

RESOLUTION OF CONTRIBUTORS

REPLENISHMENT OF THE SPECIAL DEVELOPMENT FUND
OF THE CARIBBEAN DEVELOPMENT BANK

WHEREAS:

The Board of Directors of the Caribbean Development Bank, at its Meeting held on September 16, 1983, has determined that, having regard to the needs of its borrowing members, the Bank should undertake a replenishment of the Special Development Fund to finance the Bank's concessionary lending programme for the four-year period commencing January 1, 1984, and for that purpose should seek contributions to the Fund from members of the Bank as well as other potential contributors; and

The Governments referred to in this Resolution have indicated their intentions to make contributions to the replenishment of the Fund in accordance with the arrangements set forth in this Resolution;

NOW THEREFORE, the Contributors listed in Schedule 1 to this Resolution hereby RESOLVE as follows:-

1. Definitions

As used in this Resolution, unless the context otherwise requires, the several terms defined in the Rules of the Special Development Fund have the respective meanings set forth therein and the following additional terms have the following meanings:

- (i) "cash portion" means that portion of a contribution which is payable in cash as indicated in Schedule 1 to this Resolution;
- (ii) "Contribution Cycle" means the period of four years commencing January 1, 1984 and ending December 31, 1987;

- (iii) "currency of obligation" means the applicable currency of obligation indicated in the Second Column of Schedule 1 to this Resolution in which the relevant contribution is to be made pursuant to paragraphs 3 (a) and 7 (a) of this Resolution;
- (iv) "instalment" means a cash payment which is part of a cash portion or a deposit of a note which is part of a notes portion;
- (v) "notes" means non-negotiable non-interest bearing notes payable at their par value on demand;
- (vi) "notes portion" means that portion of a contribution which is payable by the deposit of notes as indicated in Schedule 1 to this Resolution;
- (vii) "qualified contribution" means a contribution as defined in paragraph 3 (c) of this Resolution;
- (viii) "unqualified contribution" means a contribution as defined in paragraph 3 (b) of this Resolution.

2. Contributions

(a) Pledges by Governments

CDB is authorised to accept from the Contributors listed in Schedule 1 to this Resolution, who hereby severally pledge to make, contributions to the replenishment of the SDF in amounts not less than those indicated for the respective Contributor and in the respective currencies of obligation set out in the said Schedule 1 to this Resolution;

(b) Additional Contributions

Notwithstanding the provisions of paragraph 2 (a) above, CDB may accept from any of the aforementioned Contributors and other Governments additional contributions to the replenishment of the SDF during the contribution cycle on terms and conditions similar to those set out and referred to in this Resolution, it being noted that the Governments listed in Schedule 2 have indicated willingness to make contributions to the replenishment of the SDF in such amounts as may be approved by the respective Cabinets and/or Parliaments.

3. Contribution Agreement

(a) General Clause

Within twelve months after the adoption of this Resolution, each Contributor listed in Schedule 1 to this Resolution shall deposit with CDB an Instrument of Contribution formally agreeing to contribute to the SDF the amount of its contribution in the applicable currency of obligation as set forth in Schedule 1 to this Resolution. In order to formalise a contribution referred to in paragraph 2 (b) above, a Government shall deposit with CDB an Instrument of Contribution as soon as practicable after all requisite approvals have been obtained. Each such Instrument of Contribution shall be substantially in the form set out in Schedule 3 to this Resolution except that, for a contribution referred to in paragraph 2 (b) above, the form may be appropriately modified, and each such Instrument of Contribution shall constitute a Contribution Agreement.

(b) Unqualified Contribution

Subject to the provisions of paragraph 3 (c) below, each Contribution Agreement shall constitute an unqualified commitment by the Contributor to make payment of its contributions in the manner and on the terms set forth in or contemplated by this Resolution.

