

Unvalidated References:

Central Banking Act

Central Banking Act 2000

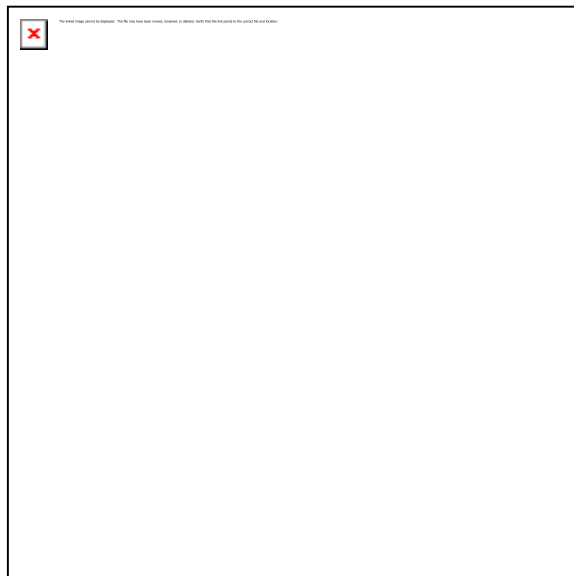
Central Banking Act 2000

Customs Act 1951

Customs Act 1951

This reprint of this Statutory Instrument incorporates all amendments, if any, made before 28 May 2008 and in force at 28 May 2008.

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Legislative Counsel
Dated 28 May 2008



Chapter 138C.

Central Banking (Foreign Exchange and Gold) Regulation 2000

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SCHEDULE 1

Central Banking (Foreign Exchange and Gold) Regulation 2000

MADE under the *Central Banking Act* (Chapter 138) (repealed), for the purpose of Section 61 of that Act, and deemed by Section 105 of the *Central Banking Act 2000* to be a regulation made under the *Central Banking Act 2000*.

Dated 200 .

PART I. – PRELIMINARY.

1. INTERPRETATION.

In this Regulation, unless the contrary intention appears “authorized dealer”–

- (a) in relation to any provisions of Part II. or to any transaction that is subject to any such provision–means a person appointed under Section 2(1)(a) to be an authorized dealer in foreign exchange for the purposes of that provision or in respect of transactions of that class; and
- (b) in relation to any provision of Part III. or to any transaction that is subject to any such provision–means a person appointed under Section 2(1)(b) to be an authorized dealer in gold for the purposes of that provision or in respect of transactions of that class.

2. AUTHORIZED DEALERS.

(1) The Central Bank may, by notice in the National Gazette, appoint a person to be–

- (a) an authorized dealer in foreign exchange for the purposes of any provision of Part II. or in respect of any class of transactions subject to any such provision; or
- (b) an authorized dealer in gold for the purposes of any provision of Part III. or in respect of any class of transactions subject to any such provision.

(2) A person appointed under Subsection (1) must carry out his duties as an authorized dealer in accordance with, and shall comply with, any instructions, directions and requirements made by the Central Bank.

3. EXEMPTIONS.

Subject to any directions of the Head of State, acting on advice, the Central Bank may–

- (a) exempt any person from all or any of the provisions of this Regulation relating to gold; or
- (b) exempt–
 - (i) any person, all persons or every person included in any class of persons; or
 - (ii) any act or transaction, all acts and transactions or every act or transaction included in any class of acts or transactions; or

- (iii) any security, all securities or every security included in any class of securities (including foreign securities),
from all or any of the provisions of this Regulation relating to foreign exchange,
prescribed currencies or securities,

absolutely or subject to such limitations and conditions as the Central Bank thinks proper.

PART II. – FOREIGN EXCHANGE.

Division 1. – Preliminary.

