

THE ZANZIBAR HIGHER EDUCATION LOANS BOARD REGULATIONS

ARRANGEMENT OF REGULATIONS

(MADE UNDER SECTION 31)

PART I PRELIMINARY PROVISIONS

- Citation and Commencement. 1. These regulations may be cited as the Zanzibar Higher education loans Board Regulations 2012 and shall come into operation upon being signed by the Minister.
- Interpretation. 2. In these Regulations, unless the context requires otherwise:-
- “Accredited Institutions” means institutions which are licensed to offer courses which lead to the awards of Advanced Diploma and or Degrees;
- “Act” means the Zanzibar Higher Education Loans Board 2011;
- “Applicant” means a person who applies for the loan;
- “Loan Beneficiary” means a person who has secured loan from the Board;
- “Board” means the Zanzibar Higher Education Loans Board established under section 3(1) of the Act;
- “Committee” means any committee of the Board established under section 11(1) or section 13 of the Act;
- “Discontinued student” means a student who is granted a loan and fails to continue with his studies either for poor academic performance, misconduct or absconded;
- “Director” means the officer of the Board appointed under section 15 of the Act;
- “Eligible student” means a Zanzibari who fulfils conditions stipulated under the Act;

“Higher Education” means the education provided leading to the award of Advanced Diplomas, Degrees, Masters and above;

“Loan” means the Government Finance Students’ Loan granted under the Act;

“Repeating student” means a student who is granted a loan and for any reason is compelled to repeat the previous academic year;

“Staff” mean officers of the Board;

“Supplementing student” means a student who is granted a loan and sits for supplementary examination;

“Student” means any person admitted to accredited higher education institution as a candidate for higher diploma/advanced diploma, degree, masters and above.

“Surety” means a person who is permanently employed or having movable or immovable property, and who guarantees the borrower and who shall automatically and fully be liable to pay to the Board any loan so granted in case of the default by the loan beneficiary.

PART II APPLICATION FOR LOANS

Student
eligibility for
loan.

3.(1) Students to be eligible for loan shall:-

- (a) comply with section 20 of the Act;
- (b) meet other criteria as may be deemed necessary by the Board.

(2) Notwithstanding any provision of the Act, a student shall be given priority in consideration for loans, if he is:-

- (a) a poor applicant with disability;
- (b) an applicant pursuing or intending to pursue the requested course which lie in the demand of the national development as may be determined by the Board from time to time;
- (c) any other applicant as the Board may determine from time to time.

Application procedure.

4.(1) A student who wishes to be granted a higher education loans shall submit an application to the Board in such a manner as prescribed in form No.1 as provided in the schedule.

(2) The particulars given in the application form shall form part of the contract with the Board.

(3) The application forms shall be obtained from the offices of the Board or by any other means as may be directed by the Board.

Submission of Application.

5. (1) The applicant shall submit a dully filled application form to the Office of the Board together with.

(a) certified copy of birth certificate;

(b) certified copy of Zanzibari Identification Card;

(c) certified copy of ZSSF or other social security fund, if the applicant is an employee;

(d) certified copies of academic certificates and transcripts;

(e) copy of bank deposit slip in respect of application fee;

(f) detailed particulars of the security.

(3) Notwithstanding sub regulation (2), the Board may, for the purpose of facilitating the process:-

(a) allow the applicant to submit an application without the letter of admission;

(b) subject to the sub regulation 3 (a) the applicant shall immediately submit to the Board or an authorized officer the admission letter after receiving it.

Sureties for Loan.

6.(1) Subject to the provisions of the Act, a surety for loan may be ;

(a) a parent, a guardian or relative or such other person or persons who is legally accepted to be a surety;

(b) a person who is not a loan beneficiary.

(2) Each student shall be required to provide at least two sureties.

Sureties'
acceptance.

7. (1) The sureties for loans under these regulations shall sign the loan agreement form for the applicant.

(2) In addition to signing the agreement, the surety shall submit a letter of commitment for guarantee the repayment of the loan to the Board.

Determination
application by
the committee.

8. (1) The Board upon receiving the applications shall forward them to the Higher Education Committee.

(2) The Committee of the Board shall:-

(a) peruse and scrutinize the application forms for the purpose of verification;

(b) select eligible students for loan;

(c) refuse the application and inform the Board stating the reasons for refusal; and

(d) require the applicant to fulfill certain requirements if any before further consideration of the application.

The report
from Committee.

9. (1) The Committee shall, after determination, prepare and submit a report to the Board which contain.

(a) annual applicants who apply for loans;

(b) criteria for the selection of applicants;

(c) number of recommended applicants;

(d) number of refused applicants and reasons thereof;

(e) priority courses for the academic year;

(f) any other information as may be necessary.

Approval of the
application.

10. The Board after receiving the report from the Committee shall:-

(a) approve or disapprove and recommend thereon;

(b) direct the Committee to inform the approved applicants accordingly;

(c) give any other relevant instructions as it deems fit.

Granting of loan. 11.(1) The Committee shall, after receiving approval and instruction from the Board:-

(a) inform the applicant accordingly;

(b) provide the loan agreement to the selected applicants as provided in the form No. 2 of the schedule.

