

ANTIGUA AND BARBUDA



**THE FINANCE ADMINISTRATION (NATIONAL DEVELOPMENT FUND)
REGULATIONS, 2014**

STATUTORY INSTRUMENT

2014, No. 19

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ARRANGEMENT

Regulations

1. Short title
2. Interpretation
3. Purpose of the National Development Fund
4. Source of Funds
5. National Development Fund Advisory Board
6. Composition of the NDF Advisory Board
7. Secretary to the NDF Advisory Board
8. Tenure and Remuneration of the NDF Advisory Board and Secretary
9. Government sponsored Projects
10. Application for Financing from the NDF Advisory Board
11. Approval of Applications
12. Disbursements from the National Development Fund
13. Investments
14. Operating and Administrative Expenses
15. Maintenance of Records
16. Audit of Accounts and Reports

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THE FINANCE ADMINISTRATION (NATIONAL DEVELOPMENT FUND) REGULATIONS, 2014

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THE FINANCE ADMINISTRATION (NATIONAL DEVELOPMENT FUND) REGULATIONS made in exercise of the powers contained in section 42(2) of the Finance Administration Act, 2006 No. 23 of 2006.

1. Short title

These Regulations may be cited as the Finance Administration (National Development Fund) Regulations, 2014.

2. Interpretation

In these Regulations—

“Act” means the Finance Administration Act, 2006 No. 23 of 2006;

“approved non profit organisation” means a non profit organisation which is approved by the Cabinet;

“Diaspora Bond” means a sovereign bond issued by the Government of Antigua and Barbuda that targets investors who are nationals of Antigua and Barbuda or other Caribbean islands, who emigrated to North America and Europe;

“Financial Secretary” means the Financial Secretary of Antigua and Barbuda;

“Government sponsored project” has the meaning assigned in regulation 9;

“Minister” means the Minister responsible for finance;

“MOA” means Memorandum of Agreement;

“NDF” means National Development Fund;

“NDF Advisory Board” means the National Development Advisory Board established under regulation 5; and

“Special Fund” is a fund established pursuant to section 42(2) of the Act and administered in accordance with section 43 of that Act.

3. Purpose of the National Development Fund

(1) The National Development Fund is a special fund and its purpose is to finance Government sponsored projects to include public-private partnership projects and charitable investments approved by the Cabinet.

(2) The procedures to be used by the members of the National Development Fund for the administration of the National Development Fund shall be in accordance with section 43 of the Act.

(3) The Financial Secretary is the public officer responsible for administration of the National Development Fund pursuant to section 42(3) of the Act and he shall administer the National Development Fund with the assistance of a NDF Advisory Board.

(4) The Minister may, after consultation with the NDF Advisory Board, prescribe additional administrative procedures for the effective operation of the National Development Fund.

4. Source of Funds

(1) The National Development Fund will be financed with resources generated through the Citizenship by Investment Programme established under the Antigua and Barbuda Citizenship by Investment Act 2013, specifically the National Development Investments as provided for in regulation 7 of the Schedule of that Act.

(2) The National Development Fund shall be financed additionally with the proceeds from the issuance of various Government securities including a Diaspora Bond.

5. National Development Fund Advisory Board

(1) The NDF Advisory Board shall support the Financial Secretary in the administration of the National Development Fund.

(2) The NDF Advisory Board shall regulate its meetings.

(3) The responsibilities of the NDF Advisory Board shall include-

- (a) developing operating procedures for receiving and processing applications to the Fund;
- (b) disseminating information to the public on the procedure for applying to the Fund and the process by which applications are considered and approved;

- (c) considering and then submitting the applications to the Minister for onward submission to the Cabinet;
- (d) informing applicants of the Cabinet's decision regarding their applications;
- (e) executing MOA with successful applicants;
- (f) managing the resources in the National Development Fund including investing a certain proportion of the National Development Fund in accordance with regulation 13 hereof;
- (g) preparing and recommending to the Minister, an Investment and Risk Management Policy;
- (h) preparing reports on the use of the resources in the National Development Fund as required by the Antigua and Barbuda Citizenship by Investment Act, 2013 and submitting same to the Minister no later than six weeks prior to January 1st and July 1st of each year;
- (i) preparing monthly updates on the operation of the National Development Fund for submission to the Minister and the Prime Minister;
- (j) preparing and submitting annual statements to the Accountant General in accordance with sections 43(7) and 43(8) of the Act; and
- (k) undertaking any other activity that will ensure the effective administration, investment and monitoring of the National Development Fund.

6. Composition of the NDF Advisory Board

(1) The NDF Advisory Board shall be comprised of no less than five members and no more than seven members appointed by the Minister consisting of—

- (a) one to two persons nominated by the Prime Minister; and
- (b) one to two persons nominated by the Minister,

from the private sector, public sector and/ or civil society who are qualified and experienced in the areas of finance, banking, business, economics and public administration;

- (c) the Financial Secretary;
- (d) the Director of the Ministry responsible for Works and Transport; and

(e) a representative from the Office of the Attorney General.