4. INTERPRETATION OF PART II.

In this Part, unless the contrary intention appears–

“**country to which this Part applies**” means a country declared under Section 5(1) to be a country to which this Part applies;

“**foreign currency**” has the same meaning as in Section 77 of the Act;

“**foreign exchange**” has the same meaning as in Section 77 of the Act;

“**foreign securities**” has the same meaning as in Section 77 of the Act;

“**owner**”, in relation to a foreign security, includes–

- (a) a person who owns the foreign security as a trustee or in a representative capacity; and
- (b) in a case where–
 - (i) the foreign security is held on trust; or
 - (ii) dividends or interest on a foreign security are paid into a trust fund, any person entitled–
 - (iii) to enforce performance of the trust; or
 - (iv) to revoke or vary the trust or any of its terms with or without the consent of any other person; or
 - (v) to control the disposition (including investment) of the trust money;

“**Papua New Guinea currency**” has the same meaning as in Section 77 of the Act;

“**securities**” has the same meaning as in Section 77 of the Act.

5. APPLICATION OF PART II.

(1) With the consent of the Head of State, acting on advice, the Central Bank may, by order in the National Gazette, declare a country to be a country to which this Part applies.

(2) Subject to Subsection (3), the provisions of this Part apply to and in respect of–

- (a) a country to which this Part applies as if it were part of Papua New Guinea; and
- (b) a resident of a country to which this Part applies as if he was a resident of Papua New Guinea.

(3) This section does not give to any provision of this Part an extra-territorial operation that it would not otherwise have.

5A. CONTRACTS, ETC., NOT TO BE AVOIDED.

¹(1) No act, matter or thing done, or contract or other transaction entered into, is invalid or unenforceable by reason only that the provisions of this Part have not been complied with.

(2) This section does not prevent the conviction of a person for an offence against this Part.

Division 2. – Monetary Control.

6. DEALINGS IN FOREIGN CURRENCY.

(1) Subject to Subsection (3), a person other than the Central Bank who, except with the authority of the Central Bank–

- (a) buys or borrows any foreign currency from a person other than the Bank; or
- (b) sells or lends any foreign currency to a person other than the Bank; or
- (c) exchanges any foreign currency with a person other than the Bank,

is guilty of an offence.

(2) Subject to Subsection (3), a person other than the Central Bank, who, except with the authority of the Bank, is a party to a transaction having the effect of a transaction prohibited by Subsection (1) is guilty of an offence.

(3) The Central Bank may give authority to an authorized dealer to do any thing or be a party to any transaction referred to in Subsection (1) or (2) and those subsections do not apply to a thing done or transaction entered into in accordance with the authority.

(4) A person permitted to buy, borrow, sell, lend or exchange foreign currency under this section who enters into a transaction that provides for the conversion of Papua New Guinea currency into foreign currency, or vice versa, at a rate of exchange other than any rate of exchange fixed or authorized by the Central Bank and in force for the time being is guilty of an offence.

(5) Where any foreign currency is made available to a person by the Central Bank or by an authorized dealer–

- (a) for use for a specified purpose; or
- (b) subject to conditions,

he must not use the foreign currency otherwise than for that purpose, or fail or refuse to comply with the conditions, as the case may be.

7. TRANSFER OR REMOVAL OF CURRENCY OUT OF PAPUA NEW GUINEA.

(1) Subject to Subsection (2), a person other than the Central Bank who, except with the authority of the Bank or an authorized dealer, takes or sends, or attempts to take or send, out of Papua New Guinea–

- (a) any Papua New Guinea currency; or
- (b) any foreign currency other than foreign currency obtained in accordance with an authority granted under Section 6,

is guilty of an offence.

(2) Subsection (1) does not apply to a money order issued at a post office in Papua New Guinea and payable outside Papua New Guinea.

¹ Section 5A inserted by Act No. 17 of 1976, s2.

(3) Where the authority of the Central Bank or of an authorized dealer is given to any person for the taking or sending out of Papua New Guinea of any Papua New Guinea currency for a specified purpose or subject to conditions, he must not use the currency otherwise than for that purpose, or fail or refuse to comply with the conditions, as the case may be.

8². [REPEALED.]

9. CONTROL OF CERTAIN PAYMENTS AND TRANSACTIONS.

(1) In this section, “valuable consideration” includes a sum of money, goods, property of any kind including land securities and a right to the performance of a service.

