



REPUBLIC OF NAURU

2022-23 BUDGET

BUDGET PAPER NO 1

CIRCULATED BY

THE HON MARTIN HUNT MP

MINISTER FOR FINANCE OF THE REPUBLIC OF NAURU

ON THE OCCASION OF THE BUDGET 2022-23

31 MAY 2022

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2022-23 SELECTED BUDGET HIGHLIGHTS

\$19.3 MILLION TO THE NAURU TRUST FUND, BUILDING UP RESERVE FOR THE FUTURE GENERATION

\$11 MILLION TO COVID-19 TASKFORCE FOR CONTINUATION OF THE CATCH AND CONTAIN STRATEGY AND KEEPING NAURU SAFE

\$9.1 MILLION UNDER NAURU HOUSING SCHEME, TO IMPROVING HOUSING STOCK AND ADDRESS OVERCROWDING

\$5.4 MILLION TO IMPROVE PORT INFRASTRUCTURE AND SUBSIDY FOR CARGO FREIGHT

\$4.6 MILLION AS SUBSIDY FOR NAURU AIRLINE TO PROVIDE AFFORDABLE AIR FREIGHT SERVICES

\$3.4 MILLION EX-GRATIA PAYMENTS TO CIVIL SERVANTS AND SOE PERSONNEL, TO EASE HIGH COST OF LIVING

\$2.8 MILLION FOR SCHOLARSHIPS, EDUCATING OUR FUTURE LEADERS OF TOMORROW

\$3 MILLION FOR OVERSEAS MEDICAL REFERRALS, PROVIDING QUALITY MEDICAL TREATMENT FOR EVERYONE

\$2.8 MILLION AS FISCAL CASH BUFFER FOR LIQUIDITY

\$2.3 MILLION FOR RATIONS, CATERING NUTRITIOUS MEAL FOR OUR STUDENTS

\$2 MILLION UNDER THE SMART VILLAGE HOUSING SCHEME, ENERGY EFFICIENT AND AFFORDABLE DESIGN



\$1.7 MILLION AS CSO LIFELINE TARIFF FOR AFFORDABLE ELECTRICITY TO ALL

\$1 MILLION FOR BANK OF NAURU LIQUIDATION PAYMENTS

\$742 THOUSAND FOR SEAWALL CONSTRUCTION TO PROTECT COASTAL SHORELINES

\$640 THOUSAND FOR PURCHASE OF BREAST CANCER SCREENING MAMMOGRAM TO SUPPORT EARLY DETECTION AND TREATMENT OF CANCER

\$634 THOUSAND FOR TELEMEDICINE FACILITY TO ENABLE ACCESS TO MEDICAL EXPERTS OVERSEAS

\$345,000 FOR IMPROVED LIVING CONDITIONS FOR PEOPLE LIVING WITH DISABILITY

\$340,000 HEALTH TRAINING INSTITUTE, PROVIDING MORE OPPORTUNITIES FOR LOCALS TO QUALIFY FOR NURSES

\$300,000 FOR CONTINUATION OF NEAT SCHEME, TO BOOST NUMBER OF SCHOOL LEAVERS

\$240 THOUSAND TO SPORTS FOR CONSTRUCTION OF MULTIPURPOSE COURTS AND UPGRADE OF EXISTING SPORT FACILITIES

\$200,000 TO SUPPORT ELECTORAL COMMISSION IN FACILITATING THE 2022 GENERAL ELECTION

\$112,000 AS RETENTION ALLOWANCE TO BOOST NUMBER OF LOCAL TEACHERS

2022-23 BUDGET

BUDGET PAPER NO 1: BUDGET STRATEGY AND OUTLOOK

FOREWORD

In compliance with Part 2, Section 5 of the *Public Finance (Control and Management) Act 1997*, the 2022-23 National Budget is presented in Parliament and the Republic to provide an account for the way the Government will manage the country's resources in a fiscally sustainable manner.

Nauru's economy was expanding moderately prior to the pandemic and it continued to grow in the peak of COVID-19, owing to a sizeable pandemic policy response introduced by the Government. The "Capture and Contain" strategy coordinated through the Covid Taskforce will continue quarantine measures to keep our people safe from a COVID outbreak. Although we have lost our COVID-free status we remain committed to keeping Nauru COVID-safe.

Nauru's 2021-22 fiscal performance was better than initially anticipated. This can be attributed to governments proactive containment measures and aggressive vaccination roll out. The extension of the Regional Processing Centre from June to December 2022 contributed to a positive out-turn which enabled the government to achieve budget deliverables such as prepayment of contributions to the Nauru Trust Fund, improving the fiscal buffer, providing subsidy and fiscal support to SOEs and increased investments in Housing, Education and Health.

The 2022-23 Budget theme is **"Sustaining A Resilience Naoero"**, which builds on governments past efforts in prioritising resilience in our economy, infrastructures and people. As outlined in our National Sustainable Development Strategy, a sustainably resilient future means that we keep to macroeconomic stability, increasing investments in Education, Health and built environment. This budget further demonstrates our commitment to addressing social inequalities, easing cost of living and ensuring no one is left behind.

The Government remains committed to fiscal responsibility and consistent with its fiscal responsibility ratios, the 2022-23 Budget has been programmed with a positive balance as a share of GDP.

The Government wishes to acknowledge the valuable support of our development partners, who have stood firm with us through the difficult times. Nauru's development pathway is fostered through deep friendship and the government is grateful for the continued support of our development partners.

I would urge all Government and SOE employees to know your responsibilities and mandates under the NSDS and to coordinate efforts to ensuring successful implementation of this budget.

May God continue to Bless the Republic of Nauru.

Hon. Martin Hunt MP

Minister for Finance and Sustainable Development

Part 1: BUDGET STRATEGY AND OUTLOOK

BUDGET OVERVIEW

The theme of the 2022-23 Budget is “Sustaining A Resilience Naoero” with focus on promoting economic stability, improving infrastructure, and supporting essential service deliveries such as Health and Education to build a stronger and more resilient future. This budget continues robust public financial management and adds momentum to economic recovery in a post covid-era.

The Nauru economy continued to expand in 2020-21 and 2021-22 from policy responses introduced by Government in March 2020. Pandemic-related measures to support the economy including cash support to Nauru Airlines Corporation and Nauru Shipping Lines to ensure movement of essential commodities and service to the country; funding support to the COVID-19 taskforce to secure vaccines and distribute personal protective equipment (PPE), scaling up of health care facilities; and quarantine expenditures. Notwithstanding, a delay in construction projects due to supply chain disruptions, the economy expanded by 1.6% in 2020-21 and projected at 0.9% for 2021-22.

Given uncertainties of the Regional Processing Centre (RPC) beyond December 2022 and the evolving nature of the pandemic, it is prudent to continue with development priorities that have provided positive effects to our growth projections.

BUDGET AGGREGATES

An overview of the budget aggregates is shown in Table 1.1.

TABLE 1.1: BUDGET AGGREGATES

Description	2020-21 Preliminary Actual \$	2021-22 Approved Budget \$	2021-22 Supp Bills \$	2021-22 Revised Budget \$	2021-22 YTD Actual & Commitment \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
Revenue	271,469,525	244,123,361	94,150,942	338,274,303	298,422,898	322,684,196	253,329,350
Expenditure	279,843,596	244,023,361	93,954,487	337,977,848	235,122,536	305,028,682	252,779,965
Balance	- 8,374,071	100,000	196,455	296,455	63,300,362	17,655,514	549,385

Overall, the economic performance for 2021-22 was better than initially projected. The major contributing factors to the improved revenue collection was the extension of RPC facility to June 2022. The multiplier effect of RPC extension can be felt across broad sectors of the economy with improved revenue collections, and robust economic activity in the island.

With international economy entering a pronounced slowdown amid threats from COVID-19 variants and a rise in inflation and government borrowing to support fiscal space, small economies like Nauru performed well. Fisheries industry performed well despite the logistical challenges of the pandemic.

The winding down of the RPC, and resultant slowing economic conditions, government revenues are expected to decline in 2022-23, and expenditure restraint is programmed to reflect this contraction.

The government's policy priorities for 2022-23 include:

- Macro-economic stability – ensuring an orderly RPC adjustment process, with realistic estimates of expected revenue and expenditure that are adjusted through the year as better information becomes available, with expenditure reflecting government policy priorities
- Prioritised investment in infrastructure, linked to the priorities identified in the Nauru Integrated Infrastructure Strategic Plan
- Cost of living and safety net initiatives
- Investment in social and economic infrastructure, especially education and health
- Maintaining government services including responses to COVID-19, and
- Addressing cross-cutting issues.

Nauru's medium-term outlook remains uncertain, given its dependency on the future of the Regional Processing centre (RPC). Current RPC agreements between Nauru and Australia will transition into an Enduring Capability state, the extension beyond December 2022 with Enduring Capability arrangements likely to comment in January of 2023. The risks posed by the pandemic will likely continue to disrupt economic activity in the medium term.

