



Republic of Nauru

Department of Finance

2020-21 Budget at a Glance

BUDGET OVERVIEW

The 2020-21 Budget was brought down on 4 June 2020. It was framed against a highly uncertain short and medium term outlook impacted by the coronavirus pandemic and the future of the Regional Processing Centre (RPC).

The economy is expected to contract over the next year by 1.7 per cent of GDP, in light of the global downturn and wind-down of the RPC. Accordingly, Government revenues will decline and expenditure restraint is required to ensure that Government can work within its means and adjust to lower levels of income into the future.

BUDGET AGGREGATES

The key budget aggregates for 2018-19, 2019-20 and 2020-21 are shown in Table 1.

Table 1: Overview of budget aggregates year to date (at 29 May 2020)

	2018-19 Preliminary Actual	2019-20 Approved Budget	2019 Supp Bills	2019-20 Revised Budget	2019-20 YTD Actual & Commitments	2019-20 Forecast	2020-21 Approved Budget
	\$	\$	\$	\$	\$	\$	\$
Revenue	229,600,058	146,030,911	103,571,935	249,602,846	256,000,003	264,242,135	210,483,272
Expenditure	207,011,640	145,716,127	103,053,936	248,770,063	219,232,733	248,770,063	210,444,381
Balance	22,588,418	314,784	517,999	832,783	36,767,269	15,472,072	38,891

POLICY PRIORITIES FOR 2020-21

Nauru is in a period of economic transition. As the level of RPC activity winds down to an 'enduring capability', Nauru must seek to diversify its economy and sources of economic growth. Through this transition, the Government is committed to improving the resilience of the economy through addressing the productivity of social and economic infrastructure, resolving barriers to international financial markets, mitigating risks to food and supply security, alleviating cost of living pressures for households and maintaining government services at sustainable levels.

The Government's policy priorities for 2020-21 include:

- Responsible economic management and macro-economic stability
- Cost of living and safety net initiatives
- Investment in infrastructure
- Maintaining government services
- Coronavirus response.