(2) For the purposes of this section—

- (a) subject to Paragraph (b), a corporation incorporated outside Papua New Guinea shall be deemed to be a person resident outside Papua New Guinea; and
- (b) unless the Central Bank otherwise determines, the head office or a branch in Papua New Guinea of a corporation incorporated outside Papua New Guinea, shall be deemed not to be a person resident outside Papua New Guinea; and
- (c) the making of a book entry or other statement recording a debit against the head office, or a branch, in Papua New Guinea, of a corporation, in favour of the head office, or a branch, of the corporation outside Papua New Guinea, shall be deemed to be the placing of a sum to the credit of a person resident outside Papua New Guinea.

(3) A person who, except with the authority of the Central Bank or an authorized dealer—

- (a) makes a payment to, by the order of or on behalf of a person resident outside Papua New Guinea, or places a sum to the credit of any such person; or
- (b) acknowledges a debt in such a manner that a right (whether actual or contingent) to receive a payment or any valuable consideration, whether in Papua New Guinea or elsewhere, is created or transferred in favour of a person resident outside Papua New Guinea; or
- (c) acquires, disposes of or otherwise deals with any valuable consideration in favour of a person resident outside Papua New Guinea,

is guilty of an offence.

(4) A person who, except with the authority of the Central Bank, makes or receives any payment or performs any service, related to, or associated with, the acquisition by any person of any valuable consideration out of Papua New Guinea is guilty of an offence.

(5) This section does not prevent—

- (a) any payment by the Central Bank, or by an authorized dealer, to a person not resident outside Papua New Guinea; or
- (b) the making of any payment associated with an act permitted or authorized under Section 6, 7 or 8.

² Section 8 repealed by Regulation No. 17 of 1976.

10. BORROWINGS FROM OUTSIDE RESIDENTS.

A person who, except with the authority of the Central Bank, borrows Papua New Guinea currency from, or lends Papua New Guinea currency to, a person resident outside Papua New Guinea is guilty of an offence.

11. BLOCKED ACCOUNTS.

(1) In this section, “blocked account” means an account conducted with the Central Bank, or with an authorized dealer, declared by the Bank to be a blocked account, but does not include an account the Bank declares to be no longer a blocked account.

(2) Where under this Part authority is required for the making of a payment to, or the placing of a sum to the credit of, a person resident outside Papua New Guinea, the Central Bank may direct that the sum be paid or credited to a blocked account, and in that event any such payment or credit shall be made accordingly.

(3) A person who, except with the authority of the Central Bank—

- (a) makes any payment out of, or is a party to any transaction having the effect of making a payment out of, a blocked account; or
- (b) assigns or charges any money standing to the credit of a blocked account; or
- (c) makes any change in the name in which a blocked account stands,

is guilty of an offence.

(4) Where the Central Bank directs that a sum be paid or credited to a blocked account, compliance is a good discharge to the person making the payment or credit to the extent of the sum paid or credited.

12. SPECIFIED CURRENCY.

(1) Subject to this section, the Central Bank, by order in the National Gazette, may declare any foreign currency to be a specified currency and while the order remains in force every person in Papua New Guinea, other than the Bank or an authorized dealer, who owns or is entitled to sell or procure the sale of any specified currency must offer, or cause to be offered, the specified currency for sale to the Bank, unless—

- (a) the Bank consents to his retention and use of it; or
- (b) he disposes of it to any other person with the authority of the Bank.

(2) If a person has—

- (a) obtained the consent of the Central Bank to the retention and use of any specified currency; and
- (b) stated in an application for the consent that he requires the specified currency for a particular purpose,

and no longer requires the specified currency for that purpose, Subsection (1) has effect as if the consent of the Bank to the retention and use of the specified currency had been revoked.

(3) Subject to Subsection (2), a person who acquires any specified currency from the Central Bank, or from an authorized dealer, shall be treated, for the purposes of this section, as having received the consent of the Bank to his retention and use of it for the particular purpose for which it was made available to him.

