

*Finance (Administration) Act – Resolution of Parliament to borrow for capital or recurrent expenditure - Vieux Fort Water Supply Redevelopment*

## SAINT LUCIA

STATUTORY INSTRUMENT, 2015, No. 27

[ 30th March, 2015 ]

**WHEREAS** it is provided by section 39(1) of the Finance (Administration) Act, Cap.15.01 that the Minister for Finance may, by Resolution of Parliament, borrow money from a bank or other financial institution for capital expenditure of Government;

**AND WHEREAS** it is provided by section 41(1) of the Act that a guarantee involving any financial liability is not binding upon Government unless the Minister grants the guarantee in accordance with an enactment or with the prior approval of Parliament by a resolution of Parliament;

**AND WHEREAS** it is further provided under section 42(1) of the Finance (Administration) Act, Cap.15.01 that there shall be charged upon and paid out of the Consolidated Fund debt charges for which the Government is liable;

**AND WHEREAS** the Minister for finance considers it necessary to borrow from the Caribbean Development Bank the amount of US\$19,675,000.00, consisting of a Special Funds Resources (SFR) portion of US\$6,000,000.00 and an Ordinary Capital Resources (OCR) portion of US\$13,675,000.00 for the purpose of financing the redevelopment of the Vieux Fort water supply;

**AND WHEREAS** the OCR portion consists of an Equity and Market tranche of US\$1,675,000.00 and a European Investment Bank-Climate Action Line of Credit (EIB-CALC) tranche of US\$12,000,000.00;

**AND WHEREAS** the amount withdrawn from the SFR portion shall be repaid in eighty equal or approximately equal and consecutive quarterly instalments on each due date, of 1<sup>st</sup> January, 1<sup>st</sup> April, 1<sup>st</sup> July and 1<sup>st</sup> October of each year, commencing on the first due date after the expiry of five years following the date of the loan agreement or on such later due date as the Bank may specify in writing;

*Finance (Administration) Act – Resolution of Parliament to borrow for capital or recurrent expenditure - Vieux Fort Water Supply Redevelopment*

**AND WHEREAS** interest shall be paid at the rate of 2.5 per cent per annum on the amount of the SFR portion withdrawn and outstanding from time to time;

**AND WHEREAS** the amount withdrawn from the Equity and Market tranche of the OCR portion shall be repaid in forty eight equal or approximately equal and consecutive quarterly instalments on each due date, of 1<sup>st</sup> January, 1<sup>st</sup> April, 1<sup>st</sup> July and 1<sup>st</sup> October of each year, commencing on the first due date after the expiry of five years following the date of the loan agreement or on such later due date as the Bank may specify in writing;

**AND WHEREAS** interest shall be paid at the rate of 3.95 per cent per annum on the amount of the Equity and Market tranche of the OCR portion withdrawn and outstanding from time to time;

**AND WHEREAS** the amount withdrawn from the (EIB-CALC) tranche of the OCR portion shall be repaid in forty eight equal or approximately equal and consecutive quarterly instalments on each due date, of 1<sup>st</sup> January, 1<sup>st</sup> April, 1<sup>st</sup> July and 1<sup>st</sup> October of each year, commencing on the first due date after the expiry of five years following the date of the loan agreement or on such later due date as the Bank may specify in writing;

**AND WHEREAS** interest shall be paid at the rate of 2.23 per cent per annum on the amount of the EIB-CALC tranche of the OCR portion withdrawn and outstanding from time to time;

**BE IT RESOLVED** that Parliament authorizes the Minister of Finance to borrow US\$19,675,000.00 from the Caribbean Development Bank for the purpose of financing the redeveloping the Vieux Fort water supply;

**BE IT FUTHER RESOLVED** that –

- (a) the amount withdrawn from the SFR portion shall be repaid in eighty equal or approximately equal and consecutive quarterly instalments on each due date, of 1<sup>st</sup> January, 1<sup>st</sup> April, 1<sup>st</sup> July and 1<sup>st</sup> October of each year, commencing on the first due date after the expiry of five years following the date of the loan agreement or on such later due date as the Bank may specify in writing;

*Finance (Administration) Act – Resolution of Parliament to borrow for capital or recurrent expenditure - Vieux Fort Water Supply Redevelopment*

- (b) interest shall be paid at the rate of 2.5 per cent per annum on the amount of the SFR portion withdrawn and outstanding from time to time;
- (c) The amount withdrawn from the Equity and Market tranche of the OCR portion shall be repaid in forty eight equal or approximately equal and consecutive quarterly instalments on each due date, of 1<sup>st</sup> January, 1<sup>st</sup> April, 1<sup>st</sup> July and 1<sup>st</sup> October of each year, commencing on the first due date after the expiry of five years following the date of the loan agreement or on such later due date as the Bank may specify in writing;
- (d) Interest shall be paid at the rate of 3.95 per cent per annum on the amount of the Equity and Market tranche of the OCR portion withdrawn and outstanding from time to time;
- (e) The amount withdrawn from the (EIB-CALC) tranche of the OCR portion shall be repaid in forty eight equal or approximately, equal and consecutive quarterly instalments on each due date, of 1<sup>st</sup> January, 1<sup>st</sup> April, 1<sup>st</sup> July and 1<sup>st</sup> October of each year, commencing on the first due date after the expiry of five years following the date of the loan agreement or on such later due date as the Bank may specify in writing; and
- (f) Interest shall be paid at the rate of 2.23 per cent per annum on the amount of the EIB-CALC tranche of the OCR portion withdrawn and outstanding from time to time.

Passed in the House of Assembly this 10th day of March, 2015.

PETER I. FOSTER,  
*Speaker of the House of Assembly.*

Passed in the Senate this 12th day of March, 2015.

CLAUDIUS J. FRANCIS,  
*President of the Senate.*