Adopted as World Legislative Act Number 11 at the third session of the provisional World Parliament, convened in conformance with Article 19 of the *Constitution for the Federation of Earth*, meeting at Miami Beach, Florida, USA, in June 1987.

World Legislative Act Number 11 was amended at the fourth session of the Provisional World Parliament, meeting 1996 at Barcelona, Spain, at the sixth session of provisional World Parliament, at Bangkok, Thailand, 2003, at the eighth session at Lucknow, Uttar Pradesh, India, 2004, at the tenth session at Kara, Togo, June 2007, and at the fourteenth session at Kolkata, West Bengal, India, December 2015.

World Legislative Act #11

Earth Financial Credit Corporation

Short title:

Credit Corporation

WHEREAS:

The success of the movement to establish a Federal World Government under the *Earth Constitution*, and to implement the World Legislative Measures enacted by the provisional World Parliament, depends on adequate financing;

The countries and peoples of the world must free themselves quickly from the disruptions to their economies and livelihoods from repeated devaluations, inflations, and manipulations of monetary values, exchange rates and interest rates, both in world trade and for peaceful development;

The financial, credit, money and banking system under the Earth Federation must be based on virtually unlimited financial credit that can be extended wherever there are people to work, resources available, technology available, and viable plans for the use of the credit, without being dependent on or limited by prior savings or prior capital formation;

Financial credit must be available in sufficient quantity to carry out unlimited and life-saving peaceful development projects in all countries and all parts of Earth, as well as to implement fully the World Disarmament Agency, the Emergency Earth Rescue Administration, the World Economic Development Organization, and all other World Legislative Measures adopted by the provisional World Parliament and subsequently to be adopted by the fully operative World Parliament;

The *Earth Constitution*, under Article 8, Section G, sub-items (e) and (f), specifies a new “Planetary Monetary and Credit System based on useful

productive capacity and performance ... within the Planetary Banking System for the financing of the activities and projects of the World Government, and for all other financial purposes approved by the World Parliament.";

To launch such a Planetary Finance, Credit, Money, and Banking System, it is desirable that the National Governments of a sufficient number of countries (sufficient to establish full credibility and operative acceptance of the new global financial system) shall ratify or give provisional ratification to the *Earth Constitution*, and agree to use and make the transition to the new global financial system.

THEREFORE

Article 1 • As soon as ten national governments have given provisional ratification to the *Earth Constitution*, the provisional world government shall organize and activate an Earth Financial Credit Corporation (EFCC) as a division of the World Economic Development Organization, for the purpose of introducing the new Earth finance, credit, money and banking system.

Article 2 • The method of introducing and making the transition to the new Earth finance, credit, money and banking system, is by extending multi-billion unit revolving lines of credit in Earth credits or Earth currency to all developing countries, and to other countries, willing to accept the terms defined herein.

Article 3 •The Earth Financial Credit Corporation shall calculate initial revolving lines of credit in Earth credits or Earth currency. Provisional World Parliament reserves further provision of this article. [Article amended at tenth session of provisional World Parliament to strike provisions of national population figure rates of change as any basis for determination of credit. Kara, 2007.] ~~on basis of &50,000,000 units (about 1987 U.S. $1 billion) for each million of population for countries having natural population increase rates by birth of more than 2% annually, &75,000,000 units (about 1987 U.S. $1.5 billion) per million of population for countries having natural population increase rates of between 1% and 2%, &100,000,000 units (about 1987 U.S. $2 billion) per million of population for countries having natural population increase rates of between 0% and 1%, and &125,000,000 units (about 1987 U.S. $2.5 billion) per million of population for countries having zero or less population growth.~~

Article 4 • This Act bases the capacity and ability of the Earth Financial Credit Corporation to extend lines of credit simply on facts of people available to work, resources available, and technology available, whether within a country or by transfer, and is not dependent on nor limited by prior savings.

