

Rwanda

Law determining the Procedure for Disposal of State Private Assets Law 50 of 2008

Legislation as at 15 December 2008

FRBR URI: /akn/rw/act/law/2008/50/eng@2008-12-15

There may have been updates since this file was created.

PDF created on 21 February 2024 at 12:54.

[Check for updates](#)



About this collection

The legislation in this collection has been reproduced as it was originally printed in the Government Gazette, with improved formatting and with minor typographical errors corrected. All amendments have been applied directly to the text and annotated. A scan of the original gazette of each piece of legislation (including amendments) is available for reference.

This is a free download from the Laws.Africa Legislation Commons, a collection of African legislation that is digitised by Laws.Africa and made available for free.

www.laws.africa
info@laws.africa

There is no copyright on the legislative content of this document.

This PDF copy is licensed under a Creative Commons Attribution 4.0 License (CC BY 4.0). Share widely and freely.

Law determining the Procedure for Disposal of State Private Assets

Contents

Chapter One – The general provisions	1
Article One – Purpose of this Law	1
Article 2 – Definition of terms	1
Article 3 – Scope of application	2
Article 4 – Procedure for disposal of State private assets	2
Chapter II – The determination of State private assets to be disposed of	2
Article 5 – Competent authority	2
Article 6 – List of assets to be disposed of	2
Article 7 – Accounting	2
Chapter III – The valuation of State private assets	2
Article 8 – Valuation committee	2
Article 9 – Valuation	3
Chapter IV – The sale of State private assets	3
Section One – Advertisement for the sale of State private assets	3
Article 10 – Advertisement	3
Section II – Organ in charge of sale and the procedure followed	3
Article 11 – Organ responsible for sale	3
Article 12 – Public auction	3
Article 13 – Other methods for sale of State private assets	3
Article 14 – Sealed envelopes	3
Article 15 – Direct negotiation	4
Article 16 – Exchange	4
Article 17 – Reselling to the original seller	4
Article 18 – Payment for sold assets	4
Chapter V – The donation of State private assets	4
Article 19 – Donation	4
Article 20 – Identification of a beneficiary of a State private asset donation	4
Article 21 – Prohibition to beneficiaries of State private asset donations	5
Chapter VI – The destruction of State private assets	5
Article 22 – Complete destruction of State private assets	5
Chapter VII – The final provisions	5
Article 23 – Abrogating provisions	5
Article 24 – Commencement	5

Rwanda

Law determining the Procedure for Disposal of State Private Assets

Law 50 of 2008

Published in Official Gazette 24 on 15 December 2008

Assented to on 9 September 2008

Commenced on 15 December 2008

[This is the version of this document from 15 December 2008.]

We, KAGAME Paul,

President of the Republic;

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

THE NATIONAL ASSEMBLY:

The Chamber of Deputies in its session of 21 July 2008;

Pursuant to the Constitution of the Republic of Rwanda of 04 June 2003, as amended to date especially in Articles 62, 79, 90, 92, 93, 108, 118, 120, 121, 167, 183, 184, 189 and 201;

Pursuant to Organic Law n° 37/2006 of 12/09/2006 relating to State finances and property;

ADOPTS:

Chapter One The general provisions

Article One – Purpose of this Law

The purpose of this Law is to determine the procedure governing the disposal of State private assets.

This Law shall not apply to State assets disposed of in accordance with Law n° 2/1996 of 11/03/1996 governing privatisation of public institutions and National investment.

Article 2 – Definition of terms

- 1° Public institutions: organs of central government, local government, national commissions, public projects, public enterprises and public companies.
- 2° State assets: movable and immovable assets of public institutions
- 3° Movable assets: means any property that can be moved from one location to another.
- 4° Immovable assets: any property that can not be moved from one place to another.
- 5° Disposal of assets: means selling, exchange, granting or destruction of property.
- 6° State private assets movable and immovable property considered to be property of State organs not intended for public use and shall also include property whose proprietorship is not known.

Article 3 – Scope of application

This Law concerns private movable and immovable property for State institutions, which has lost value, spoilt to the extent that they serve no more purpose or still have value but is no longer of use to State institutions.

This Law shall not be applicable to Government land, lakes, rivers, national parks and natural forests.

Article 4 – Procedure for disposal of State private assets

Public institutions may sell, donate or destroy their private assets in accordance with this Law.

Chapter II

The determination of State private assets to be disposed of

Article 5 – Competent authority

The chief budget manager of a public institution that is allocated a budget in accordance with the Organic Law on State Finances and Property shall prepare a list of assets owned by the institution to be disposed of indicating their state of condition and value.

Article 6 – List of assets to be disposed of

Each year, public institutions with private assets to be disposed of shall prepare a list indicating their state of condition and value. Such a list of assets to be sold, donated, exchanged or destroyed shall be prepared within the same period as the annual budget and transmitted to the Minister supervising the institution, Minister in charge of Finance and Minister in charge of Infrastructure.

In public administration, a list of State private assets to be disposed of shall be approved by Cabinet.

