

CHAPTER 36

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AUTHORITY

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CHAPTER 36

COMMODITIES EXPORT MARKETING AUTHORITY

AN ACT TO ESTABLISH A PUBLIC AUTHORITY BY THE NAME OF THE COMMODITIES EXPORT MARKETING AUTHORITY, WITH A VIEW TO PROVIDING FOR THE DEVELOPMENT OF THE PRODUCTION OF CERTAIN COMMODITIES FOR THE PURPOSE OF THEIR EXPORT AND FOR PROMOTING AND REGULATING THEIR MARKETING AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

5 of 1984
LN 144 of 1992
8 of 1995

[1st July 1985]

PART I

PRELIMINARY

1. This Act may be cited as the Commodities Export Marketing Authority Act.

Short title

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

Interpretation

“activity” means any activity or dealing of whatever description, which results in producing, processing, buying, selling, storing, marketing, transporting or shipping of any commodity for the purpose of its export, whether such activity or dealing is carried on by a person for himself or for the benefit of any other person, or as an agent or trustee of any other person, and includes such other activity or dealing so carried on for the purpose of the export of a commodity, as the Minister may, by notice published in the Gazette, specify;

“agriculture” has the meaning assigned to it by the Agriculture and Livestock Act, and includes horticulture; but does not include silviculture and timber industry;

Cap. 35

“buy” means to procure any commodity, in return for payment of money as the price thereof, or in exchange for goods, or services, and includes any agreement for such buying;

“Chairman” means the Chairman of the Authority;

“commodity” means any product specified in Schedule 1 for the purpose of export, and includes a part, by-product, or waste product of such product,

- “dealing” means any form of participation in an operation or transaction for the export of a commodity, whether or not such participation is incidental or ancillary to any activity;
- “General Manager” means the General Manager of the Authority appointed under paragraph 2 of Schedule 2;
- “licence” means a licence issued, renewed or varied under this Act;
- “machinery” means a combination of moving parts of mechanical elements which may be put into motion by physical or mechanical force, together with their complimentary stationary members;
- “member” means a member of the Authority;
- “person” includes the Authority or any member acting as such under this Act or any employee or agent of the Authority acting within the scope of his employment with the Authority;
- “prescribed activity” means such activity as the Minister may, in consultation with, or on the recommendation of, the Authority, by notice published in the Gazette, prescribe for the purposes of this Act;
- “processing” in relation to a commodity includes —
- (a) making any commodity;
 - (b) drying, fermenting, cleaning, washing, finishing, altering, assembling, repairing, ornamenting, or the breaking up or demolition of any article or thing or carrying of any other operation in the course of, or with a view to producing or manufacturing any commodity or adapting the article or thing for use as a commodity;
- “product” means a product of agriculture, or any other industry, not being agriculture, whether derived with or without the use of machinery;
- “producer” means a person engaged in the production of a commodity, and includes a person who is engaged in any prescribed activity in that commodity;
- “port” includes an airport or air strip used for the carriage of passenger or cargo by air;
- “shipment” includes air-lifting;
- “sell” means to dispose of any commodity in exchange for payment of money as the price thereof, or in exchange of goods or services and includes any agreement for such selling.

3. The Minister may, in consultation with, or on the recommendation of the Authority, by order published in the Gazette, amend Schedule 1 for the purposes of this Act.

Amendment of
Schedule 1

4.—(1) This Act shall have effect as supplementary to but not in derogation of the provisions of the Customs and Excise Act, any law relating to foreign investment, and any other law, in so far as those provisions apply to, or in relation to, a prescribed activity in any commodity and the compliance by a person of those provisions shall not absolve him from his obligation to comply with the provisions of this Act.

Overriding effect
of Act
Cap. 121

(2) Save as provided in subsection (1), the provisions of this Act shall have effect, notwithstanding anything to the contrary contained in any of those laws.

PART II

THE COMMODITIES EXPORT MARKETING AUTHORITY

5.—(1) There is hereby established an authority to be known as the Commodities Export Marketing Authority, which shall be a body corporate under that name with perpetual succession and a common seal; which may, in such name, sue or be sued, may enter into contract and subject to the provisions of this Act may acquire, purchase, take, hold and enjoy real and personal property of every description and may convey, assign, surrender and yield up, charge, mortgage, transfer or otherwise dispose of, or deal with, in real or personal property, and may do all other things necessary for or incidental to its functions under this Act.

Establishment of
the Authority

(2) The members of the Authority shall be responsible for the policy and management of the Authority in accordance with the provisions of this Act.

(3) Schedule 2 relating to the appointment, remuneration, procedure and the other matters concerning members shall have effect subject to the provisions of Schedule 3 relating to the first appointment of the members.

(4) Schedule 3 which contains transitional provisions, shall have effect.

6.—(1) For the purpose of promoting the export of commodities, the Authority shall be responsible for the development of their production, and for securing their efficient and regulated marketing.

Functions of the
Authority

(2) In particular, and without prejudice to the generality of the foregoing provision, the functions of the Authority shall be —

(a) to promote, assist and develop commodities industries, whether by way of implementing any national plan prepared by it and approved by the Minister in this behalf, or otherwise, in such manner as it may think fit;

(b) with a view to securing efficient marketing in commodities for the purpose of their export to —

(i) collect, collate or prepare information or estimates with respect to —

(A) prices of, and supply, demand and other market conditions relating to, the commodities;

(B) publication or dissemination of such information or estimates to persons engaged in any prescribed activity in any commodity;

(ii) specify appropriate standards with respect to the quality, weight, ingredients, use and other particulars of the commodities, for the purpose of designation of their grades to indicate their suitability for export, and for the rejection of the commodities for export for failure to comply with such standards;

(iii) require the marking of the commodities with such standards;

(iv) fix by order published in the Gazette, the prices of commodities, for their buying or selling having regard to the cost of any prescribed activity in a commodity, the margin of profit expected by a producer from the export of the commodity, prevailing price of similar products in the local market in Solomon Islands, and other relevant considerations, and stabilise such prices, as far as possible, by taking such measures as it may consider necessary, notwithstanding fluctuations in the prices of the commodities overseas;

(v) advertise such prices in such other manner as it may think fit;

(vi) engage in buying or selling of commodities at such prices as it has fixed or to engage in any

other prescribed activity for the promotion of, or for the protection of persons engaged in, the export of commodities; and

(vii) secure the availability of the commodities for the purpose of export by taking appropriate measures for the prevention of their hoarding and unhealthy competition between persons engaged in their production;

(c) to make such grants and loans, provide such guarantee and to secure such other credit facilities on such conditions, as may be approved by the Minister, in consultation with the Minister of Finance to persons engaged in carrying on any prescribed activity, with a view to promoting export of any commodity;

(d) to undertake studies, surveys, investigations and research into any matter affecting any prescribed activity in any commodity, and to provide appropriate facilities for the training and education of, and consultancy services to, persons engaged in any prescribed activity;

(e) to monitor the implementation of the provisions of this Act by making such enquiries and investigations as it may think fit;

(f) to initiate, invite and induce investments into, or to receive contributions or any form of assistance, financial or otherwise, from any source for the purpose of development of the production of any commodity;

(g) to co-operate with other persons, whether citizens or foreign nationals, in any such joint scheme or project of the promotion of export of a commodity, as may be approved by the Minister; and

(h) to carry out such other functions as are conferred on the Authority under this Act, or any other law.

(3) In performing its functions, the Authority shall ensure, by negotiations with the owners of customary land, or otherwise, that their interests are safeguarded and that they get, as far as possible under the provisions of this Act, best returns for any commodity produced on their land, or from the carrying on of any other prescribed activity with respect to that commodity.

7.—(1) Where it appears to the Minister, in consultation with, or on the recommendation of, the Authority, that for the purpose of encouraging or improving trade with other countries, it is necessary so to do in the public interest, he may by order require

Additional
functions

the Authority to perform such functions, with respect to such product, not being a commodity or with respect to any activity, not being a prescribed activity, as may be specified in the order, and the Authority shall perform such functions.

(2) Such provisions of this Act shall apply to the performance of the functions under subsection (1) and to the other matters involving the performance of those functions, and subject to such amendments, as may be specified by the Minister by an order published in the Gazette.

8. For performing its functions under this Act, the Authority may —

(a) appoint such employees as it reasonably requires, upon such terms and conditions and on such remuneration, as it thinks fit;

(b) with the written consent of the Minister, contribute to any scheme for pensions, gratuities and retiring allowances for its employees;

(c) appoint, on such terms and conditions and on such remuneration as it thinks fit, agents to carry out its functions;

(d) fix and advertise prices for, and buy, any prescribed commodity which has been suitably graded;

(e) act as consultant to the persons engaged in any prescribed activity, and desiring to obtain any service falling within the scope of the functions of the Authority;

(f) act as agent or trustee for persons desiring to invest property or money in a business or enterprise connected with any prescribed activity in a commodity;

(g) charge fees for services performed by the Authority;

(h) acquire, hold and dispose of securities and equity or commercial interests in companies, partnerships or joint ventures; and

(i) form subsidiary corporations in compliance with the Companies Act to carry on any commercial activity approved by the Minister.

9. (1) The Authority shall prepare and submit to the Minister such interim reports as he may require on the operations of the Authority.

(2) Upon considering the report submitted to him under subsection (1), or otherwise, the Minister may give to the Authority

Powers of the
Authority
8 of 1995, s. 2

Cap. 175

Directions of the
Minister on
general matters
of policy

such directions of general character as to any matter of policy with respect to the implementation of any provision of this Act as appear to him to be requisite in public interest:

Provided that the Authority shall be consulted before giving any such direction otherwise than on considering the report of the Authority.

(3) If a question arises as to whether any matter is a matter of policy, the decision of the Minister shall be final.

(4) The Authority shall comply with the directions given under subsection (2).

(5) Where, in the opinion of the Minister, the Authority or any member is guilty of persistent disregard of any direction given under subsection (2), he may, by order, take such action, including removal from office, of any member who is guilty of disregard of such direction, as he considers necessary to secure compliance of his directions:

Provided that no action under this subsection shall be taken without giving the Authority or the member so guilty, an opportunity to show cause why the action proposed by him should not be taken, and without considering the cause, if any, shown by the Authority or the member, as the case may be, against the proposed action.

