

Statutory Instrument No. 131 of 2022

PUBLIC FINANCE MANAGEMENT ACT
(Cap. 54:01)

**PUBLIC FINANCE MANAGEMENT (FOREIGN EXCHANGE STABILISATION
RESERVE FUND) ORDER, 2022**
(Published on 7th October, 2022)

ARRANGEMENT OF PARAGRAPHS

PARAGRAPH

1. Citation
2. Interpretation
3. Continuation of Fund established under S.I. No. 81 of 1980
4. Purpose of Fund
5. Administration of Fund
6. Management of Fund
7. Receipts into Fund
8. Disbursement from Fund
9. Surplus in Fund
10. Investment of Fund monies
11. Accounts of Fund
12. Revocation of S.I. No. 81 of 1980

IN EXERCISE of the powers conferred on the Minister of Finance by section 38 of the Public Finance Management Act, the following Order is hereby made —

1. This Order may be cited as the Public Finance Management (Foreign Exchange Stabilisation Reserve Fund) Order, 2022. Citation
2. In this Order, unless the context otherwise requires — Interpretation
 - “Accounting Officer” means the Permanent Secretary in the Ministry responsible for finance;
 - “Committee” means a Management Committee appointed under paragraph 6; and
 - “Fund” means the Public Finance Management (Foreign Exchange Stabilisation Reserve) Fund continued under paragraph 3.
3. The Foreign Exchange Stabilisation Reserve Fund established by section 38 (1) of the Act, is hereby continued under a Special Fund known as the Public Finance Management (Foreign Exchange Stabilisation Reserve) Fund and shall continue to exist as if established by this Order. Continuation of Fund established under S.I. 81 of 1980
4. The purpose of the Fund is to allow gains on foreign exchange transactions made by the Government, any Government institutions or organisation and statutory corporation to be set off against losses and thus reduce the consequences of large fluctuations arising from foreign exchange transactions. Purpose of Fund
5. (1) The Permanent Secretary in the Ministry responsible for finance shall be the Accounting Officer and he or she shall be responsible for the administration of the Fund in accordance with provisions of this Order. Administration of Fund
(2) The Accounting Officer may exercise all such powers and perform such duties as may be required to be exercised or performed for the proper discharge of his or her duties.

	<p>(3) The Accounting Officer may, in writing, authorise any other public officer to exercise or perform all or any of the powers or duties required of him or her under this Order.</p>
Management of Fund	<p>6. (1) The Minister shall, after consultation with the Accounting Officer, appoint a Management Committee for the Fund.</p> <p>(2) The Committee shall be responsible for —</p> <ul style="list-style-type: none"> (a) overseeing the management of the Fund; (b) assessing and approving request made by ministries, any Government institution or organisation and state-owned enterprises for losses made due to fluctuations arising from exchange transaction; (c) recommending to the Accounting Officer an appropriation into the fund to meet deficiencies; (d) recommending to the Accounting Officer to advise the Minister, to transfer to Consolidated Fund any surplus in excess of the amount considered; (e) maintaining records for gains and losses transactions made into the Fund; (f) making recommendations to the Accounting Officer on any changes or amendments to be made in the Fund Order for subsequent approval by the Minister; (g) ensuring that all foreign exchange gains are recorded and accounted for by an officer of the Accountant General; and (h) reviewing and ensuring that audit recommendations are implemented. <p>(3) The Committee appointed under subparagraph (1) shall consist of —</p> <ul style="list-style-type: none"> (a) the Deputy Accountant General, who shall be the Chairperson of the Committee; (b) a representative from the Ministry responsible for finance under the insurance and pension section; (c) a representative from budget administration division; and (d) a representative from the Ministry responsible for foreign affairs. <p>(4) The unit responsible for accounts and general ledger under the Office of the Accountant General shall provide secretarial services to the Committee under subparagraph 3.</p> <p>(5) The members of the Committee shall be appointed for a period of three years and shall be eligible for re-appointment for a further term not exceeding three years.</p>
Receipts into Fund	<p>7. There shall be paid into the Fund —</p> <ul style="list-style-type: none"> (a) such monies as may be appropriated from time to time by the National Assembly for purposes of the Fund; and (b) gains arising from foreign exchange transactions.
Disbursement from Fund	<p>8. There shall be paid from the Fund all loses arising from foreign exchange transactions.</p>
Surplus in Fund	<p>9. If the Fund is in surplus at the end of a financial year, such surplus shall remain as part of the Fund balance and shall be carried forward into the following financial year.</p>
Investment of Fund monies	<p>10. Any monies accruing to the Fund which is not required for immediate use shall be invested in accordance with the objects of the Fund as the Accountant-General may direct. Income earned from an investment made in accordance with shall accrue to the Fund.</p>
Accounts of the Fund	<p>11. The Accounting Officer shall —</p> <ul style="list-style-type: none"> (a) keep and maintain, or cause to be kept and maintained, proper books of accounts and records of all financial transactions, assets and liabilities of the Fund in respect of each financial year;

- (b) maintain an account into which all receipts into the Fund and all disbursements from the Fund shall be recorded and monthly reconciliation of the Fund accounts shall be carried out; and
- (c) prepare, sign and transmit to the Accountant-General and Auditor-General a statement of income and expenditure and a balance sheet of the Fund in respect of the financial year, containing such information in the manner that the Minister, in consultation with the Accountant-General may direct, within a period of two months after the close of each financial year.

12. The Foreign Exchange Stabilisation Reserve Fund Order is hereby revoked.

Revocation of
S.I. No. 81
of 1980

MADE this 19th day of September, 2022.

PEGGY O. SERAME,
Minister of Finance.