

2015-10-16

OBJECTS AND REASONS

This Bill would provide for the raising or guaranteeing of loans from the Latin American Development Bank by the Government of Barbados for the purpose of financing development projects in Barbados and for related matters.

Arrangement of Sections

1. Short title
2. Interpretation
3. Borrowing from the Latin American Development Bank
4. Loans to be charged on the Consolidated Fund
5. Power to issue and sign instruments
6. Implementation of obligations
7. Arbitration

BARBADOS

A Bill entitled

An Act to provide for the raising or guaranteeing of loans from the Latin American Development Bank by the Government of Barbados for the purpose of financing development projects in Barbados and for related matters.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *Loans (Latin American Development Bank) Act, 2015*.

Interpretation

2. For the purposes of this Act,

“Bank” means the Latin American Development Bank (*Corporación Andina de Fomento*);

“guarantee agreement” means a guarantee agreement concluded under section 3(1);

“loan agreement” means a loan agreement concluded under section 3(1).

Borrowing from the Latin American Development Bank

3.(1) Subject to this Act, the Government may, in such manner, on such terms and subject to such conditions as may be agreed with the Bank, borrow or guarantee the borrowing of such sums from the Bank or from funds administered by the Bank as are required for the purpose of financing or promoting economic and social development in Barbados.

(2) For the purposes of subsection (1), the Government may fully guarantee the borrowing of sums from the Bank by agencies of the Government where the Government is satisfied that such borrowing will promote economic and social development in Barbados.

(3) Any sums borrowed or guaranteed under the authority of this Act shall be applied and are hereby appropriated to the purposes for which they are borrowed or guaranteed as specified in the loan agreement or guarantee agreement in respect of those sums.

(4) The power to borrow or guarantee conferred by subsection (1) is in addition to any power to borrow or guarantee conferred by any other enactment.

(5) A copy of every loan agreement or guarantee agreement shall be laid before Parliament within 120 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.

Loans to be charged on the Consolidated Fund

4. All amounts required for the payment of sums borrowed or guaranteed by the Government under the authority of this Act and for the payment of all interest and other charges on those sums are hereby charged upon and shall be payable out of the Consolidated Fund.

Power to issue and sign instruments

5.(1) The Minister may issue such instruments, including bonds, on such terms and conditions as are necessary for the purposes of any loan agreement or guarantee agreement.

(2) Any bonds or other instruments issued under subsection (1) may be signed by the Minister or such person as the Minister designates in writing for the purpose.

Implementation of obligations

6. Notwithstanding any law in force in Barbados, a loan agreement or guarantee agreement and any instrument issued under section 5 shall be valid and enforceable and shall have full force and effect in accordance with its terms.

Arbitration

7. Any dispute between the Government and the Bank and any claim by the one against the other arising under any loan agreement or guarantee agreement or any instrument issued under section 5 which is not determined by agreement between the parties shall be submitted to arbitration in a manner to be agreed between them.

Read three times and passed the House of Assembly this
day of _____, 2015.

Speaker

Read three times and passed the Senate this _____ day of
_____, 2015.

President