

BILL NO. 11 OF 2017

A BILL

FOR AN ACT TO AMEND THE DIPLOMATIC MISSIONS AND INTERNATIONAL ORGANISATIONS ACT 2016

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

1.—(1) This Act may be cited as the Diplomatic Missions and International Organisations (Amendment) Act 2017.

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

(3) In this Act, the Diplomatic Missions and International Organisations Act 2016 is referred to as the “Principal Act”.

New section 3A inserted

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

“Exemption from paying contributions to the Fiji National Provident Fund

3A.—(1) In this section—

“employee” means an individual who is a resident or citizen of Fiji, employed or engaged by an international organisation or international body; and

2 *Diplomatic Missions and International Organisations (Amendment)— of 2017*

“paying contributions to the Fund” means paying contributions to the Fiji National Provident Fund under and in accordance with the Fiji National Provident Fund Act 2011.

(2) The Prime Minister may, subject to this section, exempt an international organisation or international body from paying contributions to the Fund for its employees.

(3) An international organisation or international body may apply, in writing, to the Prime Minister for the international organisation or international body to be exempt from paying contributions to the Fund for its employees.

(4) The application must be accompanied by information that substantiates that the international organisation or international body—

(a) pays contributions for its employees to a superannuation, pension or retirement scheme, or a social security scheme under which the employees are entitled to benefits that are similar to those provided for by the Fiji National Provident Fund Act 2011; and

(b) will pay contributions for its employees to the superannuation, pension or retirement scheme, or social security scheme referred to in paragraph (a).

(5) On receiving and considering the application, the Prime Minister must, in writing—

(a) if satisfied that the international organisation or international body pays contributions for its employees to a superannuation, pension or retirement scheme, or a social security scheme under which the employees are entitled to benefits that are similar to those provided for by the Fiji National Provident Fund Act 2011 and that the international organisation or international body will pay contributions to such a scheme for its employees, grant the exemption; or

(b) if not satisfied that the international organisation or international body pays contributions for its employees to a superannuation, pension or retirement scheme, or a social security scheme under which the employees are entitled to benefits that are similar to those provided for by the Fiji National Provident Fund Act 2011 and that the international organisation or international body will pay contributions to such a scheme for its employees, refuse to grant the exemption.

(6) An international organisation or international body which is granted an exemption under this section is, while the exemption has effect, exempt from any requirement and relieved of any obligation for paying contributions to the Fund for an employee and is not and cannot be held liable to do so.”

April 2017

**DIPLOMATIC MISSIONS AND INTERNATIONAL ORGANISATIONS
(AMENDMENT) BILL 2017**

EXPLANATORY NOTE

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

1.0 BACKGROUND

- 1.1 The Diplomatic Missions and International Organisations Act 2016 (**‘Act’**) provides for tax immunities and entry entitlements with regard to—
- (a) a mission, to the extent specified under the Diplomatic Privileges and Immunities Act 1971;
 - (b) an international organisation, to the extent specified in an agreement approved by Cabinet; and
 - (c) an international body, to the extent specified under a treaty or convention to which the Fijian Government is a party to and has ratified.
- 1.2 The Fijian Government has focused and made great efforts in trying to establish Fiji as an international hub. The Fijian Government’s agenda in enhancing international relations and global integration has further attracted international organisations and international bodies to set up their respective offices in Fiji. The Fijian Government is also liaising with prospective international organisations and international bodies that seek to set up offices here and this positively translates to benefits and opportunities for all Fijians such as employment opportunities.
- 1.3 Currently, some of these international organisations and international bodies have their own internal superannuation, pension or retirement schemes, or social security schemes. However, despite having such schemes, these international organisations and international bodies are required under the Fiji National Provident Fund Act 2011 (**‘FNPF Act’**) to also make contributions for their employees to the Fiji National Provident Fund (**‘FNPF’**), which results in double payments.

- 1.4 The Diplomatic Missions and International Organisations (Amendment) Bill 2017 (**‘Bill’**) seeks to accommodate international organisations or international bodies that have their own superannuation, pension or retirement scheme, or social security schemes for their employees, by providing a mechanism for these international organisations or international bodies to apply to the Prime Minister for an exemption from paying contributions to the FNPF under the FNPF Act.

2.0 CLAUSES

- 2.1 Clause 1 of the Bill provides for the short title and commencement provision. If passed by Parliament, the amending legislation will come into force on a date or dates appointed by the Prime Minister.
- 2.2 Clause 2 of the Bill inserts a new section 3A to provide the mechanism for an international organisation or international body to apply for an exemption from paying FNPF contributions for its employees who are Fijian residents or citizens under the FNPF Act.
- 2.3 To further elaborate, clause 2 provides that an application must be made in writing to the Prime Minister for an exemption to be granted and the application must be accompanied by necessary information to substantiate that the international organisation or international body pays contributions for its employees to a superannuation, pension or retirement scheme, or social security scheme similar to those provided for under the FNPF Act and that the international organisation or international body will pay contributions to such schemes for its employees.
- 2.4 Additionally, clause 2 provides that an international organisation or international body that has been granted an exemption under section 3A is relieved of any obligation to pay contributions for its employees to the FNPF and is not and cannot be held liable to do so.

3.0 MINISTERIAL RESPONSIBILITY

- 3.1 The Act comes under the responsibility of the Prime Minister.

A. SAYED-KHAIYUM
Attorney-General