

**LAW N°.....OF.....ESTABLISHING AND DETERMINING
THE RESPONSIBILITIES, ORGANISATION AND FUNCTIONING OF
STUDENT FINANCING AGENCY OF RWANDA (SFAR)**

We, KAGAME Paul,
President of the Republic;

**THE PARLIAMENT HAS ADOPTED, AND WE SANCTION, PROMULGATE
THE FOLLOWING LAW AND ORDER IT TO BE PUBLISHED IN THE
OFFICIAL GAZETTE OF THE REPUBLIC OF RWANDA.**

THE PARLIAMENT:

The Chamber of Deputies, in its session of August 1, 2006;

The Senate, in its session of July 14, 2006;

Given the Constitution of the Republic of Rwanda of June 4, 2003 as amended to date, especially in its articles 40, 62, 66, 67, 88, 89, 90, 91, 92, 93, 95, 108, 113, 118, 183, and 201;

Given the Organic Law n° 20/2003 of 03/08/2003 organising education, especially in its articles 5, 11 and 16;

Given the Organic law n° 14/2004 of 26/05/2004 establishing the general provisions governing public institutions;

Given the law n° 20/2005 of 20/10/2005 establishing the organisation and functioning of higher education, especially in its article 107;

ADOPTS:

CHAPTER ONE: GENERAL PROVISIONS

Article one:

This law establishes and determines the responsibilities, organisation and functioning of a national agency in charge of financing Rwandan students in higher education in Rwanda and abroad and management of scholarships and student loans referred to as “Student Financing Agency of Rwanda”, abbreviated as “SFAR” .

SFAR has a legal personality, administrative and financial autonomy and it shall be governed in accordance with laws governing organs of Public Service.

Article 2:

SFAR's headquarters is in the City of Kigali, the Capital of the Republic of Rwanda, but may be transferred elsewhere in Rwanda, if considered necessary.

Article 3:

In this law the following terms shall be defined as follows:

- 1° **candidate:** any Rwandan who applies for a loan in SFAR in order to finance his/her higher education;
- 2° **student:** any person who concluded an agreement with SFAR in order to get a loan or a bursary;
- 3° **student loan:** any funds that may be given to any student for payments of higher education in Rwanda or abroad;
- 4° **bursary:** a non refundable amount disimbursed by the Government for students in higher institutions of learning;
- 5° **Higher institution of learning:** an educational level offering more advanced general science and technology courses than those offered in secondary schools through ordinary methods or distance learning and concluded with at least a first 3 years of the degree course (A1).

Article 4:

The cost of education of a student who receives a student loan shall be shared among the Government and the student in consideration of the agreement SFAR concludes with the student.

Article 5:

An Order of the Minister in charge of higher education shall determine the criteria of awarding a loan, recovering it and the modalities through which the student who received a student loan shares with the Government the cost of education.

Article 6:

A Presidential order shall determine the criteria of awarding a bursary and the obligations of the bursary recipient during and after studies.

Article 7:

SFAR shall conclude an agreement with the student. Such an agreement shall indicate the obligations and rights of each party in consideration of provisions of article 5 and 6 of this law.

CHAPTER II: RESPONSIBILITIES OF SFAR

Article 8:

The main responsibilities of SFAR are:

- 1° to provide loans to Rwandan students to enable them to pay for themselves studies in higher education;
- 2° to recover funds disbursed by SFAR as student loans to Rwandan students in higher education;
- 3° to recover funds which were disbursed by the Ministry in charge of higher education as student loans to Rwandan students who studied in higher institutions of learning in consideration of the agreement that were existing at the time of acquisition of the loan;
- 4° to manage a bursary meant for students in higher institutions of learning;
- 5° to coordinate the activities relating to gathering aid of various public or private organs, foreign countries and international organisations involved with increasing national capacity in awarding student loans and bursary in higher institutions of learning;
- 6° to give advice on matters related to policies of awarding student loans and bursaries to Rwandan students in higher institutions of learning;
- 7° to establish relations and collaborate with other regional and international agencies of the same responsibilities.