The extension of financial credit by the EFCC is further backed by the following values:

The value of all the resources in the oceans and seabeds beyond 20 km. offshore, which is claimed as World Territory and as the Common Heritage of Humanity under World Legislative Act #3;

The claim of humanity as a whole (as represented by the provisional World Parliament during this transition period) to the equivalent of &750,000,000 units debt (fifteen trillion dollars plus U.S. 2004 currency), which the separate nations of Earth spent by obtaining from their citizens to waste for genocidal military equipment, preparations, and operations during the past fifteen years;

The claim of humanity as a whole (as represented by the provisional World Parliament during this transition period) to the equivalent of &500,000,000 units plus (roughly equivalent of ten trillion dollars U.S. 2004 currency), which the separate nations of Earth currently propose to obtain from their citizens and spend for genocidal military equipment, preparations, and operations during the next ten years;

The claim of humanity as a whole to the Continent of Antarctica, and to the value of any ecologically-sound extractable resources in Antarctica;

The claim of humanity as a whole to the commons of Earth, in terms of space, mineral resources, socially developed technology, the electromagnetic spectrum and the fundamental right of humanity to just regulation of the world monetary system.

Article 5 • The manner of extending the revolving lines of credit are in the form of an offer to each country defining the total amount of the line of credit per Article 3, to be activated under the following terms:

5.1. Provisional ratification of the *Earth Constitution* is a prerequisite to activating the Line of Credit.

5.2. Applicants must submit for approval by the Earth Financial Credit Corporation specific proposals and projects for the use of credit or funds advanced per the line of credit.

5.3. Criteria for approval of such proposals and projects shall include:

5.3.1. No military related proposals or projects will be accepted, except for dismantlement, demilitarization, conversion or minesweeping operations regulated by the World Disarmament Agency, or cleanup operations regulated by the Global Ministry for Environment;

5.3.2. Projects and proposals must serve peaceful human needs;

5.3.3. Projects and proposals must meet specified human values of decent working conditions, adequate living wages to all employees, no excessive salaries or profits to owners, administrators or managers;

5.3.4. Projects and proposals must meet specified ecological and environmental standards;

5.3.5. Other applicable criteria set forth in World Legislative Act #2.

5.4. The EFCC may extend financial credit and funds, as parts of the line of credit, to national governments, public corporations, private corporations, cooperatives, communities, universities, individuals, and to other entities whose projects or proposals receive approval.

5.5. Multi-national corporations may obtain credit under the terms of the line of credit, provided that the credit is obtained within a country whose government has given provisional or final ratification to the Earth Constitution. Multi-national corporations may use or spend the credit for development of projects only within countries whose national governments have finally ratified or given provisional ratification to the *Earth Constitution*.

5.6. The Line of Credit will be accounted in terms of Earth credit or Earth currency. The provisional World Parliament and World Parliament shall designate the value of the Earth Credit or Earth currency in terms of a basket of commodities

5.7. Each country accepting a line of credit under the conditions specified herein may turn over current external debts for repayment to creditors by the Earth Financial Credit Corporation, under the following procedure:

5.7.1. Announce to creditors that the country is accepting the line of credit from EFCC, and is assigning its approved external debts for repayment to creditors by the EFCC.

5.7.2. Approved current external debts are defined as the balance due on original amounts of loans for valid projects, excluding loans for military projects or purposes, and excluding re-cycled interest and interest currently due.

5.7.3. Countries must not contract further external debts except through the EFCC, or other agencies of the World Economic Development Organization (WEDO) or of the emerging world government under the *Earth Constitution*. Unauthorized misappropriation, theft or transfer of world federal property is unlawful. The Enforcement System may charge individuals or representatives who contract or attempt to contract additional external debt with unauthorized misappropriation, theft or transfer of world federal property. (class 3 felony)
If record tampering is involved, the Enforcement System may charge tampering with records of provisional Earth Federation – Class 1 felony (WLA#13. 2.22.1.), or tampering with records of Earth Federation – Class 3 felony (WLA#13. 2.22.2.).

5.7.4. The world treasury shall repay debts assumed by the EFCC to creditors in Earth credits or currency, and shall remit on an installment basis during the next 20 years after assumption of the debts by the EFCC.

