

THE DAIRY INDUSTRY DEVELOPMENT ACT, 2010

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FIRST SCHEDULE

GOVERNMENT OF ZAMBIA

ACT

No. 22 of 2010

Date of Assent: 13th April, 2010

An Act to regulate the dairy industry so as to develop an efficient and self sustaining dairy industry that will effectively contribute towards poverty alleviation, household food security and employment creation; establish the Dairy Industry Development Board and provide for its functions and powers; enhance milk production in order to fully utilise the capacity of processing facilities, so as to achieve growth in the processing of safe and wholesome high value milk products; provide for the processing, manufacturing, marketing and distribution of milk; ensure collaboration and participation of all stakeholders within the dairy industry and provide a wider service to farmers in the dairy industry; promote self regulation of the dairy industry through the development and use of codes of practice; repeal the Dairies and Dairy Produce Act, 1931; and provide for matters connected with, or incidental to, the foregoing.

[16th April, 2010

ENACTED by the Parliament of Zambia.

Enactment

PART I

PRELIMINARY

1. This Act may be cited as the Dairy Industry Development Act, 2010, and shall come into operation on such date as the Minister may, by statutory instrument, appoint.

Short title and commencement

2. This Act shall apply to milk and milk products.

Application

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

Inter-pretation

“animal health service provider” includes any person who is qualified to perform any operation and give or provide any treatment, test, advice, diagnosis or attendance to livestock;

“Board” means the Dairy Industry Development Board established under section *four*;

- “certificate” means a certificate issued under section *fifteen*;
- “dairy” means any premises, building or structure used for the production, processing or manufacture of milk or milk products, as the case may be, for sale;
- “dairy animal” means an animal which is kept for the purpose of milking;
- “dairy industry” means the entire milk and value chain in the dairy sector relating to the production, processing, manufacturing, transportation, marketing, and distribution of milk and milk products;
- “dairy sector” means a sub-sector of the agricultural sector dealing with the regulatory, executory and delivery aspects of the dairy industry;
- “distributor” means any person who carries on the business of distributing milk or milk products, but does not include a retailer or milk vendor;
- “Fund” means the Dairy Development Fund established under section *twenty three*;
- “milk” means a normal lacteal secretion obtained from the mammary gland of a dairy animal;
- “milk product” means any product prepared from milk by an approved process including heating, separation, fermentation, evaporation and drying and includes cultured soured milk, yoghurt, butter, ghee, cream, dairy ice cream and any other product manufactured wholly or with at least ten per cent of milk;
- “milk shed area” means any part of Zambia which has a sizeable number of stakeholders whether at provincial, district or ward level;
- “milk vendor” means a person who carries on the business of selling milk or milk products by delivering the milk or products to the place of residence or business premises of the purchaser;
- “Minister” means the Minister responsible for livestock and fisheries development;
- “producer” means any person who keeps dairy animals for the production of milk and includes a manager;
- “processor” means any person who carries out the business of processing milk or manufacturing milk products;
- “producer processor” means a person who processes milk or manufactures milk products solely obtained from that person’s own farm;

“pasteurised cream” includes any type of milk product, prescribed as pasteurised cream;

“pasteurised milk” includes any type of milk prescribed as pasteurised milk;

“retailer” means any person who buys milk or milk products from a distributor for resale to consumers, but does not include a milk vendor;

“registered person” means any person or a producer, processor, producer processor, marketing agent, importer, exporter, dairy inputs supplier, retailer, milk vendor or manufacturer, registered under section *fifteen*;

“regulatory agency” means a public authority that is entrusted with the power to issue and enforce the laws governing the dairy industry or the retail, sale, processing, production, manufacture or handling of goods and products for use by, or consumption of, the public or the provision of services, in particular any authority under the—