10.—(1) Where the Minister is satisfied, in consultation with, or on the recommendation of, the Authority, or otherwise, that it is in the public interest to prohibit the export of any commodity, or the carrying on any other prescribed activity in that commodity, for such period as he considers necessary, having regard to the scarcity in the availability of any product for domestic use within Solomon Islands, or the relations of Solomon Islands with, or the conditions prevailing in, any foreign country, he may, by order, prohibit the export of the commodity or the carrying on of that prescribed activity in that commodity, hereafter in this section referred to as the prohibited commodity and prohibited activity respectively, for such period as may be specified in the order.

(2) An order under subsection (1) may be made in respect of export of the prohibited commodity to all foreign countries, or to any particular country as may be specified in the order.

(3) Where an order is made under subsection (1) —

(a) the Authority and every person licensed under this

Directions of the
Minister for
temporary
prohibition of
export of, or of
any other
prescribed
activity, in a
commodity

Act shall forthwith stop export of the prohibited commodity and the carrying on the prohibited activity in that commodity for such period as is specified in the order;

(b) any licence issued or renewed in respect of the prohibited commodity before the issue of the order, shall, notwithstanding the currency of such licence, remain suspended during the period specified in the order; and

(c) neither the Authority nor the person referred to in paragraph (a), shall have any claim for compensation against the Minister or the Government, for any loss caused by the order, or by the suspension of licence for the export of the prohibited commodity, or by the stoppage of the carrying on of the prohibited activity in that commodity, by virtue of that order.

(4) During the period of operation of the order, it shall be lawful —

(a) for the Authority to purchase any prohibited commodity and sell the same to any person within Solomon Islands;

(b) for any person to purchase or sell the same within Solomon Islands,

at such price as the Authority may fix, having regard to the cost of any prescribed activity in that prohibited commodity, the margin of profit which would have been expected by its producer if it had been exported, the prevailing price of similar products in the local market at the place of purchase or sale in Solomon Islands and any other relevant consideration.

PART III

REGULATION OF EXPORT AND OTHER PRESCRIBED ACTIVITIES

11. Upon the commencement of this Act, no commodity shall be exported, nor any other prescribed activity in relation to the export of a commodity shall be carried on except —

(a) by the Authority, or by an agent of the Authority, appointed by a general or special order, made in that behalf, and such export or other prescribed activity is carried on, in accordance with the provisions of this Act, or the regulations made thereunder; or

(b) by any other person licensed by the Authority, and such export or other prescribed activity is carried on, in

accordance with the conditions of the licence issued or renewed or varied by the Authority under this Act.

12.—(1) A person may apply to the Authority for the issue of a licence to carry on the export of a commodity or any other prescribed activity in that commodity:

Issue or renewal
of a licence

Provided that where he intends to carry on the export of more than one commodity, or more than one other prescribed activity, he shall make separate application to the Authority for such licence for the export of each commodity or for carrying on each other prescribed activity in a commodity.

(2) An application under subsection (1) shall —

(a) be in the prescribed form and shall be accompanied by such fees as may be prescribed;

(b) specify the commodity for the export of which, or the other prescribed activity in a commodity to carry on which the application is made; and

(c) contain such other information or be accompanied by such relevant documents relating to the suitability of the commodity for export, or the suitability of the person to carry on the export of or other prescribed activity in a commodity, as may be prescribed or as the Authority may, by order made in writing, require, to comply with any provision of this Act or the regulations made thereunder.

(3) The Authority shall examine the application, and if in its opinion, the application is incomplete with respect to any matter specified in subsection (2), the Authority shall return the application to the applicant for re-submission after completion, directing his attention to the deficiency noticed by the Authority.

(4) On receipt of a completed application, if the Authority is satisfied that the commodity in respect of which the licence is applied for is suitable for export or the applicant is suitable to carry on the export of, or other prescribed activity in, a commodity having regard to the provisions of this Act and the regulations made thereunder, that the applicant has complied with the directions, if any, given by the Authority, and that, in its opinion, there is no valid reason to refuse such application, the Authority may, subject to the other provisions of this Act, issue to the applicant, the licence applied for, in the prescribed form, on such conditions as may be specified therein.

(5) Where the Authority is not satisfied as stated in subsection (4), it shall reject the application:

Provided that no application for a licence shall be rejected except after giving to the applicant an opportunity of showing cause why the application be not rejected, and after considering the cause, if any, shown by the applicant.

(6) Every application for a licence made under subsection (1) shall be disposed of within a period of three months from the date of its submission or re-submission, whichever is later.

(7) A copy of the order giving reasons of the rejection of an application for the issue of licence shall be given to the applicant forthwith.

(8) Unless sooner revoked pursuant to this Act, a licence issued under this section shall remain in force for a period of one year from the date of its issue, and may be renewed by the Authority on payment of such fee as may be prescribed and the provisions of subsections (2) to (7) shall apply to the renewal of a licence under this section as they apply to its issue.

(9) The Authority shall keep a register of licences issued or renewed under this section and the conditions of those licences subject to which they were issued or renewed, in the prescribed form; and where such licence relates to the carrying on of the production of a commodity the Authority shall allot to such licensee a distinguishing mark to be used by him in respect of each producing unit maintained or operated by him for the production of the commodity so as to identify the commodity produced in each such unit.

13.—(1) The Authority may, by order made at any time during the currency of a licence issued or renewed under section 12, or at the time of its renewal—

(a) revoke any licence, if the licensee contravenes or fails to comply with any of the conditions of the licence issued or renewed to him; or

(b) revoke or vary any condition subject to which it was issued or renewed, as the case may be:

Provided that no such revocation of the licence or revocation or variation of any condition thereof shall be made except where, in the opinion of the Authority, such variation or revocation is necessary having regard to the provisions of this Act and the regulations made thereunder or the directions made by the Authority, and except after giving to the licensee an opportunity to show cause why the proposed variation or revocation be not made and after considering the cause, if any, shown by the licensee.

Revocation or
variation of
licences

(2) Where a person who holds a licence is convicted of any offence against this Act, the Authority may, within three months of the conviction, revoke the licence.

(3) A licensee may apply to the Authority for variation of any condition of the licence stating in the application the reasons for its variation and if the Authority is satisfied that it is just and equitable to vary that condition having regard to the provisions of this Act and the reasons given therefore, it may vary that condition for such period as it may order, and the licence so varied shall have effect for that period only.

(4) Where any licence is revoked under this section, the person who held that licence may apply to the Authority to temporarily continue to carry on the prescribed activity covered by such licence, for the purpose of winding up or closure of that activity.

(5) On receipt of an application under subsection (1), the Authority may fix a date not exceeding a period of three months from the date of revocation of the licence on which that person shall cease to carry on the prescribed activity covered by that licence, and until that date such person may, notwithstanding anything contained in this Act, carry on that prescribed activity only for the purpose of winding up or closure of his affairs in relation to that prescribed activity.

14.—(1) As soon as may be, after the commencement of this Act, the Authority shall by order make arrangements, and empower in writing, such number of its employees to be designated as Chief Inspecting Officer, and other Inspecting Officers, to enforce and carry out such provisions of this Act as may be specified in the order.

(2) Every Inspecting Officer shall exercise his powers or perform his duties under the supervision and control of the Chief Inspecting Officer, and the Chief Inspecting Officer shall function under the supervision and control of the Authority.

(3) The Minister may, by order, published in the Gazette appoint ports from which a commodity may be exported.

(4) No commodity shall be exported by the Authority or by any person except from such appointed ports and except after it has been examined by an Inspecting Officer at such port and graded and marked in accordance with the provisions of subsection (5).

Arrangements
for enforcement
of Act

(5) Every person exporting a commodity in accordance with the provisions of this Act shall submit the commodity to an Inspecting Officer at the port of export who shall examine and grade the commodity in accordance with the prescribed standards and the prescribed procedure, upon payment of the prescribed fee, and shall seal and mark, in the prescribed manner, every bag or container of commodity graded by him:

Provided that the Inspecting Officer shall reject the commodity for export, if as a result of such examination, he is of the opinion that the commodity does not conform to the prescribed standards:

Provided further that upon payment of further prescribed fee, such person may require a sample of the commodity so graded in any grade or rejected by the Inspecting Officer, to be re-examined and re-graded by the Chief Inspecting Officer, who shall, after such examination —

(a) re-grade the commodity at a higher grade, if that conforms to such higher grading according to the prescribed standards, and in such case make an order for the refund of the prescribed fee paid for his examination and re-grading; or

(b) make an order rejecting the commodity for export, if he is of the opinion that the commodity does not conform to the prescribed standards; and

(c) forthwith give to such person a copy of the order containing reasons of such rejection.

(6) If after the grading or re-grading of a commodity is completed and before shipment the commodity suffers damage of a nature likely, in the opinion of the Inspecting Officer, to affect the quality thereof, the Inspecting Officer may order the commodity to be re-graded and in such case, the licensee shall not export the commodity until it has been examined again and graded according to the prescribed standards and the prescribed procedure.

15.—(1) The Authority may, by notice in writing, require a producer to provide it with such information as the Authority reasonably requires for the performance of its functions under this Act, and the notice may state the time within which the information is to be provided.

(2) The Authority and any member, Inspecting Officer, or other employee, agent or auditor of the Authority shall not,

Producers to
provide
information

except in legal proceedings or in the performance of a duty or function under this Act, divulge or communicate any information acquired pursuant to subsection (1) without the consent of the person by whom or on whose behalf the information was provided.

16.—(1) Any person aggrieved by any order specified below, may appeal on payment of prescribed fees —

Appeals

(a) to the Minister —

(i) against an order of the Authority fixing any price of a commodity under section 6(2)(iv) or fixing any price of a prohibited commodity under section 10(4);

(ii) against an order of the Authority, rejecting his application for the issue or renewal of a licence; or

(iii) against an order of the Authority revoking or varying any licence issued or renewed by it or revoking or varying any condition of such licence, or refusing to vary any such condition, and

(b) to the Authority against an order of the Chief Inspecting Officer rejecting any commodity for export.

