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PUBLISHED BY AUTHORITY

LEGAL NOTICE NO. 83 OF 2008

THE FINANCE MANAGEMENT AND AUDIT ACT, 1967 (Act No. 18 of 1967)

THE REGIONAL DEVELOPMENT FUND REGULATIONS NOTICE, 2008 (Under Section 12)

In exercise of the powers confirmed on him in terms of section 12 (4) of the Finance Management and Audit Act, 1967, and after approval by the House of Assembly, the Minister of Finance hereby makes the following Regulations -

PART I PRELIMINARY

Citation and Commencent

1. This Notice may be cited as the Regional Development Fund Regulations, 2008, and shall come into force on 1st September, 2007.

Interpretation

- 2. In this Order, unless the context otherwise requires -
 - "Association" means an entity registered in accordance with these regulations;
 - "Projects Committee" means a Regional Development Fund Projects Committee established on terms of Regulations 7;
 - "Fund" means the Regional Development Fund established under Legal Notice No. 48 of 2000;
 - "infrastructure project" means a project for, or related, to, the provision of infrastructure beneficial to a community such as the provision of water, electricity, fencing of grazing pastures, or a bridge;

"Minister" means the Minister responsible for regional development;

Objective of the Fund

- 3. The main objective of the Fund is to alleviate and eventually eradicate poverty in each of the four regions of the Kingdom of Swaziland by initiating -
 - (a) infrastructure improvements and service delivery around which community commercial projects can be established; and
 - (b) viable commercial projects and schemes which will create jobs and generate income to sustain and further develop numerous Swazi families within each region at grassroots level.

Access to the Fund

4. (1) Only Associations registered in the manner provided for in these Regulations may obtain assistance under the Fund.

(2) The Fund shall finance only projects or schemes which have no recurrent cost implications for Government.

PART II ASSOCIATIONS

Composition of Associations

- 5. (1) An Association shall have not less than 10 members.
 - (2) No two members of an Association may be members of the same nuclear family.
- (3) A member of Parliament, Indvuna Yenkhundla or Bucopho shall not be a member of an Association which seeks funding under these Regulations.

PART III ADMINISTRATION OF THE FUND

Regional development fund projects committee

- 6. (1) At the regional level, the Fund shall be administered by a Regional Development Fund Projects Committee comprising of not more than twenty members including -
 - (a) the Regional Administrator, who shall be Chairman,
 - (b) two chiefs;
 - (c) the elected members of Parliament for that region; and,
 - (d) the Regional Secretary, or the duly appointed representative of the Regional Secretary, who shall be secretary.
- (2) If for any reason the Regional Administrator is unable to preside over a meeting of the Projects Committee, the Projects Committee shall elect a Chairman for the day from amongst is members.
- (3) The members of the Projects Committee shall be appointed by the Minister and shall serve on such terms and conditions as the Minister may determine taking into consideration allowance payable to statutory bodies.

Inkhundla Committee

- 7. (1) At the Inkhundla level, the Fund shall be administered by an Inkhundla Committee comprising Bucopho, Indvuna, Inkhundla Secretary and the Member of Parliament for that Inkhundla
- (2) An Inkhundla Committee may co-opt community development Officers or other technical experts to assist it in its deliberations.

Applications

- 9. (1) Only applications from bona fide Swazi groups, Associations or Communities for funding for the establishment of a project or for existing projects shall be considered.
- (2) An Association shall not be permitted to benefit from the fund unless the Association has been registered at its Inkhundla Centre.

Consideration by umphakatsi

- 10. (1) An Association wishing to apply for funding shall -
 - (a) collect an application form from the Inkhundla Secretary; and
 - (b) submit the completed application form to the relevant Umphakatsi.
- (2) The application shall be discussed by Bandlancane of the Umphakatsi with a view to determining whether -
 - (a) the project in question has been appraised and, where necessary, that technical assistance has been secured and is therefore viable:
 - (b) where land is required, that the requisite land and authority to us the land has been secured; and
 - (c) the establishment of the project will benefit the community and offer employment opportunities to Swazis.
- (3) Once Bandlancane has satisfied itself that the criteria in paragraph (2) have been met, the application form shall be signed by the Chief, Indvuna, or the Chairperson of Bandlancane and stamped with the official stamp of the Umphakatsi.

Consideration by inkhundla committee

- 11. (1) In addition to the criteria set out on Regulation 10 (2), an Inkhundla Committee, shall satisfy itself that -
 - (a) where the application relates to an infrastructure project that not less than 20 homesteads will benefit from the project;
 - (b) where the application relates to an income generating project, that the business plan includes confirmation on the availability of markets for the product of the project;
 - (c) there are at least three quotations from credible and established suppliers preferably from the Government sources of supply;
 - (d) the application is accompanied by tax clearance certificates of the suppliers; and,
 - (e) the application is supported by comments from -
 - (i) a technician from the relevant Government Ministry or department;
 - (ii) the Community Development Officer; or
 - (iii) the Inkhundla Secretary.
- (4) Once the Inkhundla Committee has satisfied itself that the criteria in paragraph (1) have been met, it shall indicate the preferred supplier and the application form shall be signed by Indvuna Yenkhundla, the Member of Parliament and a representative of Bucopho and shall be stamped by Inkhundla Secretary with the official stamp of Inkhundla.
- (5) After the application has been approved by Inkhundla Committee, the Member of Parliament shall submit the application forms, together with the minutes of the Inkhundla

Committee's deliberations on the application, to the Regional Secretary who shall cause the application to be placed before the relevant Projects Committee.

