

CHAPTER 235

THE EXTERNAL LOANS ACT.

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CHAPTER 235

THE EXTERNAL LOANS ACT.

Commencement: 4 October, 1962.

An Act to authorise the raising of loans outside Uganda by the Government and to provide for matters incidental thereto and connected therewith.

1. Interpretation.

In this Act, unless the context otherwise requires—

- (a) “approved body” means any of the following bodies—
 - (i) the Uganda Development Corporation established by the Uganda Development Corporation Act; (ii) the Uganda Electricity Board established by the Electricity Act; (iii) any other body declared by the Minister by statutory order,
with the approval of Parliament signified by resolution, to be an approved body for the purposes of this Act;
- (b) “financial year” has the meaning ascribed to it in the Constitution;
- (c) “Minister” means the Minister responsible for finance.

2. Authority to raise loans.

(1) Subject to this Act, the Minister may in any financial year raise outside Uganda, upon such terms and conditions as to interest, repayment or otherwise as may be negotiated by the Minister, a loan or loans of such sum or sums as may be required to defray expenditure which may lawfully be defrayed.

(2) The total sum outstanding at any time in any financial year in respect of any loan or loans raised under this section in that year shall not exceed four hundred and seventy-six billion Uganda shillings (or such greater sum as Parliament may, in relation to any financial year, by resolution appoint) or the equivalent of that sum in the currency in which the loan is raised, calculated at the rate of exchange in force at the time of the raising of the loan and such further sum or sums as may be necessary to defray expenses in connection with the raising of the loan.

(3) Money borrowed under subsection (1) may, instead of being used in the manner provided by that subsection, be re-lent by the Government to an approved body where the approved body has agreed to pay to the Government (upon such terms and conditions as may be considered appropriate by the Minister) the amount which will be required for the repayment of the principal money of and the interest and any other charges on the loan.

(4) Subsection (2) shall not apply to money borrowed under subsection (1) which has been re-lent under subsection (3).

3. Money borrowed to be paid into Consolidated Fund.

Any money borrowed under section 2 shall be paid into and shall form part of the Consolidated Fund and shall be available in any manner in which that fund is available.

4. Loans to be charged on Consolidated Fund.

The principal money of, and all interest and other charges on, any loan raised under this Act and, where the money raised by any such loan is re-lent to an approved body, payments made to the approved body by way of such relending shall be charged upon and paid out of the Consolidated Fund without further appropriation than this Act.

5. Parliament to be informed of loans.

As soon as may be after negotiating any loan under this Act, the Minister shall lay on the table of Parliament a report on the loan specifying the lender, the sum borrowed, the terms and conditions as to interest and repayment and any further information which he or she considers appropriate.

6. Representative authority.

If the Minister in negotiating a loan under this Act, including a loan to an approved body, signs or otherwise executes any agreement or other document on behalf of the Government, he or she shall be deemed to do so as the duly authorised representative of the Government.

History: Cap. 156; Statute 5/1980; Ordinance 5/1989, s. 1; Statute 14/1992, s. 2.

Cross References

Constitution of 1995.

Electricity Act, Cap. 144.

Uganda Development Corporation Act, Cap. 326.