(2) Every appeal made under subsection (1) shall —

(a) contain the grounds of appeal and be accompanied by the copy of the order with which the appellant is aggrieved; and

(b) be made within sixty days from the date on which the copy of such order is given to him.

(3) The Minister or the Authority before whom an appeal is made under subsection (1) shall co-opt, on such remuneration as may be prescribed, one or more public officers or other persons having experience in the controversy involved in the appeal and who may be not connected with the Authority, for hearing and determining the appeal, and the Minister or Authority, as the case may be, together with the person or persons so co-opted shall, for the purposes of this section, constitute the Appellate Tribunal.

(4) Notice of the appeal shall be sent by the Appellate Tribunal to the Authority or the Chief Inspecting Officer against whose order the appeal is made. In pursuance of the notice, any representative of the Authority or the Chief Inspecting Officer, as

the case may be, as well as the appellant or his representative shall, if they so desire, be heard by the Appellate Tribunal on the date fixed by it and notified to both the parties to the appeal.

(5) After hearing the parties to the appeal as may be present at the time of the hearing, and considering the contentions raised in the appeal, the Appellate Tribunal may by order—

(a) reject the appeal, if in its opinion there are no reasons for interfering with the order appealed against; or

(b) remand the order appealed against to the Authority or the Inspecting officer who made the order for re-considering it, by following such directions as may be specified in the order of remand, having regard to the provisions of this Act and the regulations made thereunder; or

(c) accept the appeal, and shall—

(i) in an appeal under subsection (1)(a)(i), direct the Authority to re-fix the price of a commodity or prohibited commodity, as the case may be, after taking into consideration such matters as are specified in the direction; or

(ii) in an appeal under subsection (1)(a)(ii), direct the Authority to issue or renew the licence, as the case may be; or

(iii) in an appeal under subsection (1)(a)(iii), direct the Authority to issue or renew the licence or to quash the order of revocation or variation of the conditions or vary the condition for which such appeal was filed in such manner as may be specified in the direction; or

(iv) in an appeal under subsection (1)(b), direct the Inspecting Officer to re-grade the commodity in such grade as may be specified in the direction, and to allow export of the commodity so re-graded.

(6) The costs of appeal which shall include the amount of remuneration payable to the co-opted members, shall be determined by the Appellate Tribunal, and specified in the order made under subsection (5), and shall be payable—

(a) by the appellant to the Authority, if the appeal is rejected,

(b) by the Authority to the appellant, if the order appealed against is remanded, or the appeal is accepted.

(7) The order of the Appellate Tribunal shall be final and shall not be questioned by any court except on any ground specified in section 18 of the Constitution.

17.—(1) The Chief Inspecting Officer, or any Inspecting Officer of the Authority, or any person authorised in writing by the Authority, or any police officer may, for the purpose of finding out whether the provisions of this Act are being complied with, or where he reasonably suspects that they are not being complied with—

Power to enter
and search

(a) enter and search any premises or vehicle, ship, boat or airplane or any other conveyance where there is being carried on any prescribed activity, for the purposes of inspecting or examining any commodity or the carrying on of any prescribed activity in any commodity or for taking any sample of a commodity:

Provided that no such entry or search shall be made except between the hours of eight in the forenoon and four-thirty in the afternoon;

(b) demand from any person who is carrying on a prescribed activity in a commodity the production of that person's licence to do so; or

(c) require a person who is in possession of any commodity to give an account of the manner in which he became possessed of it.

(2) The officer referred to in subsection (1) shall forward to the Authority a report on the result of the entry and search made by him except where he seizes any property as required by section 18.

(3) Upon perusal of the report or its copy forwarded to it under subsection (2) of this section or under subsection (2) of section 18, the Authority shall take such action as it considers necessary for the enforcement of the provisions of this Act if it is satisfied there has been contravention of those provisions.

18.—(1) Where in the course of an inspection carried out under section 17, or otherwise, the Chief Inspecting Officer, or any Inspecting Officer or any person authorised by the Authority in writing, or any police officer, has reason to believe that any such property as comprises any commodity, tool, machinery, equipment, boats, vehicles and other property or documents, is being or has been used in the commission of an offence under this Act, he shall seize that property and take it in his possession or control.

Seizure and
forfeiture of
property

(2) Every officer seizing any property under this section shall place on such property, or on the receptacle, if any, in which it is contained, a mark indicating that it has been so seized and shall, as soon as reasonably possible, make a report of such seizure to a Magistrate, and shall forward to the Authority, a copy of that report.

(3) As soon as reasonably possible after such seizure, the Authority shall give notice by service, or if service is not reasonably possible, by such publication as is appropriate, to all persons who it has reason to believe are interested in the property.

(4) Any person claiming to be so interested may seek court action against the seizure of such property —

(a) within one month of the date of receipt of the notice, if notice is given by service, or

(b) within two months of the date of publication, if notice is given by publication.

(5) If any property seized is subject to natural and speedy decay, the court may direct sale of the property and deal with the proceeds of sale in such manner as it considers just and proper under the circumstances of the case, unless the person from whom the property is seized is prosecuted for an offence under this Act, in which case the court shall act as provided under subsection (6).

(6) Property seized or proceeds from sale under subsection (5) shall be subject to forfeiture if a conviction is obtained, or shall vest absolutely in the Authority if the suspected offender is unknown or unavailable to court jurisdiction, but only after the end of the notice period or the decision of any court proceedings taken under subsection (4).

(7) A forfeiture or vesting under subsection (6) shall be in addition to any other penalties for the offence under this Act.

19.—(1) Without prejudice to any action that may be taken under this Act, where a person —

(a) contravenes the provisions of section 10(3) or section 13(4) or section 14(4); or

(b) carries on any prescribed activity —

(i) in contravention of any provision of this Act or the regulations made thereunder, prescribing the manner in which it is to be carried on; or

Penalties

(ii) without a licence issued or renewed or varied; or

(c) alters, defaces or adds to any mark or seal placed on any bag or container of a commodity to indicate the grading of that commodity made under the provisions of this Act; or

(d) buys or sells or exports any commodity at a price other than the price therefor, if any, fixed under this Act or the regulations made thereunder; or

(e) obstructs the Chief Inspecting Officer or any Inspecting Officer or any member or any agent of the Authority in the execution of his duty imposed on him by this Act or the regulations made thereunder; or

(f) makes any false statement or gives any false information, or makes such statement or gives such information that he does not believe to be true —

(i) in an application for issue or renewal of a licence, or for variation of any condition of a licence; or

(ii) in an appeal made under this Act; or

(iii) in response to a notice under section 15; or

(g) falsely represents himself as any member, Inspecting Officer or other employee or agent of the Authority, and does any act under this Act in that false character,

shall be guilty of an offence and shall be punishable with fine which may extend to \$5000, or to a term of imprisonment which may extend to two years, or both such fine and imprisonment:

Provided that where such person is convicted by a court other than the High Court or the Court of Appeal, such punishment shall not be less than a fine of \$500, or an imprisonment of one month, or both, unless the court convicting the person is of the opinion, for reasons to be recorded by it in its judgment, that there are mitigating circumstances justifying any lesser sentence of fine or imprisonment, or both, than such minimum sentence, in which case it may award such lesser sentence:

Provided further that where any such offence is committed by such person with the consent or connivance of any member, employee or agent of the Authority, the member, employee or agent as well as the first-mentioned person shall also be guilty of that offence and to the like punishment as aforesaid.

(2) Where a member, an Inspecting Officer, or other employee or auditor, or agent of the Authority —

(a) makes any disclosure in contravention of subsection (1) of section 29 whether intentionally or negligently; or

(b) accepts any gift in contravention of subsection (4) of that section;

he shall be guilty of an offence and on conviction shall be punishable with a fine which may extend to \$500 or with imprisonment which may extend to six months, or with both such fine and imprisonment and the gift so accepted shall be liable to be forfeited to the Crown, and the provisions of section 43 of the Penal Code shall apply to the forfeiture of any gift under this subsection as they apply to the forfeiture of any property upon conviction under the sections of that Code referred to in that section.

Cap. 26

(3) A member who contravenes paragraph 10(1) of Schedule 2, shall be guilty of an offence punishable with fine which may extend to \$1000 or with imprisonment which may extend to one year or with both such fine and imprisonment.

(4) A producer who, without any lawful excuse, fails to comply with a notice given pursuant to subsection (1) of section 15 shall be guilty of any offence and shall be punishable with fine which may extend to \$200.

(5) No prosecution for an offence under this section shall be instituted except by the Director of Public Prosecutions, or by any other person acting under the general or specific directions of the Director of Public Prosecutions.

PART IV

FINANCE

20.—(1) The Authority—

(a) shall establish a development fund for each commodity;

(b) may, where necessary, establish a development fund for a product which is not a commodity; and

(c) may with the approval of the Minister establish any other fund for a commodity or any prescribed activity.

(2) Each fund established under subsection (1) shall be kept in a separate account.

(3) Moneys from a fund established pursuant to this section shall not, except by order of the Minister, be used in relation to

Funds to be
established

a product or commodity which is not the product or the commodity for which that fund was established.

21. Subject to the provisions of this Act, the funds shall be at the disposal of the Authority and shall consist of—

Sources of funds
of Authority

(a) moneys transferred to the Authority from funds of the Copra Board pursuant to Schedule 3 (transitional provisions) which shall be paid into a fund established pursuant to section 20(1) for copra;

(b) fees payable under this Act or the regulations, in each case, which shall be paid into a fund established for the commodity in relation to which it has been paid and where such fee is not related to any one commodity then the fee may be paid into one or more such funds at the discretion of the Authority;

(c) interest or other returns accruing from investment, which interest or returns shall—

(i) where they can be related to a particular commodity be paid into a fund established for that commodity; and

(ii) where they cannot be related to a particular commodity be paid, with the approval of the Minister, into one or more of the funds established pursuant to section 20(1);

(d) moneys derived from the sale of a commodity by the Authority, which moneys shall in each case be paid into the fund established for that commodity;

(e) moneys received by or falling due to the Authority in respect of any loan made by it or the interest payable in respect of such a loan, which moneys shall in each case be paid into the fund established from which the loan was made; and

(f) any other moneys from any source at any time granted or allocated or loaned to the Authority or otherwise earned by the Authority, which moneys shall where they are granted, allocated, loaned or earned in relation to a particular commodity be paid into the fund established for that commodity.

