

B1976/07

CONTRIBUTION AGREEMENT
BETWEEN
THE GOVERNMENT OF NEW ZEALAND
AND
THE CARIBBEAN DEVELOPMENT BANK
GOVERNING THE USE OF NEW ZEALAND SPECIAL FUNDS RESOURCES

DATED: 1st June, 1976

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BETWEEN
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AND
THE CARIBBEAN DEVELOPMENT BANK
GOVERNING THE USE OF NEW ZEALAND SPECIAL FUNDS RESOURCES

WHEREAS the Caribbean Development Bank (hereinafter called the "Bank") is empowered by its Articles of Agreement to accept the administration of special funds which are designed to serve the purpose and come within the functions of the Bank;

AND WHEREAS one of the functions of the Bank is "to provide appropriate technical assistance to its regional members, particularly by undertaking or commissioning pre-investment surveys and by assisting in the identification and preparation of project proposals";

AND WHEREAS the Government of New Zealand (hereinafter called the "Contributor") has indicated its desire to assist the Bank in furthering its purpose by contributing certain resources, in the amount and on the terms hereinafter set forth to be used in the special operations of the Bank for the provision of technical assistance to its borrowing regional members by financing the cost of such activities as pre-investment studies, project appraisals, project implementation and management, and for such other purposes as may be agreed between the Contributor and the Bank.

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

APPLICATION OF REGULATIONS AND DEFINITIONS

Section 1.01: Except as otherwise provided herein, the rules for the administration of the special development fund (hereinafter called "the rules") shall apply to the contributed resources and accrued resources derived from the Contributor (hereinafter called "the Contribution") made pursuant to this Agreement with the same force and effect as if such rules were fully set out herein.

Section 1.02: "Contributed Resources" are resources made available by the Contributor pursuant to Section 2 of this Agreement, repayments thereof and income derived by the Bank from such contributions or repayments. They do not include income derived from the service fee and income allocated to accrued resources.

Section 1.03: "Accrued Resources" refers to special fund resources derived from the service fee charged by the Bank in its special fund operations and to other income of the Bank allocated from the contributed resources.

ARTICLE II

THE CONTRIBUTION

Section 2.01: Subject to the provisions of Section 1.02 the Contributor will contribute to the Bank on a grant basis the sum of six hundred thousand New Zealand dollars (NZ\$600,000) provided that up to half of this sum may be contributed as necessary in equivalent amounts of another currency.

Section 2.02: Subject to the annual appropriation of funds by the Parliament of New Zealand the Contributor shall make the contribution available to the Bank as follows:-

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- (a) in the financial year 1976-77 NZ\$150,000
- (b) in the financial year 1977-78 NZ\$200,000
- (c) in the financial year 1978-79 NZ\$250,000.

ARTICLE III

UTILISATION OF CONTRIBUTION

Section 3.01: Subject to the provisions of this Agreement, the Bank is authorised to utilise the contribution to finance the cost of providing appropriate technical assistance to the Bank's borrowing regional members through the undertaking or commissioning of pre-investment studies, project appraisals, and through the provision of goods, equipment and services required for project implementation and management.

Section 3.02: The Bank is also authorized to utilise the contribution for such other purposes as may be agreed between the Contributor and the Bank including the financing of projects of high developmental priority on concessional terms at least more favourable than those determined by the Bank for its ordinary operations.

Section 3.03: The Bank may carry out, by any standard methods set out in the rules, special development fund operations financed from the contributed resources and accrued resources derived therefrom, provided that, notwithstanding any provisions in those rules to the contrary:

- (i) Administrative expenses shall not be paid from the contributed resources but only from accrued resources derived from the contribution;
- (ii) Unless otherwise agreed by the Bank and the Contributor, the Bank shall not employ the contributed resources to make equity investments or to guarantee loans.

ARTICLE IV

PROCUREMENT

Section 4.01: Not less than fifty per cent (50%) of the funds made available by the Contributor in accordance with Article II of this Agreement shall be used by the Bank to finance the provision of goods, equipment and services (including the hiring of personnel) originating in New Zealand. For this purpose the Bank and the Contributor shall consult with a view to determining the best procedures for ensuring compliance by the Bank with the provisions of this Section.

Section 4.02: For purposes of procurement of such goods, competitive bidding shall be held among New Zealand and, as the case may require, other eligible suppliers in accordance with procedures agreed to between the Contributor and the Bank, except where it is agreed that such bidding would not be appropriate because of the smallness of the amount involved, uniqueness of the goods, or other such special reasons.

ARTICLE V

ACCOUNTS, INFORMATION AND CONSULTATION

Section 5.01: The Bank shall maintain an account of all receipts and disbursements arising out of the business transacted under this Agreement and shall furnish the Contributor with a detailed statement of the account on a quarterly basis including the use of the Contribution and the status of any projects financed therefrom.

Section 5.02: For the purposes of consultation and communication between the Bank and the Contributor in respect of matters arising under this Agreement the designated agency on behalf of the Contributor shall be the New Zealand High Commissioner, Suite 804, Commonwealth Building, 77 Metcalfe Street, Ottawa, Canada K1P 5L6, unless otherwise agreed between the Bank and the Contributor.

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ARTICLE VI

EFFECTIVE DATE - AMENDMENT

Section 6.01: This Agreement shall come into force and effect on the date hereof.

Section 6.02: This Agreement may be amended at any time subject to the concurrence of both the Contributor and the Bank.

IN WITNESS WHEREOF the parties hereto, acting through
their representatives duly authorized have caused this Agreement to
be signed in duplicate and delivered at Wildey, St. Michael, Barbados
this First day of June, 1976.

FOR THE GOVERNMENT OF NEW ZEALAND

BY: 

High Commissioner for New Zealand
to Canada

FOR THE CARIBBEAN DEVELOPMENT BANK

BY: 

President

