

1973 No. 1446

OVERSEAS AID
**The African Development Fund (Initial Subscription)
Order 1973**

Laid before the House of Commons in draft
Made - - - - - 13th August 1973
Coming into Operation 23rd August 1973

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, the Minister of Overseas Development may with the approval of the Treasury by order made by Statutory Instrument make provision for the payment out of moneys provided by Parliament of any sums required by him for any of the purposes specified in that subsection:

Now, therefore, the Secretary of State in exercise of the powers conferred upon him by section 2 of the Overseas Aid Act 1968 as read with Article 2(1) of the Transfer of Functions (Overseas Aid) Order 1970(b) and with the approval of the Treasury, hereby makes the following order:

1.—(1) This Order may be cited as the African Development Fund (Initial Subscription) Order 1973 and shall come into operation on 23rd August 1973.

(2) In this Order—

“the Fund” means the African Development Fund established by the Agreement;

“the Agreement” means the Articles of Agreement of the African Development Fund completed in Abidjan on 29th November 1972 and signed on behalf of Her Majesty's Government in the United Kingdom on 29th November 1972(c);

(3) The Interpretation Act 1889(d) 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 Secretary of State may make payment on behalf of Her Majesty's Government in the United Kingdom out of moneys provided by Parliament of an initial subscription to the Fund of a sum equivalent to five million two hundred and eleven thousand four hundred and twenty units of account of the Fund, each unit of account being equal to 0.81851265 gramme of fine gold, in accordance with the terms of the Agreement.

3. The Secretary of State may make on behalf of Her Majesty's said Government out of moneys provided by Parliament any payment to the Fund which may become payable in accordance with paragraph (1) of Article 13 of Chapter IV of the Agreement.

(a) 1968 c. 57. (b) S.I. 1970/1682 (1970 III, p. 5565). (c) Cmnd. 5230. (d) 1889 c. 63.

4. The Secretary of State may redeem out of moneys provided by Parliament any non-interest-bearing and non-negotiable notes or other obligations which may be issued or created by him and accepted by the Fund in accordance with the Agreement.

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

Alec Douglas-Home,

One of Her Majesty's Principal
Secretaries of State.

13th August 1973.

We approve.

Tim Fortescue,

Oscar Murton,

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

13th August 1973.

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 arrangements for the making of initial contributions to the capital stock of a regional development bank, the Minister of Overseas Development may, with the approval of the Treasury, provide by order for the payment out of moneys provided by Parliament of any sums required by him for any of the purposes specified in that subsection. This power is now exercisable by the Secretary of State.

This Order provides for the payment to the African Development Fund (a regional bank within the meaning of that section) of a sum equivalent to 5,211,420 units of account as an initial subscription carrying voting rights, each unit of account being equal to the value of 0.81851265 gramme of fine gold, (a total sum of approximately £2,000,000). The Order also provides for the payment of any sums which may be required to maintain the foreign exchange value of such initial subscription. The Order further provides that certain sums which may be received by the Government of the United Kingdom from the Fund shall be paid into the Consolidated Fund.

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