

THE REPUBLIC OF KIRIBATI
(No. 8 of 1999)

I assent

Beretitenti
Assented: 21st March 1999

AN ACT TO AMEND THE DEVELOPMENT BANK OF KIIRIBATI ACT 1999

Commencement:
1999

Made by the Maneaba ni Maungatabu and assented to by the Beretitenti.

Short title

1. This Act may be cited as the Development Bank of Kiribati (Amendment) Act 1999.

Amendment to section 22

2. Section 22 of the Development Bank of Kiribati Act 1986 (hereinafter referred to as the “principal Act”) is hereby repealed and the following section substituted:

“22. The Board from time to time may with the approval of the Minister by resolution recorded in writing delegate to:

- (a) a committee of the Board;
- (b) a member of the Board;
- (c) the General Manager;
- (d) the Deputy General Manager;

the power and authority to perform on its behalf any duty or function upon such conditions as the Board thinks fit.

Amendment of section 28

3. Section 28 of the principal Act is hereby amended by deleting the figure “2,500,000” in both places that it appears and substituting the figure “5,000,000” in both places.

New section 32(3)

4. Section 32(3) of the principal Act is hereby repealed and the following subsection substituted:-

“(3) signing authority on any Bank account of the Bank must be duly authorized by the Board of Directors”.

New Section 41(1)

5. Section 4 1(1) of the principal Act is hereby repealed and the following subsection substituted:-

“(1) A borrower shall insure and keep insured, with an insurer approved by the Bank all property the subject of a security, or property that has been obtained under or by virtue of loan, against such risks and for such value as the Bank shall require.”

Amendment of Section 44

6. Section 44 of the principal Act is hereby repealed and the following section is substituted:-

“44. The Bank may, with the approval of the Minister, write off any amount under this Act that the Board reasonably considers is unrecoverable”.

DEVELOPMENT BANK OF KIRIBATI (AMENDMENT) ACT 1999

EXPLANATORY MEMORANDUM

The purpose of this Act is to amend the principal Act to improve the administrative efficiency of the Bank.

Section 2 provides a new section 22 of the principal Act which gives to the Board power to delegate any function to the General Manager and the Deputy General Manager provided the delegation is approved by the Minister,

Section 3 amends section 28 of the principal Act by increasing the authorised share capital of the Bank from \$2,500,000 to \$5,000,000.

Section 4 provides a new section 32(3) of the principal Act which provides that signing cheques and orders for payment, must be authorised by the Board.

Section 5 provides a new section 41(1) which removes the strict insurance requirements of the old subsection and allows the bank to determine the level of insurance required in each particular case.

Section 6 amends the existing section 44 to empower the Bank to write off any amount which the Board consider unrecoverable. But the Minister must approve.

Michael N. Takabwebwe
Attorney General
18 May 1999