

Seychelles

International Monetary Fund (Membership of Seychelles) Act Act 3 of 1977

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International Monetary Fund (Membership of Seychelles) Act
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International Monetary Fund (Membership of Seychelles) Act Act 3 of 1977

Commenced on 14 February 1977

[This is the version of this document at 30 June 2012 and includes any amendments published up to 30 June 2014.]

[Act 3 of 1977; Dec 28 of 1978; Dec 56 of 1978; Act [24 of 1982](#)]

1. Short title

This Act may be cited as the International Monetary Fund (Membership of Seychelles) Act.

2. Definitions

In this Act, unless the context otherwise requires—

"**Central Bank**" means the Central Bank of Seychelles established by section 3 of the Central Bank of [Cap. 26](#). Seychelles Act;

"**special drawing rights**" means special drawing rights allocated by the Fund under Article XV of the Fund Agreement;

"**the Fund**" means the International Monetary Fund established under the Fund Agreement;

"**the Fund Agreement**" means the Articles of Agreement of the International Monetary Fund, as amended;

"**the Membership Resolution**" means resolution number 31 - 37 adopted by the Board of Governors of the Fund prescribing the terms and conditions for the membership of Seychelles in the Fund, as set out in the First Schedule;

"**the Minister**" means the Minister responsible for Finance;

"**the Special Drawing Rights Department**" means the Special Drawing Rights Department maintained by the Fund under the Fund Agreement.

3. Acceptance of Fund Agreement, etc.

The President is authorised to empower, by instrument under his hand, the person named in the instrument, on behalf of the Government—

- (a) to sign the Fund Agreement;
- (b) to deposit pursuant to section 2(a) of Article XX of the Fund Agreement with the Government of the United States of America an instrument executed by the President setting forth—
 - (i) that the Government accepts in accordance with its law the Fund Agreement and the terms and conditions prescribed in the Membership Resolution as the terms and conditions upon which Seychelles shall be admitted to membership in the Fund; and
 - (ii) that the Government has taken all steps necessary to enable Seychelles to carry out all its obligations under the Fund Agreement and the Membership Resolution; and
- (c) to deposit with the Fund an instrument executed by the President setting forth those matters referred to in section 1 of Article XVII of the Fund Agreement, being matters required by that section to be set forth by a member wishing to become a participant in the Special Drawing Rights Department.

4. Amendment to Fund Agreement

The President is hereby authorised—

- (a) to accept on behalf of the Government; and
- (b) to empower such person as he shall designate to communicate on behalf of the Government the acceptance of;

such amendments as may from time to time be made to the Fund Agreement.

5. Depository

- (1) The Central Bank of Seychelles is hereby designated for the purposes of section 2 of Article XIII of the Fund Agreement as the depository in Seychelles for all the Fund's holdings of Seychelles Currency.
- (2) To carry out its functions under subsection (1) the Central Bank shall open an account, to be known as the Special Treasury Account, which shall be managed by the Central Bank.

6. Central Bank designated fiscal agency

The Central Bank is hereby designated as the fiscal designated agency pursuant to section 1 of Article V of the Fund Agreement fiscal agency and is accordingly authorised to carry out, on behalf of Seychelles, all transactions and operations under the various provisions of the Fund Agreement.

7. Special drawing rights

- (1) The Central Bank is authorised, on behalf of Seychelles, to acquire or dispose of special drawing rights and of any proceeds from their use and to make payments in or in respect of any use of special drawing rights in accordance with the Fund Agreement
- (2) Special drawing rights and any proceeds from their use shall be kept in a fund to be known as the Special Drawing Rights Fund which shall be established by the Central Bank.

8. Payment of charges

There shall be payable out of the Consolidated Fund, which is, to the necessary extent, hereby charged accordingly, such amounts as Seychelles is, from time to time, required to pay to the Fund under the Fund Agreement and the Membership Resolution.

9. Issue of securities

- (1) To the extent to which the Fund is prepared to accept from Seychelles, in place of any payment which Seychelles is required to make to the Fund, or in substitution for any Seychelles currency held by the Fund, notes or similar obligations issued by Seychelles, the Central Bank on behalf of the Government, may create and authorise the issue of securities.
- (2) Securities issued pursuant to subsection (1)—
 - (a) shall be payable to the Fund;
 - (b) shall be non-negotiable and non-interest bearing; and
 - (c) shall be payable at their par value on demand.
- (3) Sums payable on any security issued pursuant to subsection (1) are hereby charged on and shall be paid out of the Consolidated Fund.