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|---|--------------------|
| (a) Local Government Act; | Cap. 281 |
| (b) Co operative Societies Act, 1998; | Act No. 20 of 1998 |
| (c) Control of Goods Act; | Cap. 421 |
| (d) Factories Act; | Cap. 441 |
| (e) Food and Drugs Act; | Cap. 303 |
| (f) Food Reserve Act; | Cap. 225 |
| (g) Markets and Bus Stations Act, 2007; | Act No. 7 of 2007 |
| (h) Standards Act; | Cap. 416 |
| (i) Public Health Act; | Cap. 295 |
| (j) Pharmaceutical Act, 2004; | Act No. 14 of 2004 |
| (k) Stock Diseases Act; | Cap. 252 |
| (l) Trades Licensing Act; | Cap. 393 |
| (m) Tsetse Control Act; | Cap. 249 |
| (n) Veterinary Surgeons Act; | Cap. 243 |
| (o) Water Act; | Cap. 198 |
| (p) Environmental Protection and Pollution Control Act; | Cap. 204 |
| (q) Zambia Development Agency Act, 2006; | Act No. 11 of 2006 |
| (r) Agricultural Credits Act; | Cap. 224 |
| (s) Agricultural Lands Act; | Cap. 187 |
| (t) Companies Act; | Cap. 388 |
| (u) Societies Act; and | Cap. 199 |
| (v) Weights and Measures Act. | Cap. 403 |

“stakeholder” means any person, organisation, institution,

private or public, interested in, concerned with, or involved in, the dairy industry or development of the dairy industry in Zambia, whether directly or indirectly; and
 “Standards Bureau” means the Zambia Bureau of Standards established by the Standards Act.

Cap. 416

PART II

THE DAIRY INDUSTRY DEVELOPMENT BOARD

Establishment
of Board

4. (1) There is hereby established the Dairy Industry Development Board which shall be a body corporate with perpetual succession and a common seal, capable of suing and being sued in its corporate name and with power, subject to this Act, to do all things as a body corporate may, by law, do or perform.

(2) The Schedule applies to the Board.

Composition
of Board

5. (1) The Board shall consist of the following part-time members who shall be appointed by the Minister:

(a) one person representing the Zambia National Farmers Union;

(b) a representative of an association representing veterinarians;

(c) one person representing the Dairy Association of Zambia registered under the Societies Act;

Cap. 119

(d) one person elected by the members of the milk collection centres registered under the Co-operative Societies Act, 1998, or Societies Act ;

Act No. 20 of
1998

(e) one person representing the Standards Bureau;

(f) one person representing the Ministry responsible for finance;

(g) one person representing the Ministry responsible for livestock development;

(h) one person representing the Dairy Processors;

(i) one person representing the Ministry responsible for health; and

(j) one person representing the Bankers Association of Zambia.

(2) The members referred to in subsection (1) shall be nominated by their respective institutions and shall be appointed by the Minister.

(3) The members shall elect a Chairperson and Vice Chairperson from amongst their number, except that the members appointed under paragraphs (e), (f), (g), (h), (i) and (j) shall not be elected as Chairperson.

6. The functions of the Board are to—

Functions of
Board

- (a) promote the development of the dairy industry and advise the Minister on policies and strategies for the promotion and development of the dairy industry;
- (b) regulate the dairy industry in accordance with this Act;
- (c) carry out or cause to be carried out market research relating to the dairy industry;
- (d) cause to be conducted research in dairy farming and investigate problems affecting the industry;
- (e) develop and monitor strategies and plans designed to achieve and maintain self sufficiency and efficiency in milk production, processing, manufacturing and marketing in Zambia;
- (f) promote the establishment of milk processing plants to receive, process and retail milk in an orderly manner that assures milk quality and safety;
- (g) support the development of informal milk markets, especially in remote rural areas where milk collection centers are non existent, ensuring that milk comes from tuberculosis brucellosis free herds and the milk has been hygienically produced and handled;
- (h) ensure the availability of appropriate technology for the dairy industry;
- (i) create and promote a competitive environment conducive to fair play among the stakeholders in the industry;
- (j) collect, analyse and disseminate data and information relating to the dairy sector;
- (k) establish and maintain an up to date data bank on the dairy sector using information from within and outside Zambia;
- (l) promote and facilitate the formation of cooperative societies and other associations of stakeholders and monitor their activities;
- (m) promote and co ordinate the development of small, medium and large scale dairy farmers and processors;
- (n) render advice and technical assistance to milk collection centers under small holder dairy farmers;
- (o) encourage and promote the consumption of milk and milk products within Zambia;

