



# International Development Act 2002

## 2002 CHAPTER 1

### PART 1

#### ASSISTANCE

##### *Provision of assistance*

#### **1 Development assistance**

- (1) The Secretary of State may provide any person or body with development assistance if he is satisfied that the provision of the assistance is likely to contribute to a reduction in poverty.
- (2) In this Act “development assistance” means assistance provided for the purpose of—
  - (a) furthering sustainable development in one or more countries outside the United Kingdom, or
  - (b) improving the welfare of the population of one or more such countries.
- (3) For the purposes of subsection (2)(a) “sustainable development” includes any development that is, in the opinion of the Secretary of State, prudent having regard to the likelihood of its generating lasting benefits for the population of the country or countries in relation to which it is provided.

#### **2 Development assistance for British overseas territories**

The Secretary of State may also provide any person or body with development assistance in a case where the requirement of section 1(1) is not met, if the assistance is provided in relation to one or more of the territories for the time being mentioned in Schedule 6 to the British Nationality Act 1981 (c. 61) (British overseas territories).

### **3 Humanitarian assistance**

The Secretary of State may provide any person or body with assistance for the purpose of alleviating the effects of a natural or man-made disaster or other emergency on the population of one or more countries outside the United Kingdom.

### **4 Supplementary powers**

- (1) The Secretary of State may with a view to preparing for or facilitating the exercise of his powers under section 1, 2 or 3—
  - (a) enter into arrangements with any person or body (including arrangements to provide assistance), or
  - (b) carry on any other activities.
- (2) The Secretary of State may—
  - (a) support, by way of subscription or otherwise, any organisation that exists (wholly or partly) for one or more relevant purposes,
  - (b) contribute to any fund that is intended to be used (wholly or partly) for one or more relevant purposes, or
  - (c) promote, or assist any person or body to promote, awareness of global poverty and of the means of reducing such poverty,if he is satisfied that to do so is likely to contribute to a reduction in poverty.
- (3) Subsection (2) is without prejudice to the generality of subsection (1).
- (4) For the purposes of subsection (2) “relevant purpose” means—
  - (a) a purpose mentioned in section 1(2)(a) or (b) or 3, or
  - (b) a purpose that broadly corresponds to such a purpose.

#### *Form of assistance*

### **5 Meaning of “assistance”**

- (1) In this Act “assistance” means assistance in any form or of any nature, including—
  - (a) financial or technical assistance, and
  - (b) assistance consisting in a supply of materials.
- (2) In subsection (1) “technical assistance” includes assistance that—
  - (a) consists in know-how in the form of personnel, training or the provision of the results of research, or
  - (b) is provided in the form of a scholarship.

### **6 Financial assistance**

- (1) Financial assistance may be provided under this Act—
  - (a) by way of grant or loan,
  - (b) in the form of a guarantee, or
  - (c) by the Secretary of State acquiring securities of a company.
- (2) More than one form of financial assistance may be provided in any case.
- (3) In this section—

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“company” includes any body corporate, wherever registered; and  
“securities”, in relation to a company, means shares (including stock),  
debentures, bonds and other securities, whether constituting a charge on the  
assets of the company or not.

- (4) This section is subject to section 7(3) (Treasury approval required for certain financial assistance).

## **7 Terms on which assistance is provided**

- (1) The Secretary of State may provide assistance under this Act on such terms and conditions (if any) as he may determine.
- (2) Assistance, other than financial assistance, may be provided—
- (a) free of charge, or
  - (b) on such terms as to payment as the Secretary of State may determine.
- (3) Financial assistance (other than a grant) may be provided under this Act only if the Treasury have approved the terms and conditions on which it is provided.
- (4) Approval may be given either with respect to a particular case or with respect to a class of cases.

## **8 Arrangements with third parties**

- (1) Any power conferred on the Secretary of State by sections 1 to 4 to provide assistance to any person or body, or carry on any other activities, includes a power to enter into arrangements to secure that such assistance is provided, or (as the case may be) activities are carried on, by one or more other persons.
- (2) The arrangements may provide for the Secretary of State to make payments to persons who provide facilities in pursuance of the arrangements.

