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Science and Technology Development
Act, No. 11 of 1994

[Certified on 7th June, 1994]

L. D.—O. 53/93

AN ACT TO PROVIDE FOR THE DEVELOPMENT OF SCIENCE AND TECHNOLOGY IN SRI LANKA; TO PROVIDE FOR THE ESTABLISHMENT RESPECTIVELY, OF THE NATIONAL SCIENCE AND TECHNOLOGY COMMISSION, THE NATIONAL SCIENCE FOUNDATION, THE COUNCIL FOR INFORMATION TECHNOLOGY OF SRI LANKA, THE INDUSTRIAL TECHNOLOGY INSTITUTE AND THE ARTHUR C. CLARKE INSTITUTE FOR MODERN TECHNOLOGIES; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows:—

1. This Act may be cited as the Science and Technology Development Act, No. 11 of 1994, and shall come into operation on such date (hereinafter referred to as the "appointed date") as the Minister may appoint, by Order published in the Gazette.

Short title
and date
of operation.

2. The objects of this Act shall be—

Object
of Act.

- (a) to promote the use of science and technology as an integral part of the effort to achieve rapid economic development, and improved quality of life and to alleviate poverty, and to involve scientists and technologists in the formulation of policy and in decision making;
- (b) to foster scientific and technological activity in all its aspects with a view to developing self reliance in scientific and technological capability, and to ensure the allocation of a reasonable proportion of the gross national product for science and technology activities;
- (c) to support the development of indigenous technology wherever feasible whilst promoting the import, adaptation and assimilation of technology for rapid growth in industry, agriculture and services;
- (d) to ensure that institutions of higher education and technical education and research institutions produce scientists, technologists and technicians of high calibre and competence and to secure the provision of incentives to them with a view to ensuring their retention in Sri Lanka;

- (e) to provide adequate opportunities for all persons to acquire a basic education in science and its practical applications;
- (f) to cultivate among the people, an appreciation of the value of science, scientific method and technology and of the integral role that science plays in modern society;
- (g) to disseminate the benefits of science and technology activity to all sectors of the people;
- (h) to encourage and strengthen cooperation in science and technology between scientists in Sri Lanka, and between scientists in Sri Lanka and scientists outside Sri Lanka, and to provide access to global scientific and technological knowledge and activity;
- (i) to develop the capability to continuously plan, evaluate and review strategies, legislation and the institutional framework for science and technology in Sri Lanka;
- (j) to identify priority areas of science and technology likely to be of benefit to Sri Lanka and to promote research and development in such areas.

Minister to have regard to objects set out in section 2

3. In formulating policies relating to science and to technology and in implementing such policies, the Minister shall have regard to the objects set out in section 2 and shall consult the National Science and Technology Commission.

PART I

THE NATIONAL SCIENCE AND TECHNOLOGY COMMISSION (NASTEC)

Establishment of National Science and

4. There shall be established a Commission to be called the National Science and Technology Commission after referred to as "the Commission").

Functions of
Commission.

5. The functions of the Commission shall be—

- (a) to advise the Government on policies and plans for the development of science and technology including policies and plans relating to—
 - (i) the application of science and technology to stimulate economic growth;
 - (ii) the impact of science and technology on the efficiency and competitiveness of industry, agriculture, services and the economy;
 - (iii) the impact of science and technology on health, nutrition and poverty alleviation, with a view to improving the quality of life of the people;
 - (iv) the development of human and other resources needed for science and technology, in consultation with the authorities responsible for education, training and research;
 - (v) the development and management of the natural resources of Sri Lanka;
 - (vi) the identification and prioritization of science and technology areas that are likely to be of national importance;
 - (vii) the creation of a climate conducive for the build up, retention and attraction of science and technology expertise;
 - (viii) the establishment of management strategies conducive to the productive application of science and technology;
 - (ix) the allocation of funds for science and technology, including the priority of funding research and development in science and technology institutions;
- (b) to submit a report annually, to the Government, reviewing the science and technology activities in Sri Lanka in the preceding year, in relation to the objects set out in section 2 and on, the effectiveness of measures for the development of human resources, the performance of science and techno-

*Science and Technology Development
Act, No. 11 of 1994*

logy institutions, the effectiveness of public spending on science and technology and the use of science and technology by public sector and private sector undertakings;

(c) to review the progress of science and technology institutions in relation to the objects set out in section 2;

(d) to consult relevant science and technology institutions before advising the Government on policies and plans relevant to those institutions;

(e) to convene the Sri Lanka Conference on Science and Technology biennially, with the prior approval of the Minister, and to provide a forum for the discussion of science and technology in Sri Lanka in relation to the objects set out in section 2; and submit a report to the Minister on such discussions.

**Constitution
of the
Commission.**

6. (1) The Commission shall consist of seven members appointed by the President, in consultation with the Minister, from among persons who have distinguished themselves in the fields of science, technology, agriculture, commerce or industry.

