

Reprint
as at 11 March 2016



International Finance Agreements Amendment Act 2013

Public Act 2013 No 4
Date of assent 26 February 2013
Commencement see section 2

Contents

	Page
1 Title	1
2 Commencement	2
3 Principal Act amended	2
4 New section 10 inserted	2
10 Power to amend schedules	2
5 Schedule 1 amended (implementing 2008 reforms)	2
6 Schedule 1 amended (implementing 2010 reforms)	2
7 Repeal of International Finance Agreements Amendment Act 1975	3
Schedule 1	
Schedule 1 amended (implementing 2008 reforms)	
Schedule 2	
Schedule 1 amended (implementing 2010 reforms)	

The Parliament of New Zealand enacts as follows:

1 Title

This Act is the International Finance Agreements Amendment Act 2013.

Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.
Note 4 at the end of this reprint provides a list of the amendments incorporated.

This Act is administered by the Treasury.

2 Commencement

- (1) This Act comes into force on the day after the date on which it receives the Royal assent, except as provided in subsection (2).
- (2) Section 6 comes into force on a date appointed by the Governor-General by Order in Council.

Section 2(2): section 6 brought into force, on 11 March 2016, by the International Finance Agreements Amendment Act 2013 Commencement Order 2016 (LI 2016/41).

3 Principal Act amended

This Act amends the International Finance Agreements Act 1961.

4 New section 10 inserted

The following section is inserted after section 9:

10 Power to amend schedules

- (1) The Governor-General may, by Order in Council,—
 - (a) amend any schedule specified in subsection (2) to bring the text of the agreement or convention set out in that schedule up to date; and
 - (b) repeal any schedule specified in subsection (2) and substitute a new schedule setting out in an up-to-date form the text of the agreement or convention set out in the repealed schedule.
- (2) The schedules that may be amended, or repealed and substituted, are—
 - (a) Schedule 1 (which sets out the text of the Fund Agreement):
 - (b) Schedule 2 (which sets out the text of the Bank Agreement):
 - (c) Schedule 3 (which sets out the text of the Corporation Agreement):
 - (d) Schedule 7 (which sets out the text of the Convention):
 - (e) Schedule 1 of the International Finance Agreements Amendment Act 1966 (which sets out the text of the Agreement Establishing the Asian Development Bank):
 - (f) Schedule 2 of the International Finance Agreements Amendment Act 1966 (which sets out the text of the Articles of Agreement of the International Development Association).
- (3) An order made under subsection (1) is a regulation for the purposes of the Acts and Regulations Publication Act 1989 and the Regulations (Disallowance) Act 1989.

5 Schedule 1 amended (implementing 2008 reforms)

Schedule 1 is amended in the manner set out in Schedule 1 of this Act.

6 Schedule 1 amended (implementing 2010 reforms)

Schedule 1 is amended in the manner set out in Schedule 2 of this Act.

7 Repeal of International Finance Agreements Amendment Act 1975

The International Finance Agreements Amendment Act 1975 (1975 No 54) is repealed.

Schedule 1

Schedule 1 amended (implementing 2008 reforms)

s 5

Article V

Section 12(h): repeal and substitute:

- (h) Pending uses specified under (f) above, the Fund may use a member's currency held in the Special Disbursement Account for investment as it may determine, in accordance with rules and regulations adopted by the Fund by a seventy percent majority of the total voting power. The income of investment and interest received under (f)(ii) above shall be placed in the Special Disbursement Account.

Section 12: add:

- (k) Whenever under (c) above the Fund sells gold acquired by it after the date of the second amendment of this Agreement, an amount of the proceeds equivalent to the acquisition price of the gold shall be placed in the General Resources Account, and any excess shall be placed in the Investment Account for use pursuant to the provisions of Article XII, Section 6(f). If any gold acquired by the Fund after the date of the second amendment of this Agreement is sold after April 7, 2008 but prior to the date of entry into force of this provision, then, upon the entry into force of this provision, and notwithstanding the limit set forth in Article XII, Section 6(f)(ii), the Fund shall transfer to the Investment Account from the General Resources Account an amount equal to the proceeds of such sale less (i) the acquisition price of the gold sold, and (ii) any amount of such proceeds in excess of the acquisition price that may have already been transferred to the Investment Account prior to the date of entry into force of this provision.

Article XII

Section 3(e): repeal and substitute:

- (e) Each Executive Director shall appoint an Alternate with full power to act for him when he is not present, provided that the Board of Governors may adopt rules enabling an Executive Director elected by more than a specified number of members to appoint two Alternates. Such rules, if adopted, may only be modified in the context of the regular election of Executive Directors and shall require an Executive Director appointing two Alternates to designate: (i) the Alternate who shall act for the Executive Director when he is not present and both Alternates are present and (ii) the Alternate who shall exercise the powers of the Executive Director under (f) below. When the Executive Directors appointing them are present, Alternates may participate in meetings but may not vote.

Article XII—*continued*

Section 5(a): repeal and substitute:

- (a) The total votes of each member shall be equal to the sum of its basic votes and its quota-based votes.
 - (i) The basic votes of each member shall be the number of votes that results from the equal distribution among all the members of 5.502 percent of the aggregate sum of the total voting power of all the members, provided that there shall be no fractional basic votes.
 - (ii) The quota-based votes of each member shall be the number of votes that results from the allocation of one vote for each part of its quota equivalent to one hundred thousand special drawing rights.