- (p) promote the training and improvement of skills in technological advancement in the dairy sector through training programmes, visits, study tours and agricultural shows and ensure that such technologies address the sensitivities of gender;
- (q) monitor trends for local dairy production, dairy export and import requirements;
- (r) monitor the implementation of agreements governing the sale of, or infrastructure development for, dairy factories and farms and submit a report to the Minister;
- (s) advise the Government on national strategic reserves for the dairy sector;
- (t) ensure that women, youth and other vulnerable groups are beneficiaries of any development programme under the dairy sector and ensure equity to resources;
- (u) liaise with all regulatory agencies;
- (v) organise dairy shows and the participation of stakeholders in such shows within and outside Zambia;
- (w) promote advocacy of the dairy industry; and
- (x) do all acts and things as are necessary, incidental or conducive to the better carrying out of its functions under this Act.

Feeds and
feeding

7. The Board shall promote the availability of high quality livestock feeds and fodder in order to ensure sustained increase of milk yields and long term viability of the dairy industry by—

- (a) providing clear guidelines on the supply of standardised quality feeds, in liaison with the appropriate regulatory agency;
- (b) promoting the even distribution of feed millers in milk shed areas;
- (c) encouraging private sector participation and competition in the feed industry;
- (d) promoting the production of seed for crops including drought tolerant crops, pasture seed as well as legume seed and other fodder crops so as to enhance the availability of feed at the farm level for the improvement of animal productivity;
- (e) encouraging the development of appropriate technological know how in feed management and storage;
- (f) providing adequate services such as extension, research and market information; and

(g) supporting and strengthening individual dairy farmers to grow permanent and seasonal fodder crops.

8. The Board shall upgrade the production of milk from dairy animals by the use of high milk breeding value proven semen through natural service or the use of artificial insemination by—

Animal
breeding
services

(a) harmonising and strengthening breed improvement services;

(b) supporting any institution dealing in artificial insemination services, pregnancy diagnosis and fertility testing in sires;

(c) encouraging private participation in the provision of artificial insemination services;

(d) encouraging the sharing of costs between the private sector and the Government to give impetus to private veterinarians and inseminators to provide the service; and

(e) encouraging the conservation of best sires by individual farmers and the use of these sires in any upgrading programme.

9. The Board shall ensure the availability of efficient and reliable animal health and clinical services as a vital input in dairy development.

Animal
health and
clinical
services

10. (1) The Board may, in carrying out its functions under this Act—

Powers of
Board

(a) investigate the cost of production, processing, distributing and transporting any milk or dairy product;

(b) investigate a price, price spread, trade practice, method of financing, management practice, grading policy or any policy or other matter relating to the marketing, production or processing of milk or milk products;

(c) conduct a milk utilisation audit;

(d) investigate, arbitrate, adjudicate upon or otherwise settle any dispute arising under this Act;

(e) formulate implementation plans, showing monthly and yearly activities to be undertaken, to implement its strategies for the carrying out of its functions; and

(f) do such other acts and make such orders, guidelines and directives as are necessary for the implementation of this Act.

(2) The Minister may, by statutory instrument, designate milk products, and animals as dairy animals, for the purposes of this Act.

11. Subject to the other provisions of this Act, the Board may, by directions in writing, and subject to any terms and conditions as

Delegation

it considers necessary, delegate to the Registrar, any member of the Board, staff of the Board and any committee of the Board any of its functions under this Act.

Registrar of
Board

12. (1) The Board shall appoint a Registrar, who shall be the chief executive officer of the Board and Secretary of the Board, on such terms and conditions as the Board may determine.

(2) The Registrar shall be responsible, under the direction of the Board, for the—

- (a) management and administration of the affairs of the Board;
- (b) implementation of the decisions of the Board; and
- (c) any other functions assigned to the Registrar by the Board or under this Act.

(3) The Registrar shall attend meetings of the Board and may attend meetings of any committee of the Board, and may address such meetings, but shall have no vote.