22. The Authority may from time to time raise or borrow such sums of money for or in connection with the purposes of this Act and on such terms and conditions as are approved in writing by the Minister after consultation with the Minister of Finance.

Borrowing
powers

Guarantees

23. The Authority may, from time to time and only with the written approval of the Minister given after he has consulted with the Minister for Finance, guarantee in such manner, as it thinks fit, the repayment of the principal of and interest and other charges on a loan by a bank made to a producer for the production of a commodity or for carrying on any other prescribed activity in a commodity, on the recommendation of the Authority.

Lending powers

24. The Authority may, from time to time and only with the written approval of the Minister given after he has consulted with the Minister for Finance, lend money to a producer for or in connection with the purposes of this Act, on such terms and conditions as it thinks fit.

Powers of investment

25. The Authority may, from time to time and only with the written approval of the Minister given after he has consulted with the Minister for Finance, invest the funds at its disposal in such manner and on such terms and conditions as it thinks fit.

Application of funds

26. The Authority shall in accordance with this Act apply the funds at its disposal or such part of the funds as it, from time to time, sees fit—

- (a) to and in connection with the purchase of commodities;
- (b) in the exercise of its powers and in the carrying out of its functions; and
- (c) to the payment of the remuneration, allowances and salaries payable to its members and employees and agents.

Accounts, audit and annual report

27.—(1) The Authority shall keep true and full accounts of all its transactions and shall prepare and submit to the Minister not more than three months after the end of each financial year, such statements and accounts as the Minister may require.

Cap. 120

(2) Part VIII of the Public Finance and Audit Act shall apply to the Authority by an order made by the Minister under that Act.

(3) The Authority shall, at the beginning of each financial year, prepare a report of its operations for the past financial year and shall submit it to the Minister and the Minister shall cause it to be laid before Parliament.

Exemption from income tax

28. The income of the Authority shall not be liable to income tax.

PART V

MISCELLANEOUS

29.—(1) A member, or an Inspecting Officer or other employee, agent or auditor of the Authority shall not (except in the performance of his duties or functions under this Act) disclose to any person any information with regard to a matter determined by the Authority to be a matter to which this section applies.

Authority not to disclose

(2) The Authority may determine that any matter connected with a commodity or a prescribed activity is a matter to which this section applies, and shall inform the members, Inspecting Officers, other employees, agents and auditors of the Authority who deal with the matter, that it has made such a determination.

(3) A person contravenes subsection (1) whether the disclosure made is intentional or negligent.

(4) A member of the Authority or an Inspecting Officer or other employee, agent or auditor of the Authority shall not accept on his own behalf any gift from a person who is licensed or whose activities are otherwise regulated by the Authority or with whom the Authority transacts any business pursuant to this Act.

30. Where an offence committed under this Act by any person causes any loss of profit or other damage to the Authority, the person shall be liable to the Authority for the value of that loss or damage.

Offender liable to Authority

31. A member, an Inspecting Officer or other employee, or agent of the Authority shall not be subject to any action, liability, claim or demand for any matter or thing done or contract entered into by the Authority if the matter or thing is done or the contract entered into is in good faith for the purposes of exercising a power or performing a function or duty of the Authority under this Act.

Protection for matters or things done in good faith

32. The Minister may, by order published in the Gazette, exempt any person or class of persons from such provisions of this Act or of the regulations made thereunder as may be specified in the order, if he is satisfied that such exemption is necessary in public interest, having regard to the nature and size of any prescribed activity in a commodity, the relations of Solomon Islands, with any foreign country, the protection of the trading interest of the people of Solomon Islands against conditions prevailing in any foreign country, and other relevant considerations.

Exemptions

Relations with
other Ministries
and public
bodies

33. Any Ministry or any other public body or authority shall notify the Authority in writing any plan or project for which it has some responsibility where the plan or project could reasonably be expected to affect a matter in which the Authority, shall pursuant to this Act is concerned and such Ministry and other public body or authority take into consideration the comments, if any, made by the Authority in such plan or policy so as to ensure that the provisions of this Act and the regulations made thereunder are complied with in giving effect to such plan or project.

Power to make
regulations

34. The Minister may, after consultation with, or on the recommendation of, the Authority, make regulations for, or with respect to any matter or thing that by this Act is authorised or required to be prescribed or that is necessary to be prescribed, or for carrying out the provisions of this Act, and without affecting the generality of the foregoing power, may make regulations prescribing —

(a) the standards of the quality control of a commodity, including its inspection and grading for the purpose of export;

(b) conditions under which a person holding a licence under this Act may carry on a prescribed activity;

(c) the manner of appointment and the duties and powers and procedures of the Chief Inspecting Officer, Inspecting Officers and the employees of the Authority to enforce and carry out the provisions of this Act and the regulations;

(d) the establishment of and operation at places where grading may be done and the methods and procedures for grading;

(e) the storing, warehousing, freighting, loading, transporting and shipping of commodities, including safety regulations;

(f) the standards, labels and markings for bags and other containers of a commodity and for requiring use of such standards, labels or markings;

(g) the restrictions as to the carrying on of any prescribed activity in any green or immature part of a commodity;

(h) the rejected commodities which may be exported and the conditions of their export;

(i) fees for services provided by the Authority for appeals and other matters;

(j) penalties not exceeding \$500 or imprisonment not exceeding six months, for any breach of the regulations in cases for which no punishment is elsewhere provided in the Act; and

(k) forms and procedures for the administration of this Act or the regulations.

35. (1) Section 62 of the Interpretation and General Provisions Act does not apply to any subsidiary legislation made under this Act.

Parliamentary
procedure for
subsidiary
legislation
Cap. 85

(2) Such subsidiary legislation shall come into operations as provided in section 61 of that Act.

(3) Subsidiary legislation made under this Act shall be laid before Parliament.

(4) If within 15 sitting days from the day on which the subsidiary legislation is laid before Parliament, Parliament resolves that the subsidiary legislation is annulled or shall have effect subject to such amendments as may be specified in the resolution, the subsidiary legislation shall cease to have effect or continue to have effect, subject to those amendments but without prejudice to the validity of anything previously done under the subsidiary legislation.

L.N. 144/1992

SCHEDULE 1

(Section 2)

Products and their Description

Coconut and coconut products.	The fruit of the palm tree (<i>Cocos nucifera</i>) and any product of that fruit whether in green or dried form.
Copra.	The kernel or meat of the coconut (fruit of the palm tree) (<i>Cocos nucifera</i>) when it has been extracted from the nut and dried.
Cocoa pods.	The fruit of the cocoa tree (<i>Theobroma Cacao Linnaeus</i>).
Unfermented cocoa beans.	Seeds from the fruit of the cocoa tree (<i>Theobroma Cacao Linnaeus</i>) which have not been subjected to a fermentation and drying process.
Fermented cocoa beans and products.	Seeds from the fruit of the cocoa tree (<i>Theobroma Cacao Linnaeus</i>) which have been subjected to a fermentation and drying process.
Palm oil.	Oil extracted from the fruit of the oil palm tree (<i>Elaeis guineensis</i>).
Palm based products	Extracts or distillations from the fruit of the oil products.palm, (<i>Elaeis guineensis</i>).
Spices.	Any aromatic or pungent substance of vegetable origin commonly used to flavour food or as condiments and includes ginger, chillies, turmeric, cardamon or distillation of any such substance.
Coffee.	The fruit of the shrubs (<i>Coffea arabica and canephora</i>), <i>Arabica and Robusta varieties</i> , or derivatives and any products of the fruit whether green or dried form.
Ngalinut.	Dried ngalinut-in-shell, dried kernel separated from the shell of the fruit, the shell or resins from the ngalinut tree (<i>Canarium spp.</i>) including but not restricted to the following species, <i>C.indicum</i> , <i>C. Salomonense</i> , <i>C.harveyi</i> (<i>Var.nova-hebridiense</i>).

SCHEDULE 2

[Section 5(3)]

THE MEMBERS OF THE AUTHORITY

1.—(1) The Authority shall consist of the following 13 members, namely —

(a) seven members, one from each of the seven provinces, all of whom are producers, to represent the producers engaged in the production of commodities in their respective provinces;

(b) two members who are producers, to represent the producers engaged in the production of commodities;

(c) two members with practical experience in foreign investments, foreign trade or marketing of products;

(d) two *ex officio* members one of whom shall be the Permanent Secretary of the Ministry for the time being administering this Act or the Under Secretary of that Ministry nominated by the Permanent Secretary to represent that Ministry; and the other *ex officio* member shall be the General Manager appointed pursuant to paragraph 2(1) of this Schedule.

(2) The Chairman, the Deputy Chairman and other members who are not *ex officio* members shall be appointed by the Minister by notice published in the Gazette, on such other terms and conditions of service as may be specified in their respective letters of appointment for a term of not more than three years and may be re-appointed at the end of their terms.

(3) Any remuneration or allowances which are payable to a member in consequence of his office shall be paid out of the funds of the Authority in accordance with this Act.

(4) A member who is not an *ex officio* member —

(a) may be removed from office by the Minister under section 9, or for any other misconduct in the discharge of his functions as a member of the Authority under this Act, or in public interest:

Provided that no member shall be removed from office on the ground of misconduct unless the allegation of his misconduct is enquired into by an independent and impartial person appointed by the Minister in that behalf, and the member concerned is given an opportunity to defend himself in such enquiry, and the person holding the enquiry advises the Minister for the removal of the member as a result of his enquiry; or

(b) may resign, at any time, from membership of the Authority by notice in writing addressed to the Minister.

2.—(1) The Authority shall —

(a) appoint a person to be General Manager of the Authority; and

(b) where by death, removal or resignation or otherwise, there is a vacancy in the office of the General Manager, the Authority may appoint a person to act as the General Manager until the vacancy is filled by making a regular appointment to the office of the General Manager.

(2) The general Manager shall be responsible for the day-to-day administration of the Authority subject to the general or special directions of the Authority.

3.—(1) Where any member other than the General Manager, is unable, whether on account of illness or otherwise, to perform the duties of his office the Minister may appoint a person to act in the place of that member during the period of his inability.