Section 6(f)(iii): repeal and substitute:

- (iii) The Fund may use a member's currency held in the Investment Account for investment as it may determine, in accordance with rules and regulations adopted by the Fund by a seventy percent majority of the total voting power. The rules and regulations adopted pursuant to this provision shall be consistent with (vii), (viii), and (ix) below.

Section 6(f)(vi): repeal and substitute:

- (vi) The Investment Account shall be terminated in the event of liquidation of the Fund and may be terminated, or the amount of the investment may be reduced, prior to liquidation of the Fund by a seventy percent majority of the total voting power.

Schedule L

Paragraph 2: repeal and substitute:

- 2 The number of votes allotted to the member shall not be cast in any organ of the Fund. They shall not be included in the calculation of the total voting power, except for purposes of: (a) the acceptance of a proposed amendment pertaining exclusively to the Special Drawing Rights Department and (b) the calculation of basic votes pursuant to Article XII, Section 5(a)(i).

Schedule 2

Schedule 1 amended (implementing 2010 reforms)

s 6

Article XII

Section 3(b) to (d): repeal and substitute:

- (b) Subject to (c) below, the Executive Board shall consist of twenty Executive Directors elected by the members, with the Managing Director as chairman.
- (c) For the purpose of each regular election of Executive Directors, the Board of Governors, by an eighty-five percent majority of the total voting power, may increase or decrease the number of Executive Directors specified in (b) above.
- (d) Elections of Executive Directors shall be conducted at intervals of two years in accordance with regulations which shall be adopted by the Board of Governors. Such regulations shall include a limit on the total number of votes that more than one member may cast for the same candidate.

Section 3(f): omit “appointed or”.

Section 3(f): omit “an elected Executive Director” and substitute “an Executive Director”.

Section 3(i): repeal and substitute:

- (i)
 - (i) Each Executive Director shall be entitled to cast the number of votes which counted towards his election.
 - (ii) When the provisions of Section 5(b) of this Article are applicable, the votes which an Executive Director would otherwise be entitled to cast shall be increased or decreased correspondingly. All the votes which an Executive Director is entitled to cast shall be cast as a unit.
 - (iii) When the suspension of the voting rights of a member is terminated under Article XXVI, Section 2(b), the member may agree with all the members that have elected an Executive Director that the number of votes allotted to that member shall be cast by such Executive Director, provided that, if no regular election of Executive Directors has been conducted during the period of the suspension, the Executive Director in whose election the member had participated prior to the suspension, or his successor elected in accordance with paragraph 3(c)(i) of Schedule L or with (f) above, shall be entitled to cast the number of votes allotted to the member. The member shall be deemed to have participated in the elec-

Article XII—*continued*

tion of the Executive Director entitled to cast the number of votes allotted to the member.

Section 3(j): omit “not entitled to appoint an Executive Director under (b) above”.

Section 8: omit “If the member is not entitled to appoint an Executive Director, it” and substitute “The relevant member”.

Article XXI

Paragraph (a)(ii): omit “appointed or” in each place where it appears.

Paragraph (a)(ii): omit “to the member which is a participant that appointed him or”.

Paragraph (a)(ii): omit “For the purposes of this provision, an agreement under Article XII, Section 3(i)(ii) by a member that is a participant shall entitle an appointed Executive Director to vote and cast the number of votes allotted to the member:”.

Article XXIX

Paragraph (a): omit “not entitled to appoint an Executive Director”.

Schedule D

Paragraph 1(a): omit “that appoints an Executive Director and each” and substitute “or”.

Paragraph 1(a): omit “allotted to them cast by an elected” and substitute “allotted to it or them cast by an”.

Paragraph 5(e) and (f): repeal and substitute:

- (e) When an Executive Director is entitled to cast the number of votes allotted to a member pursuant to Article XII, Section 3(i)(iii), the Councillor appointed by the group whose members elected such Executive Director shall be entitled to vote and cast the number of votes allotted to such member. The member shall be deemed to have participated in the appointment of the Councillor entitled to vote and cast the number of votes allotted to the member.

Schedule E

Repeal and substitute:

Schedule E
Transitional Provisions with Respect to Executive Directors

1 Upon the entry into force of this Schedule:

- (a) Each Executive Director who was appointed pursuant to former Article XII, Sections 3(b)(i) or 3(c), and was in office immediately prior to the

Schedule E—*continued*

entry into force of this Schedule, shall be deemed to have been elected by the member who appointed him; and

- (b) Each Executive Director who cast the number of votes of a member pursuant to former Article XII, Section 3(i)(ii) immediately prior to the entry into force of this Schedule, shall be deemed to have been elected by such a member.

Schedule L

Paragraph 1(b): omit “appoint, elect,” and substitute “elect”.

Paragraph 3(c): omit “appointed or”.

Reprints notes

1 *General*

This is a reprint of the International Finance Agreements Amendment Act 2013 that incorporates all the amendments to that Act as at the date of the last amendment to it.

2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

4 *Amendments incorporated in this reprint*

International Finance Agreements Amendment Act 2013 Commencement Order 2016 (LI 2016/41)