Staff of
Board

13. The Board may appoint, on such terms and conditions as it may determine, experts and such other staff as it considers necessary for the performance of its functions under this Act.

PART III

REGISTRATION PROVISIONS

Application
for
Registration

14. (1) Any person who deals with milk or milk products shall, within twelve months from the commencement of this Act, register with the Board under this Act, in the prescribed manner and form.

(2) Any person shall, in accordance with the prescribed criteria, conditions and procedure, apply to be registered as a—

- (a) producer, processor or marketing agent;
- (b) producer processor;
- (c) milk or milk products importer or exporter;
- (d) dairy inputs supplier or importer;
- (e) milk vendor; or
- (f) retailer.

(3) The Minister may, by regulations and on the recommendation of the Board, prescribe the criteria, terms and conditions for registration under this Act, including—

- (a) the form of, and procedure for, making an application for registration;
- (b) the information and documents to be submitted with an application for registration;
- (c) the fee payable on the issuing or renewal of a certificate of registration;
- (d) the procedures and conditions for the variation, suspension,

revocation and renewal of any certificate of registration issued under this Part;

(e) the form and procedure to be used when making any objection under this Part;

(f) any notices that are required to be issued under this Part;

(g) the form and procedure for making any appeal under this Part; and

(h) such other matter as may be necessary to ensure an efficient and fair registration and certification system.

(4) Any person who contravenes this section or any regulations made under this section commits an offence and is liable, upon conviction, to the general penalty provided under section *thirty two*.

15. The Board shall register any applicant who meets the prescribed criteria and conditions for registration, within fourteen days of receiving the application for registration, and issue that applicant with a certificate of registration.

Issue of certificate of registration

16. (1) The Board may refuse to register any applicant under section *fifteen* if the applicant does not meet any prescribed criteria or condition, after notifying the applicant of its intended decision and giving the applicant fourteen days in which to make any objections, in writing, against such decision or to remedy any defect that necessitated that intended decision.

Refusal to register

(2) The Board shall take into account any objection or remedy made by an applicant under subsection (1) before making its final decision whether to register or to refuse to register the applicant.

17. (1) The Board may, if a registered person fails to comply with the terms and conditions of the registration, vary, suspend or revoke the registration of that person, after giving that person fourteen days notice to that effect and an opportunity to be heard, in accordance with regulations issued by the Minister under subsection (3) of section *fourteen*.

Variation, suspension and revocation of registration

(2) The variation, suspension or revocation of registration may be in addition to any other penalty to which the registered person may be liable under this Act.

18. A certificate of registration, issued under this Act, shall be valid for two years and shall be renewable for further periods of two years on payment of a prescribed fee.

Validity of certificate of registration

19. A certificate of registration issued under this Act shall not be transferable.

Certificate of registration not transferable

20. (1) Where a certificate of registration, issued under this Act, is lost or destroyed the holder of such a certificate may apply to the Board for a replacement and the Board shall, after being satisfied with proof of loss from the applicant and on payment of a prescribed fee, issue a copy of the certificate.

Replacement of lost or destroyed certificate of registration

(2) A certified copy of the certificate of registration shall be as effective as the original certificate.

Appeals

21. (1) Any person who is aggrieved with a decision of the Board may, within thirty days from the date of the decision, appeal to the Minister.

(2) An appeal may be lodged to the Minister in respect of any decision of the Board to refuse to register or renew the registration of any person or against the variation, revocation or suspension of any registration under this Act.

(3) The Minister may, for any good reason, extend the time for lodging of an appeal under subsection (1).

(4) In determining an appeal under this section, the Minister may—

(a) dismiss the appeal;

(b) require the Board to register, or renew the registration of, the applicant and issue the certificate of registration;

(c) quash any variation, suspension or revocation of the registration or substitute any suspension for a revocation of the registration; or

(d) order a person to make a fresh application for registration under this Act.

(5) The Board shall give effect to any decision made by the Minister.

Register

22. (1) The Registrar shall —

(a) keep and maintain a register of all registered persons;

(b) maintain a data base on such information relating to the dairy industry as may be prescribed; and

(c) publish, periodically, in a daily newspaper of general circulation in Zambia, the register of registered persons kept under paragraph (a).