(4) The period of time within which, and the terms on which, a specified currency shall be offered for sale to the Central Bank are as prescribed in the order of the Bank.

(5) In accepting an offer for sale under this section, the Central Bank may direct that the specified currency concerned, or any part of it, be sold to an authorized dealer.

(6) Where a person is required by this section to offer, or cause to be offered, any specified currency for sale to the Central Bank, he shall not be deemed to comply with that requirement if the offer made is an offer to sell—

- (a) at a price exceeding the price fixed or authorized by the Bank and in force at the time; or
- (b) without payment of any usual and proper charges of the Bank or the authorized dealer,

or otherwise on unusual terms.

(7) A person who fails or refuses to comply with the requirements of this section is guilty of an offence.

Division 3. – Security and Foreign Securities Control.

13. ISSUE OR DISPATCH OF SECURITIES.

(1) A person who, except with the authority of the Central Bank—

- (a) allots, issues, transmits or transfers any securities to a person resident outside Papua New Guinea; or
- (b) makes an entry in a register that recognizes or gives effect to the allotment, issue, transmission or transfer of any securities to a person resident outside Papua New Guinea,

is guilty of an offence.

(2) In Subsection (1), “transfer” includes transfer by way of loan or security.

(3) A person who, except with the authority of the Central Bank—

- (a) takes or sends, or attempts to take or send, any securities out of Papua New Guinea; or
- (b) transmits or transfers any securities from a register in Papua New Guinea to a register outside Papua New Guinea; or
- (c) makes an entry in a register that recognizes or gives effect to the transmission or transfer of securities from a register outside Papua New Guinea to a register in Papua New Guinea,

is guilty of an offence.

14. FOREIGN SECURITIES.

(1) Subject to Subsection (2), a person, other than the Central Bank or an authorized dealer, who, except with the authority of the Bank, acquires, disposes of or otherwise deals with any foreign securities, whether within or outside Papua New Guinea, is guilty of an offence.

(2) Subsection (1) does not apply to the acquisition of foreign securities otherwise than for valuable consideration.

15. RETURNS OF FOREIGN SECURITIES.

(1) Subject to any exceptions specified in the notice, the Central Bank may, by notice in the National Gazette, require every person—

- (a) who, on or after the publication of the notice, owns or has any interest in; or
- (b) who has, during any period specified in the notice, owned or had any interest in, foreign securities of a class specified in the notice to furnish a return to the Bank giving such particulars with respect to the securities as are specified in the notice.

(3) A person who fails or refuses to furnish a return as required under Subsection (1) within the period specified in the notice, or within such longer period as the Central Bank allows, is guilty of an offence.

Division 4. – Control of Proceeds of Exports.

16. INTERPRETATION OF DIVISION 4.

Unless the contrary intention appears, expressions used in this Division that are defined in the *Customs Act 1951* have the same respective meanings as in that Act.

17. EXCEPTIONS.

(1) The Head of State, acting on advice, may except from the application of this Division any goods or the goods included in any class of goods.

(2) Without prejudice to the generality of Subsection (1), the exception of any goods from the application of this Division may be limited to—

- (a) any goods intended solely for use or consumption in any place specified; or
- (b) any goods to be exported in a manner, or at or within a time, specified.

(3) The Head of State, acting on advice, may revoke or vary any exception made under this section.

18. GENERAL RESTRICTIONS ON EXPORT.

(1) Subject to this Part, a person who exports any goods from Papua New Guinea without the authority of the Central Bank is guilty of an offence.

(2) Subsection (1) applies notwithstanding that authority for the exportation of the goods is in force under some other law.

(3) The authority of the Central Bank under Subsection (1) may be in the form of a general authority or a specific authority.

(4) A general authority permits the export of goods on the basis specified in the authority, and shall be published in the National Gazette.

(5) A specific authority permits the person specified in the authority to export particular goods, in one or more consignments, in the quantities, by the method of dispatch, and from the place, specified in the authority.