CHAPTER III: SUPERVISING AUTHORITY OF SFAR

Article 9:

SFAR is supervised by the Ministry in charge of higher institutions of learning. There shall be concluded a contract of performance between the Ministry and Management, indicating powers, rights and responsibilities of each party in fulfilling the responsibilities of SFAR.

Such a contract shall be valid for a period of the term of office of the members of the Board of Directors and it shall be signed by the Chairperson of the Board of Directors and the Minister who supervises SFAR.

Article 10:

Among the contents of the contract mentioned in article 9 of this law that should be provided in a clear way are:

- 1° the responsibilities of the Board of Directors and the management as well as the main organs of SFAR;
- 2° expected results of SFAR;
- 3° the source of the property of SFAR; its functioning and the permanents evaluation procedures. .

CHAPTER IV: ORGANISATION AND FUNCTIONING OF SFAR

Article 11:

SFAR comprises the two (2) following administrative organs:

- 1° the Board of Directors;
- 2° the Management.

Section one: The Board of Directors

Article 12:

SFAR is directed by a Board of Directors responsible for taking decisions. The Board of Directors” has full powers and responsibilities to manage the property of SFAR in order to fulfil its responsibilities.

An order of the Prime Minister determines seven (7) members of the Board of Directors including the Chairperson and the Vice Chairperson. At least thirty percent (30%) of the members of the Board of Directors shall be women.

Members of the Board of Directors are appointed for a period of three (3) years which may be renewable only once.

Article 13:

Responsibilities of the Board of Directors of SFAR are as follows:

- 1° to provide the strategic vision and the plan of action of SFAR;
- 2° to approve the draft of the internal rules and procedures of SFAR which shall be established by an Order of the Minister supervising SFAR;
- 3° to approve the annual draft budget proposal before being transmitted to the relevant organs;
- 4° to examine the performance of SFAR in accordance with the plan of action and the budget;
- 5° to approve the activity report and the previous financial reports;
- 6° to monitor the performance of the management administration and the personnel of SFAR.

Article 14:

The meeting of the Board of Directors of SFAR is held once in every term and at any time it is considered necessary, upon invitation by its Chairperson or its Vice Chairperson, in case of absence of its Chairperson, at their own initiative, or upon proposal in writing, by a third (1/3) of its members. The invitation shall be submitted in writing to the members of the Board of Directors at least fifteen (15) days before the meeting is held.

However, the extraordinary meeting shall be convened in writing at least five (5) days before the meeting is held.

Items to be examined by the meeting of the Board of Directors in the first term of the year shall include approval of the activity report and the use of the property in the previous year. In the third term, there shall be included the examination of the annual draft Budget proposal and the plan of action of the following year.

Also, in every term, the Board of Directors shall examine the financial report and the plan of action relating to the previous term and the report shall be transmitted to the Minister supervising SFAR.

The procedures through which the meeting is held and the mode of taking decisions shall be determined by the rules and regulations of SFAR.

Article 15:

The Board of Directors may invite, in its meeting, any person from whom it may seek advice on a certain issue on the agenda. The invitee is not allowed to vote and to follow the debates of other issues on the agenda.

Article 16:

The resolutions of the meeting of the Board of Directors shall be signed by its members immediately at its completion, and its copy shall be sent to the Minister supervising SFAR in a period not exceeding five (5) days in order to give his or her views in a period not exceeding fifteen (15) days from its reception. If this period expires when he or she has not given his or her views, the resolutions of the meeting shall be presumed definitively approved.

The minutes of the meeting shall be signed by the President and its rapporteur, and it shall be approved in its following session. The copy of minutes shall be sent to the Minister supervising SFAR in a period not exceeding fifteen (15) days from the day of its approval.

Article 17:

Members of the Board of Directors who are present in the meeting of the Board of Directors shall receive sitting allowances to be determined by a Presidential Order.

Article 18:

The members of the Board of Directors and the companies in which they are shareholders are not allowed to perform any remunerated activity in SFAR.

