

CENTRAL BANK OF THE BAHAMAS (AMENDMENT) BILL, 2023

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CENTRAL BANK OF THE BAHAMAS (AMENDMENT) BILL, 2023

A BILL FOR AN ACT TO AMEND THE CENTRAL BANK OF THE BAHAMAS ACT

Enacted by the Parliament of The Bahamas

1. Short title and commencement.

- (1) This Act may be cited as the Central Bank of The Bahamas (Amendment) Act, 2023.
- (2) This Act shall be deemed to have come into force on the 1st day of December 2022.

2. Insertion of new section 17A into No. 24 of 2020.

The Central Bank of The Bahamas Act, 2020, is amended by the insertion, immediately after section 17, of the new section 17A as follows —

“17A. Government may access Special Drawing Rights.

- (1) For the avoidance of doubt, notwithstanding any other provision of this Act or any other written law and subject to subsection (2), the Minister shall be entitled to access, utilize or convert Special Drawing Rights allocated by the International Monetary Fund and apply the proceeds of such conversion —
 - (a) to reduce the Government’s foreign currency debt obligations; and
 - (b) to manage the Government’s foreign currency debt operations.
- (2) The Minister’s access, use or conversion of any Special Drawing Rights shall be —

- (a) consistent with any permitted use of Special Drawing Rights set out in guidance notes or policies published by the International Monetary Fund; and
 - (b) upon such terms and conditions as may be agreed between the Minister and the Bank, subject to the provisions of this Act.
- (3) Section 21 shall not apply to —
- (a) the use or conversion of Special Drawing Rights; and
 - (b) the proceeds from such conversion.”.

OBJECTS AND REASONS

The Central Bank of The Bahamas (Amendment) Bill, 2023, seeks to make provision for the insertion immediately after section 17, of a new section 17A, to empower the Minister to access, utilize or convert Special Drawing Rights allocated by the International Monetary Fund, for the purpose of reducing its foreign currency debt obligations and to manage its foreign currency debt operations.