PART IV

THE DAIRY INDUSTRY DEVELOPMENT FUND

Establishment
of Fund

23. (1) There is hereby established the Dairy Industry Development Fund.

(2) The Fund shall consist of —

(a) all moneys received by the Board for the development of the dairy industry;

(b) such sums of money as may be appropriated by Parliament for the purpose of developing the dairy industry as specified under this Act;

- (c) all fees, levies and other charges payable under this Act or any law;
- (d) such donations and grants as the Board may receive from stakeholders, foreign or local organisations or foreign governments;
- (e) income derived from investments; and
- (f) any other source of income approved by the Minister for purposes of the Fund.

24. The Board shall manage the Fund for the following purposes: Purpose of Fund

- (a) to support various dairy development activities including dairy training, dairy market research, upfront procurement for sale to the dairy farmers or dairy industry of containers, coolers, instant chillers, liquid nitrogen flasks and other dairy and hardware equipment;
- (b) to support artificial insemination and artificial insemination services, the development and promotion of milk and milk products, consumption and export of milk and milk products; and
- (c) to cover the cost of any other dairy development activities as may be required in the furtherance of the Board's functions and powers under this Act.

25. The Fund shall be managed by the Board in accordance with sound financial accounting procedures. Management of Fund

26. (1) The Board shall prepare or cause to be prepared accounts and records of transactions relating to the Fund in every financial year of the Board, and shall ensure that all moneys received are properly accounted for, and all payments are properly authorised and correctly made and that adequate control is maintained over its property and the incurring liabilities. Accounts and annual report

(2) The Registrar shall, within sixty days after the end of each financial year of the Board, submit to the Board an annual report, in respect of the Fund, for that year containing—

- (a) audited statement of accounts;
- (b) general information relating to the development activities undertaken by the Board and the dairy industry during the preceding financial year; and
- (c) other information as the Board may, prior to the completion of the annual report or any supplement to the report, request in writing.

27. (1) The Fund shall be audited, within ninety days after the end of the Board's financial year, by any qualified firm of auditors appointed by the Board and approved by the Auditor General. Auditing of Fund

(2) A firm of auditors appointed under subsection (1), shall audit the Fund, within sixty days of the receipt of the accounts, and present the audited accounts and its opinion to the Board.

(3) The Board may order any other audit in addition to the audit specified under subsection (1).

(4) As soon as the Fund has been audited, and in any case not later than ninety days after the close of the financial year of the Board, the Board shall submit the audited statements of accounts, together with the Board's annual report prepared under Part II of the Second Schedule, to the Minister.

(5) The Board may, with the approval of the Minister, invest any moneys not required for immediate use.

PART V

GENERAL PROVISIONS

Obstruction
of member
or staff of
Board

28. Any person who, directly or indirectly, impedes or obstructs any staff or member of the Board in the performance of their duties, under this Act, commits an offence and is liable, upon conviction, to the general penalty provided for under section *thirty two*.

Inspections

29. (1) The Board may appoint, on such terms and conditions as it may determine, inspectors as it considers necessary for the performance of its functions under this Act.

(2) The Board shall issue an identity card to an inspector appointed under this Act, which shall be produced by the inspector when any person requires it to be produced.

(3) An inspector may at any reasonable time, with notice, for the purposes of performing that inspector's functions under this Act, without warrant, enter into any land, premises or other place which the inspector reasonably believes is being used for the keeping of dairy animals and for the production, processing or manufacturing of milk or milk products.

(4) An inspector may enter any land, premises or other place, without giving notice and without a warrant, if the inspector—

(a) has reason to believe that a provision of this Act has been, is being or is about to be contravened;

(b) is unable to give notice within a reasonable time having regard to all the circumstances; or

(c) has given reasonable grounds for not giving notice.

