

1989 No. 538

OVERSEAS DEVELOPMENT AND CO-OPERATION

**The African Development Bank (Further Subscription to
Capital Stock) Order 1989**

Made - - - - 17th March 1989

Coming into force 17th March 1989

Whereas it is provided in section 4(1) of the Overseas Development and Co-operation Act 1980 ("the Act")^(a) that if the Government of the United Kingdom becomes bound by arrangements for the making of any further payment to an international development bank beyond the initial subscription or other initial contribution to its capital stock, the Secretary of State may with the approval of the Treasury by Order made by statutory instrument make provision for any of the purposes specified in that subsection;

And whereas a draft of this Order has been laid before the House of Commons in accordance with section 4(3) of the Act and has been approved by a resolution of that House;

Now, therefore, the Secretary of State, in exercise of the powers conferred upon him by section 4 of the Act and with the approval of the Treasury, hereby makes the following Order:

1.—(1) This Order may be cited as the African Development Bank (Further Subscription to Capital Stock) Order 1989 and shall come into force forthwith.

(2) In this Order—

"the Agreement" means the Agreement establishing the African Development Bank dated 4th August 1963, as amended in accordance with Resolution 05-79 adopted by the Board of Governors of the Bank (particulars of which Agreement, as so amended, were laid before Parliament by Command of Her Majesty in July 1981^(b));

"the Bank" means the African Development Bank established by the Agreement;

"the Resolution" means Resolution B/BG/87/11 concerning the general increase in the capital stock of the Bank adopted by the Board of Governors of the Bank on 11th June 1987.

2. The Secretary of State may, on behalf of the Government of the United Kingdom, out of money provided by Parliament—

(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 Special Drawing Rights 150,400,000 in accordance with arrangements made between the Government and the Bank in accordance with the Agreement and the Resolution; and

(b) make any payments which may become payable in accordance with the said arrangements to maintain the value of the payment mentioned in paragraph (a) above; and

^(a) 1980 c.63.

^(b) Cmnd. 8284.

(c) make payment in sterling of sums required to redeem any non-interest-bearing and non-negotiable notes or other obligations which may be issued or created by him and accepted by the Bank in accordance with the said arrangements.

3. Any sums received by the Government of the United Kingdom from the Bank in pursuance of the said arrangements shall be paid into the Consolidated Fund.

17th March 1989 *Geoffrey Howe*
One of Her Majesty's Principal Secretaries of State

We approve,

17th March 1989 *David MacLean*
David Lightbown
Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for the payment to the African Development Bank of a subscription equivalent to 150,400,000 Special Drawing Rights to the increased authorised capital stock of the Bank pursuant to arrangements made with the Bank in accordance with Resolution B/BG/87/11 adopted by the Board of Governors of the Bank on 11th June 1987. The Order also provides for the payment of any sum which may be required to maintain the value of that subscription, and for the redemption of non-interest-bearing and non-negotiable notes issued by the Secretary of State in payment of that subscription. It further provides that certain sums that may be received by the Government of the United Kingdom from the Bank shall be paid into the Consolidated Fund. The provisions of Resolution B/BG/87/11 may be obtained by application to the Overseas Development Administration, Eland House, Stag Place, London SW1E 5DH.

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