(2) A person shall be disqualified from being appointed, or continuing as a member of the Commission if he is a Member of Parliament or a member of Provincial Council, or is a Secretary to a Ministry or head of a department or institution, concerned with science and technology development.

(3) A member of the Commission may resign his office by letter addressed to the President, and such resignation shall be effective from the date on which it is accepted by the President.

(4) The President may remove a member of the Commission from office, without assigning any reason therefor.

(5) Subject to the provisions of subsections (3) and (4), the term of office of a member of the Commission shall be three years.

(6) Where a member of the Commission dies, resigns or is removed from office, the President shall, having regard to the provisions of subsection (1), appoint another member in his place.

*Science and Technology Development
Act, No. 11 of 1994*

(7) A member appointed under subsection (6) shall hold office for the unexpired period of the term of office of the member whom he succeeds.

(8) A member vacating office by effluxion of time shall be eligible for re-appointment.

(9) (a) The quorum for any meeting of the Commission shall be four.

(b) The Chairman shall preside at every meeting of the Commission. In the absence of the Chairman from any meeting of the Commission, a member chosen by the majority of the members present at such meeting shall preside at such meeting.

(c) The Chairman of any meeting of the Commission shall, in addition to his own vote, have a casting vote.

(d) The Commission shall meet at least once every month.

(e) Subject to the provisions of this section, the Commission may regulate the procedure in regard to its meetings and the conduct of business at such meetings.

(10) The members of the Commission shall be paid remuneration at such rates as may be determined by the Minister with the concurrence of the Minister in charge of the subject of the Finance.

(11) The Commission may act notwithstanding any vacancy among its members and no act or proceeding of the Commission shall be deemed to be invalid by reason only of the existence of a vacancy in the Commission or any defect in the appointment of a member of the Commission.

7. (1) The President may appoint one of the members of the Commission to be the Chairman of the Commission.

**Chairman of
the Commission**

(2) The Chairman may resign from the office of Chairman by letter addressed to the President and such resignation shall be effective from the date on which it is accepted by the President.

(3) The President may remove the Chairman from the office of Chairman, without assigning any reason therefor.

(4) Subject to the provisions of subsections (2) and (3) the term of office of the Chairman shall be his period of membership in the Commission.

(5) The President may appoint another member of the Commission as an executive member of the Commission to assist the Chairman.

(6) The Commission may delegate any of its powers, functions and duties to the Chairman or the executive member appointed under subsection (5).

Powers of
the
Commission.

8. The Commission shall have the power—

(a) to appoint such study groups or committees as may be necessary for the proper discharge of the functions of the Commission, consisting of persons with the prescribed qualifications, and to define the objectives of such groups or committees;

(b) to request and receive information relating to scientific and technological activity, from individuals, and bodies of persons, to analyse such information and to recommend priority areas for future development:

Provided however that no information received from any such individual or body of persons which such individual or body of persons is required to treat as confidential by any agreement between such individual or body of persons and the person to whom the information relates, shall be disclosed by the Commission;

(c) to monitor the progress of projects and programmes in Science and Technology Institutions;

(d) to prepare rules for the Sri Lanka Conference on Science and Technology, with the concurrence of the Minister;

(e) to enter with the approval of the Minister, into agreements for co-operation with institutions abroad having objects wholly or partly similar to those of the Commission, for the exchange of technical personnel and generally, for such purposes as may be conducive to the attainment of their common objects;

(f) to submit before March thirty-first of the following year, a report of the work done by the Commission during the year, to the Minister, who shall cause such report to be laid before Parliament;

(g) to appoint a secretary and such other officers and servants as may be necessary for the proper discharge of its functions.

PART II

THE NATIONAL SCIENCE FOUNDATION (NSF)

9. There shall be established a Foundation to be called the National Science Foundation (in this Part of this Act referred as "the Foundation"). The Foundation shall be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

Establish-
ment of the
National
Science
Foundation.

10. The functions of the Foundation shall be—

(a) to initiate, facilitate and support basic and applied scientific research by universities, science and technology institutions and scientists, with a view—

Functions
of the
Foundation.

(i) to strengthening scientific research potential, including research in the social sciences, and science education programmes;

(ii) to developing the natural resources of Sri Lanka;

(iii) to promoting the welfare of the people of Sri Lanka; and

(iv) to training research personnel in science and technology;

(b) to foster the interchange of scientific information among scientists in Sri Lanka and foreign countries;

**Science and Technology Development
Act, No. 11 of 1994**

- (c) to award scholarships and fellowships for scientific study or scientific work at science and technology institutions;
- (d) to maintain a current register of scientific and technical personnel, and in other ways to provide a central clearing house for the collection, interpretation and analysis of data, on the availability of, and the current and projected need for, scientific and technical resources in Sri Lanka, and to provide a source of information for policy formulation on science, technology and other fields;
- (e) to popularise science amongst the people by funding programmes for that purpose.

