

REPUBLIC OF KIRIBATI
(No. 8 of 1988)

I assent,

U. Tabu
Beretitenti:
9/9/1988

AN ACT TO ESTABLISH A SPECIAL FUND TO HELP STABILISE AND
DIVERSIFY EXPORT EARNINGS OF KIRIBATI FROM COPRA AND
OTHER PRIMARY PRODUCTS AND FOR CONNECTED PURPOSES

Commencement:
1988

MADE by the Maneaba ni Maungatabu and assented to by the
Beretitenti.

Short title	1. This Act may be cited as the Special Fund (Stabex) Act 1988.
Interpretation	2. In this Act unless the context otherwise requires - "Special Fund" means the Special Fund established pursuant to Section 3 of this Act. "primary products" means such products as may be specified by the Minister, acting in accordance with the advice of the Cabinet, by Order for the purpose of section 5(1)(a) of this Act and for the avoidance of doubt includes any agricultural and marine products;
Establishment of Special Fund Cap. 79	3. A Special Fund, to be known as the Stabex Fund, shall be established in accordance with section 107(2) and (3) of the Constitution and section 13 of the Public Finance (Control and Audit) Ordinance.
Payments into Special Fund	4. There shall be paid into the Special Fund - (a) any monies appropriated by the Maneaba ni Maungatabu for the purposes of the Fund; (b) any monies received from outside Kiribati for the purposes of the Fund; (c) money received from the proceeds of any investment under section 13(2)(a) of the Public Finance (Control and Audit) Ordinance, of money standing to the credit of the Fund; and

Payment out
of the Special
Fund

(d) any other money lawfully available to the Fund.

5(1) There shall be paid out of the Special Fund -

- (a) the amount of any expenditure by the Republic to stabilise or diversify or to stabilise and diversify export earnings from copra and other primary products; and
- (b) the expenses, as approved by the Minister, of the administration of the Fund.

(2) No money shall be paid out of the Special Fund without the approval of the Minister, acting in accordance with the advice of the Cabinet and upon the authority of a warrant under the hand of the Minister.

Control of
the Special
Fund Cap. 79

6. In the performance of his functions under this Act and under section 13 of the Public Finance (Control and Audit) Ordinance in relation to the Special Fund, the Minister shall, subject to the said section, use his best endeavours to manage the Special Fund in such a way that, taking one year with another, the income of the Fund is not less than sufficient to meet its outgoings including debt charges.

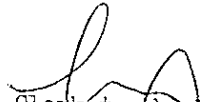
Annual
reports

7(1) The Minister shall, before the end of each financial year, submit to the Maneaba ni Maungatabu -

- (a) a statement showing the estimated income and expenditure of the Special Fund for the current financial year; and
- (b) estimates of the income and expenditure of the Special Fund for the next financial year.

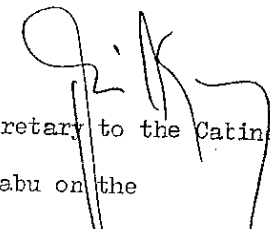
(2) The Minister shall, within six months after the end of each financial year, lay before the Maneaba ni Maungatabu a report dealing generally with the operations of the Special Fund during the preceding financial year and containing the audited statement of accounts for that financial year.

This printed impression has been carefully examined by me with the Bill which passed the Maneaba ni Maungatabu on 15th August, 1988 and is found by me to be a true and correctly printed copy of the said Bill.



Clerk to the Maneaba
ni Maungatabu

Published by exhibition -

(a) at the Public Office of the Beretitenti on
the 9th day of Sept, 1988.


Secretary to the Cabinet

(b) at the Maneaba ni Maungatabu on the _____ day of _____, 1988.


Clerk to the Maneaba
ni Maungatabu.

SPECIAL FUND (STABEX) ACT 1988

EXPLANATORY MEMORANDUM

The principal object of this Act is to provide for the establishment of a Special Fund in accordance with section 107(2) and (3) of the Constitution in order to regularise the status of the existing "STABEX Fund".

2. STABEX is a scheme under which the European Economic Community (EEC) provides special financial assistance to the African, Caribbean and Pacific (ACP) Member States including Kiribati. The scheme is purposely designed to assist ACP countries to stabilise and/or diversify their export earnings from primary products. To qualify for this form of aid, the value of the commodity of an ACP Member State should have been falling below the average of the previous four years.

3. Sums of money received by Kiribati under this scheme are at present paid into a "Stabex Fund" which has been kept, and treated separately from the Consolidated Fund. Thus the said Stabex Fund has the trappings of a Special Fund established under section 107(2) and (3) of the Constitution without the necessary constitutional and/or legal bases or authority.

4. This Act is to correct the anomaly and provide for the establishment of the Stabex Fund as a Special Fund under the Constitution. When established such Fund will not form part of the Consolidated Fund and any receipts, earnings and accruals as well as the balance at the close of each financial year of such fund are not to be paid into the Consolidated Fund but are to be retained for the purposes of the Fund.

5. The Act therefore in -

- (a) section 3 provides for the establishment of the Special Fund to be known as Stabex Fund;
- (b) section 4 specifies the various payments to be made into the Fund; and
- (c) section 5 provides for the payment out of the Fund of the amount of any expenditure by the Government/Republic to stabilise and/or diversify export earnings from copra and any other primary product.

6. Apart from copra, the products or commodities which are to be funded from the Stabex Fund as per Section 5(1)(a) of the Act will be determined by the Minister acting in accordance with the advice of the Cabinet, by Order. The definition of "primary products" is designed to ensure this.

Michael N. Takabwebwe
The Attorney General

LEGAL REPORT

I hereby certify that in my opinion none of the provisions of the above Act conflict with the Constitution and that the Beretitenti may properly assent to the Act.

Michael N. Takabwe
The Attorney General