



REPUBLIC OF NAURU

SUPPLEMENTARY ESTIMATES OF EXPENDITURE 2021-22

8 September 2021

**CIRCULATED BY
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SUPPLEMENTARY APPROPRIATION No.1 2021-22

OVERVIEW

Supplementary Appropriation Bill (No.1) 2021-22 recognises additional Government revenue of \$32.1 million, and \$32.1 million in expenditure, with a small surplus balance of \$0.03 million.

This will bring total expected revenue for 2021-22 to \$276.3 million, and \$276.1 million is appropriated for expenditure, leaving a surplus balance for the year of \$0.1 million.

This Bill reflects updated revenue and expenditure estimates to take account of:

- hosting fee revenue and balance of RPC transition funds not recognised in the original budget
- government priorities and new commitments since start of the financial year

Table 1: Budget Aggregates (\$)

Description	2021-22 Original Budget	2021-22 Supp App 1	2020-21 Revised YTD Budget
Revenue	244,123,361	32,133,332	276,256,693
Expenditure	244,023,361	32,106,784	276,130,144
Balance	100,000	26,548	126,549

REVENUES

This Bill recognises the following changes to revenues.

42 - Department of Multicultural Affairs

	2021-22 Budget
1015 - Income from Investments and Dividends	11,000,000
1598 - Hosting Fee	21,133,332
Total impact on budget	32,133,332

\$11 million in additional revenue is recognised to reflect the balance of the Transition Funds in the Commercial Operations and Services Fund. \$15 million was agreed and paid by the Government of Australia to facilitate the RPC transition, \$4 million has been utilised leaving a balance of \$11 million.

\$21.1 million in revenue is recognised to reflect the proposal to draw down an additional four months of hosting fee from the Commercial Operations and Services Fund.

EXPENDITURES

The following expenditure is appropriated.

02 - Ministerial

	2021-22 Budget
2220 - Nauru Community Housing	4,900,000
2330 - Telephone and Internet	40,000
Total impact on budget	4,940,000

\$4.9 million is provided for the Nauru Community Housing scheme to address overcrowding and sanitation issues.

\$40 thousand is provided to cover for a new bandwidth contract with CENPAC.

03 - Chief Secretary Office

	2021-22 Budget
<i>0302 - Administration</i>	
2330 - Salary Other Contracts	153,246
2575 - Local Transport	50,000
<i>0304 - Human Resources</i>	
2015 - Local Salaries	355,000
Total impact on budget	558,246

\$153 thousand is provided to Chief Sec Administration Division for a new security arrangement for the IHMS hospital now taken over by RON Hospital.

\$50 thousand is provided to cover for a whole of government car rental arrangement to be managed by Chief Secretary Administration section.

\$355 thousand is provided for a three-day additional pay to civil servants to facilitate a government wide transition to full arrears payroll.

16 - Finance Other Payments

	2021-22 Budget
2616 - Subsidies to SoEs	407,430
2395 - Social Welfare Death Claims	45,000
2496 - Building and Structure	3,982,640
2680 - Bank of Nauru Liquidation	1,351,178
2545 - RONWAN	5,833,334
2650 - Nauru Trust Fund (NTF)	3,245,467
2652 - Fiscal Cash Buffer	(5,420,000)
Total impact on budget	9,445,049

\$407 thousand is provided to support Nauru Shipping Line cover demurrage costs for Papa Mau following a government a decision to return the ship to Fiji following positive COVID 19 tests of the crew.

\$45 thousand is provided to help cover funeral costs for Nauruan nationals who pass away overseas. A fixed amount of \$15 thousand per death has been allocated and will be paid if a family wishes to repatriate the body of their loved one for burial in Nauru, covering embalming, repatriation, hospital fees etc.

\$4 million is provided to cover additional costs for the development of the Government owned land at Portion 230. \$5 million dollars was provided in the original budget to complete 5 hectares for which work is currently ongoing and this additional provision is to enable NRC to complete works for the remaining 4.82 hectares by July 2022.

\$1.4 million is provided to facilitate settlement of additional Bank of Nauru debts to account holders that have valid bank accounts.