**Board of
Management**

11. (1) The administration, management and control of the affairs of the Foundation shall be vested in a Board of Management (in this Part of this Act referred to as "the Board") consisting of not more than eleven members to be appointed by the Minister.

(2) The Board shall be consist of—

- (a) a Chairman;
- (b) the Director of the Foundation;
- (c) a representative of the University Grants Commission;
- (d) a representative of the National Institute of Education;
- (e) a representative of the Sri Lanka Association for the Advancement of Science;
- (f) a representative of the Institute of Engineers, Sri Lanka;
- (g) a representative of the Ministry of the Minister in charge of the subject of Finance; and
- (h) not more than four other persons who have gained eminence in the fields of science, education, research, management or administration.

(3) A member of the Board other than the Director of the Foundation may resign his office by letter addressed to the Minister and such resignation shall be effective from the date on which it is accepted by the Minister.

**Science and Technology Development
Act, No. 11 of 1994**

(4) The Minister may remove a member of the Board (other than the Director of the Foundation) from office, without assigning any reason therefor.

(5) Subject to the provisions of subsections (3) and (4), the term of office of a member of the Board shall be three years.

(6) Where a member of the Board dies, resigns or is removed from office, the Minister shall, having regard to the provisions of subsection (2), appoint another member in his place.

(7) A member of the Board appointed under subsection (6) shall hold office for the unexpired period of the term of office of the member whom he succeeds.

(8) A member of the Board vacating office by effluxion of time shall be eligible for re-appointment.

(3) (a) The quorum for any meeting of the Board shall be five.

(b) The Chairman shall preside at every meeting of the Board. In the absence of the Chairman from any meeting of the Board, a member chosen by the majority of the members present at such meeting shall preside at such meeting.

(c) The Chairman of any meeting of the Board shall in addition to his own vote, have a casting vote.

(d) The Board shall meet at least once every month.

(e) Subject to the provisions of this section, the Board may regulate the procedure in regard to its meetings and the conduct of business at such meetings.

(10) The members of the Board shall be paid remuneration at such rates as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.

(11) The Board may act notwithstanding any vacancy among its members and no act or proceeding of the Board shall be deemed to be invalid by reason only of the existence of a vacancy in the Board or any defect in the appointment of a member of the Board.

Special
powers of
Foundation.

12. In addition to the powers conferred on it by section 25, the Foundation shall have the following powers:—

- (a) to make research grants to commence or continue research projects connected with the functions of the Foundation;
- (b) to establish and maintain liaison with individuals, associations or institutions in Sri Lanka and in other countries with regard to matters relating to funding of research in science and technology in Sri Lanka, and, the impact of such funding on the development of science and technology in Sri Lanka;
- (c) to promote and assist Sri Lankan scientists and technologists to participate in meetings and short-term research work outside Sri Lanka, subject to guidelines prepared by the Foundation and to arrange for expatriate scientists and technologists to work in Sri Lanka on short term fellowships in priority areas, subject to guidelines prepared by the Foundation;
- (d) to promote the publication of one or more journals at the national level;
- (e) to establish such working committees as may be necessary for the discharge of the functions of the Foundation;
- (f) to promote and facilitate, the return of Sri Lankan scientists and technologists of distinction working outside Sri Lanka.

PART III

COUNCIL FOR INFORMATION TECHNOLOGY (CINTEC)

Establish-
ment of
Council for
Information
Technology.

13. There shall be established a Council to be called the Council for Information Technology (CINTEC) (In this Part of this Act referred to as the "Council"). The Council shall be a body corporate and shall have perpetual succession and common seal and may sue and be sued in such name.

Functions
of the
Council.

14. The functions of the Council shall be—

- (a) to formulate and plan programmes for the development of Information Technology in accordance with the information technology policy of the Government;
- (b) to co-ordinate and monitor the implementation of Information Technology plans and programmes, including plans and programmes for—
 - (i) the promotion and development of Information Technology literacy and its usage;
 - (ii) the identification and promotion of export oriented Information Technology Services;
 - (iii) the promotion of the use of Information Technology for the collection, assessment and dissemination of information of socioeconomic and technological importance;
 - (iv) the development of the human resources necessary for the promotion of Information Technology, in consultation with the authorities responsible for education and training;
 - (v) the promotion of research and development in Information Technology; and
 - (vi) the identification and promotion of the use of national standards and common base philosophies in the Information Technology Industry; and
- (c) to advise the Commission on Information Technology.

15. (1) The Council shall consist of not more than fifteen members to be appointed by the Minister and shall consist of—

Constitution
of the
Council.

