SUPPLIED FOR THE PUBLIC SERVICE



CHAPTER 19.

An Act to enable effect to be given to certain international agreements for the establishment and operation of an International Monetary Fund and an International Bank for Reconstruction and Development, and for purposes connected with the matters aforesaid.

[20th December 1945.]

WHEREAS, at the United Nations Monetary and Financial Conference held at Bretton Woods in New Hampshire in the United States of America in July, nineteen hundred and forty-four, Articles of the following agreements were drawn up, that is to say—

(*a*) an agreement (hereafter in this Act referred to as "the Fund Agreement") for the establishment and operation of an international body to be called the International Monetary Fund (hereafter in this Act referred to as "the Fund"); and

(*b*) an agreement (hereafter in this Act referred to as "the Bank Agreement") for the establishment and operation of an international body to be called the International Bank for Reconstruction and Development (hereafter in this Act referred to as "the Bank"):

And whereas a copy of the final Act of the said Conference, including, amongst other things, the text of the Articles of the said agreements, was laid before Parliament by command of His Majesty in August of the said year:

Now, therefore, be it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Effect of signature of Bretton Woods agreements.

1. If the said agreements are signed on behalf of His Majesty's Government in the United Kingdom, the provisions of the two next following sections shall have effect.

Financial provisions.

2.—(1) There shall be paid out of the Consolidated Fund of the United Kingdom or the growing produce thereof all sums required for the purpose of paying—

(*a*) the subscriptions payable to the Fund under paragraph (*a*) of section 3 of Article III of the Fund Agreement;

(*b*) any sums payable to the Fund under paragraph (*b*) of section 8 of Article IV of the Fund Agreement (which relates to changes in the par or foreign exchange value of currencies of members);

(*c*) any sums required for implementing the guarantee required by section 3 of Article XIII of the Fund Agreement, that is to say, a guarantee of the assets of the Fund against loss resulting from failure or default of the depository designated by His Majesty's Government in the United Kingdom under the said Article;

(*d*) any compensation required to be paid to the Fund or to any member thereof under Schedule D of the Fund Agreement (which relates to the withdrawal of members from the Fund) or under Schedule E thereof (which relates to the liquidation of the Fund);

(*e*) the subscriptions payable to the Bank under paragraph (*a*) of section 3 of Article II of the Bank Agreement, or any sums payable to the Bank under section 9 of that Article (which relates to changes in the par or foreign exchange value of currencies of members);

and the Treasury may, for the purpose of providing any sums to be paid out of the Consolidated Fund as aforesaid, raise money in any manner in which they are authorised to raise money under the National Loans Act, 1939, and any securities created and issued for that purpose shall be deemed for all purposes to have been created and issued under that Act.

2 & 3 Geo. 6. c. 117.

(2) Any sums received by His Majesty's Government in the United Kingdom from the Fund or the Bank (other than sums received by reason of the operations of the Exchange Equalisation Account) shall be paid into the Exchequer of the United Kingdom, and, without prejudice to the generality of the enactments relating to the Exchange Equalisation Account, all sums required by His Majesty's Government in the United Kingdom for the purpose of paying any charges payable to the Fund under section 8 of Article V of the Fund Agreement shall be paid out of the Exchange Equalisation Account.

(3) The sums paid into the Exchequer under the last preceding subsection shall be paid out of the Consolidated Fund of the United Kingdom at such times as the Treasury may direct and shall be applied by the Treasury as follows—

(*a*) so much thereof as represents principal shall be applied in redeeming or paying off debt of such description as the Treasury think fit;

(*b*) so much thereof as represents interest shall be applied to the payment of interest which would, apart from this paragraph, have fallen to be paid out of the permanent annual charge for the National Debt.

(4) The Treasury may, if they think fit so to do, create and issue to the Fund or the Bank, in such form as they think fit, any such non-interest-bearing and non-negotiable notes or other obligations as are provided for by section 5 of Article III of the Fund Agreement and section 12 of Article V of the Bank Agreement, and the sums payable under any such notes or other obligations so created and issued shall be charged on the Consolidated Fund of the United Kingdom or the growing produce thereof.

Other matters.

3.—(1) His Majesty may by Order in Council make such provision as He may consider reasonably necessary for carrying into effect any of the provisions of the Fund Agreement and the Bank Agreement relating to the status, immunities and privileges of the Fund and the Bank and their respective governors, executive directors, alternates, officers and employees, or any of the provisions of the Fund Agreement as to the unenforceability of exchange contracts.

(2) Orders in Council made under this section may be so made as to extend to any part of His Majesty's dominions (other than Dominions within the meaning of the Statute of Westminster, 1931, territories administered by the Government of any such Dominion and British India) and, to the extent that His Majesty has jurisdiction therein, to any other territory in which His Majesty has from time to time jurisdiction (other than territories in respect of which a mandate from the League of Nations is being exercised by, or which are being administered by, the Government of such a Dominion as aforesaid and territories in India):

Provided that if, whether before or after the passing of this Act, effect is given by or under the law of any part of His Majesty's dominions or other territory to the provisions of the said agreements specified in subsection (1) of this section, no Order in Council made under this section shall extend to that part of His Majesty's dominions or other territory as respects any period as respects which effect is given as aforesaid to the said provisions.

(3) Any Order in Council under this section may be varied or revoked by a subsequent Order in Council.

(4) Nothing in this Act shall be construed as limiting the power of His Majesty under section one of the Diplomatic Privileges (Extension) Act, 1944, to declare the Fund or the Bank to be such an organisation as is mentioned in subsection (1) of

7 & 8 Geo. 6. c. 44.

that section or any power of His Majesty under that Act or any other Act to confer on the Fund or the Bank, or their officers or servants or on any other persons connected with them, any immunities or privileges not specified in the provisions of the said agreements mentioned in subsection (1) of this section.

Short title.

4. This Act may be cited as the Bretton Woods Agreements Act, 1945.

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