

THIRD SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 5139 GIBRALTAR Thursday 4th April 2024

B. 11/24

BILL

FOR

AN ACT to amend the Financial Services Act 2019 and the Financial Services (Insurance Companies) Regulations 2020.

ENACTED by the Legislature of Gibraltar.

Title.

1. This Act may be cited as the Financial Services (Amendment) Act 2024.

Commencement.

2. This Act comes into operation on the day of publication.

Amendment of the Financial Services Act 2019.

3. After section 23 of the Financial Services Act 2019, insert—

“Directions by Minister concerning macro-economic interests, etc.

- 23A.(1) The Minister may give a direction to the GFSC requiring it, in exercising its functions, to have regard to Government policy in respect of any macro-economic or other public interest of Gibraltar (including, in particular, financial stability) described in the direction.
- (2) The Minister must consult the GFSC before giving a direction under subsection (1).
- (3) A direction may relate to all regulated persons or to regulated persons of a specified class or description, but may not relate to a particular regulated person.
- (4) A direction may specify particular matters to which the GFSC is or is not to have regard in complying with the direction, but those matters must be specified in relation to all regulated persons or a specified class or description of regulated person rather than a particular regulated person.

- (5) Subsection (3) or (4) does not prevent the GFSC from taking any steps in respect of a particular regulated person who falls within a specified class or description to which a direction applies.
- (6) Nothing in this section permits the Minister to give a direction in respect of a particular matter which the GFSC is considering in relation to the taking of any enforcement or sanctioning action against a particular regulated person.
- (7) This section applies without limiting section 23(1)(b)(vii) or (viii) or any other power of the Minister.”.

Amendment of the Insurance Companies Regulations.

4. After regulation 13 of the Financial Services (Insurance Companies) Regulations 2020, insert–

“Requirement to consult Minister on certain permissions.

13A.(1) The GFSC must–

- (a) consult the Minister before–
 - (i) giving an insurance undertaking Part 7 permission to carry on compulsory motor insurance; or
 - (ii) varying the Part 7 permission of an insurance undertaking to permit it to carry on such insurance; and
 - (b) in deciding whether to give or vary the permission, take account of any response provided by the Minister concerning any matter affecting the macro-economic or other public interest of Gibraltar which the Minister considers may arise from the permission being given or varied.
- (2) The GFSC must provide the Minister with such information as the Minister may reasonably require for the purpose of assessing the matters in sub-regulation (1)(b).
 - (3) In sub-regulation (1), “compulsory motor insurance” means a contract of motor insurance in respect of third party risks which complies with the requirements of the Insurance (Motor Vehicles) (Third Party Risk) Act 1986.
 - (4) Sub-regulation (1) does not apply in respect of an UK-authorized insurance undertaking which operates in Gibraltar by virtue of a deemed passporting right under the Financial Services (Passport Rights and Transitional Provisions) (EU Exit) Regulations 2020 and the corresponding law of the United Kingdom.”.

EXPLANATORY MEMORANDUM

This Act amends the Financial Services Act 2019 and the Financial Services (Insurance Companies) Regulations 2020. Section 3 inserts a new section 23A into that Act, which enables the Minister to give directions requiring the GFSC, when exercising its functions, to have regard to Government policy concerning any macro-economic or other public interest described in the direction. The Minister must consult the GFSC before giving such a direction and a direction cannot be given which relates to a particular regulated person. Section 4 inserts a new regulation 13A into those Regulations, which requires the GFSC to consult the Minister when considering whether to permit insurance undertakings to provide compulsory motor insurance under the Insurance (Motor Vehicles) (Third Party Risk) Act 1986 and to take account of any response provided by the Minister relating to the macro-economic or other public interest of Gibraltar before reaching its decision.

**Printed by the Gibraltar Chronicle Printing Limited
Unit 3, New Harbours
Government Printers for Gibraltar,
Copies may be purchased at 6, Convent Place, Price. £0.50.**