- (a) a Chairman;
- (b) the Director of the Council;
- (c) the Director-General of Telecommunications;
- (d) a representative of the Ministry of the Minister in charge of the subject of Finance;
- (e) the Chairman of the University Grants Commission;
- (f) the Chairman of the Technical and Vocational Education Commission;

- (g) the President of the Computer Vendors Association;
- (h) the President of the Computer Society of Sri Lanka;
- (i) the President of the Computer Trainers Association;
- (j) the President of the Software Association;
- (k) a representative of the manufacturers of computer and communications related electronic and electrical equipment;
- (l) a representative of the providers of telecommunications infrastructure and the providers of value added telecommunication services; and
- (m) three other members appointed by the Minister from among scientists, technologists, managers and entrepreneurs, actively engaged in Information Technology.

(2) A member of the Council (other than the Director of the Council) may resign his office by letter addressed to the Minister and such resignation shall be effective from the date on which it is accepted by the Minister.

(3) The Minister may remove a member of the Council (other than the Director of the Council) from office without assigning any reason therefor.

(4) Subject to the provisions of subsections (2) and (3), the term of office of a member of the Council shall be three years.

(5) A member of the Council vacating office by effluxion of time, shall be eligible for re-appointment.

(6) Where a member of the Council dies, resigns or is removed from office, the Minister shall, having regard to the provisions of subsection (1), appoint another member in his place.

(7) A member of the Council appointed under subsection (6) shall hold office for the unexpired period of the term of office of the members whom he succeeds.

(8) (a) The quorum for any meeting of the council shall be seven.

(b) The Chairman shall preside at every meeting of the Council. In the absence of the Chairman from any meeting of the Council, a member chosen by the majority of the members present at such meeting, shall preside at such meeting.

(c) The Chairman of any meeting the Council shall, in addition to his own vote, having a casting vote.

(d) The Council shall meet at least once every month.

(e) Subject to the provisions of this section, the Council may regulate the procedure in regard to its meetings and the conduct of business at such meetings.

(9) The members of the Council shall be paid remuneration at such rates as may be determined by the Minister with the concurrence of the Minister in charge of the subject of the Finance.

(10) The Council may act notwithstanding any vacancy among its members and no act or proceeding of the Council shall be deemed to be invalid by reason only of the existence of a vacancy in the Council or any defect in the appointment of a member of the Council.

16. In addition to the powers conferred on it by section 25, the Council shall have the power to request and receive information relevant to National Information Technology plans and programmes, from individuals, and bodies of persons; to analyse such information and to recommend priority areas for future development: provided however that no information received from any individual or body of person which such individual or body of persons is required to treat as confidential by any agreement between such individual or body of persons and the person to whom the information relates shall be disclosed by the Council.

Special
powers of
the Council

PART IV

INDUSTRIAL TECHNOLOGY INSTITUTE (ITI)

17. There shall be established an Institute called the Industrial Technology Institute (ITI) (in this Part of this Act referred to as the "the Technology Institute"). The Technology Institute shall be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

Establish-
ment of
Industrial
Technology
Institute

Objects and
functions of
Technology
Institute.

18. The Technology Institute shall be demand driven. The object of the Technology Institute shall be to elevate the level of technology in Sri Lanka to the level required for rapid industrialisation and in furtherance of this object, its functions shall be—

(a) to support industry by—

(i) undertaking on contract, testing, investigation and research, for improving product quality, technical processes and methods used in industry, and for discovering new processes and methods to be used in industry;

(ii) providing technical services and consultancies; and

(iii) engaging in activities connected with technology transfers, the adaptation of technologies and the development of new technologies;

(b) to conduct research with a view to accelerating industrial technology development;

(c) to collect, process, and disseminate useful technical information, in particular on "shelf technology" with a view to accelerating industrial development;

(d) to undertake training of persons in areas related to the experience of the Technology Institute;

(e) to undertake or to collaborate in the survey and monitoring of environmental pollution and to recommend remedial measures to mitigate such pollution;

(f) to co-operate with government departments and institutions, universities, technical colleges and other bodies in demand driven research to promote industrial technology development.

Board of
Management

19. (1) The administration, management and control of the affairs of the Technology Institute shall be vested in a Board of Management (in this Part of this Act referred to as the "Board") consisting of not more than nine members appointed by the Minister.

(2) The Board shall consist of—

(i) a Chairman;

(ii) the Director of the Technology Institute;

(iii) the Secretary to the Ministry of the Minister in charge of the subject of Finance or his nominee;

(iv) the chief executive of a lending institution, funding technology transfer and technology development; and

(v) not more than five other members appointed by the Minister, from among scientists, technologists and industrial entrepreneurs.

(3) A member of the Board (other than the Director of the Technology Institute) may resign his office by letter addressed to the Minister and such resignation shall be effective from the date on which it is accepted by the Minister.

(4) The Minister may remove a member of the Board (other than the Director of the Technology Institute) from office, without assigning any reason therefor.

(5) Subject to the provisions of subsections (3) and (4) the term of office of a member of the Board shall be three years.