(5) An inspector, during an inspection—

(a) shall have free access to any land, premises or other place

that fall under the general functions and powers of the Board under this Act;

- (b) may inspect any activity being carried out that are the subject of this Act;
- (c) may take specimens of any milk or milk product from any premises or place;
- (d) may inspect any container for, or with, milk or milk product;
- (e) may examine and make copies of any books, records or other documents containing information relevant to the administration or enforcement of this Act;
- (f) may use any computer to examine any data available and reproduce or print out a copy of any record or entry that contains information relevant to the administration or enforcement of this Act;
- (g) may open and inspect any package, flask or other container; and
- (h) may generally examine or inspect anything relevant to the administration or enforcement of this Act.

(6) The Board shall specify the period of time for which records and specimens collected under this Act shall be kept.

(7) An inspector exercising any power under this Act shall do so with reasonable care and in such a manner as to cause as little damage as possible in so doing.

(8) A person shall not obstruct, molest or hinder any inspector from exercising or performing their powers and functions under this Act.

30. Any person who—

- (a) delays or obstructs an inspector in the performance of the inspector's functions;
- (b) refuses to give an inspector such reasonable assistance as the inspector may require for the purpose of exercising the inspector's powers; or
- (c) gives an inspector false or misleading information in answer to any inquiry made by the inspector;

commits an offence and is liable, upon conviction, to a fine not exceeding two hundred thousand penalty units or to imprisonment for a period not exceeding two years, or to both.

31. (1) Any person who contravenes any provision of this Act, where no specific penalty has been provided, commits an offence and is liable, upon conviction, to a fine not exceeding one hundred

Offences
relating to
inspection

General
penalty

thousand penalty units or to imprisonment for a period not exceeding six months, or to both.

(2) Where a person is convicted of an offence, under this Act, the court may order that milk or milk product in respect of which the offence has been committed be forfeited to the State.

(3) Notwithstanding subsection (1) and (2), in the case of a subsequent offence, the court may order, in addition to penalties provided for under those subsections, the revocation of that person's certificate of registration or the withdrawal of any other right held by the person under this Act.

Offences by
company

32. Where a company commits an offence under this Act, any officer, director, employee or agent of the company who directed, authorised, assented to, or acquiesced in the commission of the offence shall be a party to and commits the offence, and shall be personally liable to the punishment provided for the offence, whether or not the company has been prosecuted or convicted.

Regulations

33. The Minister may, upon the advice of the Board and in consultation with an appropriate regulatory agency, make regulations—

- (a) prescribing standards for the construction, lighting, ventilation, cleanliness, drainage and water supplies of dairies and milk collection centres;
- (b) prescribing types and standards of equipment to be used in the production, processing or manufacture of milk and milk products;
- (c) prescribing minimum standards of milk and milk products and prohibiting the sale of any milk or milk product which does not conform to the minimum standard;
- (d) prescribing methods of treatment and disposal of any waste product or effluent resulting from the production or processing of milk and milk products;
- (e) prescribing methods of processing milk and manufacturing milk products;
- (f) prescribing methods and conditions of use, limitations on the use of preservatives, colouring or other substances added to milk or milk products;
- (g) providing for the cleanliness of vehicles and vessels used for the transport of milk and milk products;
- (h) prescribing methods of packaging any milk or milk products;
- (i) prescribing methods for cooling, aerating, storing, conveying and distributing milk and milk products;
- (j) providing for the grading of milk or milk products, labelling

and description to be used to distinguish any grade of milk or milk product and prohibiting the sale or delivery for sale of any milk or milk product under any description or distinguished by any marking other than that appropriate to the grade or type thereof;

- (k) prescribing methods for the designation of milk or milk products;
- (l) providing for the issue of grading certificates to producers or manufacturers and for cancellation of such certificates;
- (m) prescribing precaution to be taken for the protection of milk or milk products from infection or contamination;
- (n) providing for the disposal of infected or contaminated milk and milk products;
- (o) providing for the inspection of dairies and persons in or about dairies who have access to milk or milk products or to any vessel or container used therein;
- (p) providing for the inspection, sampling, examination and analysis of milk and milk products at any time before retail;
- (q) prescribing the duties of inspectors, graders, sampling officers and analysts that are in the service of the Board or contracted by the Board;
- (r) providing for the sampling, examination and analysis of any article or substance found within a dairy;
- (s) authorising any person permitted by the Board to seize and detain milk or any milk product and any vehicle carrying such milk or milk products;
- (t) prescribing forms required in the implementation of this Act and regulations;
- (u) prescribing conditions under which milk or milk products may be imported into or exported from Zambia;
- (v) controlling any diseases relating to dairy animals and regulating the quarantine of dairy animals;
- (w) prescribing the handling of milk and milk products and the standard of hygiene required for any employee or owner working with such milk and milk products;
- (x) regulating milk collection centres and training of staff for dairies and milk collection centres;
- (y) prescribing tests to be carried out before acceptance of milk at dairies;
- (z) prescribing any levies, fees or charges required to be paid under this Act; and