5.7.5. All subsequent interest on debts assumed by the EFCC shall be at no more than 2% of the assumed principal.

5.7.6. This Act cancels and forgives unapproved current external debts, except as defined in World Legislative Act #13, Article 4. Debtor countries participating in Earth Federation need not repay cancelled debts nor interest on cancelled debts.

5.8. This Act limits administrative and financing fees on credit or funds advanced under the line of credit to no more than 2% per annum on the principal amounts advanced. The EFCC shall charge uniformly to all those receiving credit advances. Debtors shall remit in Earth credits or Earth currency.

5.9. The original line of credit is subject to increase or decrease in direct relation to the decrease or increase in the rate of population growth.

5.10. Acceptance of the terms of the line of credit means the elimination of any further differentials or fluctuations in exchange rates because there will be only one universal Earth credit / Earth currency system.

Article 6 • This Act composes the EFCC Board of Directors as follows:

6.1. The first 25 national governments to accept Revolving Lines of Credit extended by the Earth Financial Credit Corporation may each name one representative to the Board of Directors of the EFCC, each to serve a five year term. After more than 25 countries have accepted Lines of Credit, then for the election of successive terms for Directors, each national government shall nominate one candidate and the total of 25 Directors shall be elected by a combined vote of the national governments.

6.2. This Act further composes the EFCC Board of Directors with thirty additional members as follows:

* the provisional World Cabinet shall elect 10 Directors;

* the Board of Directors of the World Economic Development Organization shall elect 5 Directors;

* the Board of Directors of the World Government Funding Corporation shall elect 5 Directors;

* the Board of Directors of the Emergency Earth Rescue Administration shall elect 5 Directors;

* the Board of Trustees of the World Disarmament Agency shall elect 5 Directors.

The world government agencies under 7.2., of Article 7 of this Act may elect Directors in whole or in part prior to the naming of members of the Board of Directors by participating national governments.

Article 7 • The Board of Directors of the EFCC shall elect its own officers from among their own number. The Board of Directors of the EFCC shall appoint an Executive Director and other administrative personnel as needed.

Article 8 • The Board of Directors of the EFCC shall formulate and adopt all rules and regulations necessary for the effective and efficient operation of the EFCC, in accordance with the provisions specified herein, and subject to approval by the Board of Directors of the World Economic Development Organization, or by the provisional World Cabinet if WEDO is not yet functional.

Article 9 • Under separate legislation, the provisional World Parliament may establish a Procurement Department to expedite the inauguration and successful

and rapid development of the EFCC. If established, the Procurement Department shall work in close co-operation with the EFCC to expedite widespread and general acceptance of the lines of credit and of all financial procedures being introduced by the Earth Financial Credit Corporation, as well as by other financial agencies established by the provisional World Parliament.

Article 10 • Under the following specified circumstances, the provisional World Government may initiate the Earth Financial Credit Corporation without the participation of national governments at the outset:

10.1. In the event that within 12 months from the adoption of this World Legislative Act #11, ten national governments have not accepted the plan for the EFCC, inclusive of preliminary ratification of the Earth Constitution , specified as a prerequisite to receiving lines of credit, then the Board of Directors of the Earth Financial Credit Corporation, serving through election by agencies other than national governments, may devise ways and means to begin operation of the EFCC without waiting for the official participation of national governments.

10.2. If the Board of Directors of the Earth Financial Credit Corporation, after prudent and careful consideration and preparation, determine that it is feasible to make the EFCC operative before the elapse of 12 months from the date of adoption of World Legislative Bill #11, then the Board of Directors of EFCC may take the necessary steps to do so.

Article 11 • The Board of Directors of EFCC shall explore the feasibility for introducing and developing Earth credits or Earth currency as global legal tender, Earth unit lines of credit, and Earth credit accounting procedures, etc. from a global financial base in an offshore World Territory or in a zone of an existing country where the country grants legal extra- territorial status for this purpose. The Board of Directors of EFCC is empowered to implement this procedure as found feasible.