ECONOMIC OUTLOOK

The Treasury uses the IMF World Economic Outlook to inform its forecasts of economic activity. After a strong performance in 2021-22, economic activity in Nauru is expected to moderate in 2022-23 reflecting the wind-down of the RPC towards enduring capability.

TABLE 1.2: KEY ECONOMIC INDICATORS

Item	2019-20	2020-21	2021-22	2022-23
Real GDP Growth (per cent change)	0.7	1.6	0.9	2.6
Nominal GDP (\$A million)	171	179	184.5	189.6
Consumer prices (period average, per cent change)	0.9	1.2	1.4	1.7

(Source: IMF World Economic Outlook April 2022)

According to the latest IMF World Economic Outlook (April 2022), the global economic recovery is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023.

Beyond 2023, global growth is forecast to decline to about 3.3% over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging market and developing economies.

Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change and end the pandemic are essential.

The IMF has acknowledged Nauru's success in being a COVID-19 free nation and efficiently averting an outbreak of COVID-19. The Fund is of the view that diversifying the economy is the way forward. Diversification to obtain new sources of growth will require supporting policies to accelerate investment in human capital and infrastructure, and efforts to improve the business environment.

Mitigating the effects of climate change can help the transformation required to raise potential growth and achieve fiscal self-reliance.

With the extension of RPC to mid-year, the IMF anticipates Gross Domestic Product (GDP) for FY 2022-23 to grow by 2.6% year on year- 1.7% age basis point higher than current year growth. The inflation outlook has strengthened to 1.7% due to inflationary pressures as global conditions stabilised after COVID-19. The nominal GDP estimate for 2021-22 is \$184.5 million and this is projected to increase to \$189.6 million for FY 2022-23

Nauru's economic growth is expected to slow down as the RPC transitions to enduring capability, reducing government revenues and leading to more modest levels of economic activity. Continued success with the capture and contains strategy, and the high level of vaccination in Nauru that currently stands at 98% has mitigate the severity of a COVID-19 outbreak, with few cases being contained at the border.

Risks to the outlook are skewed to the downside, given the uncertainty around the enduring capability arrangements for RPC, COVID-19 and global economic conditions. Volatility in global commodity prices could raise additional downside risks for fishing activity.

Inflation is expected to remain low at 2%. Nominal GDP is estimated at \$189.6 million.

FISCAL STRATEGY AND OUTLOOK

This section is consistent with the national Economic Goals 1 and that is to maintain a stable macroeconomic environment that is conducive to private sector investment. The over-arching goal of this strategy are economic stability and optimum allocation of resources to boost investment and accelerate our economic progress.

MEDIUM TERM FISCAL STRATEGY

The Medium-Term Fiscal Strategy has been formulated against the backdrop of a global economy that is severely hit by the impact of the COVID-19 pandemic and fraught with uncertainty. It also considers government's plan to sustain economic recovery and maximise opportunities to boost investment. It integrates government's commitment to improve livelihoods and protect the vulnerable from effects of COVID-19. The strategy is based on the need to address issues such as, transition of the RPC facility to an enduring capability, climate change, capacity building and competitiveness, and long-term growth.

The government is committed to responsible public financial management for the efficient and effective allocation of public money. A key component for macro-economic stability. Accordingly, Nauru considers its annual budget settings in a medium-term context that takes account of key fiscal risks.

The budget targets for new financial year are designed to sustain the current economic growth level and manage fiscal risks prudently. The FY 2022-23 Budget aims to achieve following outcomes:

- Macro-economic stability – ensuring an orderly RPC adjustment process, with realistic estimates of expected revenue and expenditure that are adjusted through the year as better information becomes available, with expenditure reflecting government policy priorities

- Progress against National Sustainable Development Strategy goals
- Prioritised investment in infrastructure, linked to the priorities identified in the Nauru Integrated Infrastructure Strategic Plan (NIISP), and
- Improved efficiency and effectiveness in SOE operations.

In particular, the 2022-23 Budget will maintain macro-economic stability through responsible budget management by the achievement of:

- Three Fiscal responsibility ratios
- Contributions to the Nauru Intergenerational Trust Fund
- Infrastructure investment consistent with NIISP
- Sound debt management
- Improved SOE performance
- Sustainable government operations, and
- Compliance with donor commitments.

FISCAL RESPONSIBILITY RATIOS

The government has adopted the following fiscal responsibility ratios:

- Budget balance must be positive as a share of GDP – that is, the budget must be in surplus
- Personnel as a proportion of current expenditure must be below 30%
- Fiscal cash buffer of three months adjusted non-RPC expenditure.

The government has successfully achieved all three fiscal responsibility ratios in 2021-22, and aims to do achieve this again in 2022-23. Performance is summarised in the tables below.

TABLE 1.3: FISCAL RESPONSIBILITY RATIOS

Measure	Target	2020-21 Actual	2021-22 Approved	2021-22 Revised	2021-22 YTD Actual	2022-23 Budget
Fiscal balance to GDP	not negative as % of GDP	-8%	0.05%	0.13%	22%	0.03%
Personnel cost ratio	Personnel cost to current expenditure <30%	14.0%	19%	15%	14%	22%

Government has successfully achieved the benchmark ratios for its fiscal responsibility indicators with Fiscal balance to GDP is estimated at 22% by end of 2021-22 fiscal year, this is likely to reach record levels arising from stronger revenue performance. The government targets an outcome close to balance when the budget is prepared.

Likewise, the personnel cost ratio was achieved in 2020-21, and is expected to increase in the current year and 2022-23 budget, but remain below the target.

TABLE 1.4: FISCAL CASH BUFFER REQUIREMENTS

		TOTAL FUNDS (\$)	
	Requirement (\$)	As at 1 July 2021	As at 31 Mar 2022
Cash Buffer at 1 July 2021	37,743,821	102,215,345	
Cash Buffer 31 Mar 2022	40,587,770		150,490,229
<i>of which held in cash buffer accounts</i>		40,070,267	40,098,922

The fiscal cash buffer is a cash management arrangement targeted at building up cash to mitigate liquidity risks. The overall strategy is to continue to build up the cash buffers to the equivalent to three months adjusted expenditure, so that government has sufficient cash on hand to meet its bills in a timely manner.

NAURU INTERGENERATIONAL TRUST FUND (NTF)

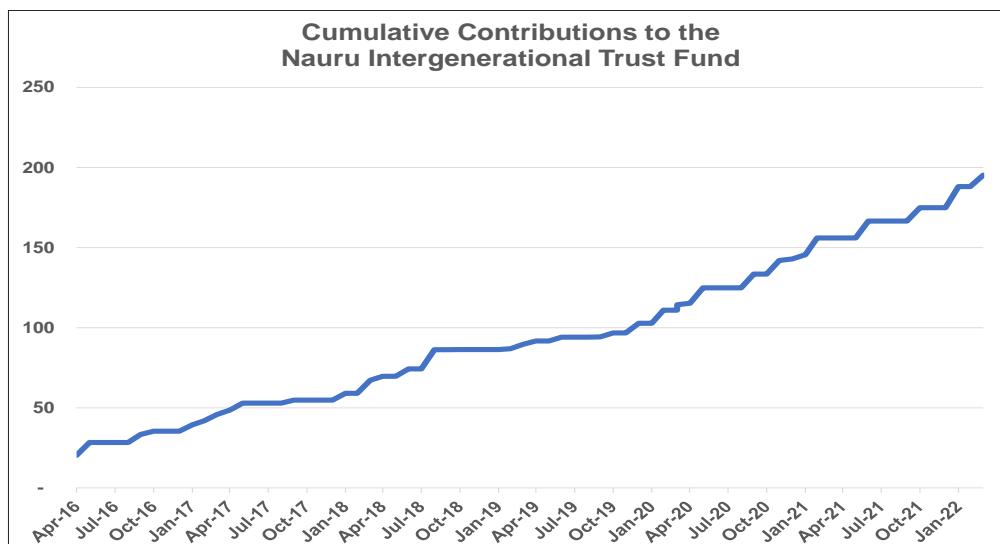
The level of government contributions to the Nauru Intergenerational Trust Fund (NTF) is set each budget consistent with the Memorandum of Understanding with Australia, Republic of China (Taiwan) and New Zealand that underpins the Fund's operations. It is updated in August each year following confirmation of actual revenue receipts.

The government plans to maintain in the 2022-23 fiscal year its required contribution to the NTF at 10.1% of adjusted prior year revenue.

For the 2022-23 budget, the government's contribution is forecasted at \$28.6 million. A prepayment of \$9.3 million is expected to be made towards this obligation in 2021-22, leaving the remaining balance of \$19.3 million to be appropriated in 2022-23.

Total cash contributions at 31 March 2022 were \$195 million. Investments at 31 March 2022 were valued at \$250 million. Contributions since establishment to March 2022 are shown in the chart below.

CHART 1.1: CONTRIBUTION TO TRUST FUND



Total contributions to date, and the composition of contributors to the NTF is shown in Table 1.5 below.