\$5.8 million is provided to the Nauru Phosphate Royalties Trust for an additional Ronwan capital distribution, bringing the total allocation for the year to \$11.6 million. The funding comes from balances available from the Bank of Nauru liquidation.

\$3.2 million is provided for a bonus contribution to the Nauru Inter-generational Trust Fund, providing for 10.1 percent of total revenue recognised in this supplementary.

\$5.4 million is the reduced contribution to the Fiscal Cash Buffer to fund the increase in expenditure in this supplementary.

17 - Nauru Customs

	2021-22 Budget
2615 - Office Rent	185,600
Total impact on budget	185,600

\$190 thousand is provided to support the Customs Modernisation Project. An allocation was provided in 2020-21 but could not be utilised due to delays in identification of a suitable office location and finalization of a tenancy agreement.

42 - Department of Multicultural Affairs

	2021-22 Budget
2496 - Building and Struture	11,000,000
Total impact on budget	11,000,000

\$11 million is allocated to the Department of Multicultural Affairs to facilitate investment in a new Government Building to address congestion and improve service delivery.

60 - COVID-19 Taskforce

	2021-22 Budget
<i>6003 - National Measures</i>	
2075 - Travel - Business	988,000
2350 - Freight	315,000
Total impact on budget	1,303,000

\$1 million is provided to the Task-Force to cover for the March 2021 OMR charter bill including two new charters to evacuate additional patients to Taiwan and return those that have completed medical treatment.

\$315 thousand is provided for 3 freight charters to contribute to the costs of maintaining transport connectivity and ensuring food security on island due to the return of Papa Mau.

61 - Health

	2021-22 Budget
<i>6101- Office of the Secretary</i>	
2475 - Overseas Medical Treatment (OMR)	3,500,000
Total impact on budget	3,500,000

\$3.5 million is provided for additional patients` medical and accommodation costs in Taipei, Brisbane, Suva and Bangkok.

62 - Sports

	2021-22 Budget
2617 - Donations Local	400,000
Total impact on budget	400,000

\$400 thousand is provided to the Sports Departments for additional districts courts.

63 - Infrastructure

	2021-22 Budget
2055 - Consultancy fees	600,000
Total impact on budget	600,000

\$0.6 million is provided to engage an Urban Development consultant for the Higher Ground and Smart Housing Project.

71 - Foreign Affairs HQ

	2021-22 Budget
2015 - Local Salary	33,000
2070 - Staff Travel	200
2155 - House Rental	44,200
2275 - Purchase of petrol	5,200
2330 - Telephone and Internet	6,000
2460 - Medical Expenses	6,000
2560 - Education Allowances	4,000
Total impact on budget	98,600

\$100,000 is provided to cover for the welfare and administration costs of the Thailand Consulate Office. The allocation is targeted to subsidise the office current external funding arrangement with the view to exert ownership of the Office and ensure staff undertakes and progress the Government of Nauru`s priorities first and foremost.

81 - Internal Affairs

	2021-22 Budget
<i>8101 - Secretary Office</i>	
2015 - Local Salary	41,849
2050 - Uniform and Protective Clothing	300
2130 - Official Celebrations	25,000
2495 - Plant and Equipment	9,140
Total impact on budget	76,289

\$77 thousand is provided to Internal Affairs to strengthen Bingo monitoring on island through resourcing of the Bingo section.

