



LOAN (STATE DEVELOPMENT) ACT

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LOAN (STATE DEVELOPMENT) ACT

An Act to authorise the borrowing of a sum not exceeding three million pounds from Her Majesty's Government for purposes in connection with the Development Programmes of State Governments, and to repeal the Loan (State Development) Act 1960.

[1960 No. 28.]

[8th September, 1960]

[Commencement.]

1. Short title

This Act may be cited as the Loan (State Development) Act.

2. Power to raise loan

The Government of the Federal Republic of Nigeria may from time to time raise a sum or sums of money not exceeding in the whole the sum of three million pounds sterling by means of a loan made by the Secretary of State with the approval of Her Majesty's Treasury in accordance with section 2 of the Colonial Development and Welfare Act, 1959.

3. Application of loan

The sum or sums raised under the provisions of this Act shall be appropriated and applied for lending, in accordance with such terms and conditions as may be approved by the Minister of the Government of the Federation charged with responsibility for matters relating to finance and economic development to the Government of any State, if a law has been enacted by the House of Assembly of that State-

- (a) empowering the Government of that State to borrow money from the Government of the Federal Republic of Nigeria;
- (b) providing for repayment by equal annual instalments of principal and interest combined to extinguish the loan within an appropriate period; and
- (c) providing that the purposes to which any such loans may be applied shall be limited to meeting in whole or part capital expenditure comprising part of a development programme set out in the Capital Estimates and approved by the House of Assembly of that State.

4. Repayment

The sum or sums raised under the provisions of this Act shall be repaid by equal annual instalments of principal and interest combined to extinguish the loan within a period to be agreed between the said Minister and the Secretary of State, and such payments shall commence on the first anniversary of the date of issue of any such loan or loans.

5. Certain development programmes approved

It is hereby declared that the development programmes set out in the Capital Estimates approved by the House of Assembly of the Northern States and the Capital Estimates approved by the Houses of Assembly of the Eastern States for the year commencing 1st April, 1960, are approved by the National Assembly of the Federal Republic of Nigeria for the purposes of section 2 of the said Act.

6. Repeal

The Loan (State Development) Act, 1960, is repealed.

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SUBSIDIARY LEGISLATION

No Subsidiary Legislation