



Number 10 of 2000

**MULTILATERAL INVESTMENT GUARANTEE AGENCY
(AMENDMENT) ACT, 2000**

ARRANGEMENT OF SECTIONS

Section

1. Amendment of section 3 of Multilateral Investment Guarantee Agency Act, 1988.
2. Short title.

SCHEDULE

Multilateral Investment Guarantee Agency

Resolution No. 57

1998 General Capital Increase

[No. 10.] *Multilateral Investment Guarantee Agency (Amendment) Act, 2000.* [2000.]

Act Referred to

Multilateral Investment Guarantee Agency Act, 1988

1988, No. 32



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**MULTILATERAL INVESTMENT GUARANTEE AGENCY
(AMENDMENT) ACT, 2000**

AN ACT TO AMEND AND EXTEND THE MULTILATERAL
INVESTMENT GUARANTEE AGENCY ACT, 1988, AND
TO PROVIDE FOR RELATED MATTERS. [7th June, 2000]

BE IT ENACTED BY THE OIREACHTAS AS FOLLOWS:

1.—Section 3 of the Multilateral Investment Guarantee Agency Act, 1988, is hereby amended—

Amendment of
section 3 of
Multilateral
Investment
Guarantee Agency
Act, 1988.

(a) by the substitution for subsection (2) of the following subsection:

“(2) The following payments, as and when they become appropriate to be made on behalf of the State, shall be made out of the Central Fund or the growing produce thereof:

- (a) payments under Articles 6, 7 and 8 of the Convention in respect of subscription to the Agency,
- (b) payments under section (e) of Article 39 of the Convention, and
- (c) payments under Resolution 57 of the Multilateral Investment Guarantee Agency.”,

and

(b) by the addition of the following subsection:

“(7) In this section “Resolution 57 of the Multilateral Investment Guarantee Agency” means the Resolution set out in the *Schedule* to the *Multilateral Investment Guarantee Agency (Amendment) Act, 2000*, and, in so far as it relates to the State, the Annex attached to that Resolution.”.

2.—This Act may be cited as the *Multilateral Investment Guarantee Agency (Amendment) Act, 2000*. Short title.

SCHEDULE

Section 1.

Multilateral Investment Guarantee Agency

Resolution No. 57

1998 General Capital Increase

WHEREAS the original authorised capital stock of the Agency amounted to One Billion Special Drawing Rights (SDR 1 billion) at a fixed value of 1.082 United States dollars per each SDR;

WHEREAS, in accordance with Article 5(c) of the Convention, the Council of Governors, may at any time, by special majority, increase the capital stock of the Agency;

WHEREAS Article 39(e) of the Convention states:

In case the capital stock of the Agency is increased pursuant to Section (c) of Article 5, each member which so requests shall be authorised to subscribe a proportion of the increase equivalent to the proportion which its stock theretofore subscribed bears to the total capital stock of the Agency, but no member shall be obligated to subscribe any part of the increased capital.

WHEREAS the Board of Directors has submitted a proposal to the Council of Governors for an increase in the authorised capital of the Agency;

WHEREAS the Board of Directors has proposed regulations for the subscription by members of the additional capital, prescribing in accordance with Article 39(f) "reasonable time limits for the submission by members of requests to make such subscriptions";

NOW THEREFORE the Council of Governors Resolves as follows:

1. The authorised capital stock of the Agency shall be increased by SDR 785,590,000, divided into 78,559 shares, each having a par value of SDR 10,000. All payment obligations shall be settled on the basis of the value of the SDR in terms of United States dollars at the rate of exchange of SDR 1 equals US\$1.082, as set forth in Article 5(a) of the Convention.

2. The provisions of this Resolution shall become immediately effective when Governors exercising not less than two-thirds of the total voting power representing not less than 55 percent of the subscribed shares of the capital stock of the Agency shall have voted in favour of this Resolution.

3. The subscription period shall commence on the date of approval of this Resolution and will cease three years thereafter. During this period, each signatory to the Convention listed in the attached Annex, entitled "Allocation, Subscription and Payment of the 1998 General Capital Increase," may subscribe up to the number of shares set forth opposite its name; provided those signatories that have not completed their membership requirements before the end of the subscription period shall not be entitled to subscribe the additional shares of capital stock. Members shall not be required to submit requests to subscribe the shares. It is understood that by making their payment each member has taken all necessary internal legislative steps to authorise its subscription of MIGA's 1998 General Capital Increase.

4. The subscription price shall be at par, and payment of subscriptions shall be made as follows:

17.65 percent cash in a “freely usable currency,” as defined in Article 3(e) of the Convention; and

82.35 percent subject to call by the Agency and payable in a “freely usable currency” when required to meet its obligations.

The Council of Governors encourages members to make the subscription increase payments in two instalments, the first during the first year of the subscription period for 50 percent of the paid-in portion, and the balance during the second year of the subscription period.

5. Each member that subscribes the additional shares shall have one additional subscription vote for each share of the additional capital subscribed. No additional membership votes (apart from the 177 membership votes that each member already has in accordance with Article 39(a) of the Convention) shall be allocated to subscribers of the additional capital.

6. As set forth in Article 39(c) of the Convention, shares that remain unsubscribed at the end of the three-year subscription period shall be utilized towards achieving parity of voting power between Category One and Category Two members.

(Adopted on March 29, 1999)

ANNEX

Allocation, Subscription and Payment of the 1998 General Capital Increase

1. Allocation of Shares and Subscriptions

Countries	Number of Additional Shares Allocated	Total Subscription (in SDR)	Total Subscription (in US\$)	Freely Usable Currency (in US\$)	Callable Capital (in US\$)
Category One:					
Ireland	281	2,810,000	3,040,420	536,634	2,503,786