

2022-06-21

OBJECTS AND REASONS

This Bill would authorize the Government of Barbados to enter into a counter-guarantee agreement with any body in respect of debt to be issued by the Government of Barbados, the proceeds of which will be used for debt conversion transactions for the purpose of supporting environmental, economic or social development in Barbados and for related matters.

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BARBADOS

A Bill entitled

An Act to authorize the Government of Barbados to enter into a counter-guarantee agreement with any body in respect of debt to be issued by the Government of Barbados, the proceeds of which will be used for debt conversion transactions for the purpose of supporting environmental, economic or social development in Barbados and for related matters.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *Debt Conversion (Counter-Guarantee) Act, 2022*.

Interpretation

2. In this Act,

“body” means any international lending agency, bank, corporation or organization, whether corporate or unincorporate;

“counter-guarantee agreement” means a counter-guarantee agreement concluded under section 4;

“debt” means any security or loan issued by the Government for the purposes of this Act;

“Minister” means the Minister responsible for Finance.

Purpose

3. The purpose of this Act is to authorize the Government to enter into counter-guarantee agreements in respect of debt to be issued in order to facilitate the execution of programmes to provide for the environmental, economic and social development of Barbados.

Counter-guarantee agreement

4.(1) For the purposes of this Act, the Government may, in such manner, on such terms and subject to such conditions as may be agreed with any body, enter into a counter-guarantee agreement in respect of debt to be issued by the Government, the proceeds of which will be used for debt conversion transactions to support environmental, economic and social development in Barbados.

(2) The amount of any debt in respect of which the Government enters into a counter-guarantee agreement shall be, and is hereby appropriated to the purposes specified in the counter-guarantee agreement.

(3) A copy of every counter-guarantee agreement shall be laid before Parliament within 30 days of the conclusion of that agreement or, if Parliament does not sit within that time, within 30 days after the commencement of its next sitting.

Redemption of debt

5. All amounts required for the redemption of the debt to which a counter-guarantee agreement applies are hereby charged upon and shall be payable out of the Consolidated Fund.

Power to sign agreement

6. The Minister or such person as the Minister designates in writing for the purpose may sign any counter-guarantee agreement referred to in section 4.

Implementation of obligations

7. Notwithstanding any law in force in Barbados, a counter-guarantee agreement entered into by the Government shall be valid and enforceable and shall have full force and effect in accordance with its terms.