

CHAPTER 12.29

SAINT LUCIA NATIONAL ECONOMIC FUND ACT

Revised Edition

Showing the law as at 31 December 2022

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• Act • Subsidiary Legislation •

ACT

(Acts 18 of 2019 and 15 of 2021)

Act 18 of 2019 .. in force 3 July 2019

Act 15 of 2021 .. in force 14 December 2021

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CHAPTER 12.29
SAINT LUCIA NATIONAL ECONOMIC FUND ACT

AN ACT to establish the Saint Lucia National Economic Fund and for related matters.

Commencement [3 July 2019]

PRELIMINARY

1. Short title

This Act may be cited as the Saint Lucia National Economic Fund Act.

2. Interpretation

In this Act —

“**Board**” means the Saint Lucia National Economic Fund Board referred to under section 6;

“**Chairperson**” means the person appointed under section 6(2)(a);

“**Deputy Chairperson**” means the appointed under section 6(3);

“**Fund**” means the Saint Lucia National Economic Fund established under section 3;

“**Government approved capital project**” means a Government approved project declared under section 4(2);

“**Minister**” means the Minister responsible for finance;

“**qualifying investment**” means cash paid under section 36(4)(b) of the Citizenship By Investment Act.

PART I
SAINT LUCIA NATIONAL ECONOMIC FUND

3. Establishment of Saint Lucia National Economic Fund

There is established a special fund to be known as the Saint Lucia National Economic Fund.

4. Functions of the Fund

(1) The functions of the Fund are —

- (a) to advance loans for a Government approved capital project;
- (b) to provide investment for a Government approved capital project;
- (c) to reduce Government debt;
- (d) to purchase Government bonds; and
- (e) to provide monies for a purpose approved by Cabinet. (*Amended by Act 15 of 2021*)

(2) For the purposes of subsection (1)(a) and (b), the Minister shall, after consultation with Cabinet, by Order published in the *Gazette*, declare a Government approved capital project.

5. Monies of the Fund

- (1) The monies of the Fund consists of qualifying investments of cash.
- (2) Monies of the Fund must be deposited to the credit of the Fund in a financial institution approved by the Minister.

6. Saint Lucia National Economic Fund Board

(1) The governing body of the Saint Lucia National Economic Fund is the Saint Lucia National Economic Fund Board.

(2) The Board consists of no less than 5 members and no more than 7 members to be appointed by Cabinet as follows —

- (a) the Director of Finance who is the Chairperson;
- (b) the Budget Director;
- (c) the Chief Economist;
- (d) a representative from Invest Saint Lucia;
- (e) a representative from the Ministry responsible for commerce;
- (f) a representative from the Attorney General's Chambers;
- (g) a representative from the private sector.

(3) Cabinet shall appoint one member of the Board to be the Deputy Chairperson.

(4) The Board shall —

- (a) manage the monies and business of the Fund;
- (b) consider and approve an application for a loan or an investment in a Government approved capital project;
- (c) ensure that a loan is used for the purpose for which it was granted;
- (d) ensure the repayment of a loan at the time it is due;
- (e) ensure that the proceeds of the loan are applied to the Government approved capital project;
- (f) establish and maintain a Sinking Fund to be administered and applied as the Board determines; and
- (g) do all things necessary or incidental to the effective performance of the functions of the Fund.

7. Term of appointment

A member of the Board is appointed for a period of 3 years.

8. Meetings

(1) The Board shall meet when necessary or expedient for the transaction of business and a meeting must be held at a time, place and on a date as the Board determines.

(2) The Chairperson or Deputy Chairperson shall preside at a meeting of the Board.

(3) The quorum of the Board is the majority of members including the Chairperson or Deputy Chairperson.

(4) A decision of the Board is by a majority of votes and if the voting is equal the person who presides has the casting vote.

9. Disclosure of interest

(1) A member of the Board who has a personal interest in a transaction of the Board or a matter before the Board shall disclose the nature of his or her interest to the Board.

(2) A member of the Board who discloses an interest under subsection (1) is disqualified from taking part in the deliberations of the Board with respect to that transaction or matter.

(3) Failure of a member of the Board to make a disclosure under subsection (1) constitutes sufficient reason for the removal of the member from the Board.