### *Powers of statutory bodies*

## **9 Powers of statutory bodies**

- (1) Each of the statutory bodies mentioned in Schedule 1 may enter into and carry out agreements for the purpose of—
- (a) furthering sustainable development in one or more countries outside the United Kingdom,
  - (b) improving the welfare of the population of one or more such countries, or
  - (c) alleviating the effects of a natural or man-made disaster or other emergency on the population of one or more such countries.
- (2) An agreement entered into by a statutory body under this section (“an authorised agreement”) must not make provision for the body to provide financial assistance.
- (3) Before entering into an authorised agreement, the statutory body must obtain the consent of the Secretary of State.
- (4) The Secretary of State may give his consent for that purpose—

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- (a) where the statutory body concerned is a Scottish body or is within section 10(1)(b), only with the approval of the Scottish Ministers, and
  - (b) where the statutory body concerned is a Welsh body, only with the approval of the National Assembly for Wales.
- (5) An order may be made under this subsection to amend Schedule 1 by making additions to or deletions from the statutory bodies for the time being listed there.
- (6) The power conferred by subsection (5) is exercisable—
- (a) in the case of any order relating to a Scottish body, by the Scottish Ministers,
  - (b) in the case of any order relating to a statutory body within section 10(1)(b), by the Secretary of State acting with the consent of the Scottish Ministers,
  - (c) in the case of any order relating to a Welsh body, by the National Assembly for Wales, and
  - (d) in any other case, by the Secretary of State.

## **10 Meaning of “Scottish body”, “Welsh body”, etc**

- (1) For the purposes of section 9—
- (a) “Scottish body” means a statutory body all of whose functions meet the following requirements, namely—
    - (i) they are exercisable in or as regards Scotland, and
    - (ii) they do not relate to reserved matters (within the meaning of the Scotland Act 1998 (c. 46)); and
  - (b) a body falls within this paragraph if it has, in addition to other functions, functions that meet the requirements of paragraph (a)(i) and (ii).
- (2) For the purposes of that section “Welsh body” means a statutory body—
- (a) whose functions are exercisable only or mainly in or as regards Wales, and
  - (b) which is not designated by the Secretary of State, by order, as an excluded statutory body for the purposes of this section.
- (3) Before making an order under subsection (2), the Secretary of State must consult the National Assembly for Wales.

## **PART 2**

### MISCELLANEOUS AND GENERAL

#### *International financial institutions*

## **11 Multilateral development banks**

- (1) This section applies where the Government of the United Kingdom is at the time this section comes into force, or at a later time becomes, bound to make a relevant payment to a multilateral development bank.
- (2) For the purposes of this section—

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“multilateral development bank” means an international financial institution having as one of its objects economic development, either generally or in any region of the world; and

“relevant payment”, in relation to such a bank, means—

- (a) an initial subscription, or other initial contribution to the capital stock of the bank, that the international agreement for the establishment and operation of the bank requires the members of the bank to make, or
- (b) a further payment to the bank required to be made by the members under any arrangements.

(3) The Secretary of State may—

(a) on behalf of the Government of the United Kingdom, make—

(i) the relevant payment, or

(ii) where it has been paid, any payment required to maintain its value; or

(b) make a payment to redeem any non-interest-bearing and non-negotiable notes, or other obligations, issued or created by him, that are accepted by the bank in accordance with the agreement or arrangements under which the relevant payment is required to be made.

(4) Subsection (3) applies to a payment only if it is approved for the purposes of this section by an order made by the Secretary of State with the approval of the Treasury.

(5) No order shall be made under subsection (4) unless a draft of it has been laid before and approved by the House of Commons.

## **12 Immunities and privileges of international financial institutions**

(1) Her Majesty may by Order in Council make such provision as She considers reasonably necessary for giving effect to any relevant provision of the agreement establishing an international financial institution.

(2) For this purpose a provision is “relevant” if it relates to the status, immunities or privileges of—

(a) the international financial institution,

(b) its governors, directors or executive-directors or alternates, or

(c) its officers or employees.

(3) For the purposes of this section the following are “international financial institutions”—

(a) the International Bank for Reconstruction and Development;

(b) the International Finance Corporation;

(c) the International Development Association.

(4) No recommendation may be made to Her Majesty in Council to make an Order under this section unless a draft of the Order has been laid before Parliament and approved by resolution of each House of Parliament.

(5) The Secretary of State may by order amend subsection (3) by making additions to or deletions from the institutions that are for the time being listed there.

(6) This section is without prejudice to the powers conferred by the International Organisations Act 1968 (c. 48) or any other Act.

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### *Commonwealth Scholarship Commission*

#### **13 Commonwealth Scholarship Commission**

- (1) There shall continue to be a Commission known as the Commonwealth Scholarship Commission in the United Kingdom (“the Commission”).
- (2) The Commission shall consist of—
  - (a) a chairman, and
  - (b) not less than nine nor more than fourteen other members, appointed by the Secretary of State.
- (3) Not less than four of the members shall be persons appointed as the holders of high academic office.
- (4) Schedule 2 has effect with respect to the Commission.

