STATUTORY INSTRUMENTS

1976 No. 1121

OVERSEAS AID

The Inter-American Development Bank (Subscription to Shares of the Additional Capital Stock) Order 1976

Laid before the House of Commons in draft

Made - - - -	*16th July* 1976
Coming into Operation	*17th July* 1976

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 an international agreement for the establishment and operation of a regional development bank which provides for the making by members of the bank of an initial subscription or other initial contribution to the capital stock of the bank or becomes bound by any arrangements for the making by the members of additional contributions to the capital stock of any such bank, the Minister of Overseas Development may with the approval of the Treasury by order made by Statutory Instrument provide for the payment out of monies provided by Parliament of sums required by him for the purposes specified in that subsection:

Now, therefore, the Minister of Overseas Development in the 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 Inter-American Development Bank (Subscription to Shares of the Additional Capital Stock) Order 1976 and shall come into operation on 17th July 1976.

(2) In this Order—

"the Bank" means the Inter-American Development Bank established by the Agreement;

"the Agreement" means the Articles of Agreement establishing the Inter-American Development Bank dated 8th April 1959;

"the Minister" means the Minister of Overseas Development.

(3) The Interpretation Act 1889(b) shall apply to the interpretation of, and otherwise in relation to, this Order as it applies to the interpretation of, and otherwise in relation to, an Act of Parliament.

2. The Minister may, on behalf of Her Majesty's Government in the United Kingdom, out of monies provided by Parliament—

(*a*) make payment of an initial subscription to the additional capital stock of the Bank of a sum equivalent to 51,060,000 United States dollars of the weight and fineness in effect on 1st January 1959 in accordance with the terms of the Agreement;

(*b*) make any payments which may become payable under section 3(*a*) of Article V of the Agreement (which relates to falls in the par or foreign exchange value of currencies of members);

(*c*) make payment of sums required to redeem any non-interest-bearing

(a) 1968 c. 57. (b) 1889 c. 63.

non-negotiable notes or other obligations which may be issued or created by the Minister and accepted by the Bank in accordance with the terms of the Agreement.

3. Any sums received by Her Majesty's said Government in pursuance of the Agreement shall be paid into the Consolidated Fund.

Date 15th July 1976.

A. Crosland,
Minister of Overseas Development.

We approve,

Donald R. Colman,
David Stoddart,
Two of the Lords Commissioners of Her Majesty's Treasury.

Date 16th July 1976.

EXPLANATORY NOTE

(This Note is not part of the Order.)

The Overseas Aid Act 1968 section 2(1) provides that if the Government of the United Kingdom becomes bound by an international agreement for the establishment and operation of a regional development bank which provides for the making by members of the bank of an initial subscription or other initial contribution to the capital stock of the bank or becomes bound by any arrangements for the making by members of additional contributions to the capital stock of any such bank, the Minister of Overseas Development may, with the approval of the Treasury, provide by Order for the payment out of monies provided by Parliament of any sums required for the purposes specified in that subsection.

The Government of the United Kingdom has become bound by an international Agreement, dated 8th April 1959, establishing the Inter-American Development Bank, the purpose of which is to contribute to the acceleration of the process of economic development of the developing member countries, individually and collectively, in the Western Hemisphere, the terms of which were amended to provide for membership of countries of the International Monetary Fund and of Switzerland.

This Order provides for the payment of a sum equivalent to 51,060,000 United States dollars of the weight and fineness in effect on 1st January 1959 in accordance with the terms of the Agreement (being 61,595,886 current United States dollars) as the initial subscription from the United Kingdom to the shares of the additional capital stock of the Inter-American Development Bank (the equivalent of 10,157,410 current United States dollars will be paid in and the balance will be callable), for the payment of any sum which may be required to maintain the par or foreign exchange value of such subscription and for the redemption of non-interest-bearing and non-negotiable notes issued by the Minister in place of any amount due, in United Kingdom currency, by the Government of the United Kingdom by way of initial subscription to the Bank. This Order further provides that any sum which may be received by the Government of the United Kingdom in pursuance of that Agreement shall be paid into the Consolidated Fund.

SI 1976/1121
ISBN 0-11-061121-7