(2) A person appointed under the preceding sub-paragraph to act in the place of a member shall while so acting—

(a) have all the rights and duties and perform all the functions of the member for whom he is acting; and

(b) be paid the same remuneration and allowances (if any) as would be payable to the member in whose place he is acting.

4.—(1) The Minister shall appoint from amongst the members a Chairman and a Deputy Chairman of the Authority.

(2) The Chairman shall preside at a meeting of the Authority at which he is present and in his absence the Deputy Chairman shall preside and if neither the Chairman nor the Deputy Chairman is present then the General Manager shall preside at such meeting.

5. The Authority may appoint a Secretary to the Authority who shall be paid out of the funds of the Authority.

6.—(1) A majority of the members of whom one shall be either the Chairman, the Deputy Chairman or the General Manager, shall constitute a quorum.

(2) Subject to the presence of a quorum, the Authority may act notwithstanding any vacancy in its membership.

(3) The powers and functions of the Authority may be exercised in accordance with the majority of the votes of the members present at any meeting and in the event of an equality of votes the person presiding shall have a casting vote.

(4) The members shall meet at such times and at such places as may be determined by the Chairman.

(5) The Authority may regulate its own procedure not inconsistent with the provisions of this Act.

7. An act or decision of the Authority is not invalid by reason only of a vacancy in the office of a member or of any irregularity in or in connection with the appointment of a member or in the case of a person appointed to act in the place of a member (including the General Manager) or by reason that the occasion for his so acting had not arisen or had ceased.

8. The common seal of the Authority shall be kept in the custody of a person authorised by the Authority and shall only be affixed to an instrument or document in the presence of two officers of the Authority authorised in that behalf by the Authority with an attestation by the signature of those officers of the fact of the affixing of the seal.

9. A member and any person appointed to act in the place of a member shall as soon as possible after his appointment submit to the Authority a notice in

writing of all his assets and pecuniary interests and shall inform the Authority in writing of any change in his assets or pecuniary interests.

10.—(1) A member who has (or whose spouse or child has) a pecuniary interest whether direct or indirect in any matter to be considered by the Authority shall declare the nature of his interest (or that of his spouse or child) at every meeting at which the matter is considered.

(2) A declaration made under sub-paragraph (1) shall be recorded in the minutes of the meeting and the member making such a declaration shall withdraw from the meeting while the relevant matter is being considered.

(3) A member who makes a declaration under sub-paragraph (1) shall not act as an agent for the Authority in any connection with the relevant matter.

SCHEDULE 3

[Section 5(4)]

TRANSITIONAL PROVISIONS

Cap. 84,
1969 Revised
Edition

1. All persons holding office as Chairman and other members of the Copra Board under the Copra Board Act, immediately before the commencement of this Act shall, upon such commencement, but subject to the provisions of paragraph 2, be deemed to have been appointed as the Chairman and the other members of the Authority, for the period they would have held their respective offices as the Chairman and the other members of the Copra Board if this Act had not commenced:

Provided that upon the expiry of such period of their respective offices as members of the Authority, the Minister shall make appointments of the Chairman, the Deputy Chairman and other members of the Authority in accordance with Schedule 2.

2. The first appointment of the Chairman and other members of the Authority in accordance with paragraph 1 shall be on the same terms and conditions of service on which they held their respective offices in the Copra Board:

Provided that nothing contained in paragraph 1 or in this paragraph shall prevent earlier termination of their respective offices by removal or otherwise in accordance with the provisions of this Act.

3.—(1) The General Manager and all persons employed by the Copra Board immediately before the commencement of this Act shall continue in employment on the same salaries and conditions of service and shall be deemed to have been employed, by the Authority under section 8 of this Act.

(2) For the purposes of Parts II and III of the Employment Act (which deal with redundancy payments and long service benefits) employment under the Copra Board shall count as employment under the Authority and there shall be deemed to be no breach in the continuity of the period of employment by reason of the changes effected by this Act.

4. Subject to the other provisions of this Act, all property, rights, liabilities and obligations of the Copra Board (established under the Copra Board Act) existing before the date of commencement of this Act (hereafter in this Schedule called "the appointed day") shall, on such date and without further assurance, vest in or otherwise stand transferred to the Authority.

5.—(1) Every agreement to which the Copra Board was a party on the appointed day shall have effect as if of—

(a) the Authority had been a party to the agreement; and

(b) for any reference to the Copra Board in respect of anything having effect after the appointed day, there were substituted a reference to the Authority.

(2) Sub-paragraph (1) shall apply to an agreement whether or not the Copra Board could have assigned rights, liabilities or obligations under it.

Cap. 73

6.—(1) Where any right, liability or obligation vests in the Authority by virtue of this Schedule, the Authority and all other persons shall from the appointed day have the same rights, powers and remedies for ascertaining, perfecting or enforcing that right, liability or obligation as they would have had if the right, liability or obligation had at all times been vested in the Authority.

(2) Legal proceedings, and applications—

(a) pending immediately before the appointed day; and

(b) relating to any property, right, liability or obligation vested by virtue of this Schedule, or to any document or agreement which has effect in accordance with paragraph 5 of this Schedule,

shall be continued by or against the Authority to the exclusion of the Copra Board.

7. The Registrar of Titles shall on application by the Authority make such alterations in the land register maintained under the Land and Titles Act as may be necessary in consequence of this Schedule.

Cap. 133

CHAPTER 36

Subsidiary Legislation.

LN 145/1992

NOTICE OF PRESCRIBED ACTIVITIES
(Section 2)

[27th November 1992]

THE ACTIVITIES SET OUT IN THE SCHEDULE HERETO ARE DECLARED
AS PRESCRIBED ACTIVITIES FOR THE PURPOSES OF THE ACT.

SCHEDULE

Prescribed Activities

1. Coconut and Coconut Products

- (1) Buying of the fruit or any part of the fruit in dried form for the purpose of producing and selling copra.
- (2) Processing into commercial products of any part of the fruit apart from copra-making.
- (3) Buying and selling of products in (2) above other than for local consumption.
- (4) Export of items in (1), (2) and (3) above.

2. Cocoa Beans and Cocoa Products

- (1) Registration of cocoa processing/fermentary units,
- (2) Buying of—
 - (i) cocoa pods for processing to dry beans or commercial products
 - (ii) Unfermented beans
 - (iii) Fermented and dried beans
 - (iv) manufactured cocoa products.

3. Spice (ginger, chillies, vanilla, tumeric, cardamons)

- (1) Registration of processing units.
- (2) Buying non-processed or manufactured forms for resale.
- (3) Export of products in (2) above.

4. Oil Palm and Palm Oil based products

- (1) Registration of processing unit.
- (2) Processing palm oil, palm kernel and manufacture of palm-based products.
- (3) Export of products in (2) above.

5. Coffee and Coffee Products

- (1) Registration of all coffee bean processing units.
- (2) Processing of dried parchments to commercial products
- (3) Export of coffee beans or manufactured products.

6. Ngalinut Products

- (1) Registration of units for primary processing kernel, shell and resin products.
- (2) Secondary processing for commercial products the dried kernels, shell or resin of the Ngalinut species.
- (3) Buying and selling of products in (2) other than local consumption.
- (4) Export of products in (2) and (3) above.

THE COMMODITIES EXPORT MARKETING AUTHORITY (RUSSELL
ISLANDS PLANTATION ESTATES LTD) (INCORPORATION) ORDER
(Section 7)

LN 15/1995

[20th February 1995]

1. This Order may be cited as the Commodities Export
Marketing Authority (Russell Islands Plantation Estates Ltd)
(Incorporation) Order.

2. The Commodities Export Marketing Authority is hereby
authorised to hold shares in Russell Islands Plantation Estates
Ltd, a company to be incorporated for the purpose of acquiring
all the issued share capital in Lever Solomons Ltd.

LN 102/1985

THE COPRA EXPORT REGULATIONS
(Section 34)

[1st July 1985]

1. These Regulations may be cited as the Copra Export Regulations.

2.—(1) An application under section 12(1) of the Act for a licence to export copra or for the renewal of such licence shall be made in Form 1 set out in the Schedule and shall be accompanied by a fee of one hundred and fifty dollars.

(2) A licence to export copra for which an application has been made under paragraph (1) shall be in Form 2 set out in the Schedule.

3.—(1) An application under section 12(1) of the Act for a licence to carry out any other activity in connection with copra or for the renewal of such licence shall be made in Form 3 set out in the Schedule and shall be accompanied by a fee of one hundred dollars.

(2) A licence to carry out any activity for which an application has been made under paragraph (1) shall be in Form 4 set out in the Schedule.

4. Where an application under regulations 2(1) or 3(1) is refused by the Authority, any fees which have been paid to the Authority under those regulations in respect of the applications shall be repaid by the Authority to the person who had paid the fees.

5.—(1) Every person who has been issued with a licence to export copra or to carry out any other activity in connection with copra shall —

(a) whenever requested to do so by the Authority, the Minister or any person authorised by the Authority or the Minister, produce for inspection by the person making the request all books, records and documents relating to his exportation of copra or his carrying out of the activity for which he has been issued with the licence; and

(b) as soon as reasonably practicable after the end of every three months (beginning from the date the licence was issued) for the period that the licence is valid, furnish

the Authority with a return in Form 5 set out the Schedule, unless the Authority directs that such return need not be furnished.

(2) A return furnished under paragraph (1)(b) shall be verified by a statutory declaration made by the holder of the licence.

(3) Any person who fails to comply with any of the provisions of paragraph (1) is guilty of an offence and is liable to a fine of two hundred dollars.

6.—(1) Any person who —

(a) wilfully or negligently states any false particulars in any application under regulations 2(1) or 3(1) or in any return furnished under regulation 5(1)(b);

(b) enters any false particulars in any books of accounts kept by him in relation to his export of copra or his carrying out of the activity for which he has made an application under these Regulations; or

(c) fails to answer truthfully any question put to him by the Authority, the Minister or any person authorised by the Authority or the Minister in connection with any matter under these Regulations or the Act concerning his licence, is guilty of an offence and is liable to a fine of two hundred dollars.