The NTF continues to grow with continued annual support contributions from fund stakeholders, namely Australia, Republic of China (Taiwan), New Zealand. The Asian Development Bank (ADB) was instrumental in establishing the fund and made an initial contribution. The fund is achieving its investment objectives and well on the way to the goal of \$400 million by 2033. The Fund follows compliance with national development priorities.

TABLE 1.5: NAURU TRUST FUND CONTRIBUTIONS

Summary of cash contributions received						
	ADB	Australia	Nauru	NZ	Taiwan	Total
To Mar-18	2,634	9,928	42,174	1,855	10,635	67,226
To Jun-18	2,634	12,067	47,132	1,855	10,635	74,324
To Sep-18	2,634	12,067	59,132	1,855	10,635	86,324
To Dec-18	2,634	12,067	59,192	1,855	10,635	86,384
To Mar-19	2,634	12,067	59,705	1,855	13,438	89,699
To Jun-19	2,634	13,567	61,705	2,796	13,438	94,140
To Sep-19	2,634	13,567	61,825	2,796	13,438	94,260
To Dec-19	2,634	13,567	70,358	2,796	13,438	102,793
To Mar-20	2,634	13,567	70,358	2,796	13,438	102,793
To Jun-20	2,634	16,428	85,686	3,724	16,444	124,917
To Sep-20	2,634	16,428	94,232	3,724	16,444	133,463
To Dec-20	2,634	16,428	102,778	4,659	16,444	142,943
To Mar-21	2,634	16,428	113,213	4,659	19,054	155,987
To Jun-21	2,634	19,928	119,404	5,589	19,054	166,608
To Sep-21	2,634	19,928	119,404	5,589	19,054	166,608
To Dec-21	2,634	19,928	127,693	5,589	19,054	174,898
To Mar-22	2,634	19,928	145,255	5,589	21,831	195,236
	1.3%	10.2%	74.4%	2.9%	11.2%	

ALIGNING THE BUDGET TO THE NATIONAL DEVELOPMENT PRIORITIES

In formulating the expenditure measures of the 2022-23 Budget, government ensures that Nauru's funding priorities are consistent with the Nauru National Sustainable Development Strategy 2019-2030 (NSDS). The NSDS outlines 24 strategic goals which departments and SOEs reference when developing their budgets and activities for the coming financial year.

Key NSDS priorities that the budget will address includes:

- Higher Ground Initiatives to Mitigate against Climate and Environmental degradation – the fight against climate change continues as government considers options to relocate key infrastructure and housing to higher locations, as protection against rising sea levels. Close to \$3 million is set aside for the Higher Ground Initiative this year, to develop a holistic plan for new infrastructure at Topside, land development at topside and establishment of new HGI Division. The deliverables of the Higher Ground Initiative include:
 - Economic diversification, advanced through the cultivation of high value-added productive industries
 - Affordable green housing to alleviate overcrowding and reduce energy and water use
 - Education and training to ensure all interested Nauruan's have the skills to take part in the implementation of HGI

- Food security, advanced through the implementation of modern food production systems on newly available land
- Water security, advanced through the incorporation of efficiency and water harvesting technologies as part of a modern, reticulated water system, and
- Environment restoration, advanced through the protection and expansion of areas on Topside with high biodiversity and conservation value.
- Improving transport infrastructure and provide reliable and sustainable transport services – over \$5 million of government funds will be allocated to the Port project. This will be complemented by Australia’s support for the resurfacing of the airport runway.
- Health care services to support a healthy population – The Government of Nauru will invest over \$18 million in the Health sector and related services to improve and strengthen local hospital capacity, including the purchase of a mammogram machine and telemedicine facilities. Nauru is also investing in the future of its health care workers, with support allocated for the establishment of the Nauru Health Professionals Training Institute.
- Improving the quality and broadening the scope and reach of education – Government will invest \$13 million in the education sector this financial year, with increased funding for high-school scholarships and civil service capacity building. The government is committed to providing accessible training programs that will build on our people’s skill set and knowledge, ultimately reducing Nauru’s reliance on expatriate workers.
- Enhancing quality of life through sport – A budget of \$1.5 million has been provided for the Department of Sport. Activities this financial year include establishing an Anti-Doping Unit and design and delivery of an anti-drug program and national drug testing program.
- Gender Balance and Child Protection – Funding will be allocated to review the Domestic Violence and Family Protection Act 2017 five years after it was enacted, and review whether it fully captures the principles set in both CEDAW and the Beijing Platform for Action.
- Strengthen the capacity of the Nauru Public Service – Funding will be provided to establish an e-recruitment system for faster, centralised recruitment.

DONOR COMMITMENTS

Donor assistance will remain critical to support Nauru to meet its potential, and lift growth sustainably. The government is maintaining cordial relationships with all its bilateral partners to ensure the implementation, coordination, planning, and fiscal management of projects are in line with donor requirements and expectations.

The government anticipates Development Fund revenue and expenditure of \$14.3 million in 2022-23 compared with \$14.1 million in 2021-22. This does not include Aid-in-Kind contributions, which is estimated at \$61.6 million for the financial year 2022-23.

The 2022-23 estimate reflects \$9.2 million in funds carried over from 2021-22 and \$5.1 million in expected new funds for 2022-23. *More detail on Donor Commitments is captured in Development Fund projections statement.*

PUBLIC FINANCIAL MANAGEMENT REFORM INITIATIVES

MEDIUM TERM DEBT STRATEGIES (MTDS)

The completion of the Debt Stocktake for Nauru last year has substantially improved the assessment of Nauru's debt sustainability, with an estimated total outstanding debt reduced from over 100% to 36% of GDP. This was accomplished by the resolution of a longstanding liability on bonds defaulted by the Nauru Phosphate Royalty Trust (NPRT) in the late 1980s which had a face value of \$83 million. In March 2021, the government reached a discounted settlement for \$4 million on this debt obligations to a U.S.-based hedge fund, (Firebird). The settlement included an indemnity against legal actions on previous court orders or future claims against the republic.

While the Nauru debt level is still comparatively high, it is now sustainable. The two key factors that contribute to this improvement are the settlement of the Firebird debt and some repayment of domestic debt related to the liquidation of the Bank of Nauru.

TABLE 1.6: GOVERNMENT DEBT STOCK

Government Debt Stock as at 30 June 2022			
Australian Dollar (A\$'000)	2019-20 Actual	2020-21 Actual	2021-22 Estimate
Total External and Internal	183,536.5	49,653.9	59,742.0
As a share of GDP	107%	28%	32%
External	131,226.9	8,594.4	25,515.9
As a share of GDP	77%	5%	14%
Government External Debt	128,296.6	5,664.1	24,015.9
Informal Liabilities (Payment Arrears)	2,930.3	2,930.3	1,500.0
Internal	52,309.6	41,059.5	34,226.2
As a share of GDP	31%	23%	19%
Bank of Nauru Liquidation Creditors	51,950.9	41,059.5	34,226.2
Informal Liabilities (Payment Arrears)	358.7	-	-
Notes:			
1. Table reflects unaudited results and may change			
2. Numbers as at 30/06/2022 reflect an estimate and may change			
3. This table could be extended by adding past and future years			

At the end of the 2021-22 financial year, government outstanding debt stands at \$59.7 million compared with \$49.7 million in the preceding year. The increase was associated with drawdown of USD \$13.4 million of Nauru Aircraft Corporation (NAC) fleet improvement loan from Exim Bank of Taiwan. Government has drawn down on the first Tranche of the Taiwan Exim Loan of USD \$13.4 million, leaving a balance of USD \$11.5 million. The condition for the 2nd drawdown will depend on the early identification of the second aircraft to be purchased and this is anticipated to be finalized early next year. Debt as a % of GDP is now approximately 32%.

The MTDS is based on the debt management objectives as stated in Financial Instructions (Liabilities) approved by Cabinet in June 2021, to ensure that the financing needs of government for the medium term are met on a timely basis; borrowing costs are low as possible and consistent with a prudent degree of risk.

More details on MTDS are provided in the Debt section of this paper.

STRENGTHENING SOE GOVERNANCE

The sequence in which Public Enterprises are to establish a better governance framework is to start with a Board Charter, then setting clear statements of objectives, strategy and targets by way of a Statement of Corporate Intent and Business Plan. Following this, Boards will provide improved accountability reporting comparing actual achievements against what was planned. With the support of ADB, over 30% of the SOEs in Nauru have submitted governance documents. In the longer term, the aim is to focus on moving all SOEs towards profitability and to reduce the reliance upon subsidies and financial support.

