

No. *30* of 2022.

Insurance (P'nyang LNG Project)(Amendment) Act 2022.

Certified on : 30 MAY 2022



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Insurance (P'nyang LNG Project)(Amendment) Act 2022.

ARRANGEMENT OF SECTIONS.

1. Interpretation (Amendment of Section 2).
2. Repeal and replacement of Section 17.

“17. UNLICENSED PERSONS CARRYING ON GENERAL INSURANCE BUSINESS OR ACTING AS BROKERS OR LOSS ADJUSTERS.”.

3. New Section 18C.

“18C. P'NYANG LNG PROJECT INSURANCE.”.

4. All risks situated in Papua New Guinea to be licensed insurers (Amendment of Section 36).



No. 30 of 2022.

AN ACT

entitled

Insurance (P'nyang LNG Project)(Amendment) Act 2022,

Being an Act to amend the *Insurance Act 1995*, and for related purposes,

MADE by National Parliament.

1. INTERPRETATION (AMENDMENT OF SECTION 2).

Section 2 of the Principal Act is amended by inserting immediately after the definition of “member of Insurance Complaints Tribunal” the following -

- “P'nyang LNG Project” has the meaning given to Project in the P'nyang LNG Project Gas Agreement;
- “P'nyang LNG Project Contractor” has the meaning given to Project Contractor in the P'nyang LNG Project Gas Agreement;
- “P'nyang LNG Project Entity” has the meaning given to Project Entity in the P'nyang LNG Project Gas Agreement;
- “P'nyang LNG Project Gas Agreement” means the P'nyang LNG Project Gas Agreement dated 22 February 2022 between the Independent State of Papua New Guinea and Esso PNG P'nyang Limited Ampolex (Papua New Guinea) Limited, Oil Search Limited, Oil Search (PNG) Limited, and Merlin Petroleum Company, as amended, novated or replaced from time to time;
- “P'nyang LNG Project Operations” has the meaning given to Project Operations in the P'nyang LNG Project Gas Agreement.”.

2. REPEAL AND REPLACEMENT OF SECTION 17.

Section 17 of the Principal Act is repealed and replaced with the following:

“17. UNLICENSED PERSONS CARRYING ON GENERAL INSURANCE BUSINESS OR ACTING AS BROKERS OR LOSS ADJUSTERS.

(1) Subject to Subsections (2) and (2A), and Sections 18A, 18B and 25, a person, other than a licensed insurer, who carries on general insurance business, is guilty of an offence.

Penalty: A fine not exceeding K100,000.00.

(2) Subsection (1) does not apply to a person who carries on a general insurance business to the extent that the general insurance business carried on by that person involves insuring a risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the LNG Project or LNG Project Operations.

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(2A) Subsection (1) does not apply to a person who carries on a general insurance business to the extent that the general insurance business carried on by that person involves insuring a risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the Papua LNG Project or Papua LNG Project Operations or the P'nyang LNG Project or P'nyang LNG Project Operations.

(3) Subject to Subsections (4) and (4A) and Sections 18A, 18B, 19(12) and 25, a person, other than a licensed broker or licensed loss adjuster, who carries on business as a broker or as a loss adjuster, is guilty of an offence.

Penalty: A fine not exceeding K50,000.00.

(4) Subsection (3) does not apply to -

- (a) a person who carries on business as a broker to the extent that the business carried on by that person involves arranging insurance of a risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the LNG Project or LNG Project Operations; or
- (b) a person who carries on business as a loss adjuster to the extent that the business carried on by that person relates to the investigation or determination of any liability or the amount of any claim to be paid in settlement of a claim under any insurance of any risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the LNG Project and/or LNG Project Operations.

(4A) Subsection (3) does not apply to -

- (a) a person who carries on business as a broker to the extent that the business carried on by that person involves arranging insurance of a risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the Papua LNG Project or Papua LNG Project Operations or the P'nyang LNG Project or P'nyang LNG Project Operations; or
- (b) a person who carries on business as a loss adjuster to the extent that the business carried on by that person relates to the investigation or determination of any liability or the amount of any claim to be paid in settlement of a claim under any insurance of any risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the Papua LNG Project and/or Papua LNG Project Operations or the P'nyang LNG Project and/or P'nyang LNG Project Operations.

(5) Subject to Subsections (6) and (6A), and Sections 18A and 18B, a person who acts as the agent of -

- (a) an unlicensed insurer; or
- (b) an unlicensed broker; or
- (c) an unlicensed loss adjuster,

for the purpose of soliciting business or offering cover in connection with general insurance business, is guilty of an offence.

Penalty: A fine not exceeding K25,000.00.

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(6) Subsection (5) does not apply to a person who acts as the agent of a person referred to in Subsection (2) or (4) in relation to insurance of a risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the LNG Project or LNG Project Operations.

(6A) Subsection (5) does not apply to a person who acts as the agent of a person referred to in Subsection (2A) or (4A) in relation to insurance of a risk (other than the risk of injury or death to an employee that would normally be insured under workers' compensation insurance) that relates to the Papua LNG Project and/or Papua LNG Project Operations or P'nyang LNG Project or P'nyang LNG Project Operations."

3. NEW SECTION 18C.

The Principal Act is amended by inserting immediately after Section 18B the following new section:

"18C. P'NYANG LNG PROJECT INSURANCE.

Nothing in this Act prevents or in any way restricts -

- (a) a P'nyang LNG Project Entity or P'nyang LNG Project Contractor acquiring or obtaining insurance, including re-insurance, (other than workers' compensation insurance) from an insurer that is not a licensed insurer, or that is arranged by a broker that is not a licensed broker, in respect of any risk for which insurance may be required by a P'nyang LNG Project Entity or P'nyang LNG Project Contractor in relation to the P'nyang LNG Project or P'nyang LNG Project Operations; and
- (b) any insurer from which a P'nyang LNG Project Entity or P'nyang LNG Project Contractor acquires or obtains any such insurance appointing a loss adjuster that is not a licensed loss adjuster to investigate or determine any liability or the amount of any claim to be paid in settlement of a claim in respect of any such insurance; and
- (c) any such insurance being denominated in a currency other than Papua New Guinea Kina."

4. ALL RISKS SITUATED IN PAPUA NEW GUINEA TO BE LICENSED INSURERS (AMENDMENT OF SECTION 36).

Section 36 of the Principal Act is amended -

- (a) by inserting immediately after Subsection (1B) the following new subsection:

"(1C) Subsection (1) does not apply to any risk for which insurance, including re-insurance, may be required by a P'nyang LNG Project Entity or P'nyang LNG Project Contractor in relation to the P'nyang LNG Project and/or P'nyang LNG Project Operations, other than workers' compensation insurance; and

- (b) by inserting immediately after Subsection (2B) the following new subsection:

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“(2C) Subsection (2) does not apply to a person who -
(a) insures; or
(b) as agent, broker or insurer arranges insurance of,
a risk (other than the risk of injury or death to an employee that would normally be insured under workers’ compensation insurance) that relates to the P’nyang LNG Project or P’nyang LNG Project Operations.”.

I hereby certify that the above is a fair print of the ***Insurance (P'nyang LNG Project)(Amendment) Act 2022***, which has been made by the National Parliament.


Clerk of the National Parliament.
30 MAY 2022

I hereby certify that the ***Insurance (P'nyang LNG Project)(Amendment) Act 2022***, was made by the National Parliament on 21 April 2022.


Speaker of the National Parliament.
30 MAY 2022