SCHEDULE

Reg. 2(1)

Form 1

SOLOMON ISLANDS

COMMODITIES EXPORT MARKETING AUTHORITY

APPLICATION FOR LICENCE TO EXPORT COPRA

Application No.

Name of Applicant:

Address:

Registered Office:

Place of business:

Location of business premises:

Country to which export is made:

Estimated number of copra shipments:

TO:

The Chairman
Commodities Export Marketing Authority
HONIARA

SOLOMON ISLANDS

reg. 2(2)

Form 2

COMMODITIES EXPORT MARKETING AUTHORITY

COPRA EXPORT LICENCE

LICENCE NO.

Name of Licence holder:

Address:

Registered Office:

Place of business:

Location of business premises:

SOLOMON ISLANDS

Reg. 3(1)

Form 3

COMMODITIES EXPORT MARKETING AUTHORITY

APPLICATION FOR LICENCE TO CARRY OUT AN ACTIVITY
IN CONNECTION WITH COPRA

APPLICATION No.

Name of Applicant:

Address:

Registered Office:

Place of business:

Location of business/factory premises:

Type of activity to be carried out:

Types of products to be manufactured:

Estimated amount (in tonnes) of each product to be manufactured per month:

If applicant is a copra producer, state ---

(a) the number of coconut plantations the applicant has

(b) the location of those plantations; and

(c) the place where the copra is produced

Dated at this day of 199

Signature of Applicant

TO:

The Chairman
Commodities Export Marketing Authority
HONIARA

SOLOMON ISLANDS

Reg. 3(2)

Form 4

COMMODITIES EXPORT MARKETING AUTHORITY

LICENCE TO CARRY OUT AN ACTIVITY IN CONNECTION
WITH COPRA

LICENCE No.

Name of Licence holder:

Address:

Registered office:

Place of business:

Location of business/factory premises:

Type of activity to be carried out:

Type of product to be manufactured:

Dated at this day of 199 .

CHAIRMAN
Commodities Export Marketing Authority
Honiara

SOLOMON ISLANDS

reg. 5(1)(b)

Form 5

COMMODITIES EXPORT MARKETING AUTHORITY

RETURN BY HOLDER OF A LICENCE TO EXPORT COPRA OR TO
CARRY OUT AN ACTIVITY IN CONNECTION WITH COPRA

Name of Licence holder:

Address:

Licence No.

Period covered by this return:

Commencing stock:

(a) Purchases:

(b) Own production:

Purchases during this period:

(a) Vendor:

(b) Quantity:

Own production during this period for export/manufacture*

*Strike out whichever is inapplicable.

Dated at this day of 199 .

.....
(Signature of Licence Holder)

STATUTORY DECLARATION ACCOMPANYING RETURN

I, OF

do solemnly and sincerely declare that all information and particulars given in the above Return are true and correct. AND I make this solemn declaration by virtue of the Oaths Act, conscientiously believing the Statements contained therein to be true and correct in every particular.

Declared at
thisday of199 .

.....
Deponent

Before me

.....
Commissioner for Oaths

LN 62/1985

THE COPRA (INSPECTION AND GRADING) REGULATIONS
(Section 34)

[26th July 1985]

Citation

1. These Regulations may be cited as the Copra (Inspection and Grading) Regulations.

Interpretation

2. For the purposes of these regulations, the expressions —
- “Authority” means the Commodities Export Marketing Authority established pursuant to section 5(1) of the Act;
- “bag” includes any container approved by the Authority for the purpose of containing copra therein;
- “desiccated coconut peelings and residue” means the by-products of the desiccated coconut industry;
- “germinated nut” means coconut fruit which is wholly tapered towards the plumule by the natural development of haustorium;
- “inspector” means the Chief Inspecting Officer or other inspecting officer designated pursuant to section 14 of the Act;
- “owner”, when used in relation to copra, includes servant or agent of the owner; and
- “storage place” means any building, yard or place authorised by the Authority for the purpose of storing copra.

Copra grades and criteria

3.—(1) When examining copra pursuant to section 14(5) of the Act, the inspector shall, subject to paragraph (2), grade the copra as first grade, second grade or third grade, as the case may be.

(2) Copra shall be graded as —

(a) first grade only if —

- (i) it is dried by hot air, by Ceylon-drying method or by some other drying method approved by the Authority;
- (ii) it is clean, not discoloured and is free from smoke permeation, excess mould, insect infestation and charred pieces of copra, wood or other matters;
- (iii) it is not mixed with an unreasonable amount of copra made from germinated nuts;

- (iv) its moisture content does not exceed six percent; and
 - (v) its fatty acid content does not exceed three percent;
- (b) second grade only if —
- (i) it has the qualities referred to in paragraph (a) (iii), (iv) and (v);
 - (ii) it is dried by a method approved by the Authority; and
 - (iii) it is clean, not unreasonably discoloured and it is free from smoke permeation, excess mould, insect infestation and charred pieces of copra, wood or other matters; and
- (c) third grade if it is not of any of the qualities referred to in paragraphs (a) or (b) provided that —
- (i) it is dried by a method approved by the Authority;
 - (ii) it is not excessively moulded or infested by insect;
 - (iii) it does not contain excessive amount of charred pieces of copra, wood or other matters;
 - (iv) its moisture content does not exceed seven percent; and
 - (v) its fatty acid content does not exceed three percent.

4. The Authority shall provide and allocate to the owner of any copra a distinct number and letter for the purpose of identifying the area from which the copra was obtained.

Distinguishing numbers and letters

5.—(1) Before the owner of any copra produces the copra to an inspector for examination, the owner shall —

Marking and grading copra by owner

(a) grade the copra in accordance with the criteria set out in regulation 3(2); and

(b) mark the bag of copra by writing conspicuously on both sides of the bag the distinct number and letter allocated to him under regulation 4.

(2) When marking the bag of copra, the owner shall write the distinct number and letter —

(a) in green colour, where the copra is graded by him as first grade;

(b) in black colour, where the copra is graded by him as second grade; and

(c) in red colour, where the copra is graded by him as third grade.

(3) Any person, other than an inspector, who erases, alters, or otherwise damages any mark written on any bag of copra pursuant to this regulation is guilty of an offence and is liable to a fine of forty dollars.

Duties of
inspector when
examining copra

6.—(1) Where copra is produced to an inspector for examination, he shall —

(a) confirm the grade marked on the bag of copra by the owner;

(b) up-grade or down-grade the copra where, upon examination by him, he is of the opinion that the copra is of a higher or lower grade than that marked on the bag by the owner; or

(c) reject the copra altogether where the copra does not have the qualities of any of the grades referred to in regulation 3.

(2) Where copra is up-graded, down-graded or rejected pursuant to paragraph (1), the inspector shall cancel any grade marked on the bag of copra by the owner and re-mark the bag with the appropriate grade.

Copra to be re-
conditioned

7.—(1) Where any copra is down-graded or rejected by an inspector and in his opinion such copra, if re-conditioned, can be of a better grade than the grade marked on the bag or can acquire the qualities of any of the grades referred to in regulation 3, he shall, as soon as practicable after such down-grading or rejection, request the owner to remove and re-condition the copra.

(2) Any copra re-conditioned pursuant to paragraph (1) shall be re-examined by an inspector and regulation 6 shall apply upon such re-examination.

Storage of copra

8.—(1) Subject to paragraphs (2) and (3), any copra produced to an inspector for examination shall be stored by the owner in such storage place as the Authority may direct.

(2) No copra shall be stored or directed to be stored in any storage place if, in the opinion of the inspector, the copra is of such condition that is likely to adversely affect the good condition of any other copra stored in that storage place.

(3) Where copra which has been stored in a storage place is found to be of such condition that is likely to adversely affect the good condition of the other copra in that storage place, the Authority may request the owner to remove the copra from that storage place.

9. (1) Where any owner who has been requested pursuant to regulations 7(1) or 8(3) fails to remove the copra within a reasonable period after such request, the Authority may cause the copra to be removed and delivered to the owner.

Delivery of
copra to owner

(2) Any costs or expenses necessarily incurred in connexion with the delivery of copra to the owner pursuant to paragraph (1) may be claimed from the owner of the copra by the person who incurred them.

10. (1) No person shall export any copra unless —

Standard of
copra bag

(a) the copra is contained in a good quality bag standard in the copra trade;

(b) the copra weighs not more than seventy-eight kilograms and not less than sixty-eight kilograms; and

(c) the bag containing the copra is securely fastened at the mouth to prevent the copra from falling out.

(2) Any person who contravenes paragraph (1) is guilty of an offence and is liable to a fine of forty dollars.

11.—(1) Any person who exports any desiccated coconut peelings and residue shall conspicuously write on the bag containing the peelings and residue such mark that clearly indicates that the bag contains desiccated coconut peelings and residue.

Desiccated
coconut peelings
and residue

(2) Any person who contravenes paragraph (1) is guilty of an offence and is liable to a fine of forty dollars.

THE COCOA REGULATIONS
(Section 34)

LN 98/1986

[19th September 1986]

ARRANGEMENT OF REGULATIONS

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5. REVOCATION OR VARIATION OF LICENCE
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7. SUPPLY OF INFORMATION

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INSPECTION AND GRADING

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11. QUALITY STANDARD FOR EXPORT
12. MARKING OF CONTAINERS
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27. COCOA BEANS TO CONFORM TO A SAMPLE

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THE COCOA REGULATIONS

PART I

PRELIMINARY

1. These regulations may be cited as the Cocoa Regulations.

Short title

2.—(1) In these regulations, unless the context otherwise requires—

Definitions

“appellate tribunal” means a tribunal constituted under section 16 of the Act;

“buy” includes for a value other than money;

“container” means any container authorised by the authority for use in the export of cocoa;

“adulteration” means alteration of the composition of graded cocoa by any means whatsoever so that the resulting mixture or combination is not of the grade prescribed, or affects injuriously the quality or flavour, or alters the bulk or weight;

“broken bean” means cocoa bean of which a fragment is missing, the missing part being equivalent to less than half the bean;

“cocoa bean” means the seed of the cocoa tree (*Theobroma Regulation cacao* Linnaeus); commercially and for the purpose of this regulation the term refers to the whole seed, which has been fermented and dried;

“flat bean” means a cocoa bean of which the cotyledons are too thin to be cut to give a surface of cotyledon;

“foreign matter” means any substance other than cocoa beans, broken beans, fragments, and piece of shell;

“germinated bean” means a cocoa bean, the shell of which has been pierced, slit or broken by the growth of the seed germ;

“identification mark” means the mark denoting—

(a) the grower; or

(b) the registered fermentary in which the cocoa beans were processed; and

(c) the registered exporter by whom the cocoa beans are being exported;

“insect damaged bean” means a cocoa bean the internal parts of which are found to contain insects at any stage of development, or to show signs of damage caused thereby, which are visible to the naked eye;

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- “Inspector” means an employee of the Authority designated as such under section 14 of the Act;
- “inspection mark” means the mark on a bag of cocoa beans denoting that the contents have been examined and conform to Solomon Islands export cocoa;
- “licenced bank” means a bank licensed under the Banking Act;
- “management levy” means a fee which may be imposed under section 8 of the Act;
- “manufacture” means the further processing of cocoa beans;
- “mouldy bean” means a cocoa bean on the internal part of which mould is visible to the naked eye;
- “slaty bean” means a cocoa bean which shows a slaty colour on half or more of the surface exposed by a cut made lengthwise through the centre;
- “smoky bean” means a cocoa bean which has smoky smell or taster or which shows signs of contamination by smoke;
- “thoroughly dry cocoa” means cocoa which has been evenly dried throughout.