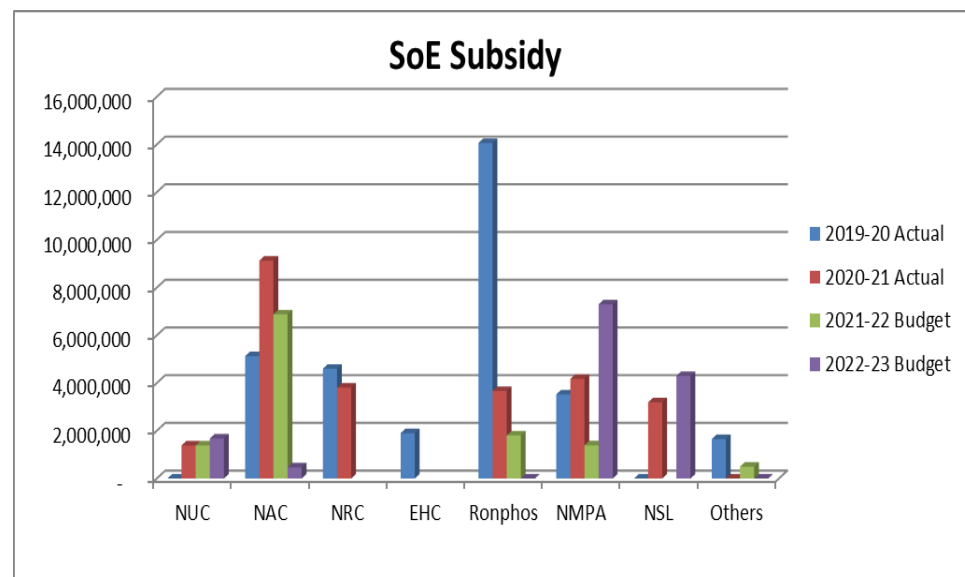
There is also a separate item relating to the ADB Budget Support Matrix requirements relating to SOEs, which potentially could result in a grant of USD 5 million. A final item is support for the Public Enterprise Monitoring Unit (PEMU) so it develops the capacity to undertake its role and continue activities after support from the ADB TA finishes.

MONITORING SOE PERFORMANCE

The Public Enterprise Monitoring Unit (PEMU) was established in 2020 and we now have a fully-fledged Unit headed by Director PEMU. PEMU plays a key role in assisting with improved governance in the PE Sector in Nauru. Targets of the PEMU are to develop capability of Board members and to ensure compliance of the PE Act.

In addition to achieving social objectives, government provides subsidies and grants to support the business operations of SOEs, including cash flow support. The chart below shows the assistance provided to SOEs over the last three years.

CHART 1.2: SOE SUBSIDY



STRENGTHENING COMPLIANCE AS A WAY TO MOBILISE REVENUE

The implementation of a taxation system, together with the continuous improvement of the legislative framework and systems and processes, is an integral part of government fiscal reforms.

The Nauru Revenue Office and the Nauru Customs Service continues to strengthen enforcement and compliance, and the 2022-23 Budget includes measures to continue module implementation of the ASYCUDA World which is expected to go live in September 2022. The project is supported by UNCTAD and has established a project management unit to assist in delivery of activities. The implementation of improved information systems, and automation should reduce Customs processing and clearance times, significantly improving integrity and quality of service delivery and improve revenue collection.

FISCAL RISKS

Risks to the outlook are tilted significantly towards the downside, this is further exacerbated by the weak performance of the SOE's. The key fiscal risks for Nauru relate to delays of the Port Project, volatility of Fuel Pricing, the uncertainty around the future of the RPC beyond December 2022 and prolonged COVID-19.

PORT DEVELOPMENT

With the slow opening of the border last year and early this year, work on the Port Project recommenced and CHEC was able to bring in workers to continue the project. Whilst work recommenced, the progress has been unsatisfactory and delivery of an operational port has been delayed from April 2022 to December 2022. Impacts of the delay in project completion have included:

- Increased costs for government in kind contributions to the project, including Project Management Units cost, China Harbour Engineering Company (CHEC) lease costs and aggregate supply costs
- Increased expenditure on tug hire costs to support safe loading and unloading of vessels, and
- Port Contract-related costs payable to the CHEC as a result of any contract suspension.

FUEL PRICE INCREASE

Future retail price of gasoline and diesel is likely to increase and may prompt increase in governments expenditure. The price has been driven by a rebound in fuel demand since the darkest days of the coronavirus pandemic and supply disruptions in the wake of Russia's invasion of Ukraine.

Nauru relies heavily on diesel for its power generation and cost to government for operating vehicles, generators is on upward trend. If prices keep rising, they could undermine government spending in critical sectors.

REGIONAL PROCESSING CENTRE

The 2022-23 Budget assumes that the RPC will transition into Enduring Capability operations, whilst discussions for the arrangement regarding the first year Enduring Capability has been confirmed, discussions are still underway for the second and third year.

The significance of RPC related revenues on the budget is illustrated in the table below. If the agreement with Australia is again extended, it is anticipated that additional revenue may be available.

Table 1.7: RPC Related lines

Revenue Description	2020-21 Preliminary Actual	2021-22 Revised Budget	2021-22 YTD Actual	2021-22 Projected Actual	2022-23 Approved Budget
	\$	\$	\$	\$	\$
1335 - Visa Fees - RPC	978,000	395,600	505,000	577,143	0
1580 - Visa Fees - RPC Resettlement	3,000,000	2,289,400	2,500,000	2,857,143	0
1475 - Miscellaneous Revenue	6,413,576	272,840	1,576,179	1,801,347	899,177
1495 - Service Fees	20,026,179	20,046,904	18,349,507	20,970,865	16,500
1577 - DJBC - Operations	4,211,732	4,052,890	4,615,335	5,274,668	0
1578 - DJBC - Reimbursable Costs	21,055,454	22,027,929	17,244,038	19,707,472	0
1598 - Hosting Fee	36,983,331	84,699,998	84,699,998	84,699,998	101,242,500
1590 - Employment Services Tax	19,531,297	16,920,000	14,312,801	14,312,801	10,200,000
1591 - Business Profit Tax	43,950,090	37,420,000	39,853,484	39,853,484	21,900,000
1015 - Income from Investments & Dividends-Others	6,721,656	17,412,143	15,649,509	15,649,509	0
Total RPC related revenue	162,871,314	205,537,704	199,305,850	205,704,430	134,258,177
Share of total revenue	60%	61%	67%	64%	53%

COVID-19

COVID-19 has caused devastating impacts to global economies which have further resulted in economic disruption, widespread job losses, massive reductions in work hours, pay cuts and increase in government social welfare assistance.

The Covid Taskforce 2022-23 budget has increased allocations to \$11.3 million compared to \$10.1 million this year. The increase is to continue quarantine facilities in Brisbane and Nauru, allowances for front-line workers, purchase of PPE and medical consumables and renovation to new quarantine facilities. Although we have lost our COVID free status, the government will prioritise 'Capture and Contain' strategy and ensure there are no break outs of the virus to the community.

In addition, the government is providing \$3.4 million as Ex Gratia payments to civil servants and SOE personnel; to alleviate hardships and ease costs of living.

2022-23 BUDGET POLICY SETTINGS

The 2022-23 Budget has been formulated towards mitigating the fiscal challenges confronting Nauru and to navigate the numerous economic challenges as a result of the COVID-19 pandemic, the scaling down of the RPC and lower future revenue collections.

The revenue and expenditure policies in the 2022-23 Budget, and the medium term are guided by the following principles.

REVENUE POLICY

The underlying revenue policy framework for 2022-23 focuses on supporting overall economic activity for the future prosperity of all Nauruan. The key revenue principles are as follows:

- Responsible economic management and macro-economic stability ensuring full revenues are accounted for and fiscal commitments are fulfilled
- Promote the fishing industry to encourage foreign fishing vessels to fish in Nauru waters which in turn will boost fisheries revenue

- Improve compliance and stringent border controls for imported goods and services to ensure correct dues are received
- Apply appropriate fees and charges to commensurate services offered by the government and raise Non-Tax revenue. Explore options of broadening the revenue base in the form of undertaking scoping studies for new tax measures.
- Strengthen relationships and coordination with Donors for sustainable budget support aimed at clear project outcomes, and
- Maintain and upgrade the RPC to support refugee services now and into the future.

EXPENDITURE POLICY

The 2022-23 Budget focuses on allocating resources to support the economy and improve service delivery. Expenditure policy is guided by the following principles:

- Timely adjustments of fiscal plans to avoid breaching of fiscal anchors, meeting mandatory Trust Fund contributions and ensure sufficient liquidity to meet expenditure requirements and urgent and unforeseen expenditure requirements
- Allocation of resources consistent with policy priorities of the NSDS (“strategic” allocation)
- Increase investment in Education, health systems and public health to build a resourceful, knowledgeable and healthy population
- Investment in infrastructure that would yield a positive rate of return in the future and mandate proper feasibility and economic cost benefit analyses as a criterion for appraisal and selection of new projects
- Improve the productivity of government investments in social and economic infrastructure and state-owned entities, and
- Value for money and ensure that better outcomes can be achieved when resources are used more efficiently and are procured in a more competitive market.

2022-23 BUDGET PRIORITIES

This section outlines key budget priorities for 2022-23.

The revenue for 2022-23 is estimated at \$253.3 million; this will be basis for the budget expenditure for whole-of-government of \$252.8 million. The 2022-23 estimates are 25% lower from the 2021-22 original approved budget mainly due to reduction in fisheries and hosting fee revenue. The 2022-23 budget aims to maintain a balanced budget and comply with fiscal responsibility ratios being mandated in medium-term strategy. The expected budget aggregates are shown in the table below.

