

REPUBLIC OF NAURU
RONWAN CONSOLIDATION (AMENDMENT) BILL 2016
EXPLANATORY MEMORANDUM

The Ronwan Consolidation (Amendment) Bill 2016 is a Bill for an Act to amend the *Ronwan Consolidation Act 2014* to ensure the orderly and timely completion of the liquidation and winding-up of the Nauru Phosphate Royalties Trust and the Nauruan Land Owners Royalty Trust Fund, which commenced under the *Ronwan Consolidation Act 2014*.

EXPLANATION OF CLAUSES

The Bill includes proposed amendments of *Ronwan Consolidation Act 2014* ('**the Act**') as follows:

- (i) Provision is made in Section 6 of the Bill to insert a new s.49 into the Act to empower H.E. the President (under ss.49 (1) and 49 (2)) to appoint a Liquidator to wind-up NPRT and the Nauruan Land Owners Royalty Trust Fund.

Upon any appointment of a Liquidator by H.E. the President, under ss.49 (3) of the Bill, certain provisions of Part IX of the Corporations Act 1972 concerned with Winding-Up of Companies are applied to the winding-up of both NPRT and the Landowner's Fund and additional regulation of the winding-up and liquidation is provided by ss.49(4) to 49.14.

- (ii) Provision is made in Section 4 of the Bill to amend s.29 of the Act so that the dissolution of the Landowners Fund is postponed until after the Fund is fully wound-up by the Liquidator.

- (iii) Provision is made in Section 5 of the Bill to amend s.36 of the Act so that the dissolution of NPRT is postponed until after NPRT is fully wound-up by the Liquidator.