(6) A person who exports goods from Papua New Guinea with the authority of the Central Bank must comply with all the terms and conditions of the relevant authority.

19. ADDITIONAL DOCUMENTATION AND INFORMATION.

(1) In this section, “Customs officer” means the Commissioner General of Internal Revenue, a Collector or an officer authorized by the Commissioner General of Internal Revenue or a Collector to act as a Customs officer for the purposes of this section.

Note Section 2 of the *Commissioner General of Internal Revenue (Consequential Amendments) Act 1993* (No. 1 of 1993) provides that “Comptroller” shall be read as “Commissioner General”.

(2) A Customs officer may require any person exporting goods, or making entry of goods for export, to deliver such documentation and information as the officer thinks necessary in respect of the exportation of the goods, for the purposes of satisfying the officer regarding compliance with the provisions of this Part in relation to the goods.

(3) A person who fails or refuses to deliver all available documents and information required under Subsection (2) is guilty of an offence.

20. SECURITY.

(1) If required by the Head of State, acting on advice, a person who wishes to export goods from Papua New Guinea to a destination in any country shall give security for compliance with the terms and conditions of the relevant authority.

(2) Unless the Head of State, acting on advice, otherwise determines, a security required under Subsection (1) shall be—

- (a) by bond in the form in the Schedule, executed by the person wishing to export the goods and by one or more sureties approved by the Head of State, acting on advice; and
- (b) in a sum equal to twice the estimated value of the goods concerned at the time and place of export.

21. FULFILMENT OF ARRANGEMENTS.

A person who has made, for any of the purposes of this Division, any arrangements in relation to payment for goods exported—

- (a) must take all reasonable steps to ensure that the arrangements are fulfilled; and
- (b) must not, except with the authority of the Central Bank, cancel or alter the arrangements.

*Division 5. – Miscellaneous.***22. CURRENCY OR PROPERTY RETAINED OR OBTAINED IN CONTRAVENTION OF PART II.**

(1) Subject to this section, where a person—

- (a) has not sold to the Central Bank, or to an authorized dealer, any foreign currency that, by this Regulation or the terms or conditions of any authority granted by the Bank, is required to be sold to the Bank or an authorized dealer; or
- (b) has not complied with any order of the Bank under Section 12 to offer, or cause to be offered, any specified currency for sale to the Bank,

a court may, in addition to any other penalty, direct that the foreign currency or specified currency, as the case may be, vest in the Bank, subject to Subsection (4).

(2) Subject to this section, where a person has acquired, directly or indirectly, any property by reason of a contravention of any of the provisions of this Part, including non-compliance with the terms or conditions of any authority under this Regulation, a court may, in addition to any other penalty—

- (a) direct the person to sell, or procure the sale of, the property; and
- (b) by the same or a subsequent direction specify—
 - (i) the manner in which; and
 - (ii) the person to whom; and
 - (iii) the terms on which,

the property shall be sold.

(3) Where a person fails or refuses to comply with a direction under Subsection (2), the court may, subject to Subsection (5), direct that the property vest in the Central Bank.

(4) Where, under Subsection (1), a court directs that foreign currency or specified currency vest in the Central Bank, it vests in the Bank free from any mortgage, pledge or charge, and the Bank may deal with it as the Bank thinks fit, but the Bank shall pay to the person who would, but for the vesting, be entitled to the foreign currency or specified currency, as the case may be, a sum in Papua New Guinea currency fixed by the court, not being less than 90% of the amount that he would have received for it if he had sold it to the Bank at the time when the vesting occurred.

(5) Where, under Subsection (3), a court directs that any property vest in the Central Bank, it vests in the Bank free from any mortgage, pledge or charge, and the Bank may deal with it as the Bank thinks fit, but the Bank shall pay to the person who would but for the vesting be entitled to the property, a sum in Papua New Guinea currency fixed by the court not being less than 90% of the amount that, in the opinion of the court, represents the value of the property in the country in which it is situated at the time when the vesting occurred.