(c) Qualified Contribution

As an exceptional case, where an unqualified contribution cannot be given by a Contributor due to its legislative practice, CDB may accept from that member a Contribution under a Contribution Agreement which contains the qualification that payment of all instalments of the contribution except the first is subject to subsequent budgetary appropriations. Such an agreement, however, shall include an undertaking by the Contributor to seek the necessary appropriations in order to make payments of the second and subsequent instalments in accordance with paragraphs 6 (a) and (b) below during the Contribution Cycle and to notify CDB as soon as each such appropriation is obtained. Portions of a contribution covered by such an Agreement shall from time to time become unqualified to the extent that appropriations have been obtained.

4. Entry into Effect

Effectiveness

Each Contribution shall become effective on the date of deposit with CDB of the relevant Contribution Agreement.

5. Mode of Payment

All payments in respect of a Contribution shall be made in cash or by the deposit of notes of the Contributor or in both cash and notes as indicated and to the extent set out in Schedule 1 to this Resolution.

6. Instalment Payments

(a) Amounts of Instalments and Payment Dates

Except as otherwise provided in this Resolution,

- (i) each cash portion shall be paid to CDB in instalments in such manner that at least one

payment shall be made in each half year ending June 30 and December 31 until the entire cash portion is drawn down; and

- (ii) each notes portion shall be paid to CDB in equal instalments each of not less than twenty-five percent (25%) of the relevant notes portion in such manner that at least one payment shall be made prior to October 31 in each calendar year of the Contribution Cycle or such later date as CDB's Board of Directors may determine.

(b) Payment of First Instalments and Draw Down

Each first instalment of a cash portion and a notes portion, shall be made within thirty (30) days after the date of the deposit with CDB of the relevant Contribution Agreement. Subsequent instalments of a cash portion and draw downs by CDB in respect of notes deposited shall be at least semi-annually based on CDB's projected disbursement requirements.

(c) Payments of a Qualified Contribution

Payments of instalments of a cash portion or a notes portion of a Qualified Contribution shall be made in accordance with paragraphs 6 (a) and (b) above unless such payments cannot be made because of the legislative practice of the Contributor. In such cases, payments shall be made within thirty (30) days after and to the extent that each such instalment has become unqualified.

(d) Optional Arrangements

A Contributor at its option may:-

- (i) pay its contribution in fewer instalments or in larger portions or at earlier dates than those specified in

paragraph (a) above, provided that such payment arrangements are no less favourable to CDB;

- (ii) defer payments of its first instalment until Contribution Agreements for an aggregate amount equivalent to at least fifty percent (50%) of the total sum indicated in Schedule 1 to this Resolution have been deposited with CDB;
- (iii) in the second or a subsequent calendar year of the Contribution Cycle, provided it has paid all instalments for the preceding calendar year, defer payments of further instalments so long as there is in arrears an aggregate amount equivalent to at least fifty percent (50%) of the instalments payable by the other Contributors listed in Schedule 1 to this Resolution.

7. Currency of Payment

(a) General Clause

Each Contributor shall make its contribution in the applicable currency of obligation specified in Schedule 1 to this Resolution;

- (b) If the Contributor wishes to use a currency other than the currency of obligation for payment of any portion of the Contribution, CDB at its option may accept such other currency and the amount of such other currency at the time of such payment shall be determined by CDB applying, as far as practicable, the principles applicable to valuation of currencies forming part of CDB's Ordinary Capital Resources.

8. Meetings of Contributors

If, during the Contribution Cycle, delays in the making of any instalments cause or threaten to cause a suspension in CDB's concessionary lending operations or otherwise prevent substantial attainment of the goals of the replenishment, CDB shall convene a meeting of representatives of the aforementioned Governments to review the situation and consider ways of obtaining the necessary instalments and, based on the recommendation of such a meeting, CDB shall adopt such measures as considered necessary.

9. Application of the Rules of the SDF

Contributions made under this Resolution shall be used and administered in accordance with the Rules of the Special Development Fund.

Adopted by the First Negotiation Meeting of Contributors (First Contribution Cycle), held in Barbados on October 26, 1983.