PART II

LICENCES

Licences

- 3.—(1) An application for a licence or renewal of a licence to export cocoa beans or cocoa products shall be made in the manner prescribed by section 12 of the Act and be accompanied by the appropriate fee as set out in regulation 21.
- (2) The Authority, on being satisfied that the application complies with the provisions of section 12 of the Act and these regulations may license persons permitted to export cocoa beans or cocoa products.
- (3) A licence issued pursuant to paragraph (2), may be subject to such terms and conditions as the Authority may deem fit to impose.
- (4) The licence shall be in the Form set out in the First Schedule.
- (5) The Authority shall endorse on the licence the conditions or restrictions, if any, to which the licence is subject under paragraph (3).
- (6) A licence issued under paragraph (2), unless revoked

under regulation 5, shall remain in force for one year from the date of issue.

4.—(1) The Authority may refuse an application for a licence under regulation 3 if, in the opinion of the Authority —

Refusal of licence

- (a) the applicant does not possess adequate facilities or an organisation for storage, control of quality, handling or marketing of cocoa beans or cocoa products, as the case may be;
- (b) the premises are not constructed, equipped or operated in an efficient manner; or proposed facilities are not adequate; or
- (c) the applicant has failed to comply with any condition or to observe a restriction imposed on a previous licence.

(2) Where an application for a licence is refused on any of the grounds specified in paragraph (1), the Authority shall state in writing the grounds of rejection.

5. In addition to the grounds specified in section 13 of the Act, the Authority may revoke a licence, if —

Revocation or variation of licence

- (a) the licence was obtained by supplying false statements or other improper means;
- (b) the licensee is convicted of an offence under the Act or these regulations; or
- (c) in the Authority's opinion the licensee has failed to provide adequate facilities for storage, control of quality, handling or marketing of the cocoa beans or cocoa products.

6. Any person aggrieved by a decision of the Authority in respect of the issue or renewal of a licence, may appeal to the Minister or Authority in the manner prescribed under section 16 of the Act. In which case the revocation order will be withheld until such time as an appeal had been concluded.

Appeals

7.—(1) A person engaged in the export of cocoa beans or cocoa products shall when required by the Authority, promptly supply information to it in respect of —

Supply of information

- (a) details of contracts relating to the purchase or sale of cocoa beans or cocoa products to which he is a party, including any contracts that at the time of receipt of the requisition, he proposes or intends to become a party,

specifying the places at which delivery of the cocoa beans or cocoa products is to be effected;

(b) details of all cocoa beans or cocoa products acquired, purchased, sold or exported by him during the period specified in the requisition not exceeding two years before the receipt of the requisition; and

(c) details of prices paid or to be paid by him for cocoa beans or cocoa products during the period specified under sub-paragraph (b), which shall be verified by statutory declaration.

(2) A person who fails to supply information under regulation (1), within two months of the date of the requisition shall be guilty of an offence and be liable to a fine not exceeding two hundred dollars.

PART III

INSPECTION AND GRADING

8. For the purpose of giving effect to the provisions of this Part an Inspector shall have all powers conferred upon him by virtue of the provisions of sections 17 and 18 of the Act.

9.—(1) The Chief Inspector may prohibit any premises from being used for the storage of cocoa beans for export, if he considers that the premises do not comply with the requirements specified in paragraphs (2), (3) and (4).

(2) Cocoa shall be stored in premises constructed with the object of keeping the moisture content of the beans sufficiently low, consistent with local conditions. Storage shall be on gratings or deckings which allow at least 7 cm of air space from the floor.

(3) Measures shall be taken to prevent infestation by insects, rodents and other pests.

(4) Bagged cocoa shall be so stacked that —

(a) for exporters, each grade and shipper's mark is kept separate by clear passages of not less than 60 cm in width, similar to the passage which must be left between the bags and each wall of the building;

(b) disinfestation by fumigation (e.g. with methl bromide) and/or the careful use of acceptable insecticide sprays (e.g. those based on pyrethrin) may be carried out where required; and

Inspection
powers

Power to
condemn storage
space

(c) contamination with odours of flavour or dust from other commodities, both foodstuffs and materials such as kerosene, cement or tar, are prevented.

(5) A person aggrieved by a decision of the Chief Inspector made under paragraph (1), may appeal to the Minister or Authority in accordance with section 16 of the Act.

(6) Any person who stores cocoa beans for export in premises prohibited under paragraph (1), shall be guilty of an offence and be liable to a fine not exceeding five hundred dollars or to a term of imprisonment not exceeding two months or to both such fine and imprisonment.

10. Cocoa beans or cocoa products intended for export shall be examined by an Inspector in accordance with this regulation.

Manner of
sampling

A. INSPECTION

(i) Cocoa shall be examined in lots, not exceeding 25 tons in weight.

(ii) Every parcel of cocoa shall be grade-marked by an Inspector, after determining the grade of the cocoa on the basis of the cut test. Grade marks shall be in the form set out in, and shall be affixed according to section 12(2) and be placed on bags by means of a stencil or stamp (see also regulations 13(1) and (2)).

B. SAMPLING

(i) Samples for inspection and analysis shall be obtained:—

(a) from cocoa in bulk by taking samples at random from the beans as they enter a hopper or from the top, middle and bottom of beans spread on tarpaulins or other clean, dustfree surface, after they have been thoroughly mixed; and

(b) from cocoa in bags, by taking samples at random from the top, middle and bottom of sound bags using a suitable stab-sampler to enter closed bags through the meshes of bags, and to enter enclosed bags from the top.

(ii) In respect of a consignment of one bag or part thereof a sample of not less than 100 beans will be taken.

(iii) For bagged cocoa, samples shall be taken from not

less than 30 per cent of the bags, i.e. from one bag in every three.

(iv) For cocoa in bulk, not less than five samplings shall be taken from every ton of cocoa or part thereof.

C. THE CUT TEST

(i) The sample of cocoa beans shall be thoroughly mixed and then quartered down to leave a heap of slightly more than 300 beans. The first 300 beans shall then be counted off, irrespective of size, shape and condition.

(ii) The 300 beans shall be cut lengthwise through the middle and examined.

(iii) Separate counts shall be made of the number of beans which are defective in that they are mouldy, slaty, insect damaged, germinated, or flat. Where a bean is defective in more than one respect, only one defect shall be counted, and the defect to be counted shall be the defect which occurs first in the foregoing list of defects.

(iv) The examination for this test shall be carried out in good daylight or equivalent artificial light, and the results for each kind of defect shall be expressed as percentage of the 300 beans examined.

Quality standard
for export

11. Cocoa beans intended for export as Solomon Islands export cocoa shall be of the following qualities and grades —

(1) COCOA OF MERCHANTABLE QUALITY

(a) Cocoa of merchantable quality must be fermented, thoroughly dry, free from abnormal or foreign odours and free from any evidence of adulteration.

(b) It must be reasonably free from living insects.

(c) It must be reasonably free from broken beans, fragments, and pieces of shell, and be virtually free from foreign matter.

(2) GRADE STANDARDS

Cocoa shall be graded on the basis of the count of defective beans in the cut test. Defective beans shall not exceed the following limits.

Grade I (a) mouldy beans, maximum 3 per cent by count:

(b) slaty beans, maximum 3 per cent by count:

Note: When a bean is defective in more than one respect, it shall be recorded in one category only, i.e. the most objectionable.

(c) insect-damaged, germinated, or flat beans, total maximum 3 per cent by count.

Grade II (a) mouldy beans, maximum 4 per cent by count;

(b) slaty beans, maximum 8 per cent by count;

(c) insect-damaged, germinated, or flat beans, total maximum 6 per cent by count.

12.—(1) Marking of containers of cocoa beans or cocoa products intended for export shall be in black indelible ink, each letter or symbol being not less than 60 mm and not more than 80 mm high, and 66 mm thick.

Marking of
containers

(2) A container of cocoa beans or cocoa products intended for export shall be clearly marked in accordance with paragraph (1) with the following in separate lines one beneath the other at a space of 26 mm:—

(a) the letters, "S.I.";

(b) the words "Cocoa Beans" or "Cocoa Products", as the case may be; and

(c) the identification mark.

(3) A clear space of 150 mm shall be left between the top of the container and the mark specified in paragraph (2) (a) in which the inspection mark shall be applied by the inspector.

13.—(1) The inspection mark to be applied to containers of cocoa beans or cocoa products conforming to Solomon Islands export quality shall be —

Inspection mark

(a) in red indelible ink — Grade (1);

(b) in black indelible ink — Grade (2);

(c) in the form of a solid equilateral triangle, each side being not less than 100 mm long; and

(d) made with the apex of the triangle referred to in subparagraph (c) pointing to the top of the container.

(2) The inspection mark to be applied to containers of cocoa beans or cocoa products not conforming to Solomon Islands export quality Grades (1 & 2) shall be —

(a) in green indelible ink marked S.I; and

(b) in the form of a stripe along the mouth of the container.