(aa) prescribing for offences and penalties and anything which may be prescribed under this Act or which may be required for the better carrying into effect of the provisions of this Act.

Repeal of
Cap. 230
Cap. 230

34. The Dairies and Dairy Produce Act is hereby repealed.

SCHEDULE

(Section 4)

PART I

ADMINISTRATION OF BOARD

Seal of
Board

1. (1) The seal of the Board shall be such device as may be determined by the Board and shall be kept by the Registrar.

(2) The affixing of the seal shall be authenticated by the Chairperson or the Vice-Chairperson and the Registrar or any other person authorised in that behalf by a resolution of the Board.

(3) Any contract or instrument which, if entered into or executed by a person not being a body corporate, would not be required to be under seal, may be entered into or executed without seal on behalf of the Board by the Registrar or any other person generally or specifically authorised by the Board in that behalf.

(4) Any document purporting to be a document under the seal of the Board or issued on behalf of the Board shall be received in evidence and shall be deemed to be so executed or issued, as the case may be, without further proof, unless the contrary is proved.

Tenure of
office and
vacancy

2. (1) Subject to this Act, a member of the Board shall hold office for a period of three years from the date of appointment and may be eligible for re-appointment for one further final term of three years.

(2) A member may resign upon giving one month's notice, in writing, to the organisation which nominated the member and to the Minister.

(3) On the expiration of the period for which a member is appointed, the member shall continue to hold office until a successor has been appointed but in no case shall the further period exceed four months.

Filling of
casual
vacancy

3. Whenever the office of a member becomes vacant before the expiry of the term of office, the Minister may appoint in accordance with section *seven*, another member in place of the member who vacates office but such member shall hold office only for the unexpired part of the term.

Committees
of Board

4. (1) The Board may, for the purposes of performing its functions, establish such committees as it considers necessary and delegate to any of those committees any of its functions.

(2) The Board may appoint, as members of a committee, persons who are or are not members of the Board, except that at least one member of the Board shall be a member of a committee.

(3) A person serving as a member of a committee shall hold office for such period as the Board may determine.

(4) Subject to any specific or general direction of the Board, a committee may regulate its own procedure.

5. (1) Subject to this Act, the Board may regulate its own procedure.

Proceedings
of Board

(2) The Board shall meet for the transaction of business at least once in every three months at such places and times as the Chairperson may determine.

(3) The Chairperson may, upon giving notice of not less than fourteen days, call a meeting of the Board and shall call a special meeting to be held within fourteen days of receipt of a written request to the Chairperson by at least five members of the Board.

(4) If the urgency of any particular matter does not permit the giving of such notice as is required under subparagraph (3), a special meeting may be called by the Chairperson, upon giving a shorter notice.

(5) Five members of the Board shall form a quorum at any meeting of the Board.

(6) There shall preside at any meeting of the Board—

(a) the Chairperson; or

(b) in the absence of the Chairperson, the Vice-Chairperson, and in the absence of the Chairperson and the Vice-Chairperson, such member as the members present may elect for the purpose of that meeting.

(7) A decision of the Board on any question shall be by a majority of the members present and voting at the meeting and in the event of an equality of votes, the person presiding at the meeting shall have a casting vote in addition to the deliberative vote.

(8) The Board may invite any person, any research institution or business dealing with milk or milk products, whose presence is in its opinion desirable, to attend and to participate in the deliberations of the meeting of the Board but such person and representative shall have no vote.

