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PROVINCE OF THE EASTERN CAPE  
IPHONDO LEMPUMA KOLONI  
PROVINSIE OOS-KAAP

# Provincial Gazette Igazethi Yephondo Provinsiale Koerant

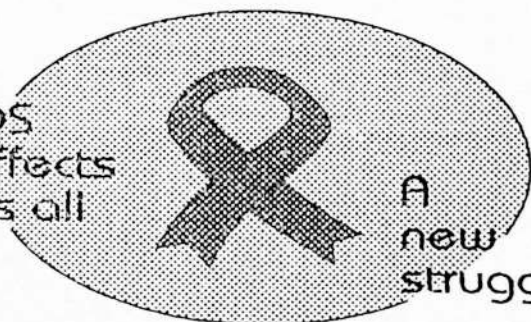
Vol. 13

BISHO/  
KING WILLIAM'S TOWN, 13 DECEMBER 2006

**No. 1649**  
(Extraordinary)

**We all have the power to prevent AIDS**

AIDS  
affects  
us all



A  
new  
struggle

Prevention is the cure

**AIDS  
HELPUNE**

**0800 012 322**

DEPARTMENT OF HEALTH



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## PROVINCIAL NOTICE

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No. 61

### PROVINCE OF THE EASTERN CAPE

#### PROVINCIAL NOTICE

#### OFFICE OF THE PREMIER

#### DRAFT WHITE PAPER ON EASTERN CAPE APPROPRIATE TECHNOLOGY UNIT

The above mentioned draft white paper is hereby published for public comment for 21 days from the date of publication hereof.

Members of the public are invited to submit their comments to -

**The Director General  
Office of the Premier  
Private Bag X 0047  
Bisho  
5605**



**OFFICE OF THE PREMIER**



**DRAFT WHITE PAPER ON**

**EASTERN CAPE APPROPRIATE TECHNOLOGY UNIT**

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## DEFINITIONS

In this Policy, unless the context otherwise indicates, the words or expressions used herein shall bear the meaning assigned to them, and -

**"alternate member"** means an alternate member of the Board;

**"Board"** means the Board of the Eastern Cape Appropriate Technology Unit ;

**"Constitution"** means Constitution of the Republic of South Africa , 1996 (Act No. 108 of 1996);

**"Department"** means the Office of the Premier;

**"ECATU"** means the Eastern Cape Appropriate Technology Unit;

**"financial year"** means the period from 1 April in any year to 31 March in the next year;

**"Gazette"** means the Gazette;

**"Legislature"** means the Legislature of the Province;

**"member"** means a member of the Board;

**"Officer"** means any person employed by ECATU and includes any person seconded to ECATU;

**"person"** includes a juristic person;

**"PFMA"** means the Public Finance Management Act, 1999 (Act No. 1 of 1999) as amended;

**"Premier"** means the Premier of the Province as elected in terms of section 128 of the Constitution; and

**"Province"** means the Province of the Eastern Cape established by section 103 of the Constitution.

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## Introduction

The Eastern Cape Appropriate Technology Unit (ECATU) is a corporate entity established in 1984 by Notice as Transkei Appropriate Technology Unit (TATU). The Notice establishing TATU was issued in terms of section 3 of the Transkei Corporations Act, 1976 (Act No. 16 of 1976). Act No. 16 of 1976 was subsequently repealed by the Corporations Act, 1985. Among the objects of TATU was the planning, financing and carrying out of projects relating to appropriate technology in all development fields, particularly with regard to the provision of technology for rural development. TATU was a regional institution whose operations were limited to the former Republic of Transkei. The possibility of establishing a similar institution had been provided for in the former Republic of Ciskei through the Ciskeian Corporations Act, 1981.

After 1994, it became necessary to amalgamate, and co-ordinate the various entities that operated within the boundaries of what is now known as the Province of the Eastern Cape. To this end the Corporations Transitional Provisions Act, 1995 (Act No. 12 of 1995) (Eastern Cape) was passed. The 1995 Act amended the Transkei Corporations Act, 1985 by giving power to the Premier to dissolve a "corporation" e.g. ECATU. The Corporations Act, 1995 did not however extend the territorial application of ECATU. Even though ECATU may operate throughout the Province, in law ECATU's operation is still confined to the former Republic of Transkei.