Article 12 • The EFCC shall develop more fundamental changes defined by World Legislative Act #11, in conjunction with the transitional financial procedures defined under World Legislative Acts #2 and #7.

Article 13 • To encourage the cooperation of existing banks and financial institutions in making the transition to the new financial system, that is not based on prior savings and does not require prior savings to extend lines of credit or make loans, EFCC shall recognize the net cash assets of cooperating banks and financial institutions in the following manner:

The EFCC shall integrate with the new system the net cash assets of those banks and financial institutions which agree by contract to join in and co-operate with the new financial system within 2 years from the date of operative launching of the EFCC, on the basis of 100% valuation of their net cash assets in terms of Earth credits or Earth currency, together with interest to be paid at 10% for 10 years on such net cash assets integrated and used in the new system. The EFCC shall account at 90% of valuation, together with 9% interest for 9 years, net cash assets of those banks and financial institutions which agree to join during the 3rd year of operation of EFCC. The EFCC shall account at 80% of valuation, together with interest at 8% for 8 years, net cash assets of those which agree to join during the 4th year. The EFCC shall continue this process of valuation accounting and adjustment until the 12th year, when the old system will have no transfer value to the new system.

Article 14. • The Basket of Commodities is the basis for determining the value of the Earth credit or Earth currency.

Sovereign governments of sovereign citizens jointly control the value of their monetary system through social regulation, not by comparing their free monetary system to some outside system. Therefore, the value of the Earth credit and the Earth currency can be established by definition.

A basket of measured commodities linked to the value of an hour's worth of labor is one way to define the value of a monetary system's unit. The selection of items for the basket is somewhat arbitrary, but one can select items that any human being is likely to consume if the particular resources are available. Once determined by law, the valuation can take place. No valuation can take place if no world legislation arbitrarily sets the initial value for the unit. The following basket of 16 measured commodities represents approximately what any adult worldwide on a living wage might be expected to consume or conserve in one day. Therefore, this value is equal to the minimum wage that a citizen can earn in one four-hour day (see World Legislative Act #22, Economic Equity with Global Standards for wages and salaries within the Earth Federation, particularly Act #22, Articles 1, 2, 5, 7 and 9.) The basket is also a small enough basket to be comprehensible and memorable to most adults. The following basket of 16 measured commodities linked to the value of an hour of labor is hereby the basis for the unit of Earth credit or Earth currency:

[(1 kilogram wheat + 1 kilogram rice + 1 kilogram corn + 1 kilogram potato + 1 kilogram manioc + 1 kilogram soya + 1 kilogram peanut + 1 kilogram lentil + 1 kilogram pea + 1 kilogram garbanzo + 1 kilogram nyam) / 11] + 10 litres of pure, potable water + 1 litre crude oil + [(100 grams iron + 100 grams aluminum + 100

grams copper) / 3] = 1 Earth Hour unit of credit or currency = 1 hour of labor at median wage, or 2 hours labor at minimum wage (@ &0.50 units per hour minimum) , or one-half hour labor at maximum wage (@&2.00 units per hour maximum). [Article 14 amended at tenth session of provisional World Parliament to redesignate and clarify the wage standard. Kara, 2007.]

A person may obtain other commodities by trade in value, so a person need not personally have any of the commodities in stock in order to conserve value in the monetary system. Future sessions of the provisional World Parliament or World Parliament may add or remove commodities or change commodity proportions to improve the stabilization of value and the justice of the wage.

The value of the Earth credit or Earth currency may not be adjusted by any external private bank, such as the World Bank, or the International Monetary Fund. Included commodities may only be added or subtracted by the World Parliament. Individuals or representatives who attempt to adversely influence the value of the Earth credit or Earth currency commit unauthorized misappropriation, theft or transfer of world federal property. Unauthorized misappropriation, theft or transfer of world federal property is unlawful (class 3 felony).