(9) The validity of any proceedings, act or decision of the Board shall not be affected by any vacancy in the membership of the Board or by any defect in the appointment of any member or by reason that any person not entitled to do so took part in the proceedings.

- Allowances for members** 6. The members of the Board or any committee shall be paid such allowances as the Board may, with the approval of the Minister, determine.
- Disclosure of interest** 7. (1) If a member or any person is present at a meeting of the Board or any committee of the Board at which any matter is the subject of consideration and in which matter the member or that person or the member's or that person's spouse is directly or indirectly interested, in a private capacity, the member or person shall, as soon as is practicable after the commencement of the meeting, declare such interest and shall not, unless the Board or the committee otherwise directs, take part in any consideration or discussion of, or vote on, any question touching that matter.
- (2) A declaration of interest made under this paragraph shall be recorded in the minutes of the meeting at which it is made.
- (3) Any person who contravenes subparagraph (1) commits an offence and is liable, upon conviction, to a fine not exceeding ten thousand penalty units or to imprisonment for a period not exceeding three months, or to both.
- Prohibition of disclosure of information to unauthorised persons** 8. (1) A person shall not, without the consent in writing given by, or on behalf of, the Board, publish or disclose to any person otherwise than in the course of duties, the contents of any document, communication or information which relates to, and which has come to that person's knowledge in the course of that person's duties under this Act.
- (2) Any person who contravenes sub-paragraph (1) commits an offence and is liable, upon conviction, to a fine not exceeding ten thousand penalty units or to imprisonment for a period not exceeding three months, or to both.
- Immunity of Board and member** 9. In the exercise of any power or function under this Act, anything done or omitted to be done by the Board, any member or person acting on the direction of the Board shall not subject the Board, member or any other person referred to in this section, in that person's personal capacity, to any action, suit, claim or demand, whatsoever, if it was done or omitted to be done in good faith for purposes of executing this Act.

PART II
FINANCIAL PROVISIONS

10. (1) The funds of the Board shall consist of such moneys as may— Funds of Board
- (a) be appropriated to the Board by Parliament for the purposes of the Board;
 - (b) be paid to the Board by way of consultancy fees, grants or donations; and
 - (c) otherwise vest in or accrue to the Board.
- (2) The Board may—
- (a) accept moneys by way of grants or donations from any source in Zambia and subject to the approval of the Minister, from any source outside Zambia;
 - (b) subject to the approval of the Minister, raise by way of loans or otherwise, such moneys as it may require for the discharge of its functions; and
 - (c) in accordance with the regulations made under this Act, charge fees for services provided by the Board.
- (3) There shall be paid from the funds of the Board
- (a) the salaries, allowances, loans, gratuities and pensions of staff of the Board and other payments for the recruitment and retention of staff;
 - (b) such reasonable travelling and subsistence allowances for members of the Board and members of any committee of the Board when engaged on the business of the Board and at such rates as the Board may, with the approval of the Minister, determine; and
 - (c) any other expenses incurred by the Board in the performance of its functions.
- (5) The Board may, after the approval of the Minister, invest in such manner as it thinks fit such of its funds as it does not immediately require for the discharge of its functions.
11. The financial year of the Board shall be the period of twelve months ending on 31st December in each year. Financial year
12. (1) The Board shall cause to be kept proper books of account and other records relating to its accounts. Accounts
- (2) The accounts of the Board shall be audited annually by independent auditors appointed by the Board with the approval of the Auditor General.
- (3) The auditor's fees and expenses for preparing audited accounts for the Board shall be paid by the Board.
13. (1) As soon as practicable, but not later than ninety days after the end of the financial year, the Board shall submit to the Minister a report concerning its activities during the financial year and that of the Fund. Annual report

(2) The report of the Board referred to in subparagraph (1), shall include information on the financial affairs of the Board and there shall be appended to the report

- (a) an audited balance sheet of the Board and the Fund;
- (b) an audited statement of income and expenditure of the Board and the Fund; and
- (c) such other information as the Minister may require.

(3) The Minister shall, not later than seven days after the first sitting of the National Assembly next after receipt of the report referred to in sub paragraph (1), lay the report before the National Assembly.
