

REPUBLIC OF NAURU
NAURU UTILITIES CORPORATION (AMENDMENT) BILL 2016

EXPLANATORY MEMORANDUM

The *Nauru Utilities Corporation (Amendment) Bill 2016* is a Bill for the *Nauru Utilities Corporation (Amendment) Act 2016*.

EXPLANATION OF CLAUSES

Clause 1 provides that, once enacted, the short title of the Bill will be the *Nauru Utilities Corporation (Amendment) Act 2016*.

Clause 2 sets out when the Bill's provisions will commence.

Clause 3 is the enabling provisions for the amendment of the *Nauru Utilities Corporation 2011*.

Clause 4 inserts a new definition into section 4 of the Act. The new definition is that of 'Acting Chief Executive Officer'. This new definition comes as a result of the creation of the position under this amending law.

Clause 5 creates the position of an Acting Chief Executive Officer who will act in the position of CEO whenever the substantive CEO is unable to perform that role by virtue of being away from the office or unwell. The Acting CEO will be appointed by Cabinet who will also determine the terms and conditions of the appointment.

Clause 6 amends section 7 by repealing the current section and substituting it with a new section. The new section incorporates the Cabinet decision to include officers from the Ministry of Finance on Boards of Authorities and Corporations within Nauru and also senior officers from within the Corporation itself. They will be ex officio members.

Clause 7 inserts a new section 7A that provides for the appointment of a Chairman and a Deputy Chairman of the Corporation's Board.

Clause 8 amends the Act by inserting a new section 7B. The new section deals with the vacation of office of any member of the Board if Cabinet chooses to revoke that person's membership.

Clause 9 deals with a new section 7C and the remuneration of the Board. Apart from the ex officio members, other members of the Board are entitled to an allowance to allow them to attend a meeting of the Board.

Clause 10 inserts a new section 7D and the disclosure of interest by members of the Board.

Clause 11 deals with procedures of the Board and the insertion of a new section providing that the Board may determine their own procedures for the conduct of meetings.

Clause 12 inserts a new section 7F prohibiting ex officio members appointed under section 7(1) from voting at any meetings of the Board.

Clause 13 creates the new section 25A that states that any employee, and this will include the Chief Executive Officer of the Corporation, who intends to submit their nomination as a candidate to stand in the national general elections must at least three months before they submit their nomination, submit their resignation from the Corporation.

Clause 14 creates a new section similar to the previous clause dealing with employees. This clause provides that Board Directors who intend to stand as candidates in the national elections must resign from their position on the Board at least three months before they submit their nomination as a candidate.

Clause 15 provides an exception to clause 14 by exempting public service employees. This is because public service employees are covered by the provisions of the Public Service Act 2016.