

PARLIAMENT OFFICE,
Public Buildings,
Georgetown,
Guyana.

24th April, 1995.

The following Bill which will be introduced in the National Assembly is published for general information.

F. A. Narain.
Clerk of the National Assembly.



GUYANA

BILL No. 7 of 1995

**DEALERS IN FOREIGN CURRENCY (LICENSING) (AMENDMENT) BILL
1995**

ARRANGEMENT OF SECTIONS

SECTION

1. Short title and commencement.
2. Amendment of section 2 of the Principal Act.

3. Amendment of section 3 of the Principal Act.
4. Amendment of section 4 of the Principal Act.
5. Amendment of section 5 of the Principal Act.
6. Amendment of section 6 of the Principal Act.
7. Amendment of section 7 of the Principal Act.
8. Amendment of section 8 of the Principal Act.
9. Amendment of section 9 of the Principal Act.
10. Amendment of section 11 of the Principal Act.
11. Amendment of section 14 of the Principal Act.
12. Amendment of section 15 of the Principal Act.
13. Amendment of section 16 of the Principal Act.
14. Amendment of section 17 of the Principal Act.
15. Amendment of section 18 of the Principal Act.

A Bill

Intituled

AN ACT to amend the Dealers in Foreign Currency (Licensing) Act.

A.D., 1995

Enacted by the Parliament of Guyana:—

Short title and commencement, Act No. 19 of 1989.

1. This Act, which amends the Dealers in Foreign Currency (Licensing) Act 1989, may be cited as the Dealers in Foreign Currency (Licensing) (Amendment) Act 1995 and shall come into operation on such date as the Minister may by order appoint.

Amendment of section 2 of the Principal Act.

2. Section 2 of the Principal Act is hereby amended by the insertion of the following definitions in their appropriate alphabetical order —

“(a) ‘the Bank’ has the same meaning as in the Bank of Guyana Act 1995;

“(b) ‘licensed financial institution’ has the same meaning as in the Financial Institutions Act 1995;”.

Amendment of section 3 of the Principal Act.

3. Section 3(1) of the Principal Act is hereby amended by the substitution for the word “Minister” of the word “Bank”.

Amendment of section 4 of the Principal Act.

4. Section 4 of the Principal Act is hereby amended in the following respects —

(a) by the substitution in subsection (1) for the word “Minister” of the words “Bank, after consultation with the Minister;”;

- (b) by the substitution in subsection (2) for the word "Minister", where the word occurs for the first time, of the word "Bank" and for the word "Minister", where the word occurs for the second time, of the words "Bank, after consultation with the Minister."

5. Section 5 of the Principal Act is hereby amended by the substitution for the words "Minister may, after giving the applicant a reasonable opportunity of being heard" of the words "Bank may, after giving the applicant a reasonable opportunity of being heard, and after consultation with the Minister,".

Amendment
of section 5
of the Principal
Act.

6. Section 6(2) of the Principal Act is hereby amended by the substitution for the word "Minister" of the word "Bank".

Amendment
of section 6
of the Principal
Act.

7. Section 7(2) of the Principal Act is hereby amended by the substitution for the word "Minister" of the word "Bank".

Amendment
of section 7
of the Principal
Act.

8. Section 8 of the Principal Act is hereby amended in the following respects —

Amendment
of section 8
of the Principal
Act.

- (a) by the substitution for the word "Minister" wherever the word occurs of the word "Bank";
- (b) by the insertion immediately after subsection (3), of the following subsection as subsection (4) —

"(4) Any action taken by the Bank under this section shall only be taken after consultation with the Minister."

9. Section 9 of the Principal Act is hereby amended in the following respects —

Amendment
of section 9
of the Principal
Act.

- (a) by the deletion of subsection (4) and the substitution therefor of the following subsections as subsections (4) and (5), respectively —

"(4) No licensee, other than a company which is a licensed financial institution under the Financial Institutions Act 1995, may engage to any extent, in the lending or borrowing, or acceptance of deposits, of Guyana dollars or any foreign currency.

