STATUTORY INSTRUMENTS

1979 No. 1160

OVERSEAS AID

The Caribbean Development Bank (Further Payments) Order 1979

Laid before the House of Commons in draft

Made - - - - 10*th September* 1979

Coming into Operation 17*th September* 1979

Whereas it is provided in section 2(1) of the Overseas Aid Act 1968(a) that if Her Majesty's Government in the United Kingdom becomes bound by arrangements for the making of any further payment to an international development bank beyond the initial subscription or other initial contribution to its capital stock, the Minister of Overseas Development may with the approval of the Treasury by order made by statutory instrument make provision for any of the purposes specified in that subsection:

And whereas a draft of this Order has been laid before the House of Commons in accordance with section 2(4) of the Overseas Aid Act 1968 and has been approved by a resolution of that House:

Now, therefore, the Minister of Overseas Development, in exercise of the powers conferred upon him by section 2 of the Overseas Aid Act 1968 and with the approval of the Treasury, hereby makes the following Order:—

1.—(1) This Order may be cited as the Caribbean Development Bank (Further Payments) Order 1979 and shall come into operation on 17th September 1979.

(2) In this Order—

"the Agreement" means the Agreement establishing the Caribbean Development Bank dated 18th October 1969(b);

"the Bank" means the Caribbean Development Bank established by the Agreement;

"the Fund" means the Special Development Fund of the Bank established by Article 8 of the Agreement;

"the Government" means Her Majesty's Government in the United Kingdom;

"the Minister" means the Minister of Overseas Development;

"the Resolution" means the Resolution of the Board of Governors of the Bank on the Increase in the Authorised Capital Stock of the Bank, adopted on 25th April 1979 as Resolution No. 3/79.

(a) 1968 c. 57; section 2 was amended by the International Finance, Trade and Aid Act 1977 (c. 6), section 7(2).

(b) Cmnd. 4358.

2. The Minister may, on behalf of the Government, out of moneys provided by Parliament—

(*a*) make payment in sterling of a subscription to the increased authorised capital stock of the Bank of a sum equivalent to 8,824,435·60 United States dollars in accordance with arrangements made between the Government and the Bank in accordance with the terms of the Resolution;

(*b*) make payment of an additional contribution to the Fund of £7,416,119·78 in accordance with arrangements made between the Government and the Bank;

(*c*) make payments in sterling to maintain the value of the payment mentioned in paragraph (*a*) above, in accordance with arrangements made between the Government and the Bank;

(*d*) make payment in sterling of sums required to redeem any non-interest-bearing and non-negotiable notes or other obligations which may be issued or created by the Minister and accepted by the Bank in accordance with the arrangements mentioned in paragraphs (*a*) and (*b*) above.

3. Any sums received by the Government in pursuance of the said arrangements shall be paid into the Consolidated Fund.

Carrington,
The Minister of Overseas Development.

10th September 1979.

We approve,

Carol Mather,

John MacGregor,

Two of the Lords Commissioners of Her Majesty's Treasury.

10th September 1979.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order provides for the payment to the Caribbean Development Bank of a subscription to the increased authorised capital stock of the Bank, and for the payment of an additional contribution to the Special Development Fund of the Bank, in accordance with arrangements made with the Bank in accordance with a Resolution adopted by the Board of Governors of the Bank in 1979, and two pledges given to the Bank in 1978 and 1979, respectively. The Order also provides for payments to maintain the value of the subscription to capital stock, and for the redemption of non-interest-bearing and non-negotiable notes issued by the Minister of Overseas Development in payment of the subscription and additional contribution. Maintenance of value will be calculated in relation to the current United States dollar at any time; this is a temporary arrangement pending a decision on the system to replace the use of the 1969 United States dollar which was related to gold. The Order further provides that any sums which may be received by the Government in pursuance of the arrangements relating to the subscription and additional contribution shall be paid into the Consolidated Fund.

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