#### **14 Functions of the Commission etc**

- (1) It is the duty of the Commission to—
  - (a) select the recipients of awards arising out of the Commonwealth Scholarship and Fellowship Plan to persons coming to the United Kingdom,
  - (b) make arrangements—
    - (i) for placing the recipients at institutions within the further education sector or higher education sector or at other appropriate establishments in the United Kingdom, and
    - (ii) for the supervision of their work during the period of their awards,
  - (c) select persons to be put forward as candidates from the United Kingdom for awards that—
    - (i) arise out of the Plan, and
    - (ii) are to be granted in countries outside the United Kingdom, and
  - (d) discharge any other functions under the Plan that the Secretary of State may assign to the Commission.
- (2) In discharging their functions, the Commission must comply with any direction given to them by the Secretary of State.
- (3) The Secretary of State may not give any direction for the selection or rejection of any particular person for an award or as a candidate for an award.
- (4) The persons selected under subsection (1)(a) must be Commonwealth citizens or British protected persons (within the meaning of the British Nationality Act 1981 (c. 61)), except where the Commission for special reasons approved by the Secretary of State otherwise determine.
- (5) The Secretary of State may—
  - (a) make such awards as are mentioned in subsection (1)(a), or
  - (b) supplement such awards as are mentioned in subsection (1)(c).
- (6) In this section—

“the Commission” has the same meaning as in section 13;

“the Commonwealth Scholarship and Fellowship Plan” means the Plan of that name put forward by the Commonwealth Development Conference held at Oxford in July 1959;

“further education sector”—

- (a) in relation to England and Wales, has the meaning given in section 91 of the Further and Higher Education Act 1992 (c. 13), and
- (b) in relation to Scotland, includes—
  - (i) colleges of further education with a board of management within the meaning of section 36 of the Further and Higher Education (Scotland) Act 1992 (c. 37),
  - (ii) colleges of further education maintained by an education authority in the exercise of its further education functions in providing courses of further education within the meaning of section 1(5)(b)(ii) of the Education (Scotland) Act 1980 (c. 44), and
  - (iii) central institutions within the meaning of section 135 of the Education (Scotland) Act 1980;

“higher education sector”—

- (a) in relation to England and Wales, has the meaning given in section 91 of the Further and Higher Education Act 1992, and
  - (b) in relation to Scotland, has the meaning given in section 56(2) of the Further and Higher Education (Scotland) Act 1992; and
- “United Kingdom” includes the Channel Islands and the Isle of Man.

### *Miscellaneous repeals*

## **15 Repeals in the Overseas Development and Co-operation Act 1980**

The following provisions of the Overseas Development and Co-operation Act 1980 (c. 63) shall cease to have effect—

- (a) section 3 (abortive exploratory expenditure connected with overseas enterprises);
- (b) section 7 (the Asian Development Bank);
- (c) section 8 (guarantees of International Bank’s loans to colonial territories).

### *General*

## **16 Financial provision**

- (1) There shall be paid out of money provided by Parliament—
  - (a) any expenses incurred by the Secretary of State by virtue of this Act;
  - (b) any sums required by him for fulfilling any guarantee given under this Act;
  - (c) any increase attributable to this Act in the sums payable out of money so provided by virtue of any other Act.
- (2) There shall be paid into the Consolidated Fund any sums received by the Secretary of State—
  - (a) by way of interest on, or repayment of, a loan made under this Act,

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- (b) as a result of the disposal of any securities acquired under this Act, or by way of a dividend or other payment in respect of such securities, or
- (c) by way of payment under section 7 for any assistance under this Act, other than financial assistance.

(3) In this section “securities” has the same meaning as in section 6.

## **17 Interpretation**

(1) In this Act—

“assistance” has the meaning given in section 5;

“country” includes any territory or region;

“development assistance” has the meaning given in section 1.

(2) For the purposes of this Act references to the population of a country include references to any future population of the country and to any part of the population (present or future).

## **18 Orders**

(1) Any power conferred by this Act to make an order is exercisable by statutory instrument.

(2) A statutory instrument made by the Secretary of State under any power conferred by this Act to make an order, except an order under section 11(4) or 20(2), is subject to annulment in pursuance of a resolution of either House of Parliament.

(3) A statutory instrument made by the Scottish Ministers under the power conferred by section 9(5) is subject to annulment in pursuance of a resolution of the Scottish Parliament.

## **19 Consequential amendments and repeals**

(1) Schedule 3 (consequential amendments) has effect.

(2) The enactments specified in Schedule 4 are repealed to the extent specified.

## **20 Short title, commencement and extent**

(1) This Act may be cited as the International Development Act 2002.

(2) This Act shall come into force on such day as the Secretary of State may by order appoint.

(3) Schedule 5 (which makes transitional provisions and savings in connection with the commencement of this Act) has effect.

(4) Any amendment contained in Schedule 3 or repeal contained in Schedule 4 has the same extent as the enactment to which it relates.

(5) Subject to that, this Act extends to Northern Ireland.