Article 19:

A member of the Board of Directors shall leave such an office if:

- 1° his or her term of office expires;
- 2° he or she resigns through writing;
- 3° he or she is no longer able to perform his or her duties due to physical or mental disability certified by an authorized medical doctor;
- 4° he or she is definitively sentenced to a term of imprisonment equal to or exceeding six (6) months without suspension of sentence;
- 5° he or she is absent in meetings for three (3) consecutive times in a year with no justified reasons;
- 6° he or she demonstrates behaviours contrary to his or her responsibilities;
- 7° he or she jeopardises the interests of the Authority;
- 8° he or she no longer fulfils the requirements considered at the time of his or her appointment in the Board of Directors;
- 9° he or she confesses and pleads guilty of the crime of genocide;
- 10° he or she dies.

The Minister supervising SFAR shall indicate in a report meant for competent authorities, whether one of the members of the Board of Directors is not worth its membership or if he or she is no longer in his or her position in accordance with the preceding paragraph.

In case one of the members of the Board of Directors leaves his or her duties before his or her mandate ends, the competent authorities shall appoint the substitute. The appointee shall complete the remaining term of office.

Section 2: Management and Departments of SFAR**Article 20:**

The daily management of SFAR is entrusted to its Director who is appointed by an Order of the Prime Minister. The Director coordinates and directs the daily activities of SFAR and shall be answerable to the Board of Directors on how its recommendations are implemented.

In particular, the Director is responsible for:

- 1° issuance of SFAR work and all administrative branch directives;
- 2° preparing and transmitting to the Board of Directors the draft budget proposal of SFAR to be used in the following year;
- 3° executing the budget of SFAR and managing its resources;
- 4° monitoring the management of the personnel of SFAR in accordance with laws;
- 5° informing, in writing, the Board of Directors the performance of activities of SFAR at least once a term;
- 6° representing SFAR before the law.

There shall be concluded, between the Board of Directors and the management, a performance contract indicating at least the responsibilities of each party and the conditions required in order for SFAR to fulfil its attributions.

Article 21:

The Director shall attend the meetings of the Board of Directors and act as their rapporteur. He or she may give views but does not vote during decision making.

The Director shall not participate in the meetings that take decisions in his or her interests. In that case, the Board of Directors shall elect from among itself a rapporteur .

The rules and regulations of SFAR shall determine his or her substitute in case of his or her absence.

Article 22:

Benefits of the Director and the personnel of SFAR shall be determined by legal provisions that govern personnel of public institutions.

Article 23:

The responsibilities and the organisational structure of SFAR shall be determined by an Order of the Prime Minister, upon proposal by the Minister supervising SFAR, after consulting the Board of Directors.

SFAR personnel shall be governed by the General Statutes governing Rwanda Public Service.

CHAPTER V: PATRIMONY AND FINANCE OF SFAR

Article 24:

The Patrimony of SFAR is comprised of movables and immovables:

It comes from the following:

- 1° State budget allocation;
- 2° Government or donor subsidies;
- 3° interest from its services;
- 4° interest from its investment;
- 5° donation and bequest.

Article 25:

The use, management and audit of the patrimony of SFAR shall be carried out in accordance with relevant laws. The service in charge of internal audit shall submit a report to the Board of Directors and reserves a copy to the Director of SFAR.

Article 26:

The budget of SFAR is approved and managed in accordance with relevant laws.

CHAPTER VI: FINAL PROVISIONS

Article 27:

All previous legal provisions contrary to this law are abrogated.

Article 28:

This law shall come into force on the day of its publication in the Official Gazette of the Republic of Rwanda.

Kigali, on.....

The President of the Republic
KAGAME Paul

The Prime Minister
MAKUZA Bernard

The Minister of Finance and Economic Planning
MUSONI James

The Minister of Education
Dr. MUJAWAMARIYA Jeanne d’Arc

The Minister of Public Service and Labour
Prof. NSHUTI Manasseh

Seen and sealed with the Seal of the Republic:
The Minister of Justice

KARUGARAMA Tharcisse