Article 15. Earth Federation Credit Union

Article 15.1. Notwithstanding the provisions of Article 1 of this Act, and notwithstanding restrictions on budget assigned in 2006 at the 9th session of the World Parliament, persons giving allegiance to the Earth Constitution may begin the immediate formation of a Earth Federation Credit Union (EFCU) on the basis of one citizen member, one vote, in a Board of Directors.

15.2. The World Parliament names a standing parliamentary committee of six members, each of whom are ex-officio members of the Executive Committee. The standing parliamentary committee on the Earth Federation Credit Union is empowered to incorporate the Credit Union on behalf of the World Parliament and the people of Earth. The standing parliamentary committee may enlist trustees, coordinators, financial specialists and others for propoerly incorporating and establishing the Earth Federation Credit Union.

15.3. The Standing Parliamentary Committee shall nominate an Executive Committee of the Earth Federation Credit Union of 28 members, each giving allegiance to the Earth Constitution.

15.4. To accommodate the large membership in the Board of Directors, as well as the impossibility of everyone being physically present in the decision-making meetings of the Executive Committee, the Executive Committee shall present questions in writing by fax, e-mail or paper mail at least 30 days prior to all member directorate meetings. The Executive Committee shall recognize proxy voting in the decision-making process. The Executive Committee shall post a public report of decisions within 30 days of each member directorate meeting.

15.5. The Standing Parliamentary Committee for the Earth Federation Credit Union shall submit a detailed report on the progress of the formation of the Earth Federation Credit Union, together with any proposal for additional legislative support, to be submitted at least 60 days before the beginning of the next session of the World Parliament.

15.6. Apart from the differences of composition of the directorship, executive committee and directorate specified in the provisions of this article 15, above, the general purpose, rules, function and structure of the Earth Federation Credit Union is the same as that specified in World Legislative Act #07 for the Earth Federation Funding Corporation.

15.7. To begin, the World Parliament allocates one million Earth Hours annually for the implementation of the Earth Federation Credit Union.

16. The Earth Financial Credit Corporation (EFCC) shall develop, test, initiate and administrate the additional following non-interest bearing securities. The meaning of these terms is the generally-used financial meaning, except that world federal securities are only to offer payment on principal generated by the security to relieve the fiscal burden on states (nations), municipalities, individuals or other debtors giving allegiance to the Earth Constitution. No interest is assumed. All payments are exclusively in the world unit of credit and currency (Earth Hours), with the following exceptions: Securities that are issued in explicit association with the process of ratification of the Earth Constitution, are interest-bearing as defined in Article 17.6 of the Earth Constitution, yet payable exclusively in the Earth Federation units of credit and currency, notwithstanding the general prohibition (EC 8.7,6.) regarding interest bearing securities. The EFCC shall administrate these securities upon EFCC or EFCU commencement of operations:

16.01. Earth Bonds (Registered) (WLA#06);

16.02. Earth Labor Bonds (Registered) ;

16.03. In association with the World Attorneys General Office, Earth Federation Indemnity Bonds (Registered);

16.04. World Federally Guaranteed Municipal Bonds ;

16.05. World Federally Guaranteed Municipal Improvement Certificates ;

16.06. World Federally Guaranteed State Bonds ;

16.07. World Federally Guaranteed State Improvement Certificates ;

16.08. Borrower Certified Credit Default Insurance;

16.09. World Federally Guaranteed Local Government Bonds;

16.10. World Federally Guaranteed Local Government Improvement Certificates;

and 16.11. Other financial securities to be developed, such as local government bonds and local government improvement certificates, by the Earth Federation Funding Corporation, the Earth Financial Credit Corporation or by agencies of the Earth Federation in concert with the World Financial Administration.

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Adopted as World Legislative Act Number 11 at the third session of the provisional World Parliament, convened in conformance with Article 19 of the *Constitution for the Federation of Earth*, meeting at Miami Beach, Florida, USA, in June 1987.

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Attested: Dr. Terence P. Amerasinghe, Barrister-at-Law, Secretary (1st & 3rd sessions)
Provisional World Parliament

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