

SCHEDULE

THE CONSTITUTION OF ST HELENA, ASCENSION AND TRISTAN DA CUNHA

CHAPTER 1

ST HELENA

PART 8

PUBLIC FINANCE

Borrowing or lending by Government of St Helena

112.—(1) Subject to this Constitution, the Government of St Helena may borrow from any source.

(2) The Government of St Helena shall not issue a guarantee or indemnity nor raise a loan on behalf of itself or any other public institution, authority or person except—

- (a) as authorised by or under an Ordinance; and
- (b) in accordance with any borrowing guidelines agreed with Her Majesty’s Government in the United Kingdom.

(3) An Ordinance referred to in subsection (2)(a) shall provide that the terms and conditions of the guarantee, indemnity or loan shall be laid before the Legislative Council and shall not come into operation unless they have been approved by a resolution of the Council.

(4) The Financial Secretary shall, at such times as the Legislative Council may determine, cause to be presented to the Council such information concerning any loan as is necessary to show—

- (a) the extent of the total indebtedness by way of principal and accumulated interest;
- (b) the provision made for servicing or repayment of the loan; and
- (c) compliance with the terms of the loan.

(5) The Legislative Council may, by resolution, authorise the Government of St Helena to enter into an agreement for giving a loan out of any public fund or public account.

(6) An agreement entered into pursuant to subsection (5) shall be laid before the Legislative Council and shall not come into operation unless it has been approved by the Council by resolution.

(7) For the purposes of this section, the expression “loan” includes any money lent or given to or by the Government of St Helena on condition of return or repayment and any other form of borrowing or lending in respect of which —

- (a) moneys from the Consolidated Fund or any other public fund may be used for payment or repayment; or
- (b) moneys from any fund by whatever name called, established for the purposes of payment or repayment whether in whole or in part and whether directly or indirectly, may be used for payment or repayment.

(8) The Legislature may by law exempt any category of loan from subsections (2)(a), (3), (5) and (6), subject to such conditions as it may so prescribe.