(6) This section does not prejudice the application of Section 33 in respect of any contravention of the provisions of this Regulation and, except to the extent that a court has ordered forfeiture under the powers contained in that section, that section does not prejudice the application of any of the provisions of this section.

PART III. – GOLD.**23. APPLICATION.**

(1) In this section, “wrought gold” means gold and gold alloys that on view have apparently been worked or manufactured for professional trade purposes, and includes the waste products arising from the working or manufacturing of gold alloys for professional or trade purposes.

(2) This Part does not apply to—

- (a) wrought gold, not being wrought gold worked or manufactured in contravention of this Regulation; or
- (b)³ gold coins (other than Papua New Guinea currency), the total value of the gold content of which does not exceed K50.00; or
- (c) Papua New Guinea currency.

24. TRANSFER OF GOLD INTO OR OUT OF PAPUA NEW GUINEA.

A person who, without the consent in writing of the Central Bank, takes or sends any gold out of Papua New Guinea or brings any gold into Papua New Guinea is guilty of an offence.

25. SALE OF GOLD.

Subject to this Regulation, a person who has any gold in his possession or under his control, not being gold lawfully in his possession for the purpose of it being used or worked by him in connection with his profession or trade, must, within one month after the gold comes into his possession or under his control, sell the gold to—

- (a) the Central Bank; or
- (b) a person appointed to be an authorized dealer for the purpose of this section; or
- (c) with the written consent of the Bank, a person resident outside Papua New Guinea.

26. LIMITATION ON PURCHASE OF GOLD.

(1) Subject to Subsection (2), a person other than the Central Bank or a person appointed to be an authorized dealer for the purpose of this section, who buys or otherwise obtains gold from any person is guilty of an offence.

(2) A person may buy gold for the purpose of its being worked or used by him in connection with his profession or trade if the gold is purchased from—

- (a) the Central Bank; or
- (b) a person appointed to be an authorized dealer for the purpose of this section; or
- (c) with the written consent of the Bank, a person resident outside Papua New Guinea.

27. LIMITATION ON WORKING OF GOLD.

A person who works or uses in manufacture any gold, not being gold lawfully in his possession for the purposes of being worked or used by him in connection with his profession or trade, is guilty of an offence.

³ Section 23(2)(b) repealed and replaced by the *Central Banking (Gold) (Amendment) Regulation 1975* (No. 55 of 1975).

PART IV. – MISCELLANEOUS.**28. AUTHORITIES BY CENTRAL BANK AND COMPLIANCE WITH UNDERTAKINGS.**

(1) Subject to any directions of the Head of State, acting on advice, the grant of any authority by the Central Bank under this Regulation is in the absolute discretion of the Bank, and the authority may be granted–

- (a) unconditionally; or
- (b) subject to such conditions as the Bank thinks necessary for the purposes to which this Regulation is directed.

(2) Where the authority of the Central Bank is granted subject to conditions, a person who does not comply with all such conditions that are applicable to him is guilty of an offence.

(3) Where a person gives an undertaking in an application for authority of the Central Bank in respect of any matter the subject of this Regulation and the authority of the Bank is given in whole or in part, if he does not comply with the terms of any relevant undertaking he is guilty of an offence.

(4) Subject to any directions of the Head of State, acting on advice, the Central Bank may revoke or vary any authority granted by it under this Regulation.

29. TRAVELLERS ETC., TAKING GOLD OUT OF PAPUA NEW GUINEA.

(1) In this section–

“**officer**” means an officer within the meaning of the *Customs Act 1951* or a member of the Police Force, and includes a person authorized by the Central Bank to act as an officer for the purposes of this section;

“**traveller**” means a person who is about to leave Papua New Guinea.

(2) A traveller, if requested to do so by an officer, must–

- (a) declare whether or not he has with him any gold or anything prohibited by Part II. from being exported, taken or sent out of Papua New Guinea; and
- (b) produce any gold or any such thing that he has with him.