Securities for loan. 12.(1) Subject to section 21 of the Act, the securities for loans shall be attached to loan agreement as part of loan's conditions which may include either:-

(a) immovable properties such as farm, plot or building with title deed;

(b) movable properties with comprehensive insurance;

(c) assignment of salary for students who are employees; or

(d) any other securities as the Board may determine.

(2) The Board may, where necessary verify or cause to be verified securities listed under Regulation 12 (1) above.

(3) For the purpose of sub regulation (1) the applicant is required to attach a certified copy of certificate of title of the given security.

(4) Where the owner of the security is not an applicant, the applicant shall attach an affidavit of the surety stating his consent that the property be used as the security for the loan.

(5) Subject to the provision sub- regulation (1) (a) one title deed may be used as security by more than one applicant under the same surety after consideration of the value of the security.

(6) The Board or any authorized officer may, whenever necessary, before consideration of loan application inspect or cause the inspection of such securities to be conducted.

Register. 13. (1) The Director shall maintain register which shall contain the particulars of the applicant.

(2) The register shall be accessible to the public upon the request from the borrower or surety.

Procedure for granting loan. 14. (1) The Board immediately upon the loan agreement being signed shall, grant the loan either in lump sum or in such installment depending upon the financial position of the board.

(2) Payment of loan under this regulation shall be paid direct to the student's bank account or through the higher education institution of study or any other modes of which the Board may deem it fit.

(3) There shall be special form provided by the Board which shall be filled in before the University authority to declare the receipt of the loan payable direct to the University.

(4) The form under sub-regulation (3) shall be in a manner as prescribed in Form No. 3 in the schedule.

(5) The Director shall, after granting the loan to the students maintain a detailed record in the register in respect of:-

(a) the amount of loan granted and the date on which it was granted;

(b) the expected dates on which the repayment of such loan shall be made.

Repeating students. 15. (1) Subject to the provisions of subsection (4) of section 20 of the Act Loans Board shall cease to grant loan where a student repeats more than once during his course.

Transfer of student. 16.(1) A student intends to be transferred may, in writing request the Board to transfer his eligibility for the loan in any case where:-

(a) on the recommendation of the appropriate academic authority the eligible student to attend another course at the institution; or

(b) the eligible student starts to attend a course at another institution with the consent of the academic authority of both institutions;

(c) there is misunderstanding between the Board and the Institution;

(d) there is any inconvenience as the Board deems necessary.

(3) The Board upon being satisfied with the matter referred to in sub-regulation (1) and:-

(a) that the second course is an approved course tenable at higher education institutions;

(b) that the second institution is an accredited higher education institution.

the Board then shall transfer the student's eligibility in connection with his attendance course.

(4) An eligibility for loan may not be transferred after it has expired or been terminated under regulation 16.

Termination of Eligibility for loan.

17. (1) Subject to the provisions of these regulations, student shall cease to be eligible for loan on the expiry of the period ordinarily required for the completion of the course.

(2) Where a student has withdrawn from a course in circumstances where the Director has not transferred or will not transfer his eligibility to another course under these regulations, or has abandoned or been expelled from his course, the Director shall determine that he is no longer eligible for support, and on such determination he shall then cease to be an eligible student.

(3) Notwithstanding sub (1) and (2) student's eligibility shall cease when it is proved the student has more than one sponsors.

Restriction for granting a loan to beneficiary.

18.(1) Where a beneficiary's eligibility for a loan come to an end he shall not be allowed to be granted a new loan for studying in different course or institution unless the previous loan has been paid not less than one quarter.

Obligation as to information.

19.(1) A beneficiary is obliged to provide to the Board with information as the Board considers necessary for the exercise of its functions as soon as practicable and after he is requested to do so including the followings: if

(i) he withdraws from or abandons or is expelled from his course;

(ii) he transfers to another course, at the same or a different institution;

- (iii) he ceases to undertake his course and does not intend to or is not permitted to continue with it for the remainder of the academic year;
- (iv) he is absent from his course for more than 60 days due to illness, or for any period for any other reasons;
- (v) the month for the start or completion of the course has changed; or
- (vi) his address or telephone number has been changed.

(2) If a beneficiary fails to provide information required under this regulation the Board shall suspend his loan.

Providing false Information.

20. Where the Board is satisfied that a student has provided information which the student knows to be false or has reason to believe that information is false may determine that the student shall:-

- (a) no longer be eligible for any loan;
- (b) liable for criminal charge as provided under any relevant written Laws applicable in Zanzibar.

PART III REFUSAL TO GRANT LOAN AND CANCELLATION OF LOAN

21.(1) The Board has the power to cancel the loan to a student if:-

Refusal or cancellation of loan.

- (i) he neglects his studies, fails to complete the studies or fails to pass in any year whilst attending an examination incidental to his course;
- (ii) unsatisfactory report is made by the institution concerning the student's conduct and academic progress;
- (iii) the student so requests;
- (iv) the student is expelled or discontinued from his higher education institution;
- (v) there is any other reason considered sufficiently by the Board.

