

REPUBLIC OF VANUATU

THE COMPENSATION (LOAN) ACT No. 26 OF 1984

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An Act to authorise the borrowing of 142 million Vatu for the purpose of enabling the government to make ex-gratia payments to persons suffering damage arising out of civil disturbances from May to August 1980.

**WHEREAS**

1. It is the intention of the government to make ex-gratia payments to persons and Corporations who have suffered financial losses and/or damage to property and effects, and/or injury as a direct result of civil disturbances on the islands of Santo, Tanna and Malekula between May and August 1980.

2. It is the intention of the government that such ex-gratia payments should be of equal amounts to the amounts to be paid out of monies received from the UK government in respect of compensation claims accepted as valid by the independent assessors Peat Marwick Mitchell and Co. in their report of 21st October 1983. The ex-gratia payments thus to be paid out being one-third of valid claims from UK monies, and one-third of valid claims from the government of Vanuatu.

3. It is the intention of the government that the ex-gratia payments from the government of Vanuatu totalling 142 million Vatu be financed out of sums to be advanced by Barclays Bank International Limited on terms and conditions as may be agreed between the government and Barclays Bank International Limited.

**NOW THEREFORE BE IT ENACTED** by the President and Parliament as follows :-

**DEFINITION**

1. In this Act "Minister" means the Minister responsible for finance.

**MINISTER'S AUTHORITY TO BORROW**

2. The Minister is hereby authorised to borrow from Barclays Bank International Limited a sum of money not exceeding 142 million Vatu on such terms and conditions as shall be agreed in writing between the Minister and Barclays Bank International Limited subject to the previous approval of the Council of Ministers.

**PURPOSE OF THE BORROWING**

3. All moneys borrowed under Section 2 shall be paid into a Compensation Fund and sums paid thereout shall be exclusively for the purpose of making the ex-gratia payments referred to above.

**LOAN SERVICE CHARGES**

4. The principal repayments, interest, establishment fees in respect of the loan borrowed under section 2 shall be a prior charge on the Revenue Fund and budgetary provision shall be made as necessary from time to time in respect of those loan service charges.

**ACT No. 20 OF 1982 NOT TO APPLY**

5. The provisions of the Government Borrowing and Guarantee Act No. 20 of 1982 shall not apply to any moneys borrowed or applied in pursuance of the provisions of this Act.

**COMMENCEMENT**

6. This Act shall come into force on the date of its publication in the Gazette.