- (4) Where, upon the redemption of any securities issued pursuant to subsection (1), the moneys necessary to redeem the security are not paid out of any loan raised under this Act, the moneys shall be paid out of the Consolidated Fund. which is, to the necessary extent, hereby charged accordingly.

10. Authority to borrow

- (1) For the purpose of providing any sum required for making any payments under this Act, the Minister may, on behalf of the Government, raise loans by the creation and issue of securities bearing such rates of interest and subject to such terms and conditions as to repayment, redemption or otherwise as the Minister may think, fit.
- (2) Sums payable for any securities issued pursuant to subsection (1) are hereby charged on and shall be paid out of the Consolidated Fund.

11. Certain provisions of Fund Agreement to have force of law

- (1) Subject to subsection (2), the provisions of the Fund Agreement set out in the Second Schedule shall have the force of law in Seychelles.
- (2) Nothing in section 9 of Article IX of the Fund Agreement set out in the Second Schedule shall be construed as—
 - (a) entitling the Fund to import goods free of tax or duty without any restriction on their subsequent sale;
 - (b) conferring on the Fund any exemption from duties or taxes which form part of the price of goods sold; or
 - (c) conferring on the Fund any exemption from duties or taxes which are, and are no more than, charges for services rendered.

12. Regulations

The Minister may make regulations prescribing all matters which are necessary or convenient to be prescribed for carrying out or giving effect to this Act.

First Schedule (Section 2)

The membership resolution

Membership for Seychelles

WHEREAS, the Government of Seychelles on May 7, 1976 applied for admission to membership in the International Monetary Fund in accordance with Section 2 of Article II of the Articles of Agreement of the Fund; and

WHEREAS, pursuant to Section 21 of the By-Laws of the Fund, the Executive Directors have consulted with the representative of that Government and have agreed upon the terms and conditions which, in the opinion of the

Executive Directors, the Board of Governors may wish to prescribe for admitting Seychelles to membership in the Fund;

NOW, THEREFORE, the Board of Governors, having considered the recommendations of the Executive Directors, hereby resolves that the terms and conditions upon which Seychelles shall be admitted to membership in the Fund shall be as follows:

1. **Definitions:**

As used in this Resolution:

- (a) The term "Fund" means the International Monetary Fund.
- (b) The term "Articles" means the Articles of Agreement of the International Monetary Fund.
- (c) The term "SDR" means the Special drawing right.

2. **Quota:**

The initial quota of Seychelles shall be the equivalent of SDR 1.0 million, which shall be increased to the equivalent of SDR 1.3 million on the date on which quota means become effective under the Sixth General Review of Quotas, provided that, if Seychelles becomes a member after that date, the initial quota of Seychelles shall be the equivalent of SDR 1.3 million.

3. **Subscription:**

The subscription of Seychelles shall be equal to its quota.

4. **Payment of subscription:**

Seychelles shall pay its initial subscription, equal to the initial quota, in the currency of Seychelles within three months after becoming a member, and if the initial quota of Seychelles is increased to SDR 1.3 million, Seychelles shall pay the increased subscription on the terms prescribed in Board of Governors Resolution No. 31-2, adopted March 22, 1976 for increases in quotas under the Sixth General Review of Quotas. For the purpose of these payment, Seychelles shall agree with the Fund on a rate of exchange for the currency of Seychelles. Within three months after the payment of the initial subscription, Seychelles shall repurchase an amount of its currency equivalent to not less than SDR 100,000. A further repurchase equivalent to the difference between SDR 250,000 and the amount of the first repurchase shall be made not later than two years after the date of membership, in one or more installments. The repurchases by Seychelles under this paragraph shall be made with assets acceptable to the Fund, in accordance with the Fund's policies and practices at the time of repurchase.

5. **Exchange arrangements:**

In the period between accepting membership and the date of the second amendment of the Articles, Seychelles shall notify the Fund of any changes in its exchange rates prevailing at the time of accepting membership and shall consult with the Fund with respect of its exchange rates whenever the Fund so requests. After the date of the second amendment the exchange arrangements of Seychelles shall be in accordance with the Articles as amended.

6. **Exchange transactions with the Fund:**

Seychelles may not change in exchange transactions with the Fund until its subscription has been paid in full and the initial repurchase mentioned in paragraph 4 has been made.

