

1980 No. 1381

OVERSEAS AID

**The Inter-American Development Bank (Further Payments)
Order 1980***Laid before the House of Commons in draft**Made - - - - 8th September 1980**Coming into Operation 9th September 1980*

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 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 Minister of Overseas Development 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 2(4) of the Overseas Aid Act 1968 and has been approved by a resolution of that House:

Now, therefore, the Minister of Overseas Development, in exercise of the powers conferred upon him 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 Inter-American Development Bank (Further Payments) Order 1980 and shall come into operation on 9th September 1980.

(2) In this Order—

“the Agreement” means the Articles of Agreement establishing the Inter-American Development Bank dated 8th April 1959(b);

“the Bank” means the Inter-American Development Bank established by the Agreement;

“the Fund” means the Fund for Special Operations of the Bank established by Article IV of the Agreement;

“the Government” means Her Majesty's Government in the United Kingdom;

“the Minister” means the Minister of Overseas Development;

“Resolution AG-2/78” means the Resolution of the Board of Governors of the Bank on the Additional Increase in Authorised Callable Capital Stock and Subscriptions Thereto, adopted on 28th February 1978 as AG-2/78;

“Resolution AG-11/78” means the Resolution of the Board of Governors of the Bank on Approval of the Report on the Proposal for an Increase in the Bank's Resources, adopted on 11th December 1978 as AG-11/78.

(a) 1968 c. 57; section 2 was amended by the International Finance, Trade and Aid Act 1977 (c. 6), section 7(2).

(b) Cmnd. 6271.

2. The Minister may, on behalf of the Government, out of moneys provided by Parliament—

- (a) make payment in sterling of a subscription to the increased authorised capital stock of the Bank of a sum equivalent to 7,684,407 United States dollars in accordance with arrangements made between the Government and the Bank in accordance with the terms of Resolution AG-2/78;
- (b) make payment in sterling of a subscription to the increased authorised capital stock of the Bank of a sum equivalent to 119,910,520 United States dollars in accordance with arrangements made between the Government and the Bank in accordance with the terms of Resolution AG-11/78;
- (c) make payment in sterling of an additional contribution to the Fund of a sum equivalent to 71,800,000 United States dollars in accordance with arrangements made between the Government and the Bank in accordance with the terms of Resolution AG-11/78;
- (d) make payments in sterling to maintain the value of the payments mentioned in paragraphs (a), (b) and (c) above, in accordance with arrangements made between the Government and the Bank;
- (e) 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 the Minister and accepted by the Bank in accordance with the arrangements mentioned in paragraphs (a), (b) and (c) above.

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

29th August 1980.

Carrington,
The Minister of Overseas Development.

We approve.

John Macgregor,
Carol Mather,
Two of the Lords Commissioners
of Her Majesty's Treasury.

8th September 1980.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order provides for the payment to the Inter-American Development Bank of two subscriptions to the increased authorised capital stock of the Bank, and for the payment of an additional contribution to the Fund for Special Operations of the Bank, in accordance with arrangements made with the Bank in accordance with two Resolutions adopted by the Board of Governors of the Bank in 1978. The Order also provides for payments to maintain the value of these payments, and for the redemption of non-interest-bearing and non-negotiable notes issued by the Minister of Overseas Development in payment of the subscriptions and additional contribution. Maintenance of value will be calculated in relation to the current United States dollar at any time; this is a temporary arrangement pending a decision on the system to replace the use of the 1959 United States dollar which was related to gold. The Order further provides that any sums which may be received by the Government in pursuance of the arrangements relating to the subscriptions and additional contribution shall be paid into the Consolidated Fund.

SI 1980/1381
ISBN 0-11-007381-9



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