be issued by the Minister in his or her discretion if he or she has received from the applicant for the permit such information, whether in the form of plans or otherwise, as is sufficient to satisfy him or her that the proposed factory is of a design suitable for the manufacture of tea.

19. Tea manufacturing licence.

(1) No person shall manufacture tea except in premises in respect of which the Minister has issued to him or her a licence (hereafter referred to as a “tea manufacturing licence”) for that purpose.

(2) Any person who contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

20. Application for tea manufacturing licence.

An application for a tea manufacturing licence shall be made in writing to the Minister and shall be accompanied by the prescribed particulars or, where no particulars have been prescribed, by such particulars as the Minister thinks necessary.

21. Form of tea manufacturing licence, etc.

- (1) Every tea manufacturing licence—
 - (a) shall be in the prescribed form or, where no form has been prescribed, in such form as the Minister thinks fit; and
 - (b) shall be subject to such conditions as the Minister may determine.

(2) The Minister may at any time vary the conditions of a tea manufacturing licence and may cancel or suspend any such licence in the event of a breach of any term or condition of the licence.

22. Refusal of licence.

The authority or, as the case may be, the Minister may refuse to issue a tea planting licence or a tea manufacturing licence on any grounds which appear sufficient to the authority or the Minister.

23. Licence not to be assigned.

(1) No person to whom a tea planting licence or a tea manufacturing licence has been issued shall transfer or assign the licence to any other person, except with the consent of the authority or the Minister, as the case

may be, and no such consent shall be valid unless it is endorsed on the licence.

(2) Any person who contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

24. Fees and exemption.

The Minister may prescribe the fees payable for any licence granted or issued under this Act and may also prescribe that any such fees be reduced or waived, or if paid, be refunded in whole or in part.

25. Records and returns.

(1) Every person who is the holder of a tea planting licence or a tea manufacturing licence shall in the prescribed manner—

- (a) keep such records as may be prescribed; and
- (b) render such returns to such persons and at such intervals as may, in each case, be prescribed.

(2) Any person who contravenes any provision of subsection (1) commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

26. Powers of entry.

(1) For the purpose of ascertaining by inspection and inquiry whether the provisions of this Act relating to any tea planting licence or tea manufacturing licence or any conditions attaching to any such licence are being complied with, the authority may authorise any person to enter at any reasonable time upon any land or, except after business hours, into any building occupied by the holder of a tea planting licence or any premises in respect of which a tea manufacturing licence has been issued.

(2) Where it comes to the knowledge of the authority that any land is intended to be used for tea planting by a person who has applied for a tea planting licence, it may cause any person authorised by it at any reasonable time to enter on that land for the purpose of ascertaining by inspection and

inquiry whether it is suitable for tea planting.

(3) The authority may also authorise any person during normal business hours to enter any premises in respect of which an application for a tea manufacturing licence has been made for the purpose of ascertaining by inspection and inquiry whether those premises are suitable for the manufacture of tea.

27. Offences and penalties.

Any person who—

- (a) makes any statement, oral or written, which he or she knows to be false in order to obtain a tea planting licence or a tea manufacturing licence;
 - (b) hinders or obstructs any person in the exercise of any power of entry mentioned in section 26 or in the carrying out of the purpose therein mentioned or who fails to give such person any assistance or information reasonably required by that person in connection with such entry or purpose; or
 - (c) knowingly makes any false statement in any record or return which he or she is required to keep or render under section 25,
- commits an offence and is liable on conviction to a fine not exceeding ten thousand shillings or to imprisonment for a period not exceeding twenty-four months or to both such fine and imprisonment.

28. Prohibition on export of tea, etc.

(1) Notwithstanding anything to the contrary in any written law, no person except the authority shall export any tea from Uganda or market outside Uganda any tea produced in Uganda and, accordingly, any licence or permit to export or market tea outside Uganda granted or issued under any such law is cancelled.

(2) Any person who contravenes subsection (1) commits an offence and is liable—

- (a) for a first offence, to a fine not exceeding fifty thousand shillings or to imprisonment for a term not exceeding three years;
- (b) for a second offence, to a fine not exceeding one hundred thousand shillings or to imprisonment for a term not exceeding five years; and
- (c) for a third or subsequent offence, to imprisonment for a term not

exceeding ten years.

(3) Any tea in respect of which any offence is committed under this section shall be forfeited.

(4) The seed of the tea plant or any part of the tea plant which may be used to propagate tea may be exported from Uganda subject to any conditions which may be imposed by the commissioner of agriculture.

(5) Any person who contravenes any condition imposed by the commissioner of agriculture under subsection (4) commits an offence and is liable on conviction to a fine not exceeding one thousand shillings or to imprisonment for a term not exceeding one month.

29. Appeals.

Any applicant for or holder of a licence under this Act who is aggrieved by any decision of the authority—

- (a) refusing to issue such licence;
- (b) refusing to consent to the transfer or assignment of such licence;
- or
- (c) cancelling or suspending such licence,

may appeal to the Minister, who may affirm, vary or reverse the decision appealed against or make such other order as appears to him or her necessary and just, and the decision of the Minister under this section shall be final.

30. Cancellation and suspension of licence by court.

(1) Where a person who is the holder of a tea planting licence or a tea manufacturing licence is convicted of an offence under this Act, the court which convicts him or her may in addition to any other penalty cancel or suspend his or her licence.

(2) An appeal shall lie against any cancellation or suspension of a licence imposed under this section as if the cancellation or suspension were part of the sentence passed on the person convicted.

31. Offences by bodies corporate.

Where the offender under this Act is a body corporate, every director, manager, secretary or other officer of that body is liable together with that

body to the penalty prescribed for the offence unless he or she proves that the offence was committed without his or her knowledge or connivance or if he or she had knowledge of the offence, that he or she took all reasonable steps to prevent its commission by the body.

32. Minister's power of direction.

The Minister may, subject to this Act, give directions of a general or specific nature relating to the functions of the authority, and the Authority shall be bound to comply.

33. Annual reports.

The board shall not later than six months from the end of each financial year make and submit to the Minister a report showing the performance of the authority during the financial year to which the report refers, including the extent to which any directive given by the Minister during that year was carried out.

34. Transitional provision.

Until the appointment of the board of the authority and the doing of any other thing necessary for the effective discharge by the authority of any function under this Act, the Minister may by writing under his or her hand appoint such other person or organisation in connection with such function as appears to him or her fit.

35. Regulations.

The Minister may, after consultation with the authority, by statutory instrument, make regulations—

- (a) prescribing— (i) the form of any application under this Act; (ii) any licence or permit under this Act; (iii) anything required to be prescribed by this Act;
- (b) for better carrying out the provisions and principles of this Act.

History: Decree 8/1974.

Cross Reference

Tea Act, 1964 Revision, Cap 240.