The Department seeks to remedy that anomaly in that it intends to establish ECATU as a juristic personality which will be able to operate throughout the Province. The Province is comprised mostly of rural areas and a need for a well managed rural development agency cannot be overemphasized. ECATU is seen as a vehicle that will assist the Province in responding to the challenges of poverty and underdeveloped rural areas.

## REGULATORY FRAMEWORK

ECATU will be a public entity that will deal with appropriate technology in promoting rural development and that falls within the ambit of Schedule 4 of The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) which provides for functional areas of concurrent national and provincial legislative competence.



## OBJECTIVE

The policy is intended to provide for the establishment, objects, powers and functions as well as governance of ECATU.

## VALUES AND PRINCIPLES

This White Paper is underpinned by, but not limited to, the following values and principles which guide the functions and responsibilities of ECATU:

### Values:

- (a) Integrity
- (b) Accountability
- (c) Quality
- (d) Environment
- (e) Service Excellence
- (f) Empowerment through People Participation
- (g) Transformation

### Principles:

- (a) Promote technologies that lead to maximum utilisation of local material resources and production know-how to ensure affordability of products.
- (b) Foster self-reliance through increased participation and productivity in target communities.
- (c) Promotion of technologies which are user friendly, simple and which maximise employment opportunities.
- (d) Promote sustainable socio-economic systems by integrating social, economic and environmental objectives.
- (e) Projects undertaken will be selected through a systematic and transparent demand-driven process, working in close consultation with all key stakeholders.
- (f) The project's portfolio must reflect a reasonable geographic balance.
- (g) Pro-actively seek to forge partnerships with other organisations active in rural development initiatives in South Africa and abroad.

## OBJECTS OF ECATU

The objects of ECATU are to –

- (a) plan, finance, and carry out projects relating to appropriate technology in all the development fields in the Province, namely–

- (i) provide appropriate technologies to support rural development;
  - (ii) provide technical advice, where necessary to government departments on innovations to support policy development and decision making;
  - (iii) undertake research and development on existing and proposed technologies in the public and private sectors;
  - (iv) promote sustainable development techniques and methodologies;
- (b) contribute towards the eradication of poverty and its causes by supporting organizations involved in appropriate technology research, development and implementation in order to –
  - (i) carry out projects or programmes aimed at meeting development needs of poor communities in the Province;
  - (ii) strengthening the institutional capacity of other civil society organizations involved in direct service provision to poor communities in the Province; and
- (c) promote dialogue and sharing of development experience between civil society organizations and relevant organs of state in the Province.

For the purposes of carrying out the objects referred to in the preceding paragraph ECATU may enter into partnerships with other spheres of government; public institutions and the private sector.

#### ***DUTIES AND POWERS OF ECATU***

ECATU must –

- (a) establish, initiate, plan, finance, co-ordinate, promote, manage, carry out or assist in the establishment, planning, financing, co-ordination, promotion, management or carrying out of projects that will benefit and develop the Province and persons resident in the Province, or for the benefit of demonstrating appropriate technology;

- (b) promote, plan, establish, co-ordinate and carry out any undertaking in relation to its objects;
- © assist to develop, co-ordinate and implement policy relevant to its objects;
- (d) assist in contributing towards building the capacity of civil society organizations to enable them to carry out development work effectively in the Province;
- (e) hold, manage, develop, purchase, hire, or otherwise acquire land or buildings, erect, maintain and repair buildings on its land, sell, let, or otherwise dispose of, mortgage or hypothecate such land or buildings for the purpose of furthering the objects ; and
- (f) take control of and operate existing bank accounts, open new accounts with any financial institution registered under the Banks Act, 1990 (Act No. 94 of 1990) in accordance with the PFMA.

ECATU may-

- (a) plan, encourage, co-ordinate, undertake or finance the training of persons, officers or members either directly or indirectly in the fields and business undertakings in relation to it's objects,
- (b) take up interest in a public or private entity, purchase, hire, develop, hold, subscribe to or otherwise acquire or take over movable or immovable property of any kind, in pursuance of the objects of ECATU;
- (c) by legal process cause any entity or juristic person in which it has any share or interest to be liquidated or placed under judicial management, and to petition a competent court to sequestrate the estate of any of its debtors;
- (d) act where necessary, to protect its interests;
- (e) take such security as it may deem fit, including but not limited to mortgage bonds over immovable property, notarial bonds over movable property, pledges of movable property, cessions of rights, and in general any other form of security in pursuance of the objects of ECATU;

- (f) act as agent or representative in connection with any matter of whatsoever nature on behalf of a person in connection with all or any of its objectives or itself to appoint agents or representatives in connection with any of its objects; and
- (g) transfer any kind of property held by ECATU or any interest in such property to any person upon such terms and conditions as may be necessary or appropriate in the circumstances;
- (h) employ persons and regulate their employment as it deems necessary in compliance with the relevant legislation;
- (i) exploit, utilise and develop any natural resource to further the objects in environmentally friendly manner; and
- (j) exercise any other power that is necessary or incidental to the exercise of its powers.