10. Regulation of proceedings

Subject to this Act, the Board may regulate its own proceedings.

11. Remuneration

Cabinet shall, on the recommendation of the Minister, determine the remuneration to be paid to the members of the Board.

PART II LOANS AND INVESTMENT

12. Loan

(1) A person may make an application to the Board for a loan from the Fund for a Government approved capital project.

(2) An application under subsection (1) must be in writing and accompanied by information relating to the Government approved capital project.

(3) The Board may, after consultation with Cabinet, grant or refuse an application made under subsection (1).

(4) In deciding the grant or refusal of an application, the Board shall, after consultation with Cabinet, take into consideration the credentials of the person and information relating to the Government approved capital project.

(5) The Board may, after consultation with Cabinet, grant a loan —

- (a) on terms and conditions as to interest, payment, security or otherwise including the condition that the loan amount must be utilized for the Government approved capital project;
- (b) with a precondition to the disbursement of the loan that the person must first invest in the project a minimum percentage of the total development cost of the Government approved capital project;
- (c) designating a Government agency as the facilitator of the loan and authorizing the transfer of the funds of the loan from the Fund to the facilitator.

13. Investment

(1) A person may make an application to the Board for investment by Government through the Fund in a Government approved capital project.

(2) An application under subsection (1) must be in writing and be accompanied with information relating to the Government approved capital project.

(3) The Saint Lucia National Economic Fund Board may, after consultation with Cabinet, grant or refuse an application under subsection (1).

(4) In deciding the grant or refusal of an application, the Board shall, after consultation with Cabinet, consider the credentials of the person and the information relating to the Government approved capital project.

(5) The Board may, after consultation with Cabinet, grant an investment in exchange for a percentage of shares or other comparable benefit.

PART III FINANCE

14. Financial year of the Fund

The financial year of the Fund begins on the 1st day of April and ends on the 31st day of March in each year or as otherwise determined by the Minister, by Order published in the *Gazette*.

15. Budget and plan of action of the Fund

The Board shall, no later than the 31st day of October in each year cause to be prepared and shall adopt and submit to the Minister for the Fund in respect of the next financial year —

- (a) a budget with the estimates of its income and expenditure;
- (b) a plan of action.

16. Accounts

The Board shall keep proper records of accounts in accordance with generally accepted international accounting standards and principles and shall prepare and retain financial statements in respect of each financial year.

17. Audit

(1) The Board shall, with the approval of the Minister, within one month after the end of each financial year appoint an independent auditor.

(2) An independent auditor appointed under subsection (1), shall conduct the audit in accordance with generally accepted international auditing standards and principles.

(3) The Board shall grant to the independent auditor appointed under subsection (1) access to a book, deed, contract, account, voucher or other document which the independent auditor may consider necessary and the independent auditor may require the person holding or accountable for the document to appear, make a signed statement or provide information in relation to the document as the independent auditor considers necessary.

18. Auditor's report

An independent auditor appointed under section 17 shall not later than 3 months after the end of the financial year, submit a copy of the audited financial statement of the Fund and a report on the financial statement to the Board.

19. Annual report

(1) No later than 3 months after the end of each financial year, the Board shall submit to the Minister an annual report on the monies and business of the Fund for that financial year and the Minister shall, not later than 3 months after the submission of the annual report, lay the report in Parliament.

(2) An annual report under subsection (1) must —

- (a) include —

- (i) the number of applications made, granted and refused under sections 12 and 13,
 - (ii) the names, addresses and nationalities of persons whose application was granted or refused,
 - (iii) the amount and other details of the loan or investment,
 - (iv) other information as the Minister considers appropriate;
- (b) be accompanied by the auditor's report under section 18.

PART IV MISCELLANEOUS

20. Repeal

(1) Section 33 of the Citizenship By Investment Act is repealed.

(2) At the commencement of this Act, a reference in the Citizenship By Investment Act to the Saint Lucia National Economic Fund is a reference to the Fund established under this Act.

21. Regulations

The Minister may make Regulations to give effect to this Act.

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SUBSIDIARY LEGISLATION

No Subsidiary Legislation