TABLE 1.8: BUDGET AGGREGATES YEAR TO DATE (19 MAY 2022)

Description	2020-21 Preliminary Actual \$	2021-22 Approved Budget \$	2021-22 Supp Bills \$	2021-22 Revised Budget \$	2021-22 YTD Actual & Commitment \$	2021-22 Pojected Actual \$	2022-23 Approved Budget \$
Revenue	271,469,525	244,123,361	94,150,942	338,274,303	298,422,898	322,684,196	253,329,350
Expenditure	279,843,596	244,023,361	93,954,487	337,977,848	235,122,536	305,028,682	252,779,965
Balance	- 8,374,071	100,000	196,455	296,455	63,300,362	17,655,514	549,385

The positive fiscal balance aligns government with its fiscal responsibility mandates. If the economy grew strongly and revenue collections in the year are higher than expected, expenditures would likely be adjusted and potentially result in additional appropriations. Public expenditure management will be implemented to ensure that the payments by Department are made in an efficient, effective and timely manner which can result in minimizing level of Inter-Sub Head Transfer (ISHT) and unplanned spending.

2021-22 BUDGET PERFORMANCE

The 2021-22 Budget was framed against significant uncertainty as to the future of the RPC and the COVID-19 pandemic. Nonetheless, the outturn exceeded expectations with good performance from tax, import duties and non-tax revenue lines. As a result of windfall revenue, the government approved four supplementary appropriations:

- Supplementary Appropriation Bill (No.1) 2021-22 recognised additional government revenue of \$32.1 million, and \$32.1 million in expenditure was appropriated for 2021-22, with a surplus balance of \$27 thousand
- Supplementary Appropriation Bill (No.2) 2021-22 recognised additional government revenue of \$17.1 million, and \$17.0 million in expenditure was appropriated for 2021-22, with a surplus balance of \$102 thousand, and
- Supplementary Appropriation Bill (No.3) 2021-22 recognised additional government revenue of \$34.7 million and \$34.7 million in expenditure, with a surplus balance of \$20 thousand.
- Supplementary Appropriation Bill (No.4) 2021-22 recognised additional government revenue of \$10.1 million and \$10.1 million in expenditure, with a surplus balance of \$47 thousand

Table 1.6 summarises the impact of supplementary appropriations through the year.

TABLE 1.6: SUPPLEMENTARY APPROPRIATIONS FY 2021-22

Description	2020-21 Preliminary Actual \$	2021-22 Approved Budget \$	2021-22 Supp Bill 1 \$	2021-22 Supp Bill 2 \$	2021-22 Supp Bill 3 \$	2021-22 Supp Bill 4 \$	2021-22 Revised Budget \$
Revenue	271,469,525	244,123,361	32,133,332	17,154,242	34,723,368	10,140,000	338,274,303
Expenditure	279,843,596	244,023,361	32,106,784	17,051,819	34,703,051	10,092,833	337,977,848
Balance	- 8,374,071	100,000	26,548	102,423	20,317	47,167	296,455

Actual year to date budget performance has been tracking well compared to expectations, the notable change being due to better performance from the taxes and import duties. Overall, the 2021-22 budget is expected to conclude with a surplus bottom-line position.

2022-23 BUDGET PRIORITIES

The government is forward looking when setting priorities in this FY 2022-23 Budget, channelling investment in key areas such as Higher Ground Initiative, health, education and infrastructure with a vision to “Sustaining A Resilience Naoero”. Accordingly, the FY 2022-23 Budget has been framed around the following priorities:

- Macro-economic stability through Responsible economic management
- Cost of living and safety net initiatives
- Investment in social and economic infrastructure, especially in health and education
- Donor Assistance Infrastructure Programs
 - Maintaining government services including responses to COVID-19, and
- Addressing cross-cutting issues.

MACROECONOMIC STABILITY THROUGH RESPONSIBLE ECONOMIC MANAGEMENT

The government remains committed to responsible and disciplined economic management, creating a better, stronger, more prosperous nation for the next generation. Facing up to both the short and long-term fiscal challenges will help put the nation on a path to lasting prosperity and a rising standard of living.

The initiatives stipulated in the FY 2022-23 Budget will ensure a sustainable path to achieve the medium-term fiscal targets:

- Retention of the three fiscal responsibility ratios:
 - Budget balance
 - Personnel expenditure to current expenditure of less than 30 %
 - Cash buffer of up to three months adjusted expenditure held in the government’s bank account, and

- Maintenance of Nauru Trust Fund contributions at 10.1% of adjusted prior year revenue– a contribution of \$29.5 million, of which \$9.3 million has been prepaid in 2021-22 fiscal year, and \$19.3 million in 2022-23.
- Strengthening enforcement and compliance efforts with \$0.3 million allocated to Nauru Customs Services (NCS) to implement ASYCUDA Systems, as part of PACER Plus implementation.
- To support further maturation of Nauru’s PFM processes, the roadmap that will be proposed by PFTAC following the completion of the PEFA Gender Assessment will serve as a baseline against which to assess reform progress, as well as support the development of a reform roadmap that supports enhanced social inclusion and gender equality. The PEFA review was completed in April 2022 and was the first time for Nauru to be assessed under the new Gender framework. Reforms and fiscal strengthening measures will start in 2023 with the PFM roadmap aim to improve governance, accountability and transparency. This includes a revenue sustainability initiative and launching of ASYCUDA Software for Customs administration
- Continued progress in fiscal transparency with quarterly budget reporting, audit and publication of legacy financial statements. The audit of the FY 2019-20 and FY 2020-21 financial statements has been submitted to Auditor General for auditing.
- Technical Assistance from ADB to design the Medium-Term Debt Strategies (MTDS), Develop a Borrowing Manual and completion of the liquidation of Bank of Nauru (BON)
- Collaborating with ADB on Improved Fiscal Sustainability and Social Protection Program that involves a set of mutually agreed policy actions, which once achieved, triggers \$6.5 million grant as budget support.
- \$2.8 million has been provided in the fiscal cash buffer to cover any urgent or unforeseen events that might arise in 2022-23.

COST OF LIVING AND SAFETY NET

The government envisions the FY 2022-23 Budget as a policy tool that if properly managed by respective Departments and SOEs - the ultimate beneficiaries are citizens of this country especially the vulnerable and disadvantaged. This budget includes measures to ease cost of living pressures for households, especially for the most disadvantaged. Initiatives in this budget include:

- \$9.1 million has been provided for Nauru Community Housing to support continued investment in improving and increasing Nauru’s housing stock under Ministerial
- \$1.8 million has been provided to the Department of Infrastructure to invest in new house construction as part of Smart Homes initiative
- \$8.4 million has been provided for Community Service Obligations (CSO) with key SOEs to supplement their income in recognition of the cost of providing affordable electricity, regular air-freight services and keeping Port user charges at affordable rates. The CSO revenue should support the SOEs to at least break even, and have flow on benefits to customers.

- The Nauru Utilities Corporation (NUC) CSO will provide a discounted residential life-line pre-pay tariff for up to 200 kw/hrs, supporting reductions in residential tariff rates.
 - In FY 2022-23, the residential pre-pay lifeline tariff will be maintained at 22c, pre-pay residential tariff at 47c and post-pay residential tariff at 48 cents a kw/hr.
 - Freight services by Nauru Airlines will continue to be subsidised by government, with a once weekly freighter service from Brisbane at pre-COVID-19 rates. This CSO will cover the empty return journey for freight services, to ensure the service continues to be provided despite travel restrictions related to COVID-19.
 - Nauru Maritime and Port Authority (NMPA) will keep stevedoring and wharf charges at pre-COVID-19 levels to support sea freight affordability. The CSO will support NMPA to fully recover its costs through revenues.
- For the Education Department, \$700,000 is provided for the Back-to-School payment of \$50 per child per term, to ensure that parents can purchase necessary school items to outfit children with uniforms, shoes and other items to be 'school ready'. This is available for all students enrolled in Nauru.
 - Aged and disability pensions support maintained at \$5.5 million, ensuring the old aged and disadvantaged are taken care of.
 - The government has increased the housing scheme support for the People Living with Disability Department (PLDP) from \$50,000 to \$345,000. This funding will assist PLDP to improve and renovate homes for people living with disability due to growing demand for disabled friendly homes.

INFRASTRUCTURE DEVELOPMENT

The Government wants to ensure that infrastructure is adequate to meet demand and improve services. Following on from FY 2021-22 initiatives, government is pursuing a broad range of infrastructure developments to safeguard strategic assets and improve services delivery. Most of these projects are listed as priorities in the Nauru Integrated Infrastructure Strategic:

- \$2.1 million to support the Port Redevelopment Project.
- \$1.6 million is provided to Nauru Rehabilitation Corporation (NRC) to support further land clearing at Top Side for a cemetery site.
- \$1.7 million available for High Ground Initiatives project. Funding will be for the design of a whole island master plan for agriculture and natural areas and to commence tenure consultations.
- \$1.5 million allocated for continuation of repairs and maintenance of the Tank Farm infrastructure to ensure safety and security of fuel supply on island.
- \$300,000 has been provided through the Department of Health for a new disability friendly institute for training health professionals and conduct nursing award programs under the Nauru Health Professionals Training Institute.