(2) Where the student's loan is cancelled under this regulation, the student shall be required to repay back the loan granted to him immediately.

(3) The Board may refuse to grant the loan to the applicant where:-

- (a) the applicant is not qualified for the grant of loan under the Act;
- (b) the applicant has failed to fulfill the criteria for the loan applied for;
- (c) the applicant provides false statements or information in any matter contained in the application form or in the attached documents;
- (d) he is in breach of any other obligation under the Act or its regulation;
- (e) he has, in the opinion of the Board, shown himself by his conduct to be unfit to receive a loan.

(4) Where the Board has refused to grant a loan to the applicant, it shall direct the Director to inform the student stating the reasons for the decision of the Board.

PART IV

REPAYMENT AND RECOVERY FOR LOANS

22. (1) The repayment and recovery of the loan shall be in accordance with the provisions of the Act.

Repayment
of the loan.

(2) Notwithstanding regulation (22) a loan beneficiary may in addition to deductions from his salary, deposit the amount in the account of the Board for the purpose of repayment of loan.

(3) Where the loan beneficiary has deposited the amount in accordance with sub regulation (2) of this regulation he shall submit to the Director the copy of receipt for money deposited.

(4) The Director shall, upon satisfaction that the said amount of money has been deposited in the account:-

- (a) amend the data base and register in respect of remaining balance of debt of the loan beneficiary accordingly and;

(b) inform the loan beneficiary accordingly.

Change or resign
of employment.

23.(1) Where the loan beneficiary change or resign his employment from which the deduction of loan is effected, he shall immediately inform the Director in writing to that effect stating the name and address of the new employer for the purpose of repayment of remaining balance of the loan.

(2) It shall be the duty of the former employer to inform the Director in writing stating the resignation of the loan beneficiary and the debt of last deduction in respect of the said loan beneficiary.

(3) The Director shall after receiving the information under sub regulation (1) and (2) amend the data base by deleting the name of former employer and substituting for it with new employer as directed by the loan beneficiary.

Change of
particulars of loan
beneficiary.

24. For the purpose of repayment of loan, it shall be the duty of the loan beneficiary to inform the Director of a change of any of his particular to enable the Director to update the data base accordingly.

Employment
outside the
Zanzibar.

25. Where a loan beneficiary has secured employment outside Zanzibar, he shall:-

(a) register for the purpose to Tanzania Embassy or High Commission available in that country or the nearest Tanzania Embassy or High Commission: and

(b) write to Director to that effect undertaking the manner in which the repayment of loan shall be effected.

(c) to deposit the amount due direct to the account of the Board

Self employment
loan beneficiary.

26. (1) Where a loan beneficiary is self employed he shall write to the Director to that effect indicating the type of employment he is engaged to and the place where the business is situated.

(2) The Board shall after receiving the information under sub regulation (1) write to the loan beneficiary directing the manner in which the repayment of the loan shall be effected.

(3)The Board may, in determining the manner for repayment of loan under this regulation direct that the amount of money be deposited by the

loan beneficiary in cash or cheque in a specified account.

(4) Where the loan beneficiary has deposited the amount in cash or cheque under sub regulation (3) he shall submit to the Director the copy of the receipt for the money deposited and the Director shall update his records accordingly.

Recovery of loan
from Surety.

27.(1) Recovery of overdue loans from surety shall be in accordance with and in the manner stipulated hereunder:

(2) When the Board has made requisite efforts under the Act to recover the loan from beneficiaries and such efforts prove futile, it shall be competent for the Board to cause writing or printed demand notice to be made upon the surety to pay the amount stated in such demand within 30 days after service thereof.

(3) Where any person who shall have had such demand notice served in accordance with these regulation and default, it shall be competent for the Board to apply for summons warranty from Regional Magistrate Court having jurisdiction to recover such debt from such surety.

28. There shall be no liability for repayment of the loan where it is proved by the Board that the loan beneficiary is died.

Death of
Beneficiary.

PART VI MISCELENEOUS PROVISIONS

Clearance
Certificate.

29.(1) Upon completion of repayment of loan the Director shall:-

- (a) issue a clearance certificate to the loan beneficiary.
- (b) discharge all securities and return the relevant document if any to the beneficiary.

(2) Certificate issued under sub regulation (1) shall be conclusive proof of completion of repayment.

(3) A certificate of clearance issued under sub regulation (1) shall be in the form which contains:-

- (a) the name and address of beneficiary and sureties;
- (b) the Higher Education Institution attended and academic years;

(c) student reference number if any.

(d) the signature and stamp of the Director.

Loan Waiving.

30. (1) The Board may waive any loan in the event of any of the following:-

(a) where there is impossibility or serious difficulty to the beneficiary;

(b) where the loan beneficiary has suffered total mental or physical incapacitation as shall be certified by the penal of at least 3 medical competent doctors.

SIGNED this day of, 2013.

.....

(ALI JUMA SHAMHUNA)

MINISTER OF EDUCATION AND VOCATIONAL TRAINING.