

BILL NO. 36 OF 2022

A BILL

FOR AN ACT TO AMEND THE INSURANCE ACT 1998

ENACTED by the Parliament of the Republic of Fiji—

Short title and commencement

- 1.—(1) This Act may be cited as the Insurance (Budget Amendment) Act 2022.
- (2) This Act comes into force on 1 August 2022.

Section 42 amended

2. Section 42 of the Insurance Act 1998 is amended after subsection (1) by inserting the following new subsection—

“(1A) A licence issued to a person under this section to carry on a business as an agent for an insurer, may be issued for a term not exceeding 5 years.”.

July 2022

INSURANCE (BUDGET AMENDMENT) BILL 2022

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 Insurance Act 1998 (**‘Act’**) provides for *inter alia* the regulation of the business of insurance and for the licensing and supervision of insurers and insurance intermediaries.
- 1.2 Under section 42 of the Act, a person may apply to the Reserve Bank of Fiji (**‘RBF’**) for a licence to carry on a business as a broker or as an agent for an insurer. Section 42 of the Act also provides that a person may apply to RBF for a renewal of a licence however does not provide for the term of the licence.
- 1.3 The Insurance (Budget Amendment) Bill 2022 (**‘Bill’**) therefore seeks to amend the Act to specify that a licence issued to an agent under section 42 of the Act may be issued for a term not exceeding 5 years and accordingly a renewal of such licence, as applicable.

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 1 August 2022.
- 2.2 Clause 2 of the Bill amends section 42 of the Act to provide a maximum licence term of 5 years for a licence issued to a person to carry on a business as an agent for an insurer.

3.0 MINISTERIAL RESPONSIBILITY

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

A. SAYED-KHAIYUM
Attorney-General