STATUTORY INSTRUMENTS

2019 No. 1207

INTERNATIONAL DEVELOPMENT

The International Bank for Reconstruction and Development (Selective Capital Increase) Order 2019

Made - - - - 2nd September 2019

Coming into force in accordance with article 1

This Order is made in exercise of the powers conferred by section 11 of the International Development Act 2002(**a**)("the Act").

Section 11 of the Act provides that where the Government of the United Kingdom becomes bound to make a relevant payment to a multilateral development bank the Secretary of State may make the relevant payment and other associated payments specified in section 11(3).

"Relevant payment" in relation to such a bank includes a further payment to the bank required to be made by its members under any arrangements beyond the initial subscription or other initial contribution to the capital stock of the bank.

The International Bank for Reconstruction and Development referred to in this Order comes within the definition, in section 11(2) of the Act, of a "multilateral development bank".

In accordance with section 11(4) of the Act, this Order is made with the approval of the Treasury.

In accordance with section 11(5) of the Act, a draft of this Order has been laid before the House of Commons and approved by resolution of that House.

Accordingly, the Secretary of State for International Development makes the following Order:

Citation and commencement

1. This Order may be cited as the International Bank for Reconstruction and Development (Selective Capital Increase) Order 2019 and comes into force on the day after the day on which it is made.

Interpretation

2. In this Order—

(**a**) 2002 c. 1

"the Agreement" means the Articles of Agreement of the International Bank for Reconstruction and Development, accepted on behalf of the Government on 27 December 1945(**a**);

"the Bank" means the International Bank for Reconstruction and Development established by the Agreement;

"the Government" means the Government of the United Kingdom; and

"the Resolution" means Resolution No 664 adopted by the Board of Governors of the Bank on 1 October 2018.

Relevant Payments

3. The Secretary of State may, on behalf of the Government—

(a) make payment of a further subscription to the increased authorised capital stock of the Bank of sums not exceeding in the aggregate the equivalent of 66,481,948.50 United States Dollars pursuant to arrangements made between the Government and the Bank in accordance with the terms of the Resolution;

(b) make payment of sums required to maintain the value of the payment mentioned in paragraph (a) in accordance with the Agreement and any arrangements made between the Government and the Bank; and

(c) make payment of sums required to redeem any non-interest-bearing and non-negotiable notes or other obligations which may be issued or created by the Secretary of State and accepted by the Bank pursuant to the arrangements mentioned in paragraph (a),

in accordance with section 11 of the International Development Act 2002.

Alok Sharma
One of Her Majesty's Principal Secretaries of State

27th August 2019

We approve,

David Rutley
Rebecca Harris
Two of the Lords Commissioners of Her Majesty's Treasury

2nd September 2019

EXPLANATORY NOTE

(This note is not part of the Order)

This Order approves the payment to the International Bank for Reconstruction and Development ("the Bank") of a subscription not exceeding in the aggregate the equivalent of 66,481,948.50 United States Dollars to the increased authorised capital stock of the Bank. This subscription will be made pursuant to arrangements made with the Bank in accordance with Resolution No 664 adopted by the Board of Governors of the Bank on 1 October 2018 ("the Resolution"). The Order further provides that the Secretary of State may make payments to maintain the value of the

(**a**) Cmnd 6885; this Command Paper is available from The Stationery Office Limited.

subscription to the increased authorised capital stock. It also provides that the Secretary of State may make payments to redeem any non-interest-bearing and non-negotiable notes that may be issued by the Secretary of State in payment of this subscription.

An impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

The provisions of the Resolution may be obtained by application to the Department for International Development, 22 Whitehall, London SW1A 2EG.

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