(6) A member of the Board vacating office by effluxion of time shall be eligible for re-appointment.

(7) Where a member of the Board dies, resigns or is removed from office, the Minister shall, having regard to the provisions of subsection (2), appoint another member in his place.

(8) A member of the Board appointed under subsection (7) shall hold office for the unexpired term of office of the member whom he succeeds.

(9) (i) The quorum for any meeting of the Board shall be five.

(b) The Chairman shall preside at every meeting of the Board. In the absence of the Chairman from any meeting of the Board, a member chosen by the majority of the members present at such meeting shall preside at such meeting.

16 Science and Technology Development
Act, No. 11 of 1994

(c) The Chairman of any meeting of the Board shall in addition to his own vote, have a casting vote.

(d) The Board shall meet at least once every month.

(e) Subject to the provisions of this section, the Board may regulate the procedure in regard to its meetings and the conduct of business at such meetings.

(10) The members of the Board shall be paid remuneration at such rates as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.

(11) The Board may act notwithstanding any vacancy among its members and no act or proceeding of the Board shall be deemed to be invalid by reason only of the existence of a vacancy in the Board or any defect in the appointment of a member of the Board.

Agreements
for special
services.

20. (1) The Technology Institute may enter into any agreement with any person to carry out any special investigation, with the specific object of the discovery, invention or improvement of any process, apparatus or machine or in relation to any other area connected with the experience of the Technology Institute, subject to such conditions, and the payment of such charges, as may be agreed upon.

(2) A right in any discovery, invention or improvement under any agreement referred to in subsection (1) shall, as may be provided by such agreement but subject to the provisions of section 66 of the Code of Intellectual Property Act, No. 52 of 1979, be vested in either the Technology Institute or the person requesting the investigation.

PART V

ARTHUR C. CLARKE INSTITUTE FOR MODERN TECHNOLOGIES
(ACCIMT)

Establish-
ment
of Arthur
C. Clarke
Institute
for Modern
Technologies.

21. There shall be established an Institute to be called the Arthur C Clarke Institute for Modern Technologies (ACCIMT) (in this Part of this Act referred to as the "Clarke Institute"). The Clarke Institute shall be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in such name.

22. The functions of the Clarke Institute shall be—

Functions
of the
Clarke
Institute.

(a) to accelerate the introduction of modern technologies to Sri Lanka by—

(i) initiating, promoting and conducting, research and development in the application of modern technologies;

(ii) providing research and development support to the Government and private sector undertakings in the application of modern technologies; and

(iii) training of personnel in modern technologies to meet the needs of Government, and private sector undertakings; and

(b) to promote future studies.

In this Act, the expression "modern technologies" includes new materials, communication and related sciences, information technology, electornics, micro-electronics, photonics, robotics and space technology.

23. (1) The administration, management and control of the Clarke Institute shall be vested in a Board of Governors (in this Part of this Act referred to as the "Board") consisting of not more than eleven members to be appointed by the Minister.

Board of
Governors
of the
Clarke
Institute.

(2) The Board shall consist of—

(a) a Chairman;

(b) the Director of the Clarke Institute;

(c) the Vice-Chancellor of the University of Moratuwa;

(d) a Vice-Chancellor of any other University nominated by the University Grants Commission;

(e) a member of the University Grants Commission nominated by the University Grants Commission;

(f) a representative of the Ministry of Finance;

(g) a representative of the Sri Lanka Association for the Advancement of Science;

(h) not more than four other members appointed by the Minister from among scientists, technologists and entrepreneurs actively engaged in modern technologies.

(3) A member of the Board (other than the Director of the Clarke Institute) may resign his office by letter addressed to the Minister and such resignation shall be effective from the date on which it is accepted by the Minister.

(4) The Minister may remove a member of the Board (other than the Director of the Clarke Institute) from office, without assigning any reason therefor.

(5) Subject to the provisions of subsections (3) and (4), the term of office of a member of the Board shall be three years.

(6) A member of the Board vacating office by effluxion of time shall be eligible for re-appointment.

(7) Where a member of the Board dies, resigns or is removed from office, the Minister shall, having regard to the provisions of subsection (2), appoint another member in his place.

(8) A member appointed under subsection (7) shall hold office for the unexpired period of the term of office of the member whom he succeeds.

(9) (a) The quorum for any meeting of the Board shall be five.

(b) The Chairman shall preside at every meeting of the Board. In the absence of the Chairman from any meeting of the Board a member chosen by the majority of the members present at such meeting shall preside at such meeting.

(c) The Chairman of any meeting of the Board shall, in addition to his own vote, have a casting vote.

(d) The Board shall meet at least once every month.

(e) Subject to the provisions of this section, the Board may regulate the procedure in regard to its meetings and the conduct of business at such meetings.

(10) The members of the Board shall be paid remuneration at such rates as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.

