

**ANTIGUA AND BARBUDA**

**THE BANCO DE DESAROLLO ECONOMICO Y SOCIAL DE  
VENEZUELA (BANDES) (LOAN) ACT, 2006**

**No. of 2006**

**ARRANGEMENT OF SECTIONS**

**Sections**

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2. Authority for Minister to borrow.
3. Application of money borrowed.
4. Power to issue instruments.
5. Establishment of a fund.
6. Exchange Control Act not to apply.
7. Principal and interest charged on Consolidated Fund.

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**A BILL FOR**

**AN ACT** to authorise the Minister of Finance to borrow the sum of \$20,000,000 in United States currency to finance the Government's further investment in the capital funding of LIAT (1974) Limited and to create a fund into which monies for the payment and servicing of the loan will be placed.

**ENACTED** by the Parliament of Antigua and Barbuda as follows:

**1. Short title**

This Act may be cited as the Banco de Desarrollo Economico y Social de Venezuela (BANDES) (Loan) Act, 2006.

**2. Authority for Minister to borrow**

- (1) The Minister is authorised to borrow up to the sum of \$20,000,000 in United States currency on such terms and conditions as may be agreed upon between the Minister and the Banco de Desarrollo Economico y Social de Venezuela (BANDES).
- (2) The Minister may exercise his power under subsection (1) in such a manner that separate sums of money are borrowed over a period of time, on condition that the separate sums do not in the aggregate exceed the sum of \$20,000,000 in United States currency.

**3. Application of money borrowed**

The money borrowed under the authority of this Act shall be appropriated and applied to investment for the capital funding of LIAT (1974) Limited and other expenses relating thereto.

**4. Power to issue instruments**

- (1) The Minister may issue such promissory notes or other instruments as may be necessary for the purpose of giving effect to the terms and conditions of any agreement that the Minister and the lender may conclude in respect of the money borrowed under the authority of this Act.

- (2) The Minister may by Order published in the Gazette remit any fees payable under any enactment where he considers such remission necessary to give full effect to any agreement, promissory note, instrument, guarantee or undertaking under this Act.

## **5. Establishment of a fund**

- (1) For the purposes of this Act there is established a LIAT Stabilisation (No. 2) Fund (referred to in this Act as “the Fund”) which shall be applied for the payment and servicing of the loan authorised under this Act.
- (2) There shall be paid into the Fund—
  - (a) all monies appropriated by Parliament for the purpose of payment and servicing of the loan authorised under this Act;
  - (b) all proceeds of any tax or levy specifically for the payment or servicing of the loan authorised under this Act;
  - (c) all monies received by the Government from LIAT (1974) Limited for the payment and servicing of the loan authorised under this Act; and
  - (d) any other monies received from any other source for the payment and servicing of the loan authorised under this Act.
- (3) All monies received into the Fund shall be paid into the Treasury and held therein for the account of the Fund.

## **6. Exchange Control Act not to apply**

The Exchange Control Act shall not apply to any transaction required to effect payment in any currency of any sum in accordance with the terms and conditions of any agreement, promissory note, instrument, guarantee or undertaking under this Act.

## **7. Principal and interest charged on Consolidated Fund**

The principal sum borrowed under the authority of this Act and any interest thereon are charged upon and are payable out of the Consolidated Fund and assets of Antigua and Barbuda.

**EXPLANATORY MEMORANDUM.**

This Bill would authorise the Minister of Finance to borrow the sum of \$20,000,000 in United States currency to finance the Government's investment in the capital funding of LIAT (1974) Ltd.

Clause 1 provides the short title.

Clause 2 authorises the Minister of Finance to borrow \$20,000,000 in United States currency and to agree with the lending bank, the Banco de Desarrollo Economico y Social de Venezuela (BANDES), the terms of the loan..

Clause 3 provides that the money borrowed may only be used for the capital investment in LIAT (1974) Limited.

Clause 4 authorises the Minister to execute the authority to borrow by means of written instruments.

Clause 5 establishes a fund, which is to be applied only for the payment and servicing of the loan authorised by the Bill.

Clause 6 provides that the Exchange Control Act shall neither apply either to the loan nor to its repayment.

Clause 7 charges the loan on the Consolidated Fund.