(2) The Chairperson and Deputy Chairperson of the NDF Advisory Board shall be appointed by the Minister upon consultation with the Prime Minister, from the members of the NDF Advisory Board.

(3) The Minister, upon the approval of the Cabinet, may appoint a specialist where requested by the NDF Advisory Board, to assist with any matters which may require specific expertise.

7. Secretary to the NDF Advisory Board

(1) The Minister shall appoint a public officer to serve as the Secretary to the NDF Advisory Board.

(2) The Secretary's responsibilities shall include recording the minutes of meetings, preparing notification of meetings in conjunction with the Chairperson, preparing and disseminating correspondences, and assisting the Chairperson in finalizing the various reports that the NDF Advisory Board is required prepare and any other administrative duties required for the efficient functioning of the NDF Advisory Board.

8. Tenure and Remuneration of the NDF Advisory Board and Secretary

(1) The members of the NDF Advisory Board and the Secretary shall be appointed for a term of two years and shall be eligible for reappointment.

(2) The remuneration of the members and Secretary of the Board will be determined by the Cabinet.

9. Government sponsored Projects

(1) The moneys from the National Development Fund shall be used in accordance with regulation 3(1) for a Government sponsored project.

(2) For the purposes of this section, a Government sponsored project shall include—

- (a) an infrastructure development project;
- (b) a development, refurbishment and/or retrofitting of a primary health care facility and public school;
- (c) a youth entrepreneurship and a youth in agriculture programme;

- (d) a programme for small and micro business financing;
- (e) a land development and housing programme;
- (f) a public-private sector partnership;
- (g) a programme in the areas of health care, education, environmental management, youth development, sports development and culture that are undertaken by approved non-profit organisations; and
- (h) any other project or programme that provides social or economic benefits to Antigua and Barbuda, as approved by the Cabinet.

10. Application for Financing from the NDF Advisory Board

An application may be made to the NDF Advisory Board seeking financing for a project or programme that meets the eligibility criteria set out in regulation 9 hereof, and such application to the NDF Advisory Board shall include the following information—

- (a) name, address and contact information of the applicant;
- (b) title, description and purpose of the project or programme;
- (c) time frame for implementation of the project or programme;
- (d) estimated cost of the project or programme;
- (e) expected economic and/or social impact of the project or programme;
- (f) any additional source of funding for the project or programme; and
- (g) any other relevant information that may be requested by the NDF Advisory Board to facilitate due consideration of the application.

11. Approval of Applications

(1) The NDF Advisory Board shall cause all complete applications from eligible applicants to the Minister for transmission to the Cabinet, in addition to its comments and recommendations.

(2) The Cabinet may approve or reject an application for funding and shall determine the amount of financing if any, to be provided to the applicant, from the National Development Fund.

12. Disbursements from the National Development Fund

(1) A disbursement from the National Development Fund to finance a project or programme shall be made following Cabinet's approval of the project or programme and the execution of the requisite MOA between the NDF Advisory Board and the entity that will be responsible for implementing such a project or programme.

(2) A disbursement for an approved project shall be based on prescribed terms and conditions, including a schedule of disbursements and performance criteria in any such MOA.

(3) The Financial Secretary shall be responsible for authorising all disbursements from the National Development Fund.

13. Investments

(1) The NDF Advisory Board may, subject to the approval of Cabinet, invest funds from the National Development Fund provided that the return on the investment is greater than the Eastern Caribbean Central Bank interest rate on savings deposits.

(2) The proportion of National Development Fund resources that may form part of its investment portfolio shall not exceed twenty five percent of the total amount generated in the National Development Fund each year.

(3) All interest income generated from investments made in accordance with paragraph (1) hereof shall be deposited to the National Development Fund.

(4) A report on all investments made in accordance with paragraph (1) hereof shall form part of the monthly updates prepared by the NDF Advisory Board for submission to the Minister and the Prime Minister.

14. Operating and Administrative Expenses

The operating and administrative expenses that relate to the administration of the National Development Fund and the administrative functioning of the NDF Advisory Board shall be paid from the National Development Fund.

15. Maintenance of Records

The NDF Advisory Board shall securely store and maintain its records and documents.

16. Audit of Accounts and Reports

(1) Any accounting and oversight carried out pursuant to the provisions of these Regulations shall be in compliance with the Act.

(2) The Minister may from time to time appoint an external auditor to review the financial and other operations of the National Development Fund and make a report on such review to the Minister, for inspection and inclusion in the annual audit report made by the Director of Audit to the House of Representatives.

(3) The NDF shall be subject to any auditing and reporting requirements set by the Director of Audit pursuant to the Office of the Director of Audit Act 2014.

Made the 20th day of May, 2014.

Honourable Harold E. Lovell,
Minister responsible for Finance.