(11) The Board may act notwithstanding any vacancy among its members and no act or proceeding of the Board shall be deemed to be invalid by reason only of the existence of a vacancy in the Board or any defect in the appointment of a member of the Board.

PART VI

GENERAL

24. The provisions of this Part and Part VII shall apply to the National Science Foundation established by Part II of this Act, the Council for Information Technology established by Part III of this Act, the Industrial Technology Institute established by Part IV of this Act, and the Arthur C. Clarke Institute for Modern Technologies established by Part V of this Act and every reference in sections 24 to 42 (both inclusive)---

Application
of Parts VI
and VII

(a) to "the Corporation" shall be deemed to be a reference to the National Science Foundation, the Council for Information Technology, the Industrial Technology Institute or the Arthur C. Clarke Institute for Modern Technologies, as the case may be ;

(b) to "the Board" shall be deemed to be a reference to the Board of Management of the National Science Foundation, the Council for Information Technology, the Board of Management of the Industrial Technology Institute or the Board of Governors of the Arthur C. Clarke Institute for Modern Technologies, as the case may be ;

(c) to "the Chairman" shall be deemed to be a reference to the Chairman of the National Science Foundation or the Chairman of the Council for Information Technology or the Chairman of the Industrial Technology Institute or the Chairman of the Arthur C. Clarke Institute for Modern Technologies, as the case may be ; and

(d) to "the Director" or "the Director of the Corporation" shall be deemed to be a reference to the Director of the National Science Foundation, the Director of the Council for Information Technology, the Director of the Industrial Technology Institute or the Director of the Arthur C. Clarke Institute for Modern Technologies, as the case may be,

unless the context otherwise requires.

**Powers of
Corporation.**

23. In addition to any powers expressly conferred on it by the preceding provisions of this Act, the Corporation shall have the power—

- (a) to acquire and hold any property, movable or immovable and to sell, lease, mortgage, exchange or otherwise dispose of the same;
- (b) to open and maintain, current, savings or deposit accounts in any bank or banks;
- (c) to enter into such contracts, agreements as may be necessary for the exercise, performance or discharge of its powers, duties or functions;
- (d) to invest such of its funds as are not immediately required for the purposes of the Corporation in such securities as it may determine;
- (e) to erect, equip and maintain such buildings, including laboratories, libraries, workshops and offices, as are necessary for the discharge of its functions;
- (f) to collect, print and publish reports, periodicals and papers on subjects relevant to its functions;
- (g) to appoint such committees and consultants as may be necessary for the proper discharge of its functions;
- (h) to acquire such rights, privileges, powers, licences and authorities as may be necessary for the performance and discharge of its duties and functions;
- (i) to enter, with the approval of the Minister, into agreements for co-operation with institutions whether in Sri Lanka or abroad having objects wholly or partly similar to those of the corporation for the exchange of technical personnel and generally, for such purposes as may be conducive to the attainment of their common objects;
- (j) to delegate any of its powers, duties and functions to the Chairman, the Director, or a committee appointed under paragraph (g);
- (k) to appoint such officers and servants as may be necessary for the discharge of its functions;
- (l) to exercise disciplinary control, including dismissal, over the officers and servants so appointed, other than the Director;

(m) to fix the wages or salaries or other remuneration of such officers and servants;

(n) to reward the scientists, engineers and technical personnel and other employees of the Corporation, with incentives based on performance.

26. The Minister may, from time to time, after consultation with the Board issue to the Board, such general or special directions in writing, as to the exercise of the powers, and the discharge of the functions, of the Board, and it shall be the duty of the Board to comply with such directions.

**Powers
to give
directions.**

27. (1) The Director shall be the chief executive of the Corporation.

Director.

(2) The Minister shall, in consultation with the Board and having regard to the qualifications and the scheme of recruitment specified under subsection (3), appoint a Director of the Corporation.

(3) The Board shall, with concurrence of the Minister, specify the qualifications and the scheme of recruitment for the post of the Director of the Corporation.

(4) The Director of the Corporation shall hold office for a period of five years calculated from the date of his appointment.

(5) The Minister may, on recommendation of the Board, made after due inquiry, remove the Director from office—

- (a) if he becomes permanently incapable of performing his duties, or
- (b) if he has done any act which is manifestly opposed to the objects and interests of the Corporation.

(6) The Director of the Corporation shall be paid such remuneration as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.

(7) The provisions of subsection (2) shall not apply to, or in relation to, the appointment of the first Director of the Corporation.

Declaration
of Secrecy.

28. (1) Every member of the Board or of a committee thereof, and every officer of the Corporation shall, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all matters connected with the working of the Corporation and shall by such declaration pledge himself not to reveal any information, which may come to his knowledge in the performance of his duties or the discharge of his functions, except—

(a) in order to comply with any provision of this Act, or any other written law; or

(b) in the performance of his duties or the discharge of his functions, under this Act.