SCHEDULE 1

CARIBBEAN DEVELOPMENT BANK

REPLENISHMENT TO THE SPECIAL DEVELOPMENT FUND
(Contributions for the Period 1984 to 1987)

<u>GOVERNMENTS</u>	Currency of Obligation	Amount in Currency of Obligation	Equivalent in in US\$m (*)	Manner in which Contributions are Payable US\$
				<u>Cash %</u> <u>Notes %</u>
<u>Members - Regional</u>				
Commonwealth of The Bahamas	US\$	1,400,000	1.40	100
Barbados	US\$	1,400,000	1.40	100
Guyana	US\$	1,400,000	1.40	100
Belize	US\$	250,000	0.25	100
Commonwealth of Dominica	US\$	250,000	0.25	100
St. Kitts & Nevis	US\$	250,000	0.25	100
St. Lucia	US\$	250,000	0.25	100
St. Vincent and the Grenadines	US\$	250,000	0.25	100
Montserrat	US\$	100,000	0.10	100
British Virgin Islands	US\$	100,000	0.10	100
Turks & Caicos Islands	US\$	100,000	0.10	100
Cayman Islands	US\$	100,000	0.10	100
Anguilla	US\$	100,000	0.10	100
Colombia	US\$	5,000,000	5.00	100
TOTAL FOR REGIONAL MEMBERS		10,950,000	10.95	
<u>Non-Regional</u>				
Canada	Canadian dollar	22,162,200	18.00	100
United Kingdom	Pound sterling	6,640,300	10.00	100
France	French franc	155,200,000	21.00	100
TOTAL FOR NON-REGIONAL MEMBERS			49.00	
<u>NON-MEMBERS</u>				
Netherlands	Netherland guilder	14,061,200	5.00	100
Italy	Italian lira	7,479,235,000	5.00	100
TOTAL FOR NON-MEMBERS			10.00	
GRAND TOTAL			69.95	

(* say 70.00m)

* At average exchange rate ruling on February 24, 1983 and on October 26, 1983

viz;	Canadian dollar	1.2312333
	French franc	7.3904761
	Italian lira	1495.847
	Netherland guilder	2.81224
	Pound sterling	.66403

October 26, 1983

SCHEDULE 2

CARIBBEAN DEVELOPMENT BANK

REPLENISHMENT OF THE SPECIAL DEVELOPMENT FUND
INDICATIVE LIST OF POTENTIAL ADDITIONAL CONTRIBUTORS

(Paragraph 2 (b))

JAMAICA
TRINIDAD AND TOBAGO
ANTIGUA AND BARBUDA
GRENADA
MEXICO
VENEZUELA

October 26, 1983

SCHEDULE 3

INSTRUMENT OF CONTRIBUTION

The Secretary
The Caribbean Development Bank
P.O. Box 408
Wilkey
ST. MICHAEL.

Dear Sir,

I am pleased to inform you that (name of country), by means of this letter, agrees to contribute to the Special Development Fund of the Caribbean Development Bank (CDB) an amount of (currency of obligation) equivalent of United States dollars (US\$) of which \$ will be in cash and the remainder in notes, pursuant to, and in accordance with the conditions contained in, the Resolution for the Replenishment of the Special Development Fund, adopted at the Meeting of Contributors on 1983, a copy of which is hereto annexed. The^{*2} first instalment of the cash portion will be

Payment^{*3} of the second and subsequent instalments of the Contribution is subject to budgetary appropriations and (name of country) hereby undertakes to seek the necessary appropriations in order to pay such instalments in accordance with paragraphs 6 (a) and (b) of the abovementioned Resolution and to notify CDB as soon as each such appropriation is obtained.

In the name and on behalf of (name of country), I declare that all the necessary legal requirements to assume this agreement of contribution have been fulfilled.

Yours sincerely

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- *1 to be altered as appropriate.
 - *2 applicable only if the contribution or part is payable in cash.
 - *3 applicable only if the contribution is qualified.
 - *4 to be signed by the CDB Governor of the member country/the proper authority of the non-member contributing country.