

No. 65 of 2022.

*Civil Aviation (Amendment No. 1) Act 2022.*

Certified on: 2 Dec 2022



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*Civil Aviation (Amendment No. 1) Act 2022.*

**ARRANGEMENT OF SECTION.**

New Sections 147AC, 147AD, 147AE, 147AF and 147AG.

- “147AC. LEAVE OF ABSENCE OF DIRECTORS OF THE BOARD.**
- 147AD. RESIGNATION OF INDEPENDENT DIRECTORS.**
- 147AE. VACATION OF OFFICE BY INDEPENDENT DIRECTORS.**
- 147AF. APPOINTMENT OF MANAGING DIRECTOR.**
- 147AG. APPOINTMENT OF ACTING MANAGING DIRECTOR.”.**



No. 65 of 2022

AN ACT

entitled

***Civil Aviation (Amendment No. 1) Act 2022,***

Being an Act to amend the *Civil Aviation Act 2000,*

MADE by the National Parliament.

**NEW SECTIONS 147AC, 147AD, 147AE, 147AF AND 147AG.**

The Principal Act is amended by inserting immediately after Section 147AB, the following new sections:

**“147AC. LEAVE OF ABSENCE OF DIRECTORS OF THE BOARD.**

(1) A director shall in writing notify the Minister that he will not be available for a scheduled meeting of the Board.

(2) The Minister may grant leave of absence to a director on such terms and conditions as the Minister determines.

(3) Unless the Minister grants leave of absence to a director under Subsection (2), the director shall be deemed absent from the scheduled Board meeting.

(4) A director who is absent from three consecutive scheduled meetings of the Board shall be dismissed by the Minister.

**147AD. RESIGNATION OF INDEPENDENT DIRECTORS.**

An independent director under Section 147A(4)(d), (e), (f) and (g) may resign from office by written notice to the Minister.

**147AE. VACATION OF OFFICE BY INDEPENDENT DIRECTORS.**

- (1) If an independent director under Section 147A(4)(d), (e), (f) and (g) -
- (a) dies or is permanently incapable of performing his duties; or
  - (b) resigns from office; or
  - (c) is absent from three consecutive meetings of the Board, without obtaining special leave of absence granted by the Minister; or
  - (d) becomes bankrupt or makes any assignment or composition with his creditors generally; or
  - (e) is convicted of a criminal offence in Papua New Guinea or in any other jurisdiction,

the Minister shall terminate his appointment.

(2) The Minister may, at any time, by written notice, advise an independent director that he intends to terminate the appointment of the independent director on the grounds of inability, non-performance or misbehaviour.



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(3) Within seven days of the receipt of a notice under Subsection (2), the independent director may reply in writing to the Minister who shall consider the reply and where appropriate proceed to recommend the termination of the appointment.

(4) Where an independent director is given notice under Subsection (2) fails to reply in accordance with Subsection (3), his appointment is deemed terminated.

(5) Where the appointment of the independent director is terminated under Subsection (4), the Minister shall request the interest group of the terminated director to nominate a candidate to fill the vacancy.”.

**147AF. APPOINTMENT OF MANAGING DIRECTOR.**

(1) There shall be a Managing Director who is the chief executive of the Company who shall be appointed in accordance with the procedures for the appointment, suspension and revocation of appointment of chief executive officers of Regulatory Statutory Authorities under the *Regulatory Statutory Authorities (Appointment to Certain Offices) Act 2004*.

(2) The Managing Director shall be appointed for a term of three years and is eligible for re-appointment subject to his performance in accordance with his contractual provisions.

(3) The terms and conditions of the Managing Director shall be as determined by the National Executive Council and contained in a written contract of employment which shall be signed by the Minister and by the Managing Director.

- (4) The person considered for appointment as Managing Director shall -
- (a) be the holder of an academic degree in a field, considered by the Public Service Commission to be related to the position, from an accredited university that is recognised by the department responsible for higher education; and
  - (b) has at least 10 years practical experience in a field considered by the Public Service Commission to be related to the position, at least five of which were in an executive managerial capacity equivalent to head or deputy head level of a reputable organisation; and
  - (c) be a fit and proper person, which includes -
    - (i) passing the fit and proper person test prescribed under Section 50 of the Act; and
    - (ii) medical clearance from a certified medical practitioner; and
    - (iii) police clearance.
- (5) The Managing Director shall be terminated if he -
- (a) fails one of the requirements under Subsection (4)(c); or
  - (b) becomes incapable of performing his duties; or
  - (c) other than with written consent of the Minister, engages in any paid employment or carries on business outside the duties of his office; or



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- (d) becomes bankrupt, applies for the relief of the law for bankrupt or insolvent debtors, compounds with his creditors or makes an assignment of his salary for their benefit; or
- (e) is convicted of an offence that is punishable by law with a sentence of imprisonment; or
- (f) ceases to be ordinarily resident in the country; or
- (g) commits an offence against this Act.

**147AG. APPOINTMENT OF ACTING MANAGING DIRECTOR.**

- (1) In the interest of the Aviation Sector, the Minister shall suspend the Managing Director, with or without cause, if -
- (a) the Managing Director is absent from duty (from whatever cause arising); or
  - (b) there is a vacancy (whether by reason of death, resignation, or otherwise); or
  - (c) from time to time while the absence or vacancy continues,
- and appoint a senior person in the company in terms of the number of years he has worked in the company or a suitable person to act in the position.
- (2) The appointment process under section 147AF is not applicable to Subsection (1).
- (3) The appointment made under Subsection (1) shall be for a maximum period of three months and shall be published in the National Gazette.
- (4) Any extension of the period prescribed under Subsection (3) shall be made in accordance with Section 147AF.”

I hereby certify that the above is a fair print of the *Civil Aviation (Amendment No. 1) Act 2022*, which have been made by the National Parliament.

Clerk of the National Parliament.

2 DEC 2022

I hereby certify that the *Civil Aviation (Amendment No. 1) Act 2022* was made by the National Parliament on 2 December 2022.

Speaker of the National Parliament.

2 DEC 2022