

**THE ANDEAN DEVELOPMENT CORPORATION  
AGREEMENT ACT**

**Act  
12 of 1999.**

[26th March, 1999.]

1. This Act may be cited as the Andean Development Corporation Agreement Act. **Short title.**

2. In this Act—

**Interpreta-  
tion.**

“the Corporation” means the Andean Development Corporation established by the Corporation Agreement;

“the Corporation Agreement” means the Agreement done at Bogota, Republic of Colombia on the 7th day of February, 1968 for the establishment and operation of an international body to be called the Andean Development Corporation, the text of which is set out in Part I of the Schedule;

**Schedule.  
Part I.**

“the Operating Conditions Agreement” means the Agreement Relating to Operating Conditions of the Corporation, the text of which is set out in Part II of the Schedule;

**Part II.**

“the Subscription Agreement” means the Agreement for the Subscription of Common Capital Stock of the Corporation, the text of which is set out in Part III of the Schedule.

**Part III.**

3.—(1) The Minister responsible for finance is authorized to pay for the account of Jamaica the amounts payable from time to time to the Corporation under the Subscription Agreement and the Operating Conditions Agreement :

**Financial  
provisions.**

Provided that the Bank of Jamaica may from time to time, subject to the terms of any agreement made by that

Bank with the Government, pay from its own funds such of the amounts aforesaid as may be specified in the agreement.

(2) The Minister responsible for finance may borrow from any person, any sum or sums required for payments under this section and, for the purpose of such borrowing, he may create and issue any securities bearing such rate of interest and subject to such conditions as to repayment, redemption or otherwise as he thinks fit.

(3) The principal and interest of any securities issued under subsection (2) and the expenses incurred in connection with their issue shall be charged on the Consolidated Fund.

(4) Subject to the terms of any agreement to the contrary made by the Bank of Jamaica with the Government pursuant to the proviso to subsection (1), any moneys received by the Government from the Corporation or raised by securities under subsection (2) shall be paid into the Consolidated Fund Account and shall form part of the Consolidated Fund and be available in any manner in which that Fund is available.

(5) The Bank of Jamaica shall act as a depository for the holdings of currency of Jamaica and other assets of the Corporation.

Status,  
immunities  
and privi-  
leges of  
the Cor-  
poration.

4.—(1) The provisions of—

- (a) Articles 4 ll., 47, 49, 50, 52, 53 a and b and 54 of the Corporation Agreement; and
- (b) paragraphs 2.2, 7, 8, 11.2, 12, 13, 14, 15, 16 and 18 of the Operating Conditions Agreement,

shall have the force of law in Jamaica.

Subscription  
to Series  
"C" shares.

5. The Government shall, pursuant to the Subscription Agreement, subscribe to the Series "C" shares of Common Capital Stock of the Corporation.

6. The Corporation shall be exempt from the provisions of the Banking Act, the Companies Act, the Financial Institutions Act and the Moneylending Act.

Exemption of Corporation from provisions of certain enactments.

**SCHEDULE**

(Section 2)

**PART I**

**AGREEMENT ESTABLISHING THE ANDEAN DEVELOPMENT CORPORATION**

The Governments of the Republics of Bolivia, Colombia, Chile, Ecuador, Perú and Venezuela, encouraged by the mutual desire of procuring, in the shortest possible time, the economic integration of their countries in order to accelerate the economic and social development of their people, in accordance with the principles set out in the Treaty of Montevideo, in the Charter of Punta del Este, in the Declaration signed in Bogotá by the Presidents of Colombia, Chile and Venezuela and by the Presidents of Bolivia, Ecuador and Perú, represented by their Personal Delegates, and in the Declaration of the Presidents of America at Punta del Este.