- \$300,000 is provided to Department of Sports to build multipurpose courts and make renovation to the existing sports complex.
- \$200,000 for the completion work for the new chancery in Suva including furnishing. The new office complex will have a soft opening by HE president prior to commencement of PIFS meeting in July 2022.
- \$200,000 for revamping of the RFS building to accommodate new office, recreation facilities and conference rooms, and
- \$200,000 to procure and install 30 twin chamber septic tanks as a pilot to minimize the contamination of our brackish water and address negative impacts to the environment and public health.

DONOR ASSISTANCE INFRASTRUCTURE PROGRAMS

- Plans underway between Ronphos and the Nauru Maritime and Port Authority on the repair of the mooring system to mitigate risks to loading and unloading of vessels until the new Port is completed. This is expected to cost approximately \$6.8 million, and there is continuing discussions with bilateral partners on the funding of this critical project.
- The Australian Government, through the Australian Infrastructure Financing Facility for the Pacific (AIFFP) is assisting GON to resurface the runway. The support will upgrade airport infrastructure to meet international standards and obligations and initial design costs estimated at \$3 million.
- Nauru Sustainable Urban Development Project. The proposed Nauru Sustainable Urban Development Project (NSUDP) aims to improve essential services of water supply, sanitation, and solid waste management and establish urban planning capacity in the country. ADB is supporting GON in this project with a USD \$15 million grant.
- Solar Project (USD \$14.5 million): The project includes the construction of a 6MW grid-connected solar power plant and a 2.5MWh, 5MW battery energy storage system to supply continuous power when solar energy is interrupted by cloud cover and to maintain network stability. The design and development work have commenced on the installation of a 6MW solar power project funded by ADB and Government of Nauru. The project is scheduled for completion by April 2023.

MAINTAINING GOVERNMENT SERVICES

Government services is a critical arm of Nauru Government, in making the state visible to its citizens, often forming the principal tangible link between governments and their people. Ensuring well-resourced machinery and quality personnel will lead to improve service delivery.

For the last two years, government ensures salaries across public service are compatible with cost of living. Salaries for public service for first time since 1 July 2018 increased for all rating. It included significant increases in teacher salaries to support improved learning outcomes, as well as risk and hazard allowances for those exposed to medical or hygiene risks. Similarly, the minimum amount paid in the public service was also increased to at least meet the 'basic wage' as defined by the Nauru Bureau

of Statistics at \$351 per fortnight (\$9,126 a year). The basic wage is calculated based on the cost of living considering essential items.

In addition to the overall pay increase, the government increased allowances for front line staff, including, medical staff, cleaners, immigration, quarantine, customs and police officers. Teachers and medical staff have also received additional pay increases related to their qualifications.

For FY 2022-23, to ensure that more locals are attracted and stays in the teaching profession, Government is providing a retention allowance for all trainee teachers. Other allowances for front life staff, police, quarantine and customs will be maintained.

Measures related to government services in the FY 2022-23 Budget include:

- \$3.1 million is provided for Clean and Green community clean-up projects
- Measures to improve the efficiency and effectiveness of SOEs including:
 - Continuation of CSOs to recognise the social obligations government requires of some SOEs.
 - Budget support to low performing entities to raise production and meet the requirements of the domestic market Implementation of the *Public Enterprises Act 2019*.
 - Continuation of the Aircraft Replacement Program supported by the EXIM Loan. The government has successfully drawdown on 1st Tranche amounting to USD \$13.4 million. A second aircraft is expected to be purchased in FY 2022-23, which will draw down the remaining loan balance.

Ex-Gratia Payments to Civil Services, SOEs and Statutory Corporation

The Government is mindful of the increase in cost of living posed by the prolonged pandemic. To support our workforce mitigate the increase in food and commodity prices, a **one-off** payment totalling \$3.4 million is budgeted for this allowance. Rate will depend on fortnightly pay-scale as follows:

- \$0 - \$501 - \$1,000 allowance
- \$501 -800 - \$800 allowance
- >\$800 - \$600 allowance

The government is also investing in health services with the following measures:

- \$7.2 million is provided for local and expatriate medical staff.
- \$300,000 is provided to strengthen primary health care services, to reduce the burden of non-communicable diseases and reverse NCD complications.
- Improvements to local health implementation capacity through revamping the Nauru Health Professional Training Institute to commence on-island delivery of nursing and public health training in partnership with universities in Fiji and Australia.

Increased investment in health preparedness and critical infrastructure is being provided through the COVID-19 Taskforce.

IMPLEMENTING CROSS-CUTTING ISSUES

The FY 2022-23 Budget also includes measures to address cross cutting issues that are directly linked to achieving the NSDS and the conventions that the government has rectified. Measures related to this in the budget include:

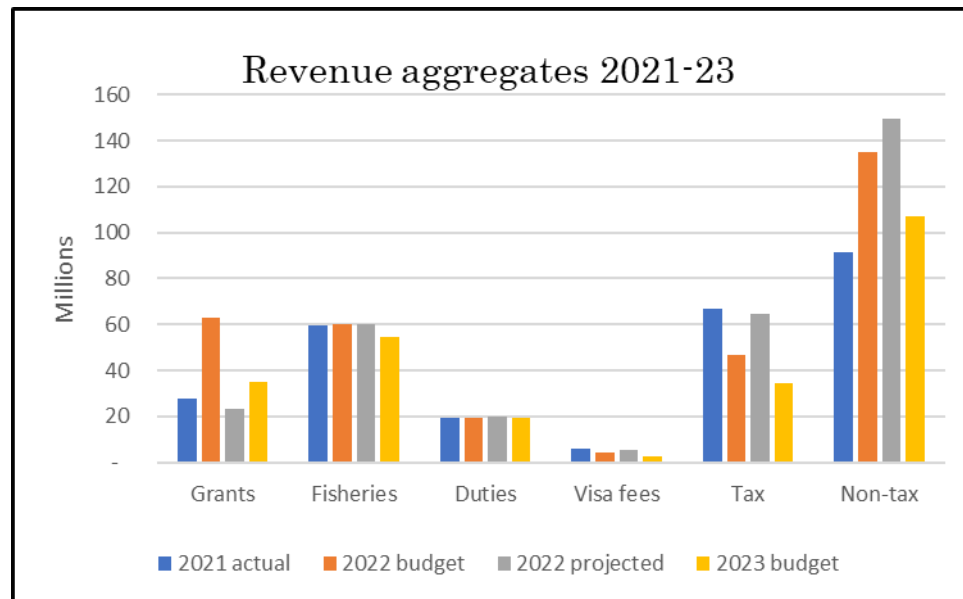
- \$250,000 for the implementation on Gender Based Violence Programmes working in collaboration with Department of Disabilities as well as the DV Unit of the Nauru Police Force. This will be supported by UNICEF Technical Assistance for Nauru's technical assistance for the preparation of National CRC State Report
- \$200,000 to undertake Gender stocktake and formulation of Nauru Gender Policy to be endorsed by Cabinet
- \$200,000 to procure twin chamber septic tank that will minimise contamination of blackish water and safeguard environment and improvement to public health, and
- \$500,00 million provided to Department of Disability to support their various programs including \$345,000 to improve the housing conditions for people living with Disability.

REVENUE

This section provides an overview of revenue performance in FY 2021-22 and expected revenue for FY 2022-23.

Over the years, government revenue collections are highly dependent on RPC activity levels. The challenge for new FY is the decline in RPC related revenue as Nauru enter transition period up to December 2022, with Enduring capability likely to commence by January 2023. The negotiations for the revenue arrangements and relevant components are still ongoing.

CHART 1.3: REVENUE AGGREGATES



Projections indicate Import Duties will remain at current levels heading into FY 2022-23 while Tax and Non-Tax have been reduced significantly reflecting the winddown of businesses at top site and removal of reimbursables. Non-Tax category also includes hosting fee revenue and is subject to change depending on negotiations surrounding Enduring Capability arrangement. GON acknowledges support from bilateral partners, contributing to 14% of the total government revenue base.

