



**Tuvalu**

**GOVERNMENT BORROWING AND  
GUARANTEE ORDINANCE 1973**

**5 of 1973 (Cap. 94 of 1973)**





Tuvalu

## GOVERNMENT BORROWING AND GUARANTEE ORDINANCE 1973

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Tuvalu

# GOVERNMENT BORROWING AND GUARANTEE ORDINANCE 1973

5 of 1973 (Cap. 94 of 1973)

**AN ORDINANCE TO AUTHORISE THE RAISING BY THE  
GOVERNMENT OF LOANS WITHIN AND OUTSIDE TUVALU, TO  
PROVIDE FOR THE GUARANTEE BY THE GOVERNMENT OF  
LOANS RAISED OR MADE BY OTHER PERSONS AND FOR  
MATTERS INCIDENTAL THERETO AND CONNECTED  
THEREWITH**

ENACTED BY THE PARLIAMENT OF TUVALU

Commencement [19th June 1973]

## PART I - PRELIMINARY

### 1 Short title

This Ordinance may be cited as the Government Borrowing and Guarantee Ordinance 1973.

### 2 Interpretation

In this Ordinance “**other designated fund**” means such public fund of Tuvalu other than the Consolidated Fund as the Minister may in each case designate.

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## PART II - GOVERNMENT BORROWING

### 3 Authority to raise loans

Subject to the provisions of this Ordinance the Minister in Cabinet may raise within or outside Tuvalu such loans and upon such terms and conditions as to interest, repayment of otherwise as may be approved by Parliament.

### 4 Purposes and application of loans

Moneys borrowed under section 3 shall be duly applied for such purpose or purposes as may from time to time be approved in relation thereto by Parliament.

### 5 Loans to be charged on Consolidated Fund or other public fund

The principal money of and all interest and other charges on any loans raised under this Ordinance shall be charged upon and paid out of Consolidated Fund or other designated fund.

## PART III - GOVERNMENT GUARANTEES

### 6 Guarantee of certain loans

- (1) The Minister may, subject to the provisions of Ordinance, guarantee in such manner and on such conditions as he may think fit the repayment of the principal money of and the payment of the interest and other charges on any loan raised or made by any person either within or outside Tuvalu.
- (2) No such loan shall be guaranteed —
  - (a) unless the purpose of the loan is approved by Parliament; and
  - (b) until provision has been made to the satisfaction of the Minister —
    - (i) for appropriating and duly applying the loan for such purposes;
    - (ii) to ensure that any part of the loan which cannot be applied for such purpose will be applied for such other purposes as may be approved by the Minister;
    - (iii) for charging on the income and assets of the borrower, or any other income or assets which may be made available for the

- purpose, the principal of and the interest and other charges on the loan or, if such charging is not in the opinion of the Minister practicable, otherwise to ensure the repayment of the said principal, interest and charges;
- (iv) for charging on the income and assets of the borrower the repayment to the Government of any sum paid out of the Consolidated Fund or other designated fund under subsection (3) with such interest on the said sum as may be specified by the Minister or, if such charging is not in the opinion of the Minister practicable, otherwise to ensure the repayment of the said sum and interest;
  - (v) for raising or securing the raising of sufficient money to meet the charges.
- (3) Any sum required for fulfilling any guarantee given under this section shall be charged upon and paid out of the Consolidated Fund or other designated fund without further appropriation than this Ordinance and any sum received by way of repayment of any sum so paid shall be paid into and form part of the Consolidated Fund or other designated fund.

**ENDNOTES****Table of Legislation History**

<b>Legislation</b>	<b>Year and No</b>	<b>Commencement</b>

**Table of Renumbered Provisions**

<b>Original</b>	<b>Current</b>

**Table of Endnote References**