## GOVERNANCE OF THE INSTITUTION

The governance structure and accounting authority shall be a Board which shall be appointed by the Premier.

## QUALIFICATIONS FOR MEMBERSHIP TO THE BOARD

The Board shall consist of not less than five and not more than seven members to be appointed by the Premier from the following categories :

- (a) an officer in the employ of the Department;
- (b) four or five must collectively possess knowledge, insight, experience and appropriate qualifications in the areas of—
  - (i) business and economic development;
  - (ii) financial administration;
  - (iii) science and technology;
  - (iv) law; and

- (v) rural development; and
- © the Chief Executive Officer who must be an ex officio, member, without voting powers.

## PROCEDURE FOR THE APPOINTMENT OF MEMBERS

The members of the Board shall be appointed by the Premier through open invitation for applications by interested persons for consideration by him or her for membership. Such invitation must be published in at least one newspaper having a wide circulation in the Province. The Premier shall, after considering applications appoint the members. The Premier shall designate one of the members of the Board as chairperson and another as deputy chairperson.

## *TERM OF OFFICE, VACANCIES AND DISQUALIFICATION FROM THE BOARD*

A member of the Board shall hold office for a period of three years, but is eligible for re-appointment for one additional term of office. A vacancy in the Board occurs if a member -

- (a) dies; or
- (b) has served his or her term of office; or
- (c) is disqualified in terms of section 8; or
- (d) is absent from two consecutive meetings of the Board without prior consent of the chairperson of the Board; or
- (e) resigns or is removed from office.

A person is disqualified from being a member or remaining a member of the Board if -

- (a) he or she is not a South African citizen;
- (b) is of unsound mind;
- (c) is an unrehabilitated insolvent;



- (d) is convicted of an offence involving dishonesty or murder, rape, robbery, culpable homicide or any other offence for which he or she is sentenced to imprisonment without the offence of a fine; or
- (e) a person is a member of –
  - (i) a Municipal Council;
  - (ii) a Provincial Legislature;
  - (iii) Parliament; or
  - (iv) a House of Traditional Leaders.

### ***RESIGNATION AND REMOVAL FROM OFFICE***

A member may, on one month's written notice tender his or her resignation to the Board. A member must be removed from office –

- (a) if he or she becomes disqualified ; or
- (b) on good cause shown.

### ***TERMINATION OF TERM OF OFFICE OF BOARD MEMBERS AND REPLACEMENT OF THE BOARD***

The Premier may, at any time, if he or she considers it to be in the public interest or in the interest of the proper administration of this Act simultaneously terminate the term of office of members of the board and replace such members.

### ***TERMS AND CONDITIONS OF OFFICE OF MEMBER***

A member holds office on such conditions as to, and including remuneration, allowances and benefits as determined by the Premier after consultation with the member of the Executive Council for Finance.

No member is personally liable for any loss or damage which may occur in the performance of his or her duties unless such loss or damage was due to his or her willful misconduct, dishonesty, gross negligence or failure to comply with any provision of, or any direction or decision under this Act.



**MEETINGS OF BOARD AND QUORUM**

The first meeting of the Board must be held at a place and time determined by the Premier, and subsequent meetings of the Board must be held on such dates and at such a time and place as determined by the chairperson.

Notice of every meeting of the Board must state the business to be transacted and must be given to all members in the manner and form determined by the Board.

The quorum for a meeting of the Board must be the majority of members of the Board.

**DECISIONS OF BOARD AND VOTING POWERS OF CHAIRPERSON**

A decision agreed upon by the majority of the members eligible to vote at any meeting of the Board, constitutes a decision of the Board and in the event of an equality of votes, the chairperson has a casting vote in addition to his or her deliberative vote. Board or an act on the authority of the Board, is not invalid merely due to a vacancy

The Board must cause a record to be kept of the proceedings of its meetings and the Premier may at any reasonable time require that such record be submitted to him or her for perusal.

