



THE ANGUILLA HOUSE OF ASSEMBLY

RESOLUTION

No: 460/2016

HOUSE OF ASSEMBLY IN THE MATTER OF THE GUARANTEE OF A LOAN IN FAVOUR OF THE ANGUILLA AIR AND SEA PORTS AUTHORITY

TO GUARANTEE the Borrowing by the Anguilla Air and Sea Ports Authority (hereinafter referred to as the Authority)

WHEREAS the Authority may under section 26 (1) (a) of the Anguilla Air and Sea Ports Authority Act R.S.A. c. A57 with the approval of the Minister and to the extent that it considers it necessary to carry out its objects borrow money by way of loan;

AND WHEREAS the Minister may under section 27 of the Anguilla Air and Sea Ports Authority Act R.S.A. c. A57 with the approval of the House of Assembly guarantee in such manner and on such conditions as he may think fit the repayments of the principal of and the payments of interest and other charges on any authorised borrowing by the Authority

AND WHEREAS the Government may under section 26 (3) with the approval by resolution of the House of Assembly act as guarantor in respect of a loan by the Authority

BY RESOLUTION MADE in the House of Assembly under sections 26 (1) and (3) and 27 of the Anguilla Air and Sea Ports Authority Act R.S.A. c. A57 it was proposed and seconded on the 31st day of May 2016 that the Government act as guarantor in respect of a loan by the Authority;

BE IT RESOLVED that, in accordance with section 41 of the Financial Administration and Audit Act R.S.A. c. F27 and under sections 26 (1) and (3) and 27 of the Anguilla Air and Sea Ports Authority Act R.S.A. c. A57 the House of Assembly approves that the Government of Anguilla acts as guarantor of 80% (up to EC\$3.2 million) of a loan for and on behalf of the Authority to undertake the urgent maintenance and repairs of the Road Bay Jetty as specified in the Schedule.



Leroy C Rogers
Speaker

Approved by the House of Assembly, the 31st day of May, 2016.



Lenox J Proctor
Clerk of the House of Assembly

SCHEDULE

IN THE MATTER OF THE GUARANTEE OF A LOAN IN FAVOUR OF THE ANGUILLA AIR AND SEA PORTS AUTHORITY

Recitals

WHEREAS the Anguilla Air and Sea Ports Authority (hereinafter referred to as the "Authority") was established by the Anguilla Air and Sea Ports Authority Act R.S.A. c A57 and is responsible for the maintenance, repair, alteration or replacement in whole or in part of the ports of Anguilla;

AND WHEREAS in 2014 at the request of the Government of Anguilla, the UK Government directed the Royal Engineers to undertake a study of the structural integrity of the Road Bay Jetty;

AND the Royal Engineers concluded in their July 2014 report that *"The Road Bay Jetty structure is a key infrastructure asset. There is no realistic economically viable alternative to delivery of bulk freight onto the Island at present and as such its continued operation is critical. The existing structure should be considered to be at the extents of its working life."*

AND WHEREAS the Government of Anguilla is not yet in full compliance with the Fiscal Responsibility Act R.S.A. c F38 and the 2013 Framework for Fiscal Sustainability and Development (hereinafter referred to the "FFSD") and the debt risk weighting of the Authority to the Government of Anguilla has been assessed at 80%;

AND in section 3 of Annex A of Schedule 1 of the Fiscal Responsibility Act R.S.A c. F38 public borrowing is defined to include the risk weighted debts and PPP/PFI (public private partnership/private finance initiative) arrangements of statutory authorities, government corporations and companies and other specified debts guaranteed by the Government of Anguilla;

AND WHEREAS the Authority has utilised a competitive, accountable, open and transparent mechanism for the selection of a contractor to design build and finance the repairs of the Road Bay Jetty;

AND the Government of Anguilla has received sufficient assurance from the Authority that it can meet the loan payments and the Government of Anguilla through the analysis and approval of the Authority's 2016 business plan has mandated rigorous conditions and processes to monitor the risks of the operations of the Authority;

AND WHEREAS the Government of Anguilla in accordance with section 34 of the FFSD has sought and received written approval from the UK Government for the loan financing arrangements and to guarantee the loan on behalf of the Authority as recited below;

AND in that regard the UK Government has by letter dated the 4th day of May 2016 addressed to the Honourable Chief Minister Victor F Banks under the hand of James Duddridge MP Minister for Africa, Overseas Territories and the Caribbean approve the-

- (a) decision of the Authority to obtain a loan for the financing of repairs to the Road Bay Jetty; and
- (b) approve the provision of a Government guarantee of 80 % of the financing (up to EC\$3.2m);

AND WHEREAS the Government of Anguilla is required by section 41 of the Financial Administration and Audit Act R.S.A. c F27 and Sections 26 (1) and (3) and 27 of the Anguilla Air and Sea Ports Authority Act R.S.A. c A57 to obtain the approval of the House of Assembly before it may act as a guarantor in respect of the loan on behalf of the Authority;

Resolution

BE IT RESOLVED that, in accordance with section 41 of the Financial Administration and Audit Act R.S.A. c. F27 and under sections 26 (1) and (3) and 27 of the Anguilla Air and Sea Ports Authority Act R.S.A. c. A57 the House of Assembly approves that the Government of Anguilla acts as guarantor of 80% (up to EC\$3.2 million) of a loan for and on behalf of the Authority to undertake the urgent maintenance and repairs of the Road Bay Jetty.

Curtis A Richardson
Minister with responsibility for Ports