Consideration by projects committee

- 12. (1) In considering an application, a Projects Committee shall satisfy itself that, in addition to the criteria set out in Regulations 10 (2) and 11 (1) -
 - (a) the project has been professionally screened, appraised and certified as viable;
 - (b) the Association is ready to proceed with the project;
 - (c) the project is one of priority taking into account national interests; and,
 - (d) the application has been properly screened and processed in accordance with these Regulations.
- (2) After the application has been approved by a Projects Committee, the Regional Administration, or the person who chaired the meeting at which the project was approved and the Regional Secretary or the duly appointed representative of the Regional Secretary, shall sign the the application.
- (3) The Regional Secretary shall ensure that approved application are processed as quickly as possible.

PART IV GENERAL PROVISIONS

Applications in excess of E100,000

13. An Association wishing to benefit more than E100,000 shall contribute 10% of the value of the project in cash or in kind.

Delivery of goods

- 14. (1) A supplier shall deliver goods which are funded under these Regulations to the Association through the Inkhundla Secretary or the Community Development Officer.
- (2) The Inkhundla Secretary or the Community Development Officer and a member of the executive of the Association receiving the goods shall -
 - (a) check the delivered goods against the purchase order; and,
 - (b) upon being satisfied that action that the delivered goods are in accordance with what was ordered, sign the delivery note.
- (3) The Community Development Officer or the Inkhundla Secretary shall collect and sign the relevant invoices.
- (4) A supplier shall not be paid before the goods have been delivered and the delivery note and invoice has been signed as provided for in this Regulation.

Inability and disputes within associations

- 15. (1) Where an Association which has received funding under these Regulations is unable to function and this has lead to the deterioration or exposure of goods to deterioration, the matter shall be reported to the Projects Committee by the Community Development Officer, Tinkhundla Secretary, Bucopho or any person who has knowledge of this situation.
- (2) The matter shall be deliberated at the Umphakatsi and the Inkhundla level with a view to resolve it.
- (3) A Project Committee may order the repossession of goods acquired under the Fund pending the resolution of the state of affairs referred to in paragraph (1).
- (4) Where the matter remains unresolved for a period of six months after it was first reported to the Projects Committee, the goods referred to in paragraph (3) shall be reallocated to another deserving Association.
- (5) Where goods are to be reallocated as provided in paragraph (4), preference shall first be given to the Inkhundla then the region and then nationally.

Government accounting policy and procedures

- 16. (1) Funds shall be disbursed strictly in accordance with Government accounting policy and procedures.
- (2) Funds shall be disbursed by the Accountant General, after approval by the office of the Minister directly to suppliers of goods and services.
- (3) Notwithstanding paragraph (1), the Minister of Finance may, on the recommendation of the Minister responsible for regional development, authorize a variation to the Government accounting policy and procedures where there are special circumstances which warrant such a variation.

Monitoring and evaluation

- 17. (1) The Tinkhundla Secretary, Community Development Officer and Bucopho shall take an active part in monitoring Associations on a regular basis.
- (2) The Community Development officer shall prepare reports on the progress of Associations on a quarterly basis.
- (3) The reports shall be submitted to the Regional Secretary for consideration and transmission to the Inkhundla Centre.
- (4) The Principal Secretary in the Ministry responsible for regional development shall be responsible for $\,$
 - (a) ensuring that projects which receive funding from the Fund conform to the provision of these Regulations; and,
 - (b) all accounting an reporting on the Fund.

Quarterly reports

18. The Principal Secretary in the Ministry responsible for regional development shall submit

quarterly reports, on the activities of the Fund, on a regional and on a consolidated basis, to the Principal Secretary in the Ministry of Finance.

Effect on existing Projects and Schemes

- 19. (1) Projects or schemes which were approved under the Regional Development Fund Regulations, 2000 (issued under Legal Notice No. 101 of 2000), or the Regional Development Fund Regulations, 2001 (issued under Legal Notice No. 96 of 2001), shall from the date of commencement of these Regulations, be administered as if they have been approved under these Regulations.
- (2) Paragraph (1) shall not be construed as creating any additional obligation on a project or scheme referred to in that paragraph.

Revocation of Legal Notice No. 96 of 2001

20. Legal Notice No. 96 of 2001 is hereby revoked.

M.V. SITHOLE
MINISTER OF FINANCE

MBABANE 28th February, 2008.