



THE STATUTES OF THE REPUBLIC OF SINGAPORE

EXTERNAL LOANS ACT 1968

2020 REVISED EDITION

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External Loans Act 1968

ARRANGEMENT OF SECTIONS

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An Act to authorise the raising of loans outside Singapore, to provide sums required for the purposes of the Development Fund or for the repayment or amortisation of external loans, and to make general provision with respect to external loans.

[1 June 1968]

Short title

1. This Act is the External Loans Act 1968.

Power to raise external loans and application of moneys raised

2.—(1) The Minister may, from time to time, raise loans outside Singapore —

- (a) for the purposes of the Development Fund established by the Development Fund Act 1959 but not to meet nationally significant infrastructure expenditure within the meaning of section 11 of the Significant Infrastructure Government Loan Act 2021;
- (b) for the purposes of the Developmental Investment Fund established by the Developmental Investment Fund Act 2000; or

- (c) for the repayment or amortisation of loans raised outside Singapore.

[15/2021]

(2) Subject to subsection (3), any moneys raised by way of loan under this section are hereby appropriated first to the payment of the expenses in connection with the raising of the loan and, subject to payment of those expenses, to the purposes for which the loan is raised.

(3) If the moneys raised by way of loan under this section for the repayment or amortisation of any loan exceed the amounts required for that purpose after the application thereto of any amounts available in a sinking fund relating to the loan, then the excess shall be applied and is hereby appropriated to the redemption, at such times and in such manner as the Minister may determine, of securities of Singapore.

(4) Any moneys raised under this Act shall not in the aggregate exceed such sum or sums as the President, acting in his discretion, if he concurs with the recommendation of the Minister, may, from time to time, authorise by order under this Act.

(5) In applying subsection (4), any moneys raised in a currency other than Singapore dollars shall be converted into Singapore dollars as at the day when the amount to be raised is determined and by the use of such rate of exchange as the managing director of the Monetary Authority of Singapore may certify to be then appropriate.

Raising of loans

3.—(1) For the purpose of raising external loans in accordance with the provisions of this Act, the Minister may authorise the creation and issue of such securities as he thinks fit.

(2) The securities issued for raising any external loan shall bear such rate of interest, and be subject to such terms and conditions as to repayment, redemption and other matters, including provision for a sinking fund, as may be determined by or with the authority of the Minister.

(3) In connection with the raising of any external loan, the Minister may make such arrangements as he sees fit for the underwriting of any offer for subscription or sale of the securities.

(4) The Minister is hereby authorised to include, among the terms and conditions of any external loan, provisions for exemption from tax or for exempting from exchange control any debt charges in respect of an external loan; and the Minister shall by order make such provision as he considers necessary to give effect to any such exemption from tax or from exchange control, and any such order shall have effect notwithstanding anything in any other written law relating to the tax, or to exchange control, as the case may be.

(5) Without prejudice to subsection (1), (2), (3) or (4), the terms and conditions authorised by subsection (2) shall include provision for the following matters:

- (a) for charging on any assets as security (whether originally or in the event of any debts of Singapore being charged thereon) the debt charges in respect of an external loan;
- (b) for Singapore, in proceedings relating to securities issued for an external loan, to submit to the jurisdiction of the courts of the country in which the loan is raised.

(6) All debt charges in respect of any external loan shall be charged on the Consolidated Fund.

(7) In this section, “debt charges” includes interest, sinking fund charges, the repayment or amortisation of debt, and all expenditure in connection with the raising of loans and the service and redemption of debt created by such loans.

Management of external loans

4. In connection with any external loan, the Minister may whether by deed or otherwise —

- (a) appoint a registrar, and provide for the establishment and maintenance of a register of any securities, for the location of the register and for the extent to which the register is to be conclusive of the title to those securities or of any other matter;

- (b) provide for the conversion of registered securities into securities transferable by delivery or vice versa;
- (c) provide for the authentication of certificates relating to the securities or of other documents;
- (d) appoint trustees of any sinking fund, and provide for the investment, management and application of the sinking fund;
- (e) enable any deed or other instrument to be modified with or without requiring the consent of a meeting of the holders of securities, and provide for the summoning and conduct of such meetings for that or any other purpose, and the majority required at such a meeting for the decision of the meeting on any matter to be binding on the holders of securities; and
- (f) generally regulate, or authorise the registrar to regulate, the management of the loan and all matters arising in connection with the loan.

Exchange of securities

5.—(1) The Minister may, for the purpose of carrying out any arrangement made with holders of securities issued under this Act for the exchange of those securities (whether on or before maturity, and whether with or without any further payment), create and issue such other securities as the Minister thinks fit, and this section and section 4 shall apply, with any necessary adaptations, to securities issued under this section as if they were issued for raising an external loan.

(2) Any arrangements made for the exchange of securities under this section may include provision for the making of payments to the holders of securities exchanged; and any such payments and all other expenses of any such exchange may be met out of the surplus, if any, created by the exchange in any sinking fund relating to the securities exchanged and, if not so met, shall be charged on the Consolidated Fund as part of the debt charges for those securities.

