

The law for the savings and Social Development Bank 1995 Modified 1998

On the strength of Article (27) of the 5th Republican Decree 1991, the president of the Republic has issued the following transitional Republican Decree:

1. This Transitional Decree shall be called” The Law for the Savings and Social Development Bank” and it is effective on the date it is signed.

2. The Law for the Sudanese savings Bank, 1974 is cancelled but all rights and obligations, regulations and orders issued on its basis shall remain in force until they are either modified or cancelled at a later stage on the basis of this Law, unless the text refers to some other meaning:

The Bank: Refers to the Sudanese Savings Bank 1974.

Personnel :Refers to the staff and workers employed by the Bank.

Director General: Refers to the Director General of the Bank.

The Poor: Refers to the community sector defined by the President of the Republic with a decision he issues.

The Council: Refers to the Board of Directors.

ElMasraf(Bank):Refers to the Savings and Social Development Bank.

The Minister:Refers to the Federal Minister of Social Planning.

The Corporation:Refers to the corporation of Trustees.

The Establishment of the Bank and its Objectives,

The Establishment of the Bank:

1.Abank for the poor of the Sudan shall be established and shall be called “Savings and Social Development Bank” It shall be an independent coporation with legal entity and a permanent contracting identity, and having a general stamp.

2. The Headquarters of the Bank shall be in Khartoum, where as the Bank may establish branches in localities it deems appropriate.

3. The Bank comes under the sphere of authority of the Minister.

The purposes of the Bank:

1. To develop and encourage savings awareness among the people, to collect savings by the people and invest these in economic and social development, and to perform its functions according to the terms of the law and the bases and guidance of Islamic Sharia. Non deviation nor violation of the aforementioned entails that the bank shall have the **following purposes:-**

- a. Planning a savings policy and introducing a criteria for supervision.
- b. Directing the resources of the bank towards comprehensive economic and social development.
- c. Providing necessary funding for the various sectors, particularly projects earmarked for the poor, small-scale producers and craftsmen, professionals, productive families, those with limited income, while observing security compatible with the conditions of these sectors.
- d. Financing researches, and feasibility studies
- e. Practising all banking activities, financial, commercial and investment transactions.

2. To adhere to the aforementioned, the bank shall be delegated the following powers:-

- a- To ensure whole or partial recovery of any funds, or to meet any obligations or an undertaking.
- b. To possess, or sell, or deal or guarantee or mortgage premises or carried forwards assets.
- c. To obtain any information that shall help in investment of the bank assets or funds, or funds of others and their analysis.
- d. The bank may invest guarantees, either personal or in kind, or mixed on the basis of cash or balance,

e. Shall provide finance on the basis of guarantees from societies, corporations, institutions, organizations, or groups whose laws permit aguarantee.

f. The bank may participate in any possible way with corporations that conduct activities similar to its own and that may enable the bank to achieve its goals.

g. The bank may establish acompany or anumber of companies to perform different activities, or possesses shares to serve the aims of economic and social development.

h. The bank may embark on direct investment in commodities and infrastructure which promote development.

The Bank Administration

Establishing Acorporation of Trustees

1. A body will be established and will be called the corporation of Trustees which will be a sort of a general assembly for the Bank and will be composed as follow:-

Members by the virtue of their posts:-

a)(

1.	Federal Minister of Finance and economic Planning	Chairman
2.	Federal Minister of social Planning	Deputy Chairman
3.	Undersecretary, Federal Ministry of Finance and economic Planning	Member
4.	President of the Bank of Sudan	Member
5.	Representative of the ministry of Social Planning	Member
6.	Secretary General, Zakah Bureau	Member
7.	Director General, National Pensions Fund	Member
8.	Director General, National Insurance Fund	Member
9.	Director, Islamic Endowment corporation	Member
10.	Secretary General, National Fund for the Support of States.	Member
11.	Director General of the Bank	Secretary

(b) Shareholders, benefactors and investors appointed by the council of Minister on the recommendations of the relevant

minister after consultation with the Federal Minister of Finance and Economic Planning.

2. The term of post for persons mentioned in item(b) will be for two years and may be reappointed for another similar term.

3.The Regulations will specify the meetings of the corporation of Trustees and relevant procedures.

The Assignments of the corporation of Trustees

a.The corporation of Trustees will be the highest authority of the Bank and approves the general policy submitted by the council while simultaneously observing and abiding by the government policy which regulates economic and social development, the principles and aims of solidarity and reciprocity. The Corporation supervises the enterprises of the Bank and proceeds to achieve its purposes and assignments based on economic , technical and proper investment principles, while adhering to the previously mentioned tasks, the bank will have the following duties:-

1. Establishing a consultant body from the investors, the depositors, the shareholders, the benefactors and the specialists to lay down the strategies of development and effects development in the states and accordingly recommends.

2. Approving the Council report on the activities of the Bank, its financial position, the report of the auditor general and sanctioning the annual budget balance and the final accounts.

The Establishment of the Council

3. The Council will be established on a resolution from the Corporation of Trustees in the strength of a recommendation from the relevant minister.

The resolution defines the number of the members of the council , their emoluments and the term of their office, provided the Director General would be a member as well as the secretary.

4.The Assignments of the Board of Directors and powers.

- a. Issuance of relevant orders and resolutions to organize financial and administrative affairs of the Bank.
- b. General Supervision and control over the works of the Bank, its coordination and the evaluation of the performance of the Bank component administrations without interference on the daily internal details.
- c. Studying the general budget balance of the Bank and referring it to the relevant channels after ratification by the Corporation of Trustees .
- d. Conducting all the financial transactions which exceeds the ceiling authorities of the Director General .
- h-The formation of temporary committees to undertake any tasks the Bank may ask for.
- i. A proposal to increase the capital and to define the reserve fund.

