



# PARLIMEN MALAYSIA



## **BILL**

**International Development Association 1960**

**D.R.21/1960**

*(Presented and read a first time and ordered to be printed, 19th April, 1960.)*

## A BILL

### *intituled*

An Act to enable the Federation of Malaya to become a member of the International Development Association by acceptance of the Articles of Agreement for the establishment and operation of the International Development Association.

[ ]

WHEREAS the Federation of Malaya has, pursuant to a Resolution of the Board of Governors of the International Bank for Reconstruction and Development adopted by such Board on the 25th day of September, 1957, accepted membership in the said Bank on the terms and conditions set out in such Resolution:

AND WHEREAS the International Development Association is to be established in pursuance of Resolution No. 136, adopted by the Board of Governors of the said Bank on the 1st day of October, 1959:

AND WHEREAS the Executive Directors of the said Bank, acting pursuant to the said Resolution No. 136, have formulated Articles of Agreement for an International Development Association and, on the 26th day of January, 1960, approved the text of such Articles for submission to member Governments of the said Bank:

AND WHEREAS a copy of the text of the said Articles of Agreement has been laid before the Dewan Ra'ayat as Command Paper No.            of 1960:

AND WHEREAS the said Articles of Agreement have prescribed the terms and conditions upon which the Federation of Malaya may be admitted to membership of the said International Development Association:

AND WHEREAS for the purpose of complying with the terms and conditions aforesaid it is necessary to make provision as hereinafter set out:

NOW, THEREFORE, BE IT ENACTED by the Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Ra'ayat in Parliament assembled, and by the authority of the same, as follows:

1. This Act may be cited as the International Development Association Act, 1960. Short title.



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Interpreta-  
tion.

2. In this Act, unless the context otherwise requires—

“the Agreement” means the Articles of Agreement of the Association as approved by the Executive Directors of the Bank on the 26th day of January, 1960;

“the Association” means the International Development Association established by the Agreement;

“the Bank” means the International Bank for Reconstruction and Development established in pursuance of Articles of Agreement drawn up at the United Nations Monetary and Financial Conference held at Bretton Woods in New Hampshire in the United States of America in July, 1944;

“freely convertible currency” means such currency as is deemed to be freely convertible in accordance with paragraph (f) of Section 2 of Article II of the Agreement.

Authorisa-  
tion of  
Signature  
of Agree-  
ment.

3. The Yang di-Pertuan Agong is hereby authorised by instrument under his hand to empower such person as may be named in such instrument, on behalf of the Government of the Federation—

(a) to sign the Agreement; and

(b) to deposit with the Bank an instrument of acceptance of the Agreement setting forth that the Government of the Federation has accepted the Agreement in accordance with its law and has taken all steps necessary to enable the Government of the Federation to carry out all of its obligations under the Agreement.

Subscription  
to the  
Association.

4. (1) There shall be charged on the Consolidated Fund such part of the subscription of the Federation to the Association specified in Part II of Schedule A to the Agreement as may, in accordance with the provisions of Section 2 of Article II of the Agreement, be payable in gold or in freely convertible currency, or in Malayan currency.

(2) Subject to the provisions of Section 5, there shall be charged on the Consolidated Fund such part of any increase in the subscription of the Federation to the Association as may, pursuant to the provisions of paragraph (b) of Section 1 of Article III of the Agreement, be payable in gold or in freely convertible currency, or in Malayan currency.

Approval  
of Dewan  
Ra'ayat to  
additional  
subscription  
to Associa-  
tion.

5. Whenever any increase in the subscription of the Federation to the Association is authorised pursuant to Section 1 of Article III of the Agreement, no amount shall be subscribed in respect thereof except with the prior approval, signified by resolution, of the Dewan Ra'ayat.



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6. The Minister of Finance is hereby authorised, on behalf of the Government, to create and issue to the Association, in such form as he thinks fit, any such non-interest bearing and non-negotiable notes or similar obligations as the Association may—

Issue of non-negotiable and non-interest bearing notes.

- (a) under paragraph (e) of Section 2 of Article II of the Agreement accept from the Government in place of any Malayan currency paid in or payable by the Government under paragraph (d) of Section 2 of Article II of the Agreement or under Section 2 of Article IV of the Agreement; or
- (b) pursuant to paragraph (b) of Section 1 of Article III of the Agreement determine to accept in place of any Malayan currency in relation to any increase in the subscription of the Federation to the Association.

7. There shall be charged on the Consolidated Fund—

Charge of other payments to the Association.

- (a) all sums payable to the Association by the Federation under paragraph (a) of Section 2 of Article IV of the Agreement (which relates to changes in the par or foreign exchange value of currencies of members);
- (b) all sums required for the redemption of any notes or obligations created and issued to the Association under Section 6;
- (c) any sum due to the Association by the Federation under paragraph (c) (i) of Section 4 of Article VII of the Agreement (which relates to the withdrawal of members from the Association).

8. All sums received by or on behalf of the Government of the Federation from the Association shall be paid into the Consolidated Fund.

Receipts.

9. (1) The Yang di-Pertuan Agong may by order make such provisions as he may consider reasonably necessary for carrying into effect any of the provisions of the Agreement relating to the status, immunities and privileges of the Association and their respective governors, executive directors, alternates, officers and employees.

Orders for carrying the Agreement into effect.

(2) Without prejudice to the generality of the provisions of sub-section (1), any order made under that sub-section may declare that any specified provisions of the Agreement shall have the force of law in the Federation.

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## EXPLANATORY STATEMENT

This Act enables the Federation of Malaya to become a member of the International Development Association and provides for compliance by the Federation with the provisions of the Articles of Agreement of the Association.

2. The Bill will, if enacted, involve expenditure of public money, in the form of an initial subscription to the Association, amounting to approximately \$7,714,274 over a period of 5 years.

[TRY (FS) O. 4392/Pt. 26/Vol. 1; AG. 2217.]