(3) On any exchange of securities under this section, the surplus, if any, so created by the exchange in any sinking fund relating to the securities exchanged, or so much of it as is not applied under subsection (2), may, if the Minister so directs, be transferred to any other sinking fund relating to securities of Singapore, and subject to such directions by the Minister, shall be applied at such times and in such manner as the Minister may determine in the redemption of securities of Singapore.

Cancellation of securities exchanged or redeemed

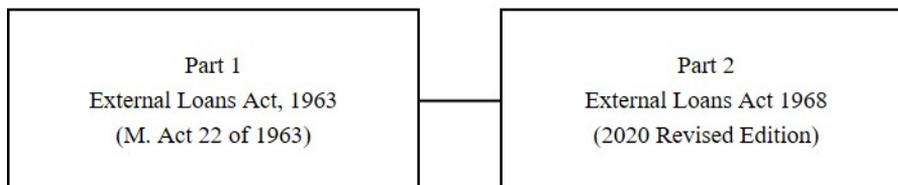
6. All securities exchanged or redeemed in pursuance of the provisions of this Act shall be cancelled and disposed of in such manner as the Minister may determine.

LEGISLATIVE HISTORY

EXTERNAL LOANS ACT 1968

This Legislative History is a service provided by the Law Revision Commission on a best-efforts basis. It is not part of the Act.

PICTORIAL OVERVIEW OF PREDECESSOR ACTS



LEGISLATIVE HISTORY DETAILS

PART 1 EXTERNAL LOANS ACT, 1963 (M. ACT 22 OF 1963)

1. M. Act 22 of 1963 — External Loans Act, 1963

Commencement : 15 June 1963

Application : 16 September 1963

Note: This Act was extended to Singapore with modifications by the Modification of Laws (External Loans) (Extension) Order, 1964 (L.N. 102/1964 (G.N. Sp. No. S 202/1964)) on 16 September 1963.

2. L.N. 102/1964 (G.N. Sp. No. S 202/1964) — Modification of Laws (External Loans) (Extension) Order, 1964

Commencement : 16 September 1963

Note: This Order extended the Federation of Malaya External Loans Act, 1963 (M. Act 22 of 1963) with modifications to Singapore.

3. L.N. 153/1964 — Modification of Laws (External Loans) (Extension) Order, 1964

Commencement : 16 September 1963

PART 2
EXTERNAL LOANS ACT 1968
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4. Act 4 of 1968 — External Loans Act, 1968

Bill	:	6/1968
First Reading	:	9 May 1968
Second and Third Readings	:	21 May 1968
Commencement	:	1 June 1968

5. 1970 Revised Edition — External Loans Act (Chapter 67)

Operation	:	1 April 1971
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6. 1985 Revised Edition — External Loans Act (Chapter 102)

Operation	:	30 March 1987
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7. Act 11 of 1991 — Statutes (Miscellaneous Amendments) Act 1991

(Amendments made by section 2 read with item (10) of the Schedule to the above Act)

Bill	:	4/1991
First Reading	:	3 January 1991
Second Reading	:	14 January 1991
Notice of Amendments	:	14 January 1991
Third Reading	:	14 January 1991
Commencement	:	30 November 1991 (section 2 read with item (10) of the Schedule)

8. Act 6 of 2000 — Developmental Investment Fund Act 2000

(Amendments made by section 21(2) of the above Act)

Bill	:	4/2000
First Reading	:	17 January 2000
Second and Third Readings	:	22 February 2000
Commencement	:	1 April 2000 (section 21(2))

9. Act 25 of 2002 — Currency (Amendment) Act 2002

(Amendments made by section 9 read with item (4) of the Schedule to the above Act)

Bill	:	23/2002
First Reading	:	8 July 2002

Second and Third Readings	:	23 July 2002
Commencement	:	1 October 2002 (section 9 read with item (4) of the Schedule)

10. 2014 Revised Edition — External Loans Act (Chapter 102)

Operation	:	31 March 2014
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11. Act 15 of 2021 — Significant Infrastructure Government Loan Act 2021
(Amendments made by section 27 of the above Act)

Bill	:	6/2021
First Reading	:	5 April 2021
Second and Third Readings	:	10 May 2021
Commencement	:	3 August 2021 (section 27)

Abbreviations

C.P.	Council Paper
G.N. No. S (N.S.)	Government Notification Number Singapore (New Series)
G.N. No.	Government Notification Number
G.N. No. S	Government Notification Number Singapore
G.N. Sp. No. S	Government Notification Special Number Singapore
L.A.	Legislative Assembly
L.N.	Legal Notification (Federal/Malaysian Subsidiary Legislation)
M. Act	Malayan Act/Malaysia Act
M. Ordinance	Malayan Ordinance
Parl.	Parliament
S.S.G.G. (E) No.	Straits Settlements Government Gazette (Extraordinary) Number
S.S.G.G. No.	Straits Settlements Government Gazette Number