(2) Nothing in the preceding provisions of this section shall be read and construed as authorising a member of the Board or an officer of the Corporation to reveal any information or to do any act, in contravention of the rights conferred on any person, by, or under, the Code of Intellectual Property Act, No. 52 of 1979.

Contravention
of section 28
is an
offence.

29. Every person who being a member of the Board or officer or servant of the Corporation contravenes the provisions of section 28, shall be liable on conviction after summary trial before a Magistrate to a fine not exceeding twenty thousand rupees.

Member of
Board to
disclose
interest in
contract.

30. A member of the Board who is directly or indirectly interested in an agreement or contract made or proposed to be made by the Board shall, as soon as possible after the relevant circumstances have come to his knowledge, disclose the nature and extent of such interest to the Board and such member shall not thereafter, take part in any deliberation or decision of the Board with respect to the agreement or contract to which the disclosure relates.

Seal of
the
Corporation.

31. The seal of the Corporation—

(a) shall be in the custody of such person as the Board may from time to time determine;

(b) may be altered in such manner as may be determined by the Board; and

(c) shall not be affixed to any document except with the sanction of the Board and in the presence of the Director and a member of the Board who shall sign the document in token of their presence.

32. (1) No suit or prosecution shall lie—

(a) against the Board, for any act which in good faith is done or purported to be done by the Board under this Act; or

(b) against any member, officer, servant or agent of the Corporation for any act which in good faith is done or purported to be done by him under this Act, or on the direction of the Board.

Protection
for action
taken under
this Act
or on the
direction of
the Board.

(2) Any expenses incurred by the Board in any suit or prosecution brought by or against the Board before any court shall be paid out of the Fund of the Corporation and any costs paid to, or recovered by the Board in any such suit or prosecution, shall be credited to the Fund of the Corporation.

(3) Any expenses incurred by any such person as is referred to in paragraph (b) of subsection (1) in any suit or prosecution brought against him before any court in respect of any act which is done or is purported to be done by him under this Act or on the direction of the Board shall, if the court holds that such act was done in good faith, be paid out of the Fund of the Corporation, unless such expense is recovered by him in such suit or prosecution.

33. All officers and servants of the Corporation shall be deemed to be the public servants within the meaning and for the purposes of the Penal Code.

Officers and
servants of
the
Corporation
deemed to
be public
servants.

34. The Corporation shall be deemed to be a scheduled institution within the meaning of the Bribery Act, and the provisions of that Act shall be construed accordingly.

Corporation
deemed to
be scheduled
institution
for purposes
of Bribery
Act.

35. (1) The Minister may make regulations in respect of all matters which are required to be prescribed under this Act and in respect of all matters for which regulations are authorised or required by this Act to be made.

Regulations.

(2) No regulation made by the Minister under subsection (1) shall come into force unless it is approved by Parliament and the notification of such approval published in the Gazette.

No writ to
lie against
member of
Board &c.

36. No writ against the person or property shall be issued against any member of the Board or any officer of the Corporation in any action brought against the Corporation.

Liability
for loss
suffered by
Corporation.

37. No member of the Board or officer of the Corporation shall be liable for any damage or loss suffered by the Corporation unless such damage or loss was caused by his misconduct or wilful act.

PART VII

FINANCE

Fund of
Corporation.

38. (1) The Corporation shall have its own Fund.

(2) There shall be paid into the Fund of the Corporation—

- (a) all such sums of money as may be voted, from time to time, by Parliament for the use of the Corporation;
- (b) all such sums of money as may be received by the Corporation in the exercise, performance and discharge of its powers, duties and functions;
- (c) all such sums of money as may be received by the Corporation by way of loan, donation, gift or grant from any source whatsoever;
- (d) all such sums as are authorised or required to be paid to the Fund by any other provision of this Act.

(3) There shall be paid out of the Fund of the Corporation all sums of money required to defray any expenditure incurred by the Corporation in the exercise, performance and discharge of its powers, duties, and functions under this Act and any other expenses which are authorised or required to be paid out of the Fund of the Corporation by any other provision of this Act.

Borrowings.

39. The Corporation may, with the consent of the Minister or in accordance with the terms and conditions of any general authority given by him, borrow temporarily, by way of overdraft or otherwise, all such sums of money as the Corporation may require for meeting its obligations

or for performing or discharging its duties and functions under this Act; Provided that the aggregate of the amounts outstanding in respect of any temporary loans raised by the Corporation under this section, shall not at any time exceed such sums as may be determined by the Minister in consultation with the Minister in charge of the subject of Finance.

40. (1) The financial year of the Corporation shall be the calendar year. Audit and accounts.

(2) The Corporation shall cause proper accounts to be kept of its income and expenditure, assets and liabilities and all other transactions of the Corporation.

(3) The provisions of Article 154 of the Constitution relating to the audit of the accounts of public corporations shall apply to the audit of the accounts of the Corporation.