TABLE 1.10: REVENUE AGGREGATES

Revenue Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$	Share of Total Budget %
Grants Dividends Other Financing	27,995,249	63,085,809	36,257,990	46,948,280	34,778,938	14%
Fisheries	59,797,774	59,900,000	52,674,959	58,650,575	54,530,000	22%
Import duties	19,580,529	19,097,027	17,455,925	17,455,925	19,285,128	8%
Visa fees	5,764,668	4,229,776	4,542,496	5,191,425	2,838,196	1%
Tax	66,822,325	56,990,000	56,605,354	56,953,792	34,600,000	14%
Non-Tax	91,508,980	134,971,691	130,886,173	137,484,199	107,297,088	42%
Total Revenue	271,469,525	338,274,303	298,422,898	322,684,196	253,329,350	100%

In FY 2021-22 revenue collections were higher than expected, and this is driven by extension of the RPC arrangements to June 2022 that further contributed to improved tax and Non-Tax collections. New revenue collections from the RPC extension had allowed the government to fund additional investment in the Nauru Trust Fund, progress debt settlement for RONWAN and Bank of Nauru, SOEs support,

additional investment in housing, overseas medical referral and urgent and unavoidable measures not known during the start of the financial year. With the commencement of Enduring capability in January 2023, revenue is expected to will drop back to FY 2021-22 approved budget levels.

FISHERIES REVENUE

Fisheries revenue for FY 2022-23 has slightly reduced from the 2021-22, this is due to adjustment in fishing days that were oversold past years. Despite lower Fisheries projection for the new Fiscal year, government is confident to collect revenues on the basis that all the days has been sold by NMPA.

TABLE 1.11: FISHERIES REVENUE

Description	2020-21 Preliminary Actual	2021-22 Revised Budget	2021-22 YTD Actual	2021-22 Projected Actual	2022-23 Approved Budget
	\$	\$	\$	\$	\$
1055 - Support Vessel Charges	426,855	400,000	552,560	552,560	230,000
1071 - Purse Seine Revenue - Licensing	1,393,798	1,500,000	1,098,016	1,098,014	1,300,000
1072 - Purse Seine Revenue - Fishing Days	57,977,121	58,000,000	51,024,383	57,000,000	53,000,000
Total Fisheries Revenue	59,797,774	59,900,000	52,674,959	58,650,575	54,530,000

Government is mindful of the challenges ahead, with the scale-down of the RPC and the new arrangement under enduring capability kicking in next year. While Fisheries revenue projections is slightly less than last year forecasts, government is confident that strong revenues from fishing licenses would support the budget as most fishing days have already been sold and Nauru is in negotiations to purchase additional days from other PNA members' allocations.

TAX REVENUE

Tax revenue collections for FY 2021-22 are expected to be higher than originally expected due to better than expected economic conditions over the year, and the six-month RPC extension. On the basis that RPC arrangement has only been agreed up to December 2022, the FY 2022-23 total tax revenue is set 6 months, lower than FY 2021-22.

TABLE 1.12: TAX REVENUE

Description	2020-21 Preliminary Actual	2021-22 Revised Budget	2021-22 YTD Actual	2021-22 Projected Actual	2022-23 Approved Budget
	\$	\$	\$	\$	\$
1190 - Telecom Tax	3,340,938	2,650,000	2,439,069	2,787,507	2,500,000
1590 - Employment Services Tax	19,531,297	16,920,000	14,312,801	14,312,801	10,200,000
1591 - Business Profit Tax	43,950,090	37,420,000	39,853,484	39,853,484	21,900,000
Total Tax	66,822,325	56,990,000	56,605,354	56,953,792	34,600,000

CUSTOMS DUTIES

For FY 2021-22, actual Customs duties collections is tracking well compared to budget, except for Duties on Alcohol which is slightly lagging behind. In FY 2022-23, the government will go live with its first module of the new ASYCUDA World System, overall, the system will enable better monitoring of cargo movements and improve duty collections.

FY 2022-23 collections are expected to be better than originally forecast due to better than expected economic conditions over the year.

TABLE 1.13: CUSTOMS DUTIES

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
1140 - Customs and Excise Duty - Tobacco	7,073,041	6,696,908	6,573,810	6,573,810	6,696,908
1145 - Customs and Excise Duty - Alcohol	1,956,048	2,040,000	1,312,133	1,312,133	1,540,000
1150 - Customs and Excise Duty - Sugar	1,263,016	1,220,394	1,174,788	1,174,788	1,464,480
1155 - Customs and Excise - Machinery/Vehicle/Equip	1,045,379	1,395,764	1,393,401	1,393,401	1,586,424
1160 - Customs and Excise Duty - Other	2,813,363	3,272,123	3,411,384	3,411,384	3,894,000
1165 - Customs and Excise Duty - Petrol Sales	2,654,280	2,771,838	2,121,744	2,121,744	2,424,840
1170 - Customs and Excise Duty - Diesel Sales	2,775,403	1,700,000	1,468,666	1,468,666	1,678,476
Total Customs and Excise Duty	19,580,529	19,097,027	17,455,925	17,455,925	19,285,128

VISA REVENUE

Visa fees collections for FY 2021-22 has surpassed revised budget, due to the extension of business associated with RPC to June 2022. Government has received over 100 % of the budgeted revenue and this is mostly to do with visa fees for refugees and Construct workers that manage the facility on behalf of RON. Visa revenues are expected to drop by 50% in 2022-23, as the RPC move from a People to Facility Management based approach.

TABLE 1.14: VISA REVENUE

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
1330 - Visa Check up	4,116	4,332	840	960	0
1335 - Visa Fees - RPC	978,000	395,600	505,000	577,143	0
1575 - Visa Fees (Other Business)	1,782,552	1,540,444	1,536,656	1,756,179	2,838,196
1580 - Visa Fees - RPC Resettlement	3,000,000	2,289,400	2,500,000	2,857,143	0
Total Visa Fees	5,764,668	4,229,776	4,542,496	5,191,425	2,838,196

GRANTS, DIVIDENDS AND FINANCING

For FY 2021-22 GON, has received the first of the two instalments of the Republic of China Taiwan budget support and the government has successfully drawn down on the first tranche of the USD \$11.3 million, with the balance to be drawn down later in the year. This change reflects the delay in identification of a suitable aircraft by Nauru Airlines as well as logistical delay in the loan finalization during the period the pandemic.

The projected revenue for FY 2022-23 does not assume receipt of the second tranche of the EXIM loan but this is expected to be received in 2022-23. Nauru has entered into a new policy-based grant program with the ADB, that will provide additional grant financing of USD \$5 million in 2023.

TABLE 1.15: DIVIDENDS, GRANTS AND OTHER FINANCING

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
1015 - Income from Investments & Dividends-Others	6,721,656	17,412,143	15,649,509	15,649,509	1,200,000
1660 - General Budget Support	21,273,593	12,273,824	4,500,143	12,273,824	17,562,375
1902 - EXIM NAC Loan Proceeds	0	33,399,842	16,108,339	19,024,947	16,016,563
Total Dividends , Grants and Other	27,995,249	63,085,809	36,257,990	46,948,280	34,778,938

NON-TAX REVENUE

Total non-tax revenue collections for FY 2021-22 are expected to be similar to FY 2020-21. Due to border restrictions, travel related lines are still expected to be lower than pre-COVID level. Miscellaneous revenue and service fees are expected to reduce, reflecting the extension of the RPC agreement for half of the fiscal year to December 2021.

These decreases are offset by the increase in hosting fee revenue, which relates to income from hosting fees paid by Australia related to the RPC. It is anticipated that the hosting fee is likely to continue to be funded by Australia slightly lesser than current level to support the enduring capability program likely to commence after December 2022.

