



LAWS OF KENYA

INTERNATIONAL MONETARY FUND ACT

CHAPTER 467

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CHAPTER 467

INTERNATIONAL MONETARY FUND ACT

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CHAPTER 467**INTERNATIONAL MONETARY FUND ACT**

[Date of assent: 3rd September, 1969.]

[Date of commencement: 5th September, 1969.]

An Act of Parliament to provide for the acceptance by Kenya of an amendment to the Articles of Agreement of the International Monetary Fund, and to provide for Kenya's participation in the Special Drawing Account established thereunder

[Act No. 16 of 1969.]

WHEREAS the Board of Governors of the International Monetary Fund have approved, in Resolution No. 23-5 of 31st May, 1968, an Amendment (hereinafter in this Act referred to as the Amendment) to the Articles of Agreement of the said Fund:

AND WHEREAS the Amendment provides for the establishment of a Special Drawing Account for special drawing rights to meet the need, as and when it arises, for a supplement to existing reserve assets:

AND WHEREAS copies of the text of the Amendment have been laid before the National Assembly:

AND WHEREAS it is expedient that Kenya should accept the Amendment and become a participant in the said Special Drawing Account:

NOW, THEREFORE, BE IT ENACTED by the Parliament of Kenya, as follows:

1. Short title

This Act may be cited as the International Monetary Fund Act.

2. Interpretation

In this Act, “**the Minister**” means the Minister for the time being responsible for matters relating to finance.

3. Acceptance of the Amendment and participation in the Special Drawing Account

The Minister is hereby authorized to communicate, on behalf of the Government of Kenya, the acceptance by the Government of the Amendment, and to execute an instrument under his hand setting forth that the Government undertakes all of the obligations of a participant in the Special Drawing Account in accordance with its law and that the Government has taken all steps necessary to carry out all the said obligations.

4. Implementation of the Amendment

(1) As from the date that the Amendment enters into force as provided by the hereinbefore recited Resolution, the Bretton Woods Agreement Act (Cap. 464) shall apply to the Articles of Agreement of the International Monetary Fund as modified by the Amendment.

(2) Special drawing rights and any proceeds from their use shall be kept in a special account in the Central Bank of Kenya and, notwithstanding the provisions of any other law, that Bank is hereby authorized, on behalf of the Government of Kenya, to acquire or dispose of such special drawing rights, to make payments in or in respect of any use of such rights and to use any sums in that account in accordance with the Amendment.

(3) For the purpose of providing any sums required for making any payments under this section, the Minister may, on behalf of the Government—

- (a) make payments out of the Consolidated Fund without further appropriation than this Act; and
- (b) raise loans by the creation and issue of securities bearing such rates of interest and subject to such conditions as to repayment, redemption or otherwise as he may think fit, and the principal and interest of such securities and the charges and expenses incurred in connexion with their issue shall be charged on and paid out of the Consolidated Fund.

(4) The right of the Minister to raise loans and of the Central Bank of Kenya to purchase and hold securities issued under this section shall not be affected by any limitations which have been or may be imposed, whether by law, agreement or otherwise, upon the power of the Minister to borrow and the Central Bank of Kenya to lend.

(5) The provisions of Article XXVII (b) of the Articles of Agreement of the International Monetary Fund, as inserted therein by the Amendment, set out in the Schedule to this Act shall have the force of law in Kenya.

5. Regulations

The Minister may make any such regulations as may be necessary to enable the Government to carry out its obligations as a participant in the Special Drawing Account.

SCHEDULE

[Section 4(5).]

ARTICLE XXVII – ADMINISTRATION OF THE GENERAL ACCOUNT AND THE SPECIAL DRAWING ACCOUNT

- (b) In addition to the privileges and immunities that are accorded under Article IX of this Agreement, no tax of any kind shall be levied on special drawing rights or on operations or transactions in special drawing rights.
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