

No. 3-2002

I assent.

[L.S.]

H.F. COOKE,

*Governor-General.*

20th day of February, 2002.

AN ACT to Amend the Financial Administration and Audit Act.

[ 21st February, 2002 ]

BB IT ENACTED by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Representatives of Jamaica, and by the authority of the same, as follows: -

1. This Act may be cited as the Financial Administration and Audit (Amendment) Act, 2002, and shall be read and construed as one with the Financial Administration and Audit Act (hereinafter referred to as the principal Act) and all amendments thereto.

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au con-  
struction,

Amendment  
of section  
24E of  
principal  
Act.

2. Section 24E of the principal Act is hereby amended-

(a) by deleting subsection (1) and substituting therefor the following-

" (1) **In** this section-

"agreement for deferred financing" means an agreement approved by the Minister, whereby-

- (a) an approved contractor agrees to carry out and take on the ownership of an approved project with a provision for transfer of the ownership of the project to the Government in return for monetary payment at some future date extending beyond the end of the financial year in which the project is completed; or
- (b) an approved contractor agrees to carry out, and take on the ownership and secure the financing of, an approved project with a provision for transfer of ownership of the project to the Government in return for an undertaking by the Minister given, with the prior approval of the Cabinet, to the agreed financing source for the repayment of the financing therefor at some future date extending beyond the end of the financial year within which the project is completed;

"approved contractor" means a contractor included on the Government's list of approved contractors;

"approved project" means a project connected with the development of Jamaica's infrastructure and approved by the Cabinet as a project that is to be carried out through an agreement for deferred financing;

"credit agreement" means an agreement whereby goods or services delivered or supplied to a department are to be paid for at some future date extending beyond the end of the financial year within which the goods or services are delivered or supplied.";

(b) in subsection (4), by inserting next after the words "credit agreement" the words "or an agreement for deferred financing";

(c) by inserting the following as subsections (5), (6), (7) and (8)-

" (5) Where the Government enters into an agreement for deferred financing, any sum of money payable by the Government under the terms of the agreement and which-

(a) is a payment of a principal sum, shall be charged to an appropriation for the Ministry having responsibility for the relevant project;

(b) is not a payment of a principal sum, shall be recorded as a charge on the Consolidated Fund,

in any financial year during the period commencing from the date of transfer of ownership to the Government and ending on the date on which the final payment becomes due pursuant to the terms of the agreement.

(6) Every transfer of ownership to the Government, made pursuant to an agreement for deferred financing, shall be subject to the prior certification thereof by a person or body included on the Government's list of approved certifiers as having the technical competence to give such certification.

(7) Each accounting officer shall keep, in relation to every approved project, proper and accurate records and accounts of all transactions for which that officer is responsible and shall furnish such records and accounts for examination by the Auditor-General, if so requested, for the purposes of subsection (5) or (6) or of any audit carried out under this Act.

(8) In respect of each approved project and as soon as possible after the project is approved by the Minister, the Minister shall make a report to the House of Representatives, setting out in connection with such project-

- (a) the scope of the project;
- (b) the levels of financial commitments and the expenditure to date;
- (c) the physical targets; and
- (d) the phasing in of the Government's obligations in respect thereof within the annual estimates of revenue and expenditure,

and shall lay on the Table of the House of Representatives a copy of every agreement for deferred financing relating thereto."