Manifesting the necessity that each of the signatory countries of the Declaration of Bogotá set as an object the creation of more adequate economic conditions for their participation in the Latin American Common Market;

Declaring that to attain the ends indicated they must overcome the difficulties that arise due to the different stages of development, from their different economic conditions in general and particularly of the markets in order to achieve a harmonious and balanced growth of the Subregion;

Bearing in mind that the Declaration of Bogotá created the Mixed Commission and other entities as organs for promotion, consultation and coordination of the policies which are to be adopted in the diverse subregional countries and advised on the creation of an organization to materialize and concretize the actions agreed to, especially those related to the study and execution of multinational projects and which serve as the dynamic element in the operation and completion of a subregional integration agreement;

Estimating that for the better realization of the diverse activities that the aforementioned organization must carry out in the Subregion to fulfill its objectives, it is advisable that each of the countries proceed to promulgate the pertinent legal, regulatory and administrative provisions;

Considering that the participation by public and private sectors of the countries within and outside of the Subregion, as well as the participation of international financing organizations has a significant importance because of technical, scientific and financial assistance they may provide;

**ANDEAN DEVELOPMENT CORPORATION AGREEMENT**

Expressing that joint action by the subregional countries is important to achieve a balanced and harmonious economic development, together with the rest of the Latin American nations which, when integrated, will form the Common Market;

Have resolved to create a development corporation and, to that effect, enter into the Agreement which constitutes it; designating for this purpose their Plenipotentiaries who, after having exhibited their full powers and these found to be in good and due form, have agreed to organize the Andean Development Corporation which shall be governed by the following provisions:

**CHAPTER I**

**NAME, LEGAL STATUS, HEADQUARTERS, OBJECT  
AND FUNCTIONS**

**Article 1. Name and Legal Character**

By means of the present Agreement the High Contracting Parties organize the Andean Development Corporation.

The Corporation is a legal entity of public international law and is subject to the provisions contained in the present instrument.

**Article 2. Headquarters**

The Corporation has its headquarters in the city of Caracas, Republic of Venezuela.

The Corporation may establish such agencies, offices or representation as deemed necessary for the carrying out of its functions, in each of the participating countries and thereout.

**Article 3. Object**

The object of the Corporation is to foster the subregional integration process. To this effect, within a sense of rational specialization and an even distribution of investments within the area, taking into consideration the necessity for effective action in favour of the relatively less developed countries and with adequate coordination with the organization in charge of the subregional integration, it shall foster the better use of the opportunities and resources which the area of action offers, through the creation of production and service enterprises and the expansion, modernization or conversion of the existing ones.

**Article 4. Functions**

To carry out the object indicated in the preceding article, the Corporation has the following functions:

- a. To effect studies destined for identifying investment opportunities and to direct and prepare the corresponding projects;
- b. To divulge among the countries of the area the results of its surveys and studies, with the objective of adequately orientating the investment of available resources;
- c. To provide directly or indirectly technical assistance and the necessary financing for the preparation and execution of multinational or complementation projects;

- ch. To obtain internal or external credits;
- d. To issue bonds, debentures or other obligations which may be placed within or outside the Subregion;
- e. To promote the attraction and mobilization of resources;

In exercising the functions referred to in this and the preceding paragraph, the Corporation shall be subject to the legal provisions of the countries in which said functions are exercised, or in whose national currencies the respective commitments are designated;

- f. To promote capital and technological contributions under the most favourable conditions;
- g. To grant loans and provide pledges, endorsements and other guaranties;
- h. To promote granting of share subscriptions guarantees (underwriting) and grant such guaranties in cases where adequate conditions are met;
- i. To promote the organization of enterprises, their expansion, modernization or conversion, to such effect it being able to subscribe to shares or participations.

The Corporation may transfer the shares, securities, rights, and commitments which it acquires, offering them in the first place to public or private entities of the Subregion and, in the event of lack of interest on their part, to third parties interested in the economic and social development of the same;

- j. To realize under the conditions determined specific tasks or acts related to its purposes which may be entrusted to it by its shareholders or third parties;
- k. To coordinate its actions with those of the other national and international entities in the development of the Subregion;
- l. To recommend the necessary mechanisms of coordination for the entities or organizations of the area which provide the investment resources;
- ll. To acquire, and dispose of, movable and immovable property, file or answer legal and administrative actions and, in general, to effect all types of operations, acts, contracts and agreements required for the fulfilment of its ends.

## CHAPTER II CAPITAL, SHARES AND SHAREHOLDERS

### Article 5.<sup>1</sup> Capital

- <sup>1</sup> 1. The authorized capital of the Corporation is TWO MILLION FIFTY THOUSAND U.S. Dollars (US\$2,000,050,000.00) divided into Series "A" and Series "B" shares, in addition to Series "C", the issuance of which is authorized by the Board of Directors.

(1) Adjusted according to Decision No. 97/90 of the Extraordinary Shareholders Assembly held on June 12, 1990.