

STATUTORY INSTRUMENTS

2005 No. 39.

THE COTTON (AMENDMENT) REGULATIONS, 2005

ARRANGEMENT OF REGULATIONS.

Regulation

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The Cotton (Amendment) Regulations, 2005.

(Under section 16(6) of the Cotton Development Act Cap 30)

IN EXERCISE of the powers conferred on the Minister by Section 16(6) of the Cotton Development Act Cap 30, and on the recommendation of the Board, these Regulations are made this 3rd day of May, 2005.

1. Title

These Regulations may be cited as the Cotton (Amendment) Regulations, 2005.

2. Amendment of regulation 3

Regulation 3 of the Cotton Regulations, in these regulations referred to as the principal Regulations is amended by inserting in the appropriate alphabetical order the following definitions—

“Act” means the Cotton Development Act, Cap 30;

“applicant” includes, where the context allows both a natural and non-natural person;

“Association” means the Uganda Ginners and Cotton Exports Association;

“dealer” means a person who deals in seed cotton, cotton seed and lint cotton referred to in regulations 4(a) and 6(2) of the principal Regulations;

“ginner” means a person who operates a ginnery;

“normal working hours” means the hours from 8.00 a.m in the morning to 6.00 p.m in the evening on Monday to Friday and from 8.00 a.m in the morning to 3.00 p.m in the afternoon on Saturday excluding in both cases the lunch break from 12.00 noon to 1.45 p.m, Sundays and public holidays;

“Planting Seed Fund” means the Fund established under regulation 16A of these Regulations;

“segregated area” means an isolated area established under section 8(1) of the Act;

“zone” means a zone established by the Minister under section 9 of the Act.

3. Amendment of regulation 4

Regulation 4 of the principal Regulations is amended by adding a new subregulation 4(2) as follows—

“4 (2) The register shall contain the following information—

(a) the zone in respect of which the dealer is registered to operate;

(b) the name, postal and physical address and telephone of the main office of the dealer in Uganda;

(c) the name and the particulars of the person authorized to represent the dealer;

- (d) the memorandum and articles of association, certificate of incorporation;
- (e) partnership deed or certificate of registration of the dealer;
- (f) the Bankers of the dealer in Uganda or elsewhere;
- (g) the value added tax (VAT) certificate and personal tax identification number (PIN) of the dealer;
- (h) the external auditors of the dealer;
- (i) evidence of contribution to the Planting Seed Fund under regulation 16A of these Regulations.”

4. Amendment of regulation 5

The principal Regulations are amended in regulation 5 by—

- (a) substituting for subregulation (1) the following new subregulation—

“5. (1) A person shall not market cotton by carrying on any of the activities specified in subregulation (2) except under a valid registration issued under these Regulations and unless that person is a duly registered member of the Association and appears in the register of the Association kept by the Organisation under regulation 4 of these Regulations.”

- (b) adding new subregulations after subregulation 2 as follows—

“(2A) A certificate of registration issued by the Organisation under subregulation (1) shall state the zone of operation in respect of which the certificate is issued”.

“(2B) In issuing the certificate of registration, the Organisation may consult with the Association”.

- (c) substituting for subregulation (3) the following—

“(3) Any person who carries out any activity specified in subregulation (2) without a valid certificate of registration or operates outside the zone specified in his or her certificate of registration commits an offence”.

5. Amendment of regulation 6

Regulation 6 of the principal Regulations is amended as follows—

- (a) by removing the letter “s” and the full stop appearing in and after the word “Organisations” at the end of subregulation (1) and adding the words:

“and shall as far as the case may permit contain, all particulars required to be kept in the register of registered members of the Association and in particular it shall contain a demonstration of the capacity of the dealer to carry out the activity applied for in a manner satisfactory to the Organisation.”

- (b) by deleting subregulation (2) and substituting the following subregulation—

“(2) A dealer shall not carry out any activities contained in subregulation (2) of regulation 5 of these Regulations unless he or she

is a registered member of the Association and a holder of a certificate of registration duly issued by the Organisation for the relevant season”.