- (5) Any person who contravenes the provisions of subsection (4) shall be guilty of conducting a financial business without a licence within the meaning of the Financial Institutions Act 1995 and shall be liable to the penalties prescribed under the Financial Institutions Act 1995 therefor.”.

Amendment
of section 11
of the Prin-
cipal Act.

10. Section 11 of the Principal Act is hereby amended by the substitution for the word “Minister” wherever the word occurs of the words “Bank, after consultation with the Minister.”.

Amendment
of section 14
of the Prin-
cipal Act.

11. Section 14 (1) (d) of the Principal Act is hereby amended by the insertion immediately before the full stop at the end of the following words —

“by the Bank, of regulation or notice published in the Gazette, to further the purposes of this Act or the exercise of the Bank’s functions under the Bank of Guyana Act 1995.”.

Amendment
of section 15
of the Prin-
cipal Act.

12. Section 15 of the Principal Act is hereby amended in the following respects —

- (a) by the substitution for the words “Bank of Guyana” wherever those words occur of the word “Bank”;
- (b) by the deletion of subsection (2) (e) and the substitution therefor of the following subsection as subsection (2) (e) —

“(2) (e) such other particulars as may be prescribed by the Bank, by regulation or notice published in the Gazette, to further the purposes of this Act or the exercise or the Bank’s functions under the Bank of Guyana Act 1995.”.

Amendment
of section 16
of the Prin-
cipal Act.

13. Section 16 of the Principal Act is hereby amended by the substitution for the word “Minister” of the word “Bank”.

Amendment
of section 17
of the Prin-
cipal Act.

14. Section 17 of the Principal Act is hereby amended in the following respects —

- (a) by the substitution for the word “five” wherever that word occurs of the word “ten”;

- (b) in subsection (2), by the substitution for the word "ten" of the word "fifteen";
- (c) in subsection (3), by the substitution for the words "Minister" and "ten" of the words "Bank" and "twenty", respectively;
- (d) by the insertion after subsection (4) of the following subsection as subsection (5) —

“(5) Nothing in this Act shall be construed as limiting or impairing the authority of the Bank to take any action under the Financial Institutions Act 1995 or the Bank of Guyana Act 1995.

15. Section 18(1) of the Principal Act is hereby deleted and the following subsection substituted therefor as section (1) —

Amendment
of section 13
of the Prin-
cipal Act.

“(1) The Bank may make regulations for carrying out the purposes of this Act.”.

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Dealers in Foreign currency (Licensing) Act 1989 (No. 19 of 1989) to provide that foreign currency dealers which accept deposits should conform to the Financial Institutions Act 1995 and be subject to the supervisory authority of the Bank of Guyana.

The amendments effected by clauses 3 and 4 to sections 3 and 4 of the Act respectively provide that applications for licences should be submitted to the Bank, which after consultation with the Minister, may grant or deny a licence.

Clauses 6, 7 and 8 seek to amend sections 6, 7 and 8, respectively of the Act to confer on the Bank the principal regulatory responsibility on licensing decisions, conditions, suspensions and revocations, suspensions and revocations being effected by the Bank only after consultation with the Minister.

Clause 9 seeks to amend section 9 of the Act to prohibit any foreign currency dealer from engaging in a borrowing and lending business, or taking deposits, unless he is licensed under the Financial Institutions Act 1995 and provides the severe penalties under the latter Act for conducting an unlicensed banking or financial business.

Clauses 11 and 12 seek to amend sections 14 and 15, respectively of the Act, providing for the keeping of prescribed records and the filing of informational returns with the Bank to permit the Bank, by written notice or regula-

tion; to require the maintenance and reporting of such information, as the Bank may prescribe as necessary.

Clause 13 seeks to amend section 16 of the Act to confer on the Bank the right to inspect the operations of licensed dealers and require the production of books, records and other information.

Clause 14 seeks to amend section 17 of the Act to increase the penalties prescribed under that section.

Asgar Ally,
Senior Minister of Finance.