With local administrative entities, the list of private assets shall be approved by the District Council.

With autonomous Public enterprises, the list of private assets shall be approved by the Board of Directors.

Article 7 – Accounting

Any assets disposed of by public entities shall immediately be removed from the books of accounts in accordance with Laws, Orders and Regulations governing the State Financial Accounts.

No institution shall dispose of its assets before giving it a basic value.

Chapter III

The valuation of State private assets

Article 8 – Valuation committee

A valuation committee shall determine the value of State private assets.

Every public institution that is allocated a budget shall have an asset disposal valuation committee to set value for State private assets to be sold, exchanged, donated or completely destroyed. Its establishment, functioning shall be determined by an Order of the Minister in charge of Finance.

Article 9 – Valuation

The valuation of State private assets may be entrusted to independent valuers depending on their particular nature, upon approval of the chief budget manager of the institution.

The Minister in charge of Finance may also, where appropriate, request independent valuers to carry out a counter-valuation of the results established by the valuation committee.

The procedure to determine the value of State private assets shall be provided for by an Order of the Minister in charge of Finance.

Chapter IV

The sale of State private assets

Section One – Advertisement for the sale of State private assets

Article 10 – Advertisement

Prior to the sale of State private assets, there shall be a public notice issued in a newspaper of wide circulation.

The public notice of sale shall run for at least fifteen (15) days from the date of its publication.

Costs related to advertising State private assets shall be borne by the beneficiary of the sale proceeds.

Section II – Organ in charge of sale and the procedure followed

Article 11 – Organ responsible for sale

Tender committees for each organ shall be responsible for the sale of State private assets in accordance with this Law.

Article 12 – Public auction

State private assets shall be sold by public auction. However, depending on the nature of the tender, quantity of items to be auctioned, their financial value, national security, public health and environmental aspects, other methods of sale may be applied in accordance with this Law.

Article 13 – Other methods for sale of State private assets

Other methods with which State private assets may be sold shall include:

- 1° bidding through sealed envelopes;
- 2° direct negotiations;
- 3° exchange; and
- 4° reselling to the original seller.

Article 14 – Sealed envelopes

Bidding in sealed envelopes shall be used if assets to be sold are located in scattered areas such that gathering them may be expensive for the disposing entity, if the assets are of high value or when their demand is low.

An Order of the Minister in charge of Finance shall determine the sealing value of money for bidding through sealed envelopes.

Article 15 – Direct negotiation

Direct negotiation shall only be used if at least public auction has been tried twice and no prospective buyer has been obtained or if an asset is harmful to the environment, national security or public health.

Article 16 – Exchange

The exchange method shall be used for assets that have an insignificant value, obsolete or spoilt to the extent that they no longer serve any purpose and this method shall only be applied if proved that it has comparative advantages compared to other methods.

Article 17 – Reselling to the original seller

Reselling a State private asset to an original owner is prohibited unless that asset is capable of being recycled into a new product and not capable of being destroyed or when manufacturing rights are exclusive.

Article 18 – Payment for sold assets

Proceeds from the sale of assets belonging to Central Government institutions that are allocated State finances shall be deposited onto the Government's account in the National Bank of Rwanda.

Proceeds from the sale of assets of a public institution having financial and administrative autonomy shall be deposited onto the institution's bank account.

Proceeds from the sale of Local administrative entities assets shall be deposited into the entity's bank account.

The value of the asset to be disposed of shall be included in the public institutions and local government's annual budget.

Procedural modalities for selling, payment and transfer of State private assets shall be determined by an Order of the Minister in charge of Finance.

Chapter V The donation of State private assets

Article 19 – Donation

State private assets may be donated to a public institution, non profit making organisation or an association engaged in activities of general public interest.

In no circumstances shall State private assets be donated to an individual.

Article 20 – Identification of a beneficiary of a State private asset donation

In accordance with the provisions of Article 4 of this Law, the chief budget manager shall identify and submit to the Minister in charge of Finance a list of institutions, organisations or associations whom to donate State private assets indicating the general usage and value.

Article 21 – Prohibition to beneficiaries of State private asset donations

A State organ, organisation which has been donated a State private asset shall not resell it. In the event of dissolution or winding up of business by the beneficiary, the asset shall be transferred to another agency, organisation and association or returned to the State.

Chapter VI

The destruction of State private assets

Article 22 – Complete destruction of State private assets

When a State private asset is no longer of any use, it may be burnt to destruction or by use of any other means after authorisation by the Minister in charge of Infrastructure in conjunction with an organ in charge of environmental conservation.

In the above case, a statement shall be prepared and approved by the chief budget manager who shall submit it to the Minister in charge of Infrastructure and inform the Minister in charge of Finance.

An Order of the Minister in charge of Finance shall determine the method and procedure for complete destruction of State private assets of public institution that is allocated a state budget.

Chapter VII

The final provisions

Article 23 – Abrogating provisions

All prior legal provisions contrary to this Law are hereby repealed.

Article 24 – Commencement

This Law shall come into force on the date of its publication in the Official *Gazette* of the Republic of Rwanda.