



REPUBLIC OF KIRIBATI
(No. 9 of 2016)

I assent,

Beretitenti

13/1/2017

AN ACT
entitled

AN ACT TO AMEND THE STATE OWNED ENTERPRISES ACT 2013

Commencement:

MADE by the Maneaba ni Maungatabu and assented to by Te Beretitenti.

Short Title:

1. This Act may be cited as the State Owned Enterprises(Amendment) Act 2016.

Interpretation:

2. "Principal Act" means the State Owned Enterprises Act 2013.

Amendment to Section 17:

3. Section 17(3) of the Principal Act is hereby amended by repealing the whole provision and substituting it as follows:

"Section 17(3)(a) – No more than one employee of a Ministry or Government Department is eligible to hold office as a Director of a State Owned Enterprises, if that Ministry or Department is accountable to the responsible Minister, other than the Minister of Finance.

Section 17(3)(b) – For the purpose of this section, Government Department includes a State Owned Enterprise that is accountable to the responsible Minister, other than the Minister of Finance."

Explanatory Memorandum

The Act seeks to amend section 17(3) of the principal Act. The Act itself has set out standard mechanism as to the appointment of directors which will ensure that the directors so appointed are fit and proper persons to hold office. However, the Government admits that the relationship between the concern Ministry other than the Ministry of Finance with the SOE was treated as a secondary matter. having no employee as a member to the Board from the concern Ministry or department other than the Finance does pose some administrative issues. Reporting and accountability directly to the concerned Ministry are some of them.

The Amendment is necessary to ensure that the concern Minister responsible other than the Minister of Finance has a much closer but minimal relationship with the Board to allow government policies to be carried out by the SOE smoothly and responsibly. At the same time, the amendment will allow for the concern Minister to be more accountable with the performance of the SOE as require under the Act.

Paragraph (a) of the amendment seeks to restrict a maximum of one employee of a Ministry or government department that is accountable to the Minister other than the Minister of Finance to be eligible to hold office as director to an SOE that is accountable to the said Ministry.

Paragraph (b) on the other hand, seeks to allow the definition of "Government department" to include SOE that are accountable to the responsible Minister other than the Minister of Finance. The Inclusive makes it difficult for the Minister to appoint an employee from the said SOE to another accountable SOE

Hon. Natan Teweē
Minister of Justice

**CERTIFICATE OF THE CLERK OF THE MANEABA NI
MAUNGATABU**

This printed impression of the State Owned Enterprises(Amendment) Act 2016 has been carefully examined by me with the Bill which passed the Maneaba ni Maungatabu on the 13th December 2016 and is found by me to be a true and correctly printed copy of the said Bill.



Eni Tekanene
Clerk of the Maneaba ni Maungatabu

Published by exhibition at the Maneaba ni Maungatabu this ...13... day of
.....January..... 2017.



Eni Tekanene
Clerk of the Maneaba ni Maungatabu