

# BILL NO. 11 OF 2019

## A BILL

### FOR AN ACT TO AMEND THE ENVIRONMENT AND CLIMATE ADAPTATION LEVY ACT 2015

ENACTED by the Parliament of the Republic of Fiji—

*Short title and commencement*

**1.**—(1) This Act may be cited as the Environment and Climate Adaptation Levy (Budget Amendment) Act 2019.

(2) This Act comes into force on a date or dates appointed by the Minister by notice in the Gazette.

(3) In this Act, the Environment and Climate Adaptation Levy Act 2015 is referred to as the “Principal Act”.

*Section 6 amended*

**2.** Section 6(2) of the Principal Act is amended by deleting “\$0.20” and substituting “\$0.50”.

2 *Environment and Climate Adaptation Levy (Budget Amendment)*— of 2019

*Section 9A inserted*

3. The Principal Act is amended after section 9 by inserting the following new section—

*“Amendments to the Environment and Climate Adaptation Levy on imported goods*

9A.—(1) Where a Bill for an Act is published which, if passed, would impose or alter the Environment and Climate Adaptation Levy on imported goods, the Fiji Revenue and Customs Service shall, with effect from that date of publication, or, if a later date is specified in the Bill, that later date, collect the levy under section 9 as if that Bill had been passed.

(2) If a Bill referred to in subsection (1) is not passed within 6 months of it being published or is passed with an amendment, the levy collected in excess of that authorised by this Act, or this Act as amended by that Bill as passed, shall be repaid to the importer and the repayment of the levy collected in excess of the authorised amount shall be a charge on the Consolidated Fund.

(3) No action shall lie against the Fiji Revenue and Customs Service for any action taken under subsection (1) to protect the revenue.”.

*Schedule 2 amended*

4. Schedule 2 to the Principal Act is amended in the table by inserting the following new items—

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| “ New or used hybrid vehicles with engine capacity less than 1500cc | Exemptions and conditions:<br>Vehicles used for public transportation, liquid petroleum gas, compressed natural gas, solar vehicles, electric vehicles, and vehicles procured by anyone under concession codes 201A, 203, 204, 205, 206, 220 column 2(iii) and 287 of Schedule 2, Part 3 to the Customs Tariff Act 1986 provided that any person or body exempted from paying the Environment and Climate Adaptation Levy under the above concession codes who at any time within 5 years from the date of importation or delivery from the warehouse of such vehicles, sells or disposes such vehicles to any non-entitled persons or bodies other than those specified under the above concession codes, shall be liable to pay the Environment and Climate Adaptation Levy on a <i>pro-rata</i> basis for the unused period of the vehicle. |
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| <p>New or used hybrid vehicles with engine capacity of 1500cc to 3000cc</p>   | <p>Exemptions and conditions:<br/>Vehicles used for public transportation, liquid petroleum gas, compressed natural gas, solar vehicles, electric vehicles, and vehicles procured by anyone under concession codes 201A, 203, 204, 205, 206, 220 column 2(iii) and 287 of Schedule 2, Part 3 to the Customs Tariff Act 1986 provided that any person or body exempted from paying the Environment and Climate Adaptation Levy under the above concession codes who at any time within 5 years from the date of importation or delivery from the warehouse of such vehicles, sells or disposes such vehicles to any non-entitled persons or bodies other than those specified under the above concession codes, shall be liable to pay the Environment and Climate Adaptation Levy on a <i>pro-rata</i> basis for the unused period of the vehicle.</p> |
| <p>Smart phones (high end mobile phones):<br/>Phones that have e-mail capability and inbuilt features that are found on a personal digital assistant or a computer</p>                                | <p>Exemption:<br/>Not applicable to phones which only have a Wireless Application Protocol (WAP) Browser.</p>  |
| <p>Air conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated</p> |  |
| <p>Refrigerators and freezers</p>   |  |
| <p>Televisions</p>  |  |
| <p>Household and commercial laundry-type washing machines, including machines which both wash and dry</p>   |  |

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| Household and commercial clothes-dryers |  |
| Dish washing machines                   |  |
| Electric stoves                         |  |
| Microwave ovens                         |  |
| Electric lawn mowers                    |  |
| Hair dryers                             |  |
| Toasters                                |  |
| Electric kettles                        |  |

June 2019

## ENVIRONMENT AND CLIMATE ADAPTATION LEVY (BUDGET AMENDMENT) BILL 2019

### EXPLANATORY NOTE

*(This note is not part of the Bill and is intended only to indicate its general effect)*

#### **1.0 BACKGROUND**

- 1.1 The Environment and Climate Adaptation Levy (Budget Amendment) Bill 2019 (**‘Bill’**) seeks to amend the Environment and Climate Adaptation Levy Act 2015 (**‘Act’**) to address budgetary policy changes in the 2019-2020 Budget.

#### **2.0 CLAUSES**

- 2.1 Clause 1 of the Bill provides for the short title and commencement. If passed by Parliament, the amending legislation will come into force on a date or dates appointed by the Minister by notice in the Gazette.
- 2.2 Clause 2 of the Bill amends section 6(2) of the Act to increase the Environment and Climate Adaptation Levy (**‘ECAL’**) charged on plastic bags from 20 cents to 50 cents per bag.
- 2.3 Clause 3 of the Bill amends the Act to insert a new section 9A. This new section enables the collection of ECAL from the date of publication of a Bill which imposes ECAL on imported goods. If the Bill is not passed by Parliament within 6 months of publication the collected ECAL is repaid to the importer.
- 2.4 Clause 4 of the Bill amends Schedule 2 to the Act in the table by prescribing 15 new items to the list of imports for which the 10% ECAL is charged. These are items that are proven to worsen pollution through high usage of electricity and the emission of chlorofluorocarbons, including vehicles, air conditioning machines, refrigerators and freezers and other commercial appliances or “white goods”.

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**3.0 MINISTERIAL RESPONSIBILITY**

3.1 The Act comes under the responsibility of the Minister responsible for finance.

A. SAYED-KHAIYUM  
Attorney-General