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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Individual Savings Account Regulations (S.I. 1998/1870) to extend the list of qualifying investments for stocks and shares ISAs to include bonds issued by multilateral institutions (as defined by the Organisation for Economic Co-operation and Development). Multilateral institutions are those, contributions to which may be reported as official development assistance by governments and other official agencies. Some multilateral institutions, which receive grants from national governments, have issued securities on the capital markets, in order to raise funds for their development goals. These Regulations allow retail investors who purchase those securities to do so through their ISAs.

Regulation 1 provides for citation and commencement.

Regulation 3 makes necessary changes to the ISA definition of “securities.”

Regulation 4 adds the securities to the list of qualifying investments for stocks and shares ISAs.

A full and final Impact Assessment has not been produced for this instrument as a negligible impact on the private or voluntary sectors is foreseen.