



# **THE STATUTES OF THE REPUBLIC OF SINGAPORE**

## **INTERNATIONAL FINANCE CORPORATION ACT**

### **(CHAPTER 144)**

**(Original Enactment: Act 20 of 1968)**

**REVISED EDITION 2013**

**(31st December 2013)**

*Prepared and Published by*

THE LAW REVISION COMMISSION  
UNDER THE AUTHORITY OF  
THE REVISED EDITION OF THE LAWS ACT (CHAPTER 275)

PRINTED BY THE GOVERNMENT PRINTER, SINGAPORE

2013

# International Finance Corporation Act

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An Act to implement the International Agreement for the establishment and operation of the International Finance Corporation and to enable Singapore to become a member thereof and for matters connected therewith.

[15th August 1968]

### **Short title**

1. This Act may be cited as the International Finance Corporation Act.

### **Interpretation**

2. In this Act, unless the context otherwise requires —

“Agreement” means the Articles of Agreement opened for signature at Washington on 25th May 1955 (as may be subsequently amended) providing for the establishment and operation of the international body known as the International Finance Corporation;

“Corporation” means the International Finance Corporation established under the Agreement.

### **Acceptance of Agreement**

3. The President is hereby authorised by instrument under his hand to empower such person as may be named in the instrument, on behalf of the Government —

- (a) to sign the Agreement; and
- (b) to deposit with the International Bank for Reconstruction and Development an instrument of acceptance stating that the Government has accepted without reservation in accordance with the laws of Singapore the Agreement and the terms and conditions of the Resolution by the Board of Governors of the Corporation, dated 8th March 1968, providing for the admission of Singapore to membership, and has taken all steps necessary to enable the Government to carry out all its obligations under the Agreement and the said Resolution.

### **Financial provisions**

4. There shall be charged and paid out of the Consolidated Fund all sums required for the purpose of making payments on behalf of the Government —

- (a) under section 3 of Article II of the Agreement (which provides for the subscription of shares of stock of the Corporation); and
- (b) under section 4 of Article V of the Agreement (which relates to the cessation of membership of the Corporation).

### **Power to raise loans**

5. For the purposes of providing any sums required for making any payments to the Corporation, the Minister with the President’s concurrence under Article 144(1)(b) of the Constitution may, on behalf of the Government, raise loans by the creation and issue of securities bearing such rates of interests and subject to such conditions as to repayment, redemption or otherwise as he may think fit, and the principal and interest of those securities and any expenses incurred in

connection with their issue shall be charged on and paid out of the Consolidated Fund.

[11/91]

## **Receipts**

**6.** All sums received by or on behalf of the Government from the Corporation shall be paid into the Consolidated Fund.

## **Certain provisions of Agreement to have force of law**

**7.—**(1) Notwithstanding anything to the contrary in any other written law, the provisions of the Agreement set out in the Schedule shall have the force of law:

Provided that nothing in section 9 of Article VI of the Agreement shall be construed as —

- (a) entitling the Corporation to import into Singapore goods free of any duty of customs without any restriction on their subsequent sale therein;
- (b) conferring on the Corporation any exemption from taxes or duties which form part of the price of goods sold; or
- (c) conferring on the Corporation any exemption from taxes or duties which are no more than charges for services rendered.

(2) The Minister may, by notification in the *Gazette*, amend the Schedule in conformity with any amendments to the provisions of the Agreement set out therein which may hereafter be duly made and adopted.

## **Power to make rules**

**8.—**(1) The Minister may make rules for carrying out or giving effect to the provisions of this Act.

(2) Such rules shall be presented to Parliament as soon as possible after publication.

**THE SCHEDULE**

Section 7

**PROVISIONS OF AGREEMENT HAVING THE FORCE OF LAW****ARTICLE VI****STATUS, IMMUNITIES AND PRIVILEGES***Section 2. Status of the Corporation*

The Corporation shall possess full juridical personality and, in particular, the capacity —

- (i) to contract;
- (ii) to acquire and dispose of immovable and movable property;
- (iii) to institute legal proceedings.

*Section 3. Position of the Corporation with Regard to Judicial Process*

Actions may be brought against the Corporation only in a court of competent jurisdiction in the territories of a member in which the Corporation has an office, has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities. No actions shall, however, be brought by members or persons acting for or deriving claims from members. The property and assets of the Corporation shall, wherever located and by whomsoever held, be immune from all forms of seizure, attachment or execution before the delivery of final judgment against the Corporation.

*Section 4. Immunity of Assets from Seizure*

Property and assets of the Corporation, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

*Section 5. Immunity of Archives*

The archives of the Corporation shall be inviolable.

*Section 6. Freedom of Assets from Restrictions*

To the extent necessary to carry out the operations provided for in this Agreement and subject to the provisions of Article III, section 5, and the other provisions of this Agreement, all property and assets of the Corporation shall be free from restrictions, regulations, controls and moratoria of any nature.

THE SCHEDULE — *continued**Section 7. Privilege for Communications*

The official communications of the Corporation shall be accorded by each member the same treatment that it accords to the official communications of other members.

*Section 8. Immunities and Privileges of Officers and Employees*

All Governors, Directors, Alternates, officers and employees of the Corporation —

- (i) shall be immune from legal process with respect to acts performed by them in their official capacity;
- (ii) not being local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members;
- (iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

*Section 9. Immunities from Taxation*

- (a) The Corporation, its assets, property, income and its operations and transactions authorised by this Agreement, shall be immune from all taxation and from all customs duties. The Corporation shall also be immune from liability for the collection or payment of any tax or duty.
- (b) No tax shall be levied on or in respect of salaries and emoluments paid by the Corporation to Directors, Alternates, officials or employees of the Corporation who are not local citizens, local subjects, or other local nationals.
- (c) No taxation of any kind shall be levied on any obligation or security issued by the Corporation (including any dividend or interest thereon) by whomsoever held —
  - (i) which discriminates against such obligation or security solely because it is issued by the Corporation; or
  - (ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Corporation.

THE SCHEDULE — *continued*

- (d) No taxation of any kind shall be levied on any obligation or security guaranteed by the Corporation (including any dividend or interest thereon) by whomsoever held —
  - (i) which discriminates against such obligation or security solely because it is guaranteed by the Corporation; or
  - (ii) if the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Corporation.

*Section 11. Waiver*

The Corporation in its discretion may waive any of the privileges and immunities conferred under this Article to such extent and upon such conditions as it may determine.

## LEGISLATIVE HISTORY

### INTERNATIONAL FINANCE CORPORATION ACT (CHAPTER 144)

This Legislative History is provided for the convenience of users of the International Finance Corporation Act. It is not part of the Act.

#### **1. Act 20 of 1968 — International Finance Corporation Act 1968**

Date of First Reading	: 11 July 1968 (Bill No. 32/68 published on 15 July 1968)
Date of Second and Third Readings	: 31 July 1968
Date of commencement	: 15 August 1968

#### **2. 1970 Revised Edition — International Finance Corporation Act (Chapter 70)**

Date of operation	: 1 April 1971
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#### **3. 1985 Revised Edition — International Finance Corporation Act (Chapter 144)**

Date of operation	: 30 March 1987
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#### **4. Act 11 of 1991 — Statutes (Miscellaneous Amendments) Act 1991**

Date of First Reading	: 3 January 1991 (Bill No. 38/90 published on 4 January 1991)
Date of Second and Third Readings	: 14 January 1991
Date of commencement	: 30 November 1991 (item (14) of the Schedule — amendment of International Finance Corporation Act)