
STATUTORY INSTRUMENTS

1970 No. 437

OVERSEAS AID

**The Caribbean Development Bank (Subscription
To Shares of the Capital Stock) Order 1970**

Laid before the House of Commons in draft

Made - - - - 10th March 1970

Coming into Operation 10th March 1970

Whereas it is provided in section 2(1) of the Overseas Aid Act 1968 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 to the capital stock of the 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 her for the purposes specified in that subsection:

And whereas Her Majesty's Government in the United Kingdom has become bound by an international Agreement establishing a regional Development Bank for the purposes of contributing to the development of the member countries in the Caribbean which Agreement provides for each member of the Bank to subscribe to the shares of the capital stock of the Bank in the amounts and in the manner set forth in the Agreement:

Now, therefore, the Minister of Overseas Development in exercise of the powers conferred upon her 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 (Subscription to Shares of the Capital Stock) Order 1970 and shall come into operation on 10th March 1970.

(2) In this Order—

“the Bank” means the Caribbean Development Bank established by the Agreement;

“the Agreement” means the Articles of Agreement establishing the Caribbean Development Bank dated 18th October 1969;

“the Minister” means the Minister of Overseas Development.

(3) The Interpretation Act 1889 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—

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- (a) make payment of an initial subscription to the capital stock of the Bank of a sum equivalent to ten million United States dollars of the weight and fineness in effect on 1st September 1969 in accordance with paragraph 1 of Article 6 of the Agreement, paragraphs 1 and 2 of Article 7 thereof and Annex A thereof (which relate to the initial subscription of members, that of the United Kingdom being fixed by category B of the said Annex);
- (b) make any payments which may become payable under Article 24 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 non-negotiable notes or other obligations which may be issued or created by the Minister and accepted by the Bank in accordance with paragraph 5 of Article 7 of the Agreement in place of any amount due in currency from Her Majesty's Government in the United Kingdom by way of initial subscription to the Bank.

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

Date 10th March 1970

Judith Hart
Minister of Overseas Development

We approve.

Date 10th March 1970

Walter Harrison
E.G. Perry
Two of the Lords Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

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 to the capital stock of the 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 18th October 1969, establishing the Caribbean Development Bank the purpose of which is to contribute to the harmonious economic growth and development of the member countries in the Caribbean and to promote economic co-operation and integration among them, having special and urgent regard to the needs of the less-developed members of the region.

This Order provides for the payment of a sum equivalent to ten million United States dollars (that is to say £4,166,667 sterling) as the initial subscription from the United Kingdom to the shares of the capital stock of the Caribbean Development Bank (half the shares will be paid up and half will be callable, the subscription of the paid-up shares being made over a period of six years in accordance with paragraphs 1 and 5 of Article 7 of the Agreement), 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.