



**AN BILLE UM AIRM NÚICLÉACHA (INFHEISTÍOCHTAÍ A
THOIRMEASC), 2012
NUCLEAR WEAPONS (PROHIBITION OF INVESTMENTS)
BILL 2012**

EXPLANATORY MEMORANDUM

Purpose of Bill

This Bill introduces a prohibition on investment of public moneys in companies that are involved in the manufacture of nuclear weapons, their components or delivery systems. It seeks to align the investment policies of the Government (in particular that of the National Pension Reserve Fund) with long standing government policy in the area of nuclear weapon disarmament and non-proliferation.

Where public moneys are already found to be invested in nuclear weapon companies or in collective investment vehicles or products that are invested in nuclear weapon companies (or where through a change in circumstances become so invested), the Bill provides for their divestment. It also provides for a register of nuclear weapon companies to be published.

A similar prohibition was enacted in relation to investment of public moneys in companies that manufacture cluster munitions, explosive bomblets or anti-personnel mines (Cluster Munitions and Anti-Personnel Mines Act 2008).

Section 1 — Short title and commencement

This is a standard section providing the short title and commencement provisions for the Bill.

Section 2 — Definitions

This section gives the definitions of the terms used in the Bill.

Section 3 — Investment of public moneys in nuclear weapon companies

This section contains the central provision of the Bill, namely a prohibition on the investment of public moneys in companies manufacturing nuclear weapons, their components or delivery systems.

Section 4 — Equity and debt securities

This section prohibits the investment of public moneys in equity or debt securities issued by a nuclear weapons company. It also provides direction for divestment where public moneys are already invested or become invested in a nuclear weapons company.

Section 5 — Collective investments and investment products

This section prohibits the investment of public moneys in collective investments or investment products unless the investor is satisfied that such moneys will not be invested in nuclear weapons companies. It also provides direction for divestment where public moneys are already invested or become invested in collective investments or investment products invested nuclear weapons companies.

Section 6 — Derivative financial instruments

This section establishes that investment in derivative financial instruments based on a financial index is not prevented.

Section 7 — Compliance

This section gives direction on reporting compliance with the Act to the Minister for Finance.

Section 8 — Register of nuclear weapon companies

This section directs the Minister for Finance to establish and publish a register of nuclear weapons companies, regulations for the placement on and withdrawal from said register, and publication of relevant named entities.

*Deputy Eoghan Murphy,
September, 2012.*