

TANGANYIKA



No. 38 OF 1962

I ASSENT,

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Governor-General

11TH JULY, 1962

**An Act to authorize the Raising of Loans outside Tanganyika by the Government, to provide for the guarantee by the Government of Loans Raised by certain other Bodies and for matters incidental thereto and connected therewith**

[13TH JULY, 1962]

ENACTED by the Parliament of Tanganyika.

1. This Act may be cited as the Loans and Guarantees Act, 1962. Short title

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

Interpreta-  
tion

“financial year” means the period from the first day of July in any year to the next following thirtieth day of June;

“Minister” means the Minister for the time being responsible for finance.

3. Subject to the provisions of this Act, the Minister may, in any financial year, raise outside Tanganyika, upon such terms and conditions as to interest, repayment or otherwise as may be negotiated by the Minister, a loan or loans of such sum or sums as may be required to defray expenditure which may lawfully be defrayed:

Authority  
to raise  
loans

Provided that the total sum outstanding at any time in any financial year in respect of any loan or loans raised under this section in that year shall not exceed twenty million pounds (or such greater sum as the National Assembly may, in relation to any financial year, by resolution appoint), or the equivalent thereof in the currency in which the loan or loans is raised calculated at the rate of exchange in force at the time of the raising thereof, and such further sum or sums as may be necessary to defray expenses in connection with the raising thereof.

4. Any money borrowed under the provisions of section 3 shall be paid into and shall form part of the Consolidated Fund and shall be available in any manner in which such Fund is available.

Money  
borrowed  
to be  
paid into  
Consoli-  
dated Fund

5. The principal money of, and all interest and other charges on, any loan raised under this Act shall be charged upon and paid out of the Consolidated Fund without further appropriation than this Act.

Loans to  
be charged  
on Consoli-  
dated Fund

Guarantee  
of certain  
loans

6.—(1) The Government may, subject to the provisions of this section, guarantee in such manner and on such conditions as it may think fit the repayment of the principal money of and the payment of the interest and other charges on any loan raised either within or outside Tanganyika by a local authority or a body corporate (in this section together referred to as the borrower).

(2) No such loan shall be guaranteed—

(a) unless the purpose of the loan is approved by the Minister; and

(b) until the borrower has provided to the satisfaction of the Minister—

(i) for appropriating and duly applying the loan for such purpose;

(ii) for ensuring that any part of the loan which cannot be applied for such purpose will be applied for such other purposes as may be approved by the Minister;

(iii) for charging on the general revenues and assets of the borrower or any other revenues or assets which may be made available for the purpose the principal of and the interest and other charges on the loan;

(iv) for charging on the general revenues and assets of the borrower the repayment to the Consolidated Fund of any sum paid thereout under subsection (3) with such interest on the said sum as may be specified by the Minister; and

(v) for raising or securing the raising of sufficient money to meet the above charges.

(3) Any sum required for fulfilling any guarantee given under this section shall be charged on and paid out of the Consolidated Fund without further appropriation than this Act and any sum received by way of repayment of any sum so paid shall be paid into and form part of the Consolidated Fund.

(4) In this section—

“local authority” means a city or municipal council established under the Municipalities Ordinance and a town council or a district council established under the Local Government Ordinance; and

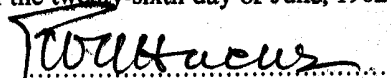
“body corporate” includes a co-operative society registered under the Co-operative Societies Ordinance.

Cap. 105

Cap. 333

Cap. 211

Passed in the National Assembly on the twenty-sixth day of June, 1962

  
Clerk of the National Assembly