The Appointment of the Director General and his Deputy

The Bank shall have a Director General and a Deputy to be appointed by the Corporation of Trustees on the basis of a directive from the relevant minister after consultation with the Bank of Sudan. The occupants of these two posts shall be equipped with no less than university academic qualifications and shall be appointed for the period specified by the appointment resolution and may be reappointed on the same way on termination of their terms of office.

The Assignments of the Director General

1. The Director General shall be the top accountable figure before the corporation of Trustees for the implementation of all policies and resolutions adopted by the Council ,or duties imposed on him by laws and regulations by virtue of his post.

Adhering to the above, the tasks of the Director General shall be as follow:-

- a. Steering the Bank and running its affairs.
- b. Issuing orders, regulations and decisions to organize the procedures of the Bank and its internal operations.

- c. Instituting systems to steer the Bank , proceeding on operations and supervising them.
- d. Preparing all proposals or suggestions to be brought before the Council , or its branch committees for approval including the annual report and the profit and loss accounts, the special suggestions to utilize the net profits and the annual expenses budget.
- e. Unilateral signature on all documents or bills of the Bank on behalf of the Bank.
- f. Representing the Bank in all matters relevant for the smooth flow of the works of the Bank.
- g. Approving finance, and guarantees in accordance to the limits of financial approval as defined by the Corporation of Trustees.

The Assignments of the Deputy Director General

In the absence of the Director General or inability to perform his tasks ,he will be deputized by the Deputy Director General to run the affairs of the Bank . He will be accountable before the Corporation of Trustees as if he were the Director General.

The Legitimate Supervisory Panel and its Assignments

1. The Council shall have a legitimate supervisory panel whose membership will not exceed 5 members who are learned individuals in Sharia, Law, and economics to be appointed by the Corporation of Trustees which specifies their terms of office and pay.
2. The legitimate supervisory panel will be assigned the following:-
 - a. Watch over the activities of the Bank to ensure that they agree with the Islamic Sharia Laws.
 - b. Participation in drawing up model contracts to organize the bank activities.
 - c. Contribution in training staff.
 - d. Reporting to the Council the compatibility of the functions of the Bank with the Islamic Sharia laws.

e. Compiling an annual report to the Corporation of Trustees on the annual budget of the Bank.

A. The Capital and Financial Resources of the Bank

The authorised capital of the Bank is 3billion Sudanese Dinars as follow:-

1. The Sums shown on the Bank ledger books
2. The cash and inkind contributions paid by the following channels:-
 - a. Federal Ministry of Finance and Economic Planning.
 - b. Federal Ministry of Social Planning .
 - c. Bank of Sudan.
 - d. Any other channels agreed by the Corporation of Trustees.

B. The Financial Resources of the Bank Consists of the following:-

- 1- Net profit returns from the Bank –owned establishments and companies.
2. Revenue and profits incurred by the Bank as a result of its activities.
3. Aid. grants. bequests. Endowments and donations accepted by the Bank Corporation of Trustees or the Council.
4. Endowment securities issued by the Bank (securities are issued by banks , while bonds are only issued by the Ministry of Finance and the Bank of Sudan)
5. Savings , investment and Current deposits accounts.

The Bank is almost a proprietor of funds endowed on behalf of the poor.

These funds which be disposed of according to the terms of this law. No party is allowed to ask for any returns incurred by money added to the capital of the Bank.

The Use of the Financial Resources

The resources of the Bank shall be utilized, with the exception of the capital , as follow:-

- a. Endowment- tinged resources shall be used to fund the poor sectors according to the terms of the endowing donors.

b. Non endowment resources shall be used in normal banking finance according to the policies of the Bank of Sudan, but bearing in mind the unique nature of the Bank.

1. The property of the Bank shall be exempted from all sorts of taxes and other fees.

The Financial Year

The Financial Year begins on 1st January and ends on 31st December of each year.

Accounts, Budget and Auditing

The Bank shall keep sound and adequate accounts of any of its operations and shall also keep all files and records used in these operations.

The Bank shall also prepare a final account at the end of each financial year.

The Auditor General, or whoever he delegates shall audit the Bank's accounts on an yearly basis.

The Bank shall submit to the minister concerned , a copy of the general budget ,a statement of profits and loss accounts accompanied by the report of the Auditor General within three months after the end of the financial year.

Reserve Account

The Bank creates a reserve account fund, the corporation of Trustees shall define the annual ratios that could be attained from the Bank net profits for that account.

The Distribution of Profits

The remaining net profits of each year shall be annexed to the capital for utilization according to the terms of this law.

General regulations

.The Guidance Powers of the Minister

It is permissible for the Minister to release directives of a public nature which are related to the work of the Bank, or to one of its activities, which the Minister sees will achieve a public interest, to the Corporation of Trustees, whenever he considers appropriate or

essential. The Corporation of Trustees shall abide by these directives.

Non Validity of the procedures

It is unacceptable to doubt the validity or the soundness of any action or measures undertaken by the Corporation of Trustees, simply due to a post that has fallen vacant or due to a mistake in the composition of the Corporation of Trustees.

Funds of the Bank are Public Funds

As far as the terms of the Criminal Law are concerned , the funds of the Bank are considered public funds.

Liquidation of the Bank

The Bank shall not be liquidated except with a bill.

Observation of secrecy

It is imperative upon every member of the Corporation of Trustees , the Director General,his Deputy and every staff member or employee of the Bank to observe complete secrecy in all matters related to the Bank affairs.

Authority to issue Regulations

It is possible for the Council to issue relevant regulations for the enactment of this law.