7. **Representation and information:**

Before accepting membership in the Fund, Seychelles shall represent to the Fund that it has taken all action necessary to sign and deposit the Instrument of Acceptance and sign the Articles, as contemplated by paragraph 8(a) and (b) of this Resolution, and Seychelles shall furnish to the Fund such information in respect of such action as the Fund may request.

8. Acceptance of membership:

After the Fund shall have informed the Government of the United States of America that Seychelles has complied with the conditions set forth in paragraph 7 of this Resolution, Seychelles shall become a member of the Fund on the date when Seychelles shall have complied with the following requirements:

- (a) Seychelles shall deposit with the Government of the United States of America an instrument stating that it accepts in accordance with its law the Articles and all the terms and conditions prescribed in this Resolution, and that it has taken all steps necessary to enable it to carry out all its obligations under the Articles and this Resolution; and
- (b) Seychelles shall sign the original copy of the Articles held in the Archives of the Government of the United States of America.

9. Period for acceptance of membership:

Seychelles may accept membership in the Fund pursuant to this Resolution not later than six months after the effective date of this Resolution, which date shall be the date of its adoption by the Board of Governors: Provided, however, that, if extraordinary circumstances are deemed by the Executive Directors to warrant an extension of the period during which the applicant may accept membership pursuant to this Resolution, the Executive Directors may extend such period until such later date as they may determine.

Second Schedule (Section 11)**Provisions of Fund Agreement having the force of law****Article VIII – General obligations of members****2. Avoidance of restrictions on current payments**

- (b) Exchange contracts which involve the currency of any member and which are contrary to the exchange control regulations of that member maintained or imposed consistently with this Agreement shall be unenforceable in the territories of any member.

Article IX – Status, immunities and privileges**2. Status of the Fund**

The Fund shall possess full juridical personality, and, in particular, the capacity—

- (i) to contract;
- (ii) to acquire and dispose of immovable and moveable property;
- (iii) to institute legal proceedings.

3. Immunity from judicial process

The Fund, its property and its assets, wherever located and by whomsoever held, shall enjoy immunity from every form of judicial process except to the extent that it expressly waives its immunity for the purpose of any proceedings or by the terms of any contract.

4. Immunity from other action

Property and assets of the Fund, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

5. Immunity of Archives

The Archives of the Fund shall be inviolable.

6. Freedom of assets from restrictions

To the extent necessary to carry out the operations provided for in this Agreement, all property and assets of the Fund shall be free from restrictions, regulations, controls and moratoria of any nature.

7. Privilege for communication

The official communications of the Fund shall be accorded by members the same treatment as the official communications of other members.

8. Immunities and privileges of officers and employees

All Governors, Executive Directors, Alternates, members of committees, representatives appointed under Article XII, [Section 3\(j\)](#), advisors of any of the foregoing persons, officers, and employees of the Fund—

- (i) shall be immune from legal process with respect to acts performed by them in their official capacity except when the Fund waives this immunity;
- (ii) not being local nationals, shall be granted the same immunities from immigration restrictions, alien registration requirements, and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members; and
- (iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials, and employees of comparable rank of other members.

9. Immunities from taxation

- (a) The Fund, its assets, property, income and its operations and transactions authorized by this Agreement, shall be immune from all taxation and from all customs duties. The Fund shall also be immune from liability for the collection or payment to any tax or duty.
- (b) No tax shall be levied on or in respect of salaries and emoluments paid by the Fund to Executive Directors, Alternates, officers or employees of the Fund who are not local citizens, local subjects, or other local nationals.
- (c) No taxation of any kind shall be levied on any obligation or security issued by the Fund, including any dividend or interest thereon, by whomsoever held—
 - (i) which discriminates against such obligations or security solely because of its origin; or
 - (ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Fund.

Article XXI – Administration of the general department and the Special Drawing Rights Department

- (d) In addition to the privileges and immunities that are accorded under Article IX of this Agreement, no tax of any kind shall be levied on special drawing rights or on operations or transactions in special drawing rights.

Schedule D

If the Fund, pursuant to Article XII, Section 1 of its Articles of Agreement, declares that the provisions of Schedule D shall apply, Article IX, Section 8 shall apply to Councillors, their Alternates and Associates, and to any other person entitled to attend a meeting of the Council.