

## MALTA

### **ATT Nru. IX ta' l-2005**

### **ACT No. IX of 2005**

ATT mahruġ b'liġi mill-Parlament ta' Malta.

AN ACT enacted by the Parliament of Malta.

ATT biex jemenda l-Att dwar il-Bank Ċentrali ta' Malta, Kap. 204 u biex jagħmel emendi konsegwenzjali għal dan.

AN ACT to amend the Central Bank of Malta Act, Cap. 204 and to make consequential amendments.

I assent.

(L.S.)

EDWARD FENECH ADAMI  
President

5th July, 2005

**ACT No. IX of 2005**

*AN ACT to amend the Central Bank of Malta Act, Cap. 204 and to make consequential amendments.*

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:-

**1.** The short title of this Act is the Central Bank of Malta (Amendment) Act, 2005 and it shall be read and construed as one with the Central Bank of Malta Act, hereinafter in this Act referred to as “the principal Act”. Short title.  
Cap. 204.

**2.** Article 7 of the principal Act shall be amended as follows:

(a) subarticle (3) shall be renumbered as subarticle (4) thereof; Amendment of  
article 7 of the  
principal Act.

(b) immediately after subarticle (2) thereof, there shall be inserted the following new subarticle (3):

“(3) For the purposes of fulfilling its responsibilities in matters related to the internal and external audit process, to the system of risk management and internal control and to the financial reporting process, the Board shall establish and will be assisted by an Audit Committee, to be chaired by one of the directors who is neither the Governor nor the Deputy Governor.”; and

(c) in subarticle (4) as renumbered, for the words “articles 39 to 49A,” there shall be substituted the words “articles 39 to 43,”.

Addition of new article 38G to the principal Act.

**3.** Immediately after article 38F of the principal Act, there shall be inserted the following new article:

“38G. The Bank may own shares and undertake other participations in international and national organisations and may further participate in international monetary agreements to the extent necessary to carry out its tasks and duties under the law and to fulfil its international obligations.”.

Addition of new article 49F to the principal Act.

**4.** Immediately after article 49E of the principal Act, there shall be inserted the following new article:

“Sanctions for medals and tokens similar to euro coins.

49F. (1) Whosoever, unless authorised by the Commission of the European Union, produces, sells, imports or distributes for sale or for other commercial purposes medals and tokens, other than exempted medals and tokens, similar to euro coins:

(a) which have the terms “euro” or “euro cent” or the euro symbol on their surface; or

(b) having their size inside the reference band appearing in the Schedule; or

(c) having on their surface any design similar to any of the national obverse designs or to the common reverse face of euro coins, or is identical or similar to the edge design of the two-euro coin,

shall be guilty of an offence and shall, on conviction, be liable to a fine (*multa*) not exceeding ten thousand liri, or to imprisonment for a term not exceeding six months, or to both such fine and imprisonment.

(2) The following shall be exempted medals or tokens:

(a) medals and tokens bearing the terms “euro” or “euro cent” or the euro symbol without an associated nominal value unless their size is outside the reference band;

(b) medals and tokens whose size is inside the reference band and which:

(i) are pierced with a hole of over six millimetres in their centre, or when their shape is polygonal but limited to six edges, provided the condition under subarticle (3)(b) is satisfied; or

(ii) are made of alloys containing gold, silver and platinum with a millesimal fineness in weight of at least 375, 500 and 850 respectively; or

(iii) fulfil the conditions laid down in subarticle (3).

(3) The conditions referred to in subarticle (2)(b)(iii) are the following:

(a) the combinations of diameter and edge height of medals and tokens are consistently outside the ranges defined in each of the cases specified in item 1 of the Schedule to this Act; and

(b) the combinations of diameter and metal properties of medals and tokens are consistently outside the ranges defined in each of the cases specified in item 2 of the Schedule to this Act.

(4) In this article:

“reference band” means the set of combinations between the values for diameter and values for edge height included in the reference range for diameter and the reference range for edge height respectively;

“reference range for diameter” is the one between 19,00 millimetres and 28,00 millimetres; and

“reference range for edge height” is the one included between 7,00% and 12,00% of each value within the reference range for diameter.

(5) The provisions of this article shall not apply to medals and tokens issued before the 6 December 2004.”.

**5.** Immediately after article 55 of the principal Act, there shall be inserted the following Schedule:

Addition of  
Schedule to the  
principal Act.

