

GOVERNMENT OF FIJI GAZETTE SUPPLEMENT

 No. 53

FRIDAY, 25th NOVEMBER

2022

 [LEGAL NOTICE NO. 134]

FIJI NATIONAL PROVIDENT FUND ACT 2011

Fiji National Provident Fund (Amendment) Regulations 2022

IN exercise of the powers conferred on me by section 143 of the Fiji National Provident Fund Act 2011 and on the advice from the Fiji National Provident Fund Board, I hereby make these Regulations—

Short title and commencement

1.—(1) These Regulations may be cited as the Fiji National Provident Fund (Amendment) Regulations 2022.

(2) These Regulations are deemed to have come into force on 1 November 2022.

(3) In these Regulations, the Fiji National Provident Fund Regulations 2014 is referred to as the “Principal Regulations”.

Regulation 40 amended

2. Regulation 40(2) of the Principal Regulations is amended after “further contributions” by inserting “or payments made into their drawdown account”.

Regulation 40A inserted

3. The Principal Regulations are amended after regulation 40 by inserting the following new regulation—

“Drawdown accounts

40A.—(1) An application to establish a drawdown account under section 44 of the Act may be accepted only if—

- (a) the regular amount payable monthly is not less than the minimum amount determined by the Board; and
- (b) the total amount used to purchase one or more drawdown accounts is not more than the maximum amount determined by the Board.

(2) For the purpose of section 44 of the Act, an application for a drawdown account must contain—

- (a) such information required by the Board to ensure identification of the applicant and the applicant’s payment details;
- (b) the amount that the applicant is applying to have placed in the applicant’s drawdown account; and
- (c) the amount of the regular payment as agreed with the applicant in accordance with subregulation (3).

(3) The regular monthly amount payable from the drawdown account is the amount based on drawdown factors determined by the Board, on the written advice of the actuary which are estimated to maintain a positive balance in the drawdown account provided that no withdrawals are made under subregulation (7) or subregulation (9) until approximately—

- (a) one-third of members of the same age as the drawdown account holder at the establishment of the drawdown account would, on average, have survived, according to the actuary's projection of mortality and future credited interest rates (referred to as 'standard option'); or
- (b) two-thirds of members of the same age as the drawdown account holder at the establishment of the drawdown account would, on average, have survived, according to the actuary's projection of mortality and future credited interest rates (referred to as the high option).

(4) The drawdown account holder must be provided with annual statements in the same manner as any other FNPF member in accordance with section 41 of the Act and must be advised at the commencement of the drawdown account, and at the end of each financial year for which the drawdown account has a positive balance, the date upon which the Board estimates that the balance in the drawdown account will be reduced to zero.

(5) In the event that the drawdown account holder dies before the balance in the drawdown account is reduced to zero, a nominee may—

- (a) apply to have the balance in the drawdown account paid to the nominee as a lump sum under section 57 of the Act; or
- (b) if the nominee is a sole nominee, apply to have the monthly payments paid to the nominee as if the nominee was the holder of the drawdown account.

(6) If an application under subregulation (5)(b) is accepted, the monthly amount continues unchanged and the nominee has, after 12 months from the date the drawdown account for the nominee is established, the rights of a drawdown account holder under subregulations (7) and (9).

(7) At any time after 12 months have elapsed from the establishment of the drawdown account, the drawdown account holder may apply for the payment of the whole balance remaining in the drawdown account as a lump sum, subject to any charge under subregulation (12) and subject to any conditions the Board may place on such applications.

(8) Upon payment of a lump sum amount applied for under subregulation (7), a drawdown account must be closed.

(9) The drawdown account holder may apply for the payment of a part of the balance remaining in the drawdown account provided that—

- (a) the first application can only be done after 12 months have lapsed from the establishment of the drawdown account;
- (b) at least 12 months have lapsed since any previous application has been made under this subregulation; and
- (c) any payment made under this subregulation is subject to any charge under subregulation (12).

(10) No repayment of any amount applied and paid for under subregulation (9), can be made.

(11) In the event that the drawdown account holder makes a withdrawal under subregulation (9), the regular monthly instalment continues unchanged and the drawdown account holder will be notified of the revised date at which the Board estimates that it is likely the balance in the drawdown account will be reduced to zero.

(12) The Board must determine from time to time, on the advice of the actuary, the charge to be paid by a drawdown account holder for the processing of applications to withdraw funds under subregulations (7) and (9) as required to cover the additional costs of the applications, and advise potential applicants of the charge.

(13) A charge must be paid before any withdrawal sum is released to the drawdown account holder.”.

Made this 22nd day of November 2022.

A. SAYED-KHAIYUM
Attorney-General and Minister for Economy