14.—(1) Containers of cocoa beans and cocoa products that have been passed as conforming to Solomon Islands export

Sealing
containers

quality shall be sealed by means of a metal plomb attached to the top of the container in a manner so as to prevent the container being opened without obviously disturbing the seal.

(2) The seal referred to in paragraph (1) shall have on one face the letters "S.I."

(3) Where a container of cocoa beans or cocoa products intended for export is a bag, it shall be securely sewn.

Quality of
containers

15.—(1) Containers for cocoa beans and cocoa products intended for export shall be new, sound, clean, dry and insect free.

(2) Where an Inspector finds that a container for cocoa beans or cocoa products is damaged, unserviceable or not in accordance with the requirements of paragraph (1), the contents shall be transferred to a new container.

(3) Where the contents of a container have been transferred under paragraph (2), the cost of that transfer and of the new container are a debt due by the owner to the Authority.

(4) Where a container for cocoa beans or cocoa products intended for export is a bag, the gross weight shall be 63.5 kg.

Certificate of
inspection

16.—(1) After examination of a consignment of cocoa beans or cocoa products intended for export, the Inspector shall issue to the registered exporter a certificate in the form specified in the Second Schedule.

(2) The certificate referred to in paragraph (1) shall be forwarded to the Comptroller of Customs and Excise.

(3) A certificate issued in respect of Solomon Islands cocoa beans or cocoa products under paragraph (1), shall be issued at the part of export and be valid for 14 days.

Export of cocoa
or products

17.—(1) No cocoa beans or cocoa products shall be exported unless the containers bear the relevant inspection mark and seals and are accompanied by the certificate of inspection in accordance with the provisions of this Part.

(2) Any person who contravenes the provisions of paragraph (1), shall be guilty of an offence and be liable on conviction to a fine of five hundred dollars or to a term of imprisonment not exceeding two months or to both such fine and imprisonment.

PART IV

MANAGEMENT FEES

18.—(1) The Minister shall for the purpose of section 8 (g) of the Act, by notice published in the Gazette, fix the rate of the management fee which is used toward the cost of produce, inspection, the establishment of monthly guideline prices, and other operations that benefit the industry not exceeding —

Management
fees

(a) \$40.00 per tonne for cocoa beans and nibs for export.;

(b) \$8 per tonne for residues;

(c) in the case of cocoa products \$40.00 per tonne of bean equivalent of those products.

(2) For the purposes of paragraph (1), the bean equivalent of cocoa products is the amount obtained by multiplying the weight of the cocoa products by the relevant conversion factors specified herein —

(a) cocoa butter— 1.33;

(b) cocoa cake and cocoa powder— 1.18; and

(c) cocoa liquor and cocoa nibs— 1.25.

19.—(1) Where the Authority is satisfied that its finances for the management or performance of its functions in relation to the export of cocoa beans and cocoa products are sufficient it may advise the Minister to suspend for a specified period the management fee imposed under regulation 18.

Suspension of
management see

(2) A suspension of the management fee under paragraph (1) shall be published in the Gazette.

20.—(1) A registered exporter, who intends to export cocoa beans or cocoa products out of Solomon Islands shall deposit, with any licensed bank, the particulars relating to the export together with the prescribed management levy.

Collection of
levies

(2) The bank shall on receipt of the particulars set out in the Second Schedule, and the levy referred to in paragraph(1), cause to be issued to the exporter receipts for the same.

(3) The manager of the bank with whom the deposit is lodged shall, as soon as practicable, remit the amount so deposited to a bank nominated by the Authority.

(4) A copy of the particulars deposited with the bank and the

receipts issued by the bank shall be forwarded by the exporter to the Authority.

Fees

21. For the purposes of subsection (2) of section 12 of the Act, the annual fees shall be as follows —

- (a) for a licensed manufacturer of cocoa products for export \$500.00
- (b) for a licensed cocoa exporter \$500.00

PART V

STABILISATION FUND

Implementation

22. This Part shall come into effect on a date appointed by the Minister on the recommendation of the Board.

Cocoa
Stabilisation
Fund

23.—(1) There may be established a Cocoa Stabilisation Fund (hereinafter referred to as the "Fund".)

(2) For the purpose of these regulations, the Fund shall not be considered as forming a part of the assets of the Authority, but shall be administered by the Authority as trustee on behalf of the producers.

(3) The Authority shall administer the Fund with a view to establishing domestic price stabilisation within the cocoa industry.

(4) The Authority may utilise moneys of the Fund for the purchase of cocoa as and when required, as the Board may approve.

(5) The producers who contribute to the Fund are entitled to benefits from the Fund as approved by the Authority.

Stabilisation levy
and bounty

24.—(1) The Minister may, after consultation with the Minister of Finance and the Authority, determine and impose a levy known as the stabilisation levy on cocoa beans and cocoa products intended for export in order to stabilise cocoa prices.

(2) Different rates of stabilisation levies may be imposed for different types or grades of cocoa beans or cocoa products.

(3) For the purposes of determining the stabilisation levy or stabilisation bounty, the annual threshold price shall be ascertained by calculating the annual average price of cocoa beans or cocoa products on constant terms of the past 120 months.

(4) Where the price of cocoa beans or cocoa products at the same stage in the process of marketing as that for which the threshold price is calculated, is above the threshold price, a stabilisation levy shall be collected from the contribution.

(5) Where the price of cocoa beans or cocoa products, at the same stage in the process or marketing as that for which the threshold is calculated, is below the threshold price, a stabilisation bounty shall be paid to the grower.

(6) For the purposes of paragraphs (4) and (5), the price of cocoa beans or cocoa products may be for each delivery or consignment or for an average of all deliveries or consignments over a period specified by the Authority.

25. The Fund shall consist of moneys received —

Sources of Fund

(a) from the collection of the stabilisation levy imposed under regulation 24;

(b) by way of interest from investments made in accordance with regulation 26;

(c) from the sale of cocoa beans or cocoa products purchased with money from the Fund in accordance with regulation 23 (4).

26. The moneys in the Fund may be invested by the Authority, in such investments as the Minister and the Minister of Finance may approve.

Investments

PART VI

MISCELLANEOUS

27. Where a person who agrees to export cocoa beans by sample, subsequently exports, or attempts to export, with the intention to defraud, cocoa beans that do not conform to the sample, he shall be guilty of an offence and be liable to a fine not exceeding five hundred dollars or to a term of imprisonment not exceeding two months or to both such fine and imprisonment.

Cocoa beans to
conform to
sample

28. When any appeal is made under these regulations by any person aggrieved by a decision of the Authority or an Inspector, the Authority or the Minister, shall cause the appeal to be heard and determined by an Appellate Tribunal in accordance with the provisions of section 16 of the Act.

Appeals

Cocoa beans and
products
restricted exports

Cap. 121

29. Cocoa beans or cocoa products intended for export in respect of which the provisions of these regulations are not complied with, shall for the purpose of the Third Schedule to the Customs and Excise Act be deemed to be restricted exports.

FIRST SCHEDULE

Reg 3 (1)

FORM 1

SOLOMON ISLANDS

COMMODITIES EXPORT MARKETING AUTHORITY

APPLICATION FOR LICENCE TO EXPORT COCOA

Application No.

Name of Applicant

Address

Registered Office:

Place of business:

Location of business premises:

Country to which export is made:

Estimated number of cocoa shipments:

TO:

The Chairman
Commodities Export Marketing Authority
HONIARA

SOLOMON ISLANDS

Reg. 3(4)

FORM 2

COMMODITIES EXPORT MARKETING AUTHORITY

COCOA EXPORT LICENCE

LICENCE NO.

Name of Licence holder

Address:

Registered Office:

Place of business:

Location of business premises:

Date at this day of 19 ..

CHAIRMAN
Commodities Export Marketing Authority
Honiara

EXPORT LICENCE OF COCOA AND COCOA PRODUCTS

The C.E.M.A. hereby certifies that
has been duly licensed to
in accordance with section 12 of the Act and regulation 3 of the Cocoa
Regulations, subject to the following terms and conditions.

Terms and conditions

This licence is valid from
to 19

Given in Honiara this day of 19

GENERAL MANAGER
Commodities Export Marketing Authority

Reg. 16 (1) SECOND SCHEDULE

CERTIFICATE OF INSPECTION OF COCOA BEANS

The Collector of Customs

Port of

I certify that I have examined the consignment of cocoa beans details of which are set out below under the Commodities Export Marketing Authority Act.

Date 19

Cocoa Inspector

Port:

Date of examination:

Name of registered exporter or grower:

Marks (shipping or identification mark)

Grade

Total number of bags in consignment:

No. of containers of Solomon Islands Cocoa:

Consignee:

Intended date and vessel of shipment:

Present location in store of:

Reg. 10 THIRD SCHEDULE

No. of containers in a Consignment	No. of containers to be sampled
Not less than 4 and not more than 10	3
Not less than 11 and not more than 17	4
Not less than 18 and not more than 30	5
Not less than 31 and not more than 42	6
Not less than 43 and not more than 56	7
Not less than 57 and not more than 72	8
Not less than 73 and not more than 90	9
Not less than 91 and not more than 110	10
Not less than 111 and not more than 132	11
Not less than 133 and not more than 156	12
Not less than 157 and not more than 182	13
Not less than 183 and not more than 210	14
Not less than 211 and not more than 240	15
More than 240	The number being the square root of the number of containers in the consignment taken in the nearest whole numbers.

THE COCOA REGULATIONS

NOTIFICATION OF MANAGEMENT FEES
(Regulation 18(1))

LN 6/1987

[1st March 1987]

The rate of Management Fee for exporting cocoa shall be as follows —

- (a) \$10.00 per tonne for cocoa beans and nibs for export;
- (b) \$2.00 per tonne for residues;
- (c) in case of cocoa products \$10.00 per tonne of bean equivalent to those products.

For the purposes of cocoa products the bean equivalent of cocoa products is the amount obtained by multiplying the weight of cocoa products by the relevant conversion factors specified herein —

- (a) cocoa butter — 1.33;
- (b) cocoa cake and cocoa powder — 1.18; and
- (c) cocoa liquor and cocoa nibs — 1.25.