

CHAPTER 122

EXTERNAL LOANS ACT

ARRANGEMENT OF SECTIONS

SECTION

- 1. Power to raise loans abroad for development.
- 2. Short title.

CHAPTER 122

EXTERNAL LOANS ACT

**An Act to authorise the raising of development loans abroad, and for matters connected therewith.**

1962 No. 9.

[12th May, 1962]

Commencement.

1. (1) The Minister responsible for finance may, in any manner authorised by the General Loan and Stock Act or the Government Promissory Notes Act, or in any other manner authorised (whether generally or in respect of any particular loan) by the President, raise loans outside Nigeria not exceeding in the aggregate—

Power to raise loans abroad for development. Cap. 161. Cap. 164.

- (a) the sum of six hundred million naira; and
- (b) such further sums as may be necessary to defray any expenses incurred in connection with the raising of the loans.

(2) The proceeds of any loan raised by virtue of paragraph (a) of subsection (1) of this section shall be paid to the development fund mentioned in the Finance (Control and Management) Act, and, notwithstanding the provisions of that Act relating to the purposes for which the fund may be used but subject to the other provisions of that Act, shall be

Cap. 144.

applied for both or either of the following purposes, that is to say—

- (a) the purposes of the development programme;
- (b) for the making of loans to the governments of the States on such terms as may be approved by the said Minister.

(3) No loan shall be made to the Government of a State by virtue of subsection (2) of this section, unless there is in force, a Law made by the House of Assembly of the State authorising that Government to raise loans from the Federal Government, and providing that the loans shall not be used otherwise than for the purposes of a development plan approved by that House of Assembly.

(4) In this section, “the development programme” means the Development Programme, 1962 to 1968, of the Federal Government set out in Sessional Paper No. 1 of 1962, with such modifications (either by way of additions, deletions or alterations) as may from time to time be set out in any subsequent Sessional Paper relating to the programme.

Short title.

2. This Act may be cited as the External Loans Act.