Table 2: 2021-22 Supplementary Appropriation No.1 – Revenues

Description	2021-22 Original Budget	Supp App 1	2021-22 Revised Budget
03 - Chief Secretariat	43,665	-	43,665
09 - Electoral Commission	19,904	-	19,904
11 - Finance Secretariat	2,000	-	2,000
12 - Finance -Public Debt	16,245,600	-	16,245,600
15 - Nauru Revenue Office	34,730,000	-	34,730,000
16 - Finance - Other Payments	16,000,351	-	16,000,351
17 - Nauru Customs Office (NCO)	16,514,175	-	16,514,175
18 - Nauru Regional Processing Centre (NRPCC) Corporati	10,000,002	-	10,000,002
21 - CIE	5,000	-	5,000
31 - Fisheries	59,900,000	-	59,900,000
41 - Police	212,640	-	212,640
42 - Dept of Multi Cultural Affairs	86,599,971	32,133,332	118,733,303
43 - Justice - Secretariat	709,756	-	709,756
44 - Judiciary	52,043	-	52,043
45 - Border Control	1,670,444	-	1,670,444
46 - Correctional Services	-	-	-
50 - Directorate of TVET	34,738	-	34,738
61 - Health	59,205	-	59,205
83 - Media Bureau	64,000	-	64,000
84 - Lands & Survey	7,052	-	7,052
85 - Lands Committee	16,900	-	16,900
91 - Department of Transport	1,231,915	-	1,231,915
95 - ICT	4,000	-	4,000
TOTAL	244,123,361	32,133,332	276,256,693

Table 3: 2021-22 Supplementary Appropriation No.1 – Expenditures

Description	2021-22 Original Budget	Supp App 1	2021-22 Revised Budget
01 - Presidency and State House (including GIO)	2,148,953	-	2,148,953
02 - Ministerial	10,627,108	4,940,000	15,567,108
03 - Chief Secretariat	17,909,751	558,246	18,467,997
05 - Audit	292,483	-	292,483
06 - Parliament	1,318,376	-	1,318,376
08 - National Emergency Services	1,957,198	-	1,957,198
09 - Electoral Commission	386,677	-	386,677
11 - Finance Secretariat	2,547,512	-	2,547,512
12 - Finance -Public Debt	20,226,213	-	20,226,213
13 - Bureau of Statistics	214,629	-	214,629
15 - Nauru Revenue Office	505,279	-	505,279
16 - Finance - Other Payments	72,563,171	9,445,049	82,008,220
17 - Nauru Customs Office (NCO)	947,948	185,600	1,133,548
18 - Nauru Regional Processing Centre (NRPCC) Corporation	1,425,707	-	1,425,707
21 - CIE	847,257	-	847,257
22 - Climate Change and Resilience	925,138	-	925,138
31 - Fisheries	3,479,266	-	3,479,266
41 - Police	4,630,357	-	4,630,357
42 - Dept of Multi Cultural Affairs	20,927,213	11,000,000	31,927,213
43 - Justice - Secretariat	2,964,360	-	2,964,360
44 - Judiciary	2,024,387	-	2,024,387
45 - Border Control	799,941	-	799,941
46 - Correctional Services	920,461	-	920,461
50 - Directorate of TVET	808,565	-	808,565
51 - Education	16,235,228	-	16,235,228
52 - Youth Affairs	284,612	-	284,612
60 - COVID-19 task force	8,300,466	1,303,000	9,603,466
61 - Health	18,512,537	3,500,000	22,012,537
62 - Sports	1,325,740	400,000	1,725,740
63 - Department of Infrastructure Development	3,783,989	600,000	4,383,989
71 - Foreign Affairs - Secretariat	1,302,146	98,600	1,400,746
72 - Foreign Affairs - Brisbane	1,033,352	-	1,033,352
73 - Foreign Affairs - Suva	662,158	-	662,158
74 - Foreign Affairs - New York	2,083,590	-	2,083,590
75 - Foreign Affairs - Taiwan	521,700	-	521,700
76 - Foreign Affairs- Geneva	656,450	-	656,450
77 - High Commission India	211,975	-	211,975
78 - High Commission Canberra	730,397	-	730,397
81 - Internal Affairs	3,790,322	76,289	3,866,611
82 - WASDA	1,010,457	-	1,010,457
83 - Media Bureau	612,729	-	612,729
84 - Lands & Survey	5,902,841	-	5,902,841
85 - Lands Committee	367,998	-	367,998
86 - Department of Land Management	117,667	-	117,667
87 - Disability Department	180,961	-	180,961
91 - Department of Transport	2,390,019	-	2,390,019
95 - ICT	2,567,339	-	2,567,339
97 - Telecom	40,739	-	40,739
TOTAL	244,023,361	32,106,784	276,130,144