41. The Corporation shall be exempt from the payment of— Exemption from certain taxes.

- (a) any customs or excise duty on any goods imported, or purchased out of bond, by the Corporation, if the Minister in consultation with the Minister in charge of the subject of Finance approves of such exemption;
- (b) any stamp duty on any instrument executed by, or on behalf of, or in favour of, the Corporation.

42. Every donation made in money or otherwise to the Corporation shall, for the purposes of section 31 of the Inland Revenue Act, No. 28 of 1979, to be deemed to be a donation made in money or otherwise to a fund established by the Government. Donations to Corporation.

PART VIII

REPEALS AND TRANSITIONAL PROVISIONS

43. (1) The Natural Resources Energy and Science Authority of Sri Lanka Act, No. 78 of 1981, the Computer and Information Technology Council of Sri Lanka Act, No. 10 of 1984, the Ceylon Institute of Scientific and Industrial Research Act and the Arthur C. Clarke Centre for Modern Technologies Act, No. 30 of 1984, are hereby repealed. Repeals.

(2) Notwithstanding the repeal of the aforesaid Acts—

- (a) all officers and servants of a relevant Corporation holding office on the day preceding the appointed date shall be offered employment in the corresponding Corporation on terms and conditions not less favourable than the terms and conditions attaching to the respective offices held by them on the day preceding the appointed date;
- (b) all properties, immovable or movable, vested in, or used for the purposes, of a relevant Corporation, on the day preceding the appointed date, shall vest in the corresponding Corporation with effect from the appointed date;
- (c) all contracts and agreements entered into, by or with, a relevant Corporation and subsisting on the day preceding the appointed date shall be deemed, with effect from the appointed date, to be contracts and agreements entered into, by or with, the corresponding Corporation and may be enforced accordingly;
- (d) all liabilities of a relevant Corporation subsisting on the day preceding the appointed date, shall be deemed, with effect from the appointed date, to be liabilities of the corresponding Corporation;
- (e) all actions and proceedings instituted by or against a relevant Corporation and pending on the day preceding the appointed date shall, be deemed, with effect from the appointed date, to be actions and proceedings instituted by or against the corresponding Corporation and may be continued accordingly;
- (f) all decrees and awards relating to the payment of money entered or made by any court or tribunal in any action or proceeding instituted by, or against, a relevant Corporation and remaining unsatisfied on the day preceding

the appointed date shall be deemed, with effect from the appointed date to be decrees or awards, entered or made by or against the corresponding Corporation and may be enforced accordingly;

- (g) all rules and regulations made under an Act establishing a relevant Corporation and in force on the day preceding the appointed date, shall, in so far as they are not inconsistent with the provisions of this Act, be deemed to be regulations made under this Act.

In this subsection—

“relevant Corporation” means the Natural Resources Energy and Science Authority of Sri Lanka established by the Natural Resources Energy and Science Authority of Sri Lanka Act, No. 78 of 1981, the Computer and Information Technology Council of Sri Lanka established by the Computer and Technology Council of Sri Lanka Act, No. 10 of 1984, the Ceylon Institute of Scientific and Industrial Research established by the Ceylon Institute of Scientific and Industrial Research Act, and the Arthur C. Clarke Centre for Modern Technologies established by the Arthur C. Clarke Centre for Modern Technologies Act, No. 30 of 1984;

“corresponding Corporation” when used in relation to—

- (a) the Natural Resources Energy and Science Authority of Sri Lanka, means the National Science Foundation established by Part II of this Act;
- (b) the Computer and Information Technology Council of Sri Lanka, means the Council for Information Technology established by Part III of this Act;

- (c) the Ceylon Institute of Scientific and Industrial Research means the Industrial Technology Institute established by Part IV of this Act ;
- (d) the Arthur C. Clarke Centre for Modern Technologies means the Arthur C. Clarke Institute for Modern Technologies, established by Part V of this Act.

Sinhala
text to
prevail in
the case
of any
inconsistency.

44. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

PART IX

INTERPRETATION

Interpretation.

45. In this Act, unless the context otherwise requires—
- "Information Technology" means any technology for the gathering, transmitting, and processing of data and information ;
 - "Institute of Engineers" means the Institute of Engineers, Ceylon, established by the Institute of Engineers, Ceylon, Act, No. 17 of 1968 ;
 - "Lending Institution" has the same meaning as in the Credit Information Bureau of Sri Lanka Act, No. 13 of 1990 ;
 - "National Institute of Education" means the National Institute of Education established by the National Institute of Education Act, No. 28 of 1985 ;
 - "Provincial Council" means a Provincial Council established by the Part XVII A of the Constitution ;
 - "Tertiary and Vocational Education Commission" means the Tertiary and Vocational Education Commission established by the Tertiary and Vocational Education Act, No. 20 of 1990 ;
 - "University Grants Commission" means the University Grants Commission established by the Universities Act, No. 16 of 1978.