(3) An officer, and any person acting under the directions of an officer, may–

- (a) search the traveller; and
- (b) examine and search any article that the traveller has with him,

for the purpose of ascertaining if he has with him any gold or any thing prohibited by Part II. from being exported, taken or sent out of Papua New Guinea.

(4) A person shall not be searched under Subsection (3) except by a person of the same sex.

(5) An officer, and any person acting under the directions of an officer, may–

- (a) go on board any vessel, vehicle or aircraft for the purpose of exercising the powers conferred on him by this section; and
- (b) examine or search the vessel, vehicle or aircraft and anything found on or in it,

for the purpose of ascertaining whether any gold or thing is on board the vessel, vehicle or aircraft for the purpose of being taken or sent out of Papua New Guinea in contravention of this Regulation.

(6) An officer may seize any gold or any thing found during an examination or search under Subsection (3) or (5) that in the opinion of the officer is in the possession of a traveller or on board the vessel, vehicle or aircraft, for the purpose of being taken or sent out of Papua New Guinea in contravention of this Regulation.

30. POWER TO OBTAIN INFORMATION.

(1)⁴ ⁵The Governor may, by written notice served on any person (including any person employed in or in connection with any Government Department or public authority), require the person—

- (a) to furnish to the Central Bank such information as the Bank requires with respect to any act, transaction, matter or thing to which any provision of this Regulation applies; and
- (b) to produce books, documents and other records in his custody or under his control relating to it.

(2) A person who—

- (a) refuses or fails to comply with any requirement made under Subsection (1); or
- (b) with intent to evade any of the provisions of this Regulation, destroys, mutilates, hides or removes any book, document or other record,

is guilty of an offence.

(3) A person may not refuse—

- (a) to furnish information; or
- (b) to produce a book, document or record,

when required to do so under this section, on the ground that it might tend to criminate him or make him liable to a penalty, but the information, book, document or record is not admissible in any proceedings against him other than proceedings under Subsection (2)(a) or Section 31.

(4) Subsection (3) does not apply in relation to a requirement under Subsection (1) relating to gold.

31. FALSE STATEMENTS.

A person who makes—

- (a)⁶ to the Governor; or
- (b) to an officer (including an officer within the meaning of Section 29); or
- (c) to an officer of the Central Bank or authorized dealer,

any statement, whether oral or in writing, relating to any act, transaction, matter or thing to which this Regulation applies, that—

- (d) he knows to be untrue in any particular; or
- (e) is misleading in any particular; or

⁴ Section 30(1) amended by Regulation No. 13 of 1994, s1.

⁵ Section 30(1) amended by Regulation No. 13 of 1994, s1.

⁶ Section 31(a) amended by Regulation No. 13 of 1994, s2.

(f) is made by him without his having first made proper inquiries to ascertain its truth, is guilty of an offence.

32. EVASION OF THIS REGULATION.

A person who makes or enters into any arrangement, whether oral or in writing, for the purpose of, or that has the effect of, directly or indirectly defeating, evading or avoiding, or preventing the operation of, this Regulation in any respect, is guilty of an offence.

33. PENALTIES.

⁷(1) A person who commits an offence against or fails or refuses to comply with any of the provisions of this Regulation may be prosecuted either summarily or on indictment.

(2) A person who commits an offence against, or fails or refuses to comply with, any of the provisions of this Regulation, is liable on conviction to a fine not exceeding—

(a) K100,000.00; or

(b) an amount equal to 25% of the total value of the funds or property involved, whichever is the greater amount, or imprisonment for a term not exceeding five years.

(3) In addition to any other punishment, a Court may, if it thinks fit, order the forfeiture of any gold, Papua New Guinea currency, foreign currency, securities or goods in respect of which an offence has been committed against the regulations made for the purposes of this section.

(4) In addition to any other punishment a Court, may if it thinks fit, order the sale to or the vesting in, the Central bank of foreign currency, gold or property retained or obtained in contravention of this Regulation.

⁷ Section 33 repealed and replaced by Regulation No. 13 of 1994, s3.

SCHEDULE 1

Reg., Sec. 20.

BOND