**COMMITTEES OF BOARD**

The Board may appoint committees, with the power to co-opt other persons, for the purpose of assisting it with the due and proper exercise and performance of any of its powers and functions in terms of this Act, and may likewise dissolve, extend, enlarge or limit any committee so appointed.

An aforementioned committee must consist of at least three members appointed by the Board in view of being suitable and appropriately qualified or experienced in regard to matters relating to the objects and functions of the committee in question.

A committee may co-opt a member who will serve in an advisory capacity without voting powers.

The Board must designate one of its members on a committee as its chairperson.

### **CHIEF EXECUTIVE OFFICER**

The Board must in consultation with the Premier, appoint as its Chief Executive Officer a person who has appropriate qualifications, knowledge or experience regarding the business and operations of ECATU;

The Chief Executive Officer is the accounting officer for ECATU and its chief administrative officer, and is under control of the Board and the Chief Executive Officer must be appointed on contract for a period not exceeding five years on such terms and conditions as determined by the Board in consultation with the Premier.

The Chief Executive Officer is the head of the administration of the Board and is responsible for -

- (a) implementing the policies and carrying out the decisions of the Board;
- (b) the formation and development of an efficient administration;
- (c) the organisation, control and management of the staff; and
- (d) the exercise of any of the powers of the Board that may be assigned or delegated to him or her.

The Chief Executive Officer must report to the Board on the administration as often as the Board may require.

### **REMOVAL OF CHIEF EXECUTIVE OFFICER FROM OFFICE**

The Board may, in consultation with the Premier, remove the Chief Executive Officer from office on account of -

- (a) misconduct; or
- (b) incapacity.

Whenever any inquiry or investigation for the purpose of establishing whether or not there exists sufficient cause for the removal of the Chief Executive Officer from office in terms of subsection (1), is being undertaken, the Board may, with due regard to the provisions of the Labour Relations Act, 1995 (Act No. 66 of

1995), suspend the Chief Executive Officer from his or her office pending the outcome of an inquiry or investigation.

### ***DUTY OF MEMBERS TO DISCLOSE INTERESTS IN CERTAIN CONTRACTS***

A member of the Board must disclose to the Board full particulars relating to the nature and extent of his or her interest in respect of any matter under adjudication by the Board.

If at any stage during the course of any proceedings before the Board it appears that a member of the Board has or may have any interest contemplated in the afore paragraph, that member must fully disclose the nature of his or her interest and leave the meeting so as to enable the remaining members of the Board to discuss the matter and determine whether that member is precluded from participating in the proceedings at such meeting by reason of a conflict of interest.

If any member of the Board fails to disclose any interest or if, having such an interest, he or she attends or in any manner whatsoever contributes to the proceedings at the meeting concerned, such contribution will be deemed not to have been made.

### ***FUNDING OF ECATU***

The funds of ECATU must consist of-

- (a) money appropriated by the Legislature;
- (b) donations and contributions lawfully received from any source;
- (c) interest on investments;
- (d) any monies lawfully derived from any source.

### ***ANNUAL REPORT AND FINANCIAL STATEMENTS***

As the accounting authority, the board must comply with the provisions of the Public Finance Management Act, 1999 (Act No. 1 of 1999).

The Board must submit to the Premier quarterly reports, on activities, operations, and financial position of ECATU, and must –

- (a) state the extent to which ECATU has achieved or advanced its objectives during the financial quarter concerned;
- (b) contain relevant information regarding the economic, efficient and effective utilization of resources;
- (c) indicate the amount of money, if any, received from the Government or any other source and any other commitment furnished to ECATU; and
- (d) contain the detailed personnel establishment and composition of ECATU.

The Premier may, at any time, request the Board to submit to him or her, an interim report pertaining to the state of affairs, the activities, the operations, and the financial position of ECATU pertaining to any specific matter identified by the Premier and such report must be submitted to the Premier within fourteen days after such request.

### ***PERSONNEL OF ECATU***

The Board must appoint personnel for the conduct of the business of ECATU on such terms and conditions as may be determined in consultation with the Premier and the Member of the Executive Council responsible for Finance.

### ***DISSOLUTION OF ECATU***

ECATU may not be dissolved except by or under the authority of an Act of the Provincial Legislature.

### **CONCLUSION**

ECATU is established as a juristic person thus providing for clear governance structure and lines of accountability. The clear terms of reference will also assist the institution in focusing on appropriate technology as a tool of assisting the Provincial Government in its imperatives of poverty alleviation and sustainable rural development.

