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The African Development Bank Act, 1983

(ACT NO. 13 OF 1983)

[*As on the* 1*st August*, 2026]

LIST OF ABBREVIATIONS USED

G.S.R.	*for*	General Statutory Rules.
S.O.	,,	Statutory Order.
Notifn.	,,	Notification.

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THE AFRICAN DEVELOPMENT BANK ACT, 1983

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title, extent and commencement.
2. Definitions.
3. Payments to Bank.
4. Reserve Bank to be depository for Bank.
5. Conferment of status and certain immunities, exemptions and privileges on Bank and conferment of certain immunities, exemptions and privileges on its officers and employees.
6. Power to make rules.
7. Notifications issued under section 5 and rules made under section 6 to be laid before Parliament.

THE SCHEDULE

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THE AFRICAN DEVELOPMENT BANK ACT, 1983

ACT NO.13 OF 1983

[26*th May*, 1983.]

An Act to implement the international agreement for the establishment and operation of the African Development Bank and for matters concerned therewith.

BE it enacted by Parliament in the Thirty-fourth Year of the Republic of India as follows:—

1. Short title, extent and commencement.—(*1*) This Act may be called the African Development Bank Act, 1983**.**

(*1*) It extends to the whole of India**.**

(*2*) It shall come into force on such date[1] as the Central Government may, by notification in the Official Gazette, appoint**.**

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

(*a*) "Agreement" means the agreement for the establishment of the African Development Bank;

(*b*) "Bank" means the African Development Bank established under the Agreement**.**

3. Payments to Bank.—(*1*) There shall be paid out of the Consolidated Fund of India, after due appropriation made by Parliament by law in this behalf, all such sums as may, from time to time, be required for the purpose of paying,—

(*a*) the subscriptions payable by the Central Government to the Bank under Articles 6, 7, 10 and 21 of the Agreement;

(*b*) any sums payable by the Central Government to the Bank under Article 28 of the Agreement;

(*2*) The Central Government may, if it thinks fit so to do, create and issue to the Bank, in such form as it thinks fit, any non-interest bearing and non-negotiable notes or other obligations**.**

4. Reserve Bank to be depository for Bank.—The Reserve Bank of India shall be the depository of the Indian currency holdings of the Bank**.**

5. Conferment of status and certain immunities, exemptions and privileges on Bank and conferment of certain immunities, exemptions and privileges on its officers and employees.—(*1*) Notwithstanding anything to the contrary contained in any other law, the provisions of the Agreement set out in the Schedule shall have the force of law in India;

Provided that nothing in Article 57 of the Agreement shall be construed as—

(*a*) entitling the Bank to import into India goods free of any duty of customs without any restriction on their subsequent sale therein; or

(*b*) conferring on the Bank any exemption from duties or taxes which form part of the price of goods sold; or

(*c*) conferring on the Bank any exemption from duties or taxes which are in fact no more than charges for services rendered**.**

(*2*) The Central Government may, by notification in the Official Gazette, amend the Schedule in conformity with any amendments, duly made and adopted, of the provisions of the Agreement set out therein**.**

6. Power to make rules.—The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act**.**

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1. 15th December, 1983, *vide* Notifn. No. G.S.R. 889(E), dated 14th December, 1983, *see* Gazette of India, Extraordinary, Part II, sec. 3(*i*).

7. Notifications issued under section 5 and rules made under section 6 to be laid before Parliament.—Every notification issued under sub-section (*2*) of section 5 and every rule made under section 6 shall be laid, as soon as may be after it is issued or made, before each of the House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or, as the case may be, in the rule or both Houses agree that the notification or rule should not be issued or made, the notification or rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification or rule**.**

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THE SCHEDULE

(*See* section 5)

PROVISIONS OF THE AGREEMENT WHICH SHALL HAVE FORCE OF LAW

AGREEMENT ESTABLISHING THE AFRICAN DEVELOPMENT BANK

CHAPTER VII

STATUS IMMUNITIES, EXEMPTIONS AND PRIVILEGES

ARTICLE 50

STATUS

To enable it to fulfil its purpose and the functions with which it is entrusted, the Bank shall possess full international personality**.** To those ends, it may enter into agreements with members, non-member States and other international organisations**.** To the same ends, the status, immunities, exemptions and privileges set forth in this Chapter shall be accorded to the Bank in the territory of each member**.**

ARTICLE 51

STATUS IN MEMBER COUNTRIES

In the territory of each member the Bank shall possess full judicial personality and, in particular, full capacity:

(*a*) to contract

(*b*) to acquire and dispose of immovable and movable property; and

(*c*) to institute legal proceedings**.**

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ARTICLE 52

JUDICIAL PROCEEDINGS

1. The Bank shall enjoy immunity from every form of legal process except in cases arising out of the exercise of its borrowing powers when it may be sued only in a court of competent jurisdiction in the territory of a member in which the Bank has its principal office, or in the territory of a member or non-member State where it has appointed an agent for the purpose of accepting service or notice of process or has issued or guaranteed securities**.** No actions shall, however, be brought by members or persons acting for or deriving claims from members**.**

2. The property and assets of the Bank shall, wherever located and by whomsoever held, be immune from all forms of seizure, attachment or execution before the delivery of final judgment against the Bank**.**

ARTICLE 53

IMMUNITY OF ASSETS AND ARCHIVES

1. Property and assets of the Bank, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of taking or foreclosure by executive or legislative action**.**

2. The archives of the Bank and, in general, all documents belonging to it, or held by it, shall be inviolable, wherever located**.**

ARTICLE 54

FREEDOM OF ASSETS FROM RESTRICTION

To the extent necessary to carry out the purpose and functions of the Bank and subject to the

provisions of this Agreement, all property and other assets of the Bank shall be exempt from restrictions, regulations, controls and moratoria of any nature.

ARTICLE 55

PRIVILEGE FOR COMMUNICATIONS

Official communications of the Bank shall be accorded by each member the same treatment that it accords to the official communications of other members.

ARTICLE 56

PERSONAL IMMUNITIES AND PRIVILEGES

1. All governors, directors, alternates, officers and employees of the Bank and experts and consultants performing missions for the Bank;

(*i*) shall be immune from legal process with respect to acts performed by them in their official capacity;

(*ii*) where they are not local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations, and the same facilities as regards exchange regulations as are accorded by members to the representatives, officials and employees of comparable rank of other members; and

(*iii*) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

2. Experts and consultants performing missions for the Bank shall be accorded such immunities and privileges as are, in the opinion of the Bank, necessary for the independent exercise of their functions during the period of their mission, including the time spent on journeys in connection therewith.

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ARTICLE 57

EXEMPTION FROM TAXATION

1. The Bank, its property, other assets, income and its operations and transactions shall be exempt from all taxation and from all customs duties. The Bank shall also be exempt from any obligation relating to the payment, withholding or collection of any tax or duty.

2. No tax shall be levied on or in respect of salaries and emoluments paid by the Bank, to directors, alternates, officers and other professional staff of the Bank.

3. No tax of any kind shall be levied on any obligation or security issued by the Bank, including any dividend or interest thereon, by whomsoever held:

(*i*) which discriminates against such obligation or security solely because it is issued by the Bank;

or

(*ii*) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued,

made payable or paid, or the location of any office or place of business maintained by the Bank.

4. No tax of any kind shall be levied on any obligation or security guaranteed by the Bank, including any dividend or interest thereon, by whomsoever held:

(*i*) which discriminates against such obligation or security solely because it is guaranteed by the Bank; or

(*ii*) if the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Bank.

ARTICLE 58

NOTIFICATION OF IMPLEMENTATION

Each member shall promptly inform the Bank of the specific action which it has taken to make effective in its territory the provisions of this Chapter.

ARTICLE 59

APPLICATION OF IMMUNITIES, EXEMPTIONS AND PRIVILEGES

The immunities, exemptions and privileges provided in this Chapter are granted in the interests of the Bank. The Board of Directors may waive, to such extent and upon such conditions as it may determine, the immunities and exemptions provided in Articles 52, 54, 56 and 57 of this Agreement in cases where its action would in its opinion further0020the interests of the Bank. The President shall have the right and the duty to waive the immunity of any official in cases where, in his opinion, the immunity would impede the course of justice and can be waived without prejudice to the interests of the Bank.

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STATEMENT OF OBJECTS AND REASONS

India has decided to become a member of the 'African Development Bank' by acceding to the Agreement establishing the African Development Bank. Chapter VII of the Articles of the Agreement provides for granting to the Bank and its officers and employees, certain status, immunities, exemptions and privileges in the territory of each member country. Article 50 of the Agreement stipulates that to enable the Bank effectively to fulfil its purpose and carry out functions entrusted to it, status, immunities, exemptions and privileges set forth in Chapter VII of the Agreement shall be accorded to the Bank in the territory of each member. By this Bill, it is proposed to enact the necessary legislation to give effect to the provisions of the said Chapter VII of the Agreement. Provision has also been made in the Bill empowering the Central Government to make payments to the Bank towards subscriptions and other charges and for matters connected therewith.

NEW DELHI;
The 29*th January*, 1983.

PRANAB MUKHERJEE.

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