(c) by deleting subregulation (3).

6. Amendment of regulation 7

Regulation 7 is amended in—

(a) subregulation (2) by adding the following paragraphs after paragraph (c)—

“(d) the applicant has failed to demonstrate evidence of capacity to carry out the activities with respect to which the certificate of registration was issued;

(e) the applicant has been suspended, dismissed or embargoed from the Association;

(f) if the applicant fails to furnish the Organisation with any additional information requested for;

(g) if the applicant does not furnish evidence of membership to the Association;

(h) if the applicant has been placed under bankruptcy or receivership or proceedings for that purpose have been commenced in any court with competent jurisdiction;

(i) if the applicant has failed to satisfy a decree or order of court or arbitration award passed against it and there is no evidence that it has appealed or taken any other action to challenge the decree, order or award;

(j) if the applicant fails to contribute or to make a firm commitment to contribute to the Fund under regulation 16A of these Regulations;

(k) if the Organization has reason to believe that it is not in the interest of the cotton industry to issue the certificate of registration.”

(b) in subregulation (4) (a) (i) by deleting the words “buying seeds” and inserting the words “buying shades”.

7. Amendment to regulation 8

Regulation 8 of the principal Regulations is amended by inserting “to” between the words “fee and be.”

8. Amendment of regulation 9

(a) Subregulation (1) (a) of regulation 9 of the principal Regulations is amended by deleting “Cooperative Societies Statute, 1991” and replacing it with “Cooperative Societies Act Cap. 112.”

(b) Subregulation 9(1) of the principal Regulations is amended by adding the following paragraph after paragraph(c)—

“(d) has ceased to be a member of the Association.”

9. Amendment of regulation 14

Regulation 14 of the principal Regulations is amended by substituting for paragraph “(c)” the following new paragraph—

“(c) shall be renewed annually on application and on such terms as are required under these Regulations for the original application for and grant of a certificate of registration”.

10. Amendment of regulation 15

Regulation 15 of the principal Regulations is amended by substituting for subregulation (1) the following—

“(1) The Organisation may, if it comes to its notice that-

(a) a dealer is operating in a different zone from the one in respect of which the certificate of registration was issued suspend or cancel a certificate of registration of a dealer.”

(2) by deleting all words from “or” in subregulation (2) and replacing them with the following—

“either singly or with the assistance of the Association, or if the Organisation and/or the Association deem it fit by a neutral mediator” and “and in the event settlement is not reached, the dispute may be referred to Arbitration under the Arbitration and Reconciliation Act, Cap 3”.

11. Amendment of regulation 18

Subregulation (2) (a) of the principal Regulations is amended by deleting the word “direction” and inserting the word “directive.”

12. Amendment of regulation 19

Subregulation (2) of regulation 19 of the principal Regulations is amended by deleting the words after “or” and inserting, “to a penalty specified under section 17 of the Act.”

13. Amendment of regulation 24

The principal Regulations are amended by substituting for regulation 24 the following new regulation—

“24 Any person aggrieved by the decision or act made or taken against him or her or by the refusal or omission to comply with such decision or act shall, as the case may be, first attempt to settle the grievance through mediation or negotiation with the opposite party failing which the matter shall be referred to arbitration by a single independent arbitrator appointed by The Centre for Arbitration and Dispute Resolution and arbitration proceedings shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act.”

14. Insertion of regulation 24A

The principal Regulations are amended by inserting after regulation 24 new regulations as follows—

24A. “Notifica-tion to local Councils

The Organisation may if it deems it fit notify the local government councils of any guidelines, regulations, actions, steps or instructions taken or issued by the Minister under the Act or by the Organisation or Association

under these or other regulations in the ordinary course of the execution and performance of their functions and duties”.

HON HAJAT JANAT MUKWAYA,
Minister of Agriculture, Animal Industry and Fisheries.