## “SCHEDULE

(Article 49F)

## 1. Ranges referred to in article 49F (3)(a)

<b>Defined ranges</b>		
	Diameter (mm)	Edge height (mm)
1.	19,45 – 20,05	1,63 – 2,23
2.	21,95 – 22,55	1,84 – 2,44
3.	22,95 – 23,55	2,03 – 2,63
4.	23,95 – 24,55	2,08 – 2,68
5.	25,45 – 26,05	1,90 – 2,50

## 2. Ranges referred to in article 49F(3)(b)

	Diameter (mm)	Metal properties
1.	19,00 – 21,94	Electrical conductivity between 14,00 and 18,00% IACS
2.	21,95 – 24,55	Electrical conductivity between: <ul style="list-style-type: none"> <li>- 14,00 and 18,00% IACS; or</li> <li>- 4,50 and 6,50% IACS, unless the medal or token is of single alloy and its magnetic moment is outside the range from 1,0 to 7,0 <math>\mu</math>Vs.cm</li> </ul>
3.	24,56 – 26,05	Electrical conductivity between: <ul style="list-style-type: none"> <li>- 15,00 and 18,00% IACS; or</li> <li>- 13,00 and 15,00% IACS, unless the medal or token is of single alloy and its magnetic moment is outside the range from 1,0 to 7,0 <math>\mu</math>Vs.cm</li> </ul>
4.	26,06 – 28,00	Electrical conductivity between 13,00 and 15,00% IACS, unless the medal or token is of single alloy and its magnetic moment is outside the range from 1,0 to 7,0 $\mu$ Vs.cm

6. The Internal Audit and Financial Investigations Act, hereinafter in this article referred to as the “principal Act”, shall be amended as follows:-

Consequential amendments to the Internal Audit and Financial Investigations Act, Cap. 461.

(1) in article 2 of the principal Act: –

(a) immediately before the definition “auditee” there shall be added the following new definition:

“ “Audit Committee” means the Audit Committee established under article 7(3) of the Central Bank of Malta Act;” and

Cap. 204.

(b) immediately after the definition “Board” there shall be added the following new definition:

“ “Central Bank of Malta” or “the Bank” means the Central Bank of Malta established by article 3 of the Central Bank of Malta Act;”;

(2) immediately after subarticle (2) of article 14 thereof, there shall be added the following new subarticle:

“(3) Notwithstanding subarticles (1) and (2) hereof, where the auditee is the Central Bank of Malta, any report of a financial investigation carried out at the Bank shall be presented to the Chairman of the Audit Committee of the Bank who shall, within one month of the receipt of such report, give instructions to the Governor of the Bank as may be necessary to remedy any shortcomings, and shall inform the Director accordingly.”;

(3) in article 18 thereof, for the words “of the auditee.” there shall be substituted the words “of the auditee:” and immediately thereafter there shall be added the following proviso:

“Provided that in the case of the Central Bank of Malta, where the Director is of the opinion that the irregularity is of an administrative nature, he shall inform the Chairman of the Audit Committee of the Bank.”; and

(4) in subarticle (2) of article 22 thereof, immediately after the words “Permanent Secretary” there shall be added the words “or, as the case may be, the Chairman of the Audit Committee of the Central Bank of Malta,”.

7. Article 9B of the Income Tax Act shall be amended as follows:

(a) in subarticle (1) thereof, in the definition “qualifying asset”, immediately after the words “the Exchange Control Act” there shall be added the words “or article 11 of the External Transactions Act”;

(b) in paragraph (b) of subarticle (2) thereof:

(i) immediately after the words “or an accumulation thereof,” there shall be inserted the words “at any time before the date on which that asset is registered as a qualifying asset,”;

(ii) for the words “the 1st September, 2001” there shall be substituted the words “the 31st March, 2005”; and

(iii) for the words “the 1st January, 2001” there shall be substituted the words “the 1st January, 2005”;

(c) in paragraph (c) of subarticle (2) thereof:

(i) for the words “the 1st September, 2001” there shall be substituted the words “the 31st March, 2005”;

(ii) immediately after the words “in consideration of such transfer or transmission” there shall be added the words “at any time before the date on which that asset is registered as a qualifying asset”; and

(d) in subarticle (3) thereof, for the words “the 1st September, 2001” there shall be substituted the words “the 31st March, 2005”.

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Passed by the House of Representatives at Sitting No. 285 of 28th June, 2005.

ANTON TABONE  
*Speaker*

RICHARD J. CAUCHI  
*Clerk to the House of Representatives*