TABLE 1.16: NON-TAX REVENUE

Description	2020-21 Preliminary Actual	2021-22 Revised Budget	2021-22 YTD Actual	2021-22 Projected Actual	2022-23 Approved Budget
	\$	\$	\$	\$	\$
1000 - Project Revenue	1,500	0	0	0	0
1121 - Curator fees	105,569	0	5,623	6,427	0
1215 - Licenses-Drivers etc	118,528	80,000	150,452	171,945	70,000
1220 - Corporation Fees and Licenses	403,725	500,000	272,943	311,935	311,424
1225 - Licenses-Trading	311,868	209,683	268,150	306,457	319,464
1230 - Liquor Licensing Board	42,200	30,141	6,000	6,857	6,852
1235 - Gaming / Bingo Licenses	53,250	50,000	148,252	169,431	80,004
1240 - Licenses-Dogs etc	83	73	0	0	73
1245 - Drones Licenses	1,500	2,000	1,000	1,143	1,000
1260 - Birth Certificate	13,310	11,389	18,985	21,697	21,480
1265 - Death Certificate	870	757	710	811	780
1270 - Marriage Certificate	1,700	1,378	2,155	2,463	2,448
1300 - Registration Fees-Motor Cars	139,159	124,414	146,438	167,358	171,744
1305 - Registration Fees-Motorcycles	25,295	23,994	43,009	49,153	49,884
1310 - Vehicle/Insurance Fees	383,325	339,226	505,635	577,869	589,392
1325 - Passport Fees and Photographs	54,760	50,000	49,183	56,209	54,576
1340 - Police Clearance	32,445	45,000	21,755	24,863	25,020
1360 - D.C.A-Pax Levy	0	0	0	0	921,600
1361 - Fuel Levy	355	1,314,384	1,557,410	1,779,897	0
1365 - D.C.A.-Departure Taxes	0	0	0	0	873,246
1370 - D.C.A.-Air Navigation Fees	478,904	496,461	81,397	93,025	492,420
1375 - D.C.A.-Landing Fees	153,300	161,368	11,756	13,435	552,195
1380 - D.C.A.-Rental Fees	17,806	5,552	60,267	68,877	73,800
1475 - Miscellaneous Revenue	6,413,576	272,840	1,576,179	1,801,347	899,177
1480 - Bus Services	1,655	900	4,700	5,371	10,099
1485 - Quarantine Fees	77,636	80,000	59,985	68,554	70,932
1490 - Court Fines and Fees	55,053	52,043	39,496	45,139	52,043
1495 - Service Fees	20,026,179	20,046,904	18,349,507	20,970,865	16,500
1500 - Sale of Maps	7,550	7,052	16,070	18,366	18,348
1501 - Sale of Livestock	0	0	14,814	16,930	18,552
1520 - Food Handler Check up	11,580	11,600	3,800	4,343	4,272
1540 - Advertising Revenue	67,652	64,000	17,070	19,509	19,500
1555 - Spectacles,Drugs etc	4,690	5,000	180	206	216
1565 - Medical Services	7,860	8,273	1,256	1,435	1,507
1577 - DJBC - Operations	4,211,732	4,052,890	4,615,335	5,274,668	0
1578 - DJBC - Reimbursable Costs	21,055,454	22,027,929	17,244,038	19,707,472	0
1596 - Traffic Infringements	130,935	150,000	194,355	222,120	218,700
1597 - TVET Course Fees	29,555	27,538	21,060	24,069	24,060
1598 - Hosting Fee	36,983,331	84,699,998	84,699,998	84,699,998	101,242,500
1700 - National/District Roll Sales	3,090	1,010	6,990	7,989	5,520
1705 - Electoral Various Fees	82,000	17,894	670,220	765,966	77,760
Total Non Tax	91,508,980	134,971,691	130,886,173	137,484,199	107,297,088

TABLE 1.17: REVENUE BY DEPARTMENT

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
03 - Chief Secretariat	59,110	43,665	28,820	32,937	31,560
09 - Electoral Commission	85,120	19,904	680,570	777,794	84,280
11 - Finance Secretariat	761	2,000	3,500	4,000	2,000
12 - Finance -Public Debt	0	33,399,842	16,108,339	19,024,947	16,016,563
15 - Nauru Revenue Office	66,994,103	57,120,000	56,904,058	57,295,168	34,750,004
16 - Finance - Other Payments	25,399,526	16,000,351	6,714,241	14,804,222	18,762,375
17 - Nauru Customs Office (NCO)	19,582,029	19,099,027	17,456,925	17,457,068	19,286,128
18 - Nauru Regional Processing Centre (NRPCC) Corporation	20,001,504	20,000,004	18,333,337	20,952,385	0
21 - CIE	7,100	5,000	5,940	6,789	5,000
31 - Fisheries	60,252,587	59,900,000	52,796,259	56,553,557	54,530,000
41 - Police	178,170	212,640	218,473	249,683	246,420
42 - Dept of Multi Cultural Affairs	74,576,517	128,621,817	124,798,370	130,526,709	101,242,500
43 - Justice - Secretariat	822,375	709,756	560,742	640,847	630,961
44 - Judiciary	55,053	52,043	39,496	45,139	52,043
45 - Border Control	1,914,948	1,670,444	1,645,824	1,880,941	2,963,704
46 - Correctional Services	2,100	0	14,814	16,930	18,552
50 - Directorate of TVET	37,105	34,738	21,060	24,069	24,060
60 - COVID-19 task force	0	0	25,000	28,571	0
61 - Health	97,073	59,205	1,049,668	1,199,621	775,639
62 - Sports	0	0	2,000	2,286	0
83 - Media Bureau	67,912	64,000	17,070	19,509	19,500
84 - Lands & Survey	7,550	7,052	17,790	20,331	18,348
85 - Lands Committee	26,175	16,900	14,450	16,514	16,500
91 - Transport Secretariat	1,292,368	1,231,915	957,917	1,094,767	3,849,213
95 - ICT	10,340	4,000	8,235	9,411	4,000
Total Revenue	271,469,525	338,274,303	298,422,897	322,684,196	253,329,350

TABLE 1.18: REVENUE BY NATURAL ACCOUNT

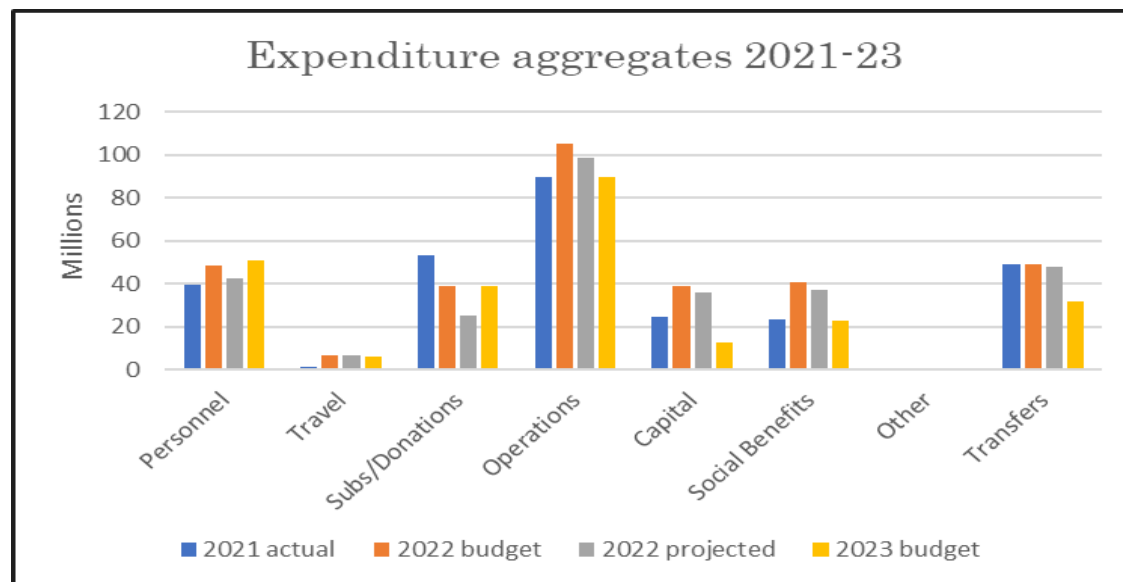
Description	2020-21 Preliminary Actual	2021-22 Revised Budget	2021-22 YTD Actual	2021-22 Projected Actual	2022-23 Approved Budget
	\$	\$	\$	\$	\$
1000 - Project Revenue	1500				
1015 - Income from Investments & Dividends-Others	6,721,656	17,412,143	15,649,509	15,649,509	1,200,000
1055 - Support Vessel Charges	426,855	400,000	552,560	552,560	230,000
1071 - Purse Seine Revenue - Licensing	1,393,798	1,500,000	1,098,016	1,098,014	1,300,000
1072 - Purse Seine Revenue - Fishing Days	57,977,121	58,000,000	51,024,383	57,000,000	53,000,000
1121 - Curator fees	105,569	0	5,623	6,427	0
1140 - Customs and Excise Duty - Tobacco	7,073,041	6,696,908	6,573,810	6,573,810	6,696,908
1145 - Customs and Excise Duty - Alcohol	1,956,048	2,040,000	1,312,133	1,312,133	1,540,000
1150 - Customs and Excise Duty - Sugar	1,263,016	1,220,394	1,174,788	1,174,788	1,464,480
1155 - Customs and Excise - Machinery/Vehicle/Equip.	1,045,379	1,395,764	1,393,401	1,393,401	1,586,424
1160 - Customs and Excise Duty - Other	2,813,363	3,272,123	3,411,384	3,411,384	3,894,000
1165 - Customs and Excise Duty - Petrol Sales	2,654,280	2,771,838	2,121,744	2,121,744	2,424,840
1170 - Customs and Excise Duty - Diesel Sales	2,775,403	1,700,000	1,468,666	1,468,666	1,678,476
1190 - Telecom Tax	3,340,938	2,650,000	2,439,069	2,787,507	2,500,000
1215 - Licenses-Drivers etc	118,528	80,000	150,452	171,945	70,000
1220 - Corporation Fees and Licenses	403,725	500,000	272,943	311,935	311,424
1225 - Licenses-Trading	311,868	209,683	268,150	306,457	319,464
1230 - Liquor Licensing Board	42,200	30,141	6,000	6,857	6,852
1235 - Gaming / Bingo Licenses	53,250	50,000	148,252	169,431	80,004
1240 - Licenses-Dogs etc	83	73	0	0	73
1245 - Drones Licenses	1,500	2,000	1,000	1,143	1,000
1260 - Birth Certificate	13,310	11,389	18,985	21,697	21,480
1265 - Death Certificate	870	757	710	811	780
1270 - Marriage Certificate	1,700	1,378	2,155	2,463	2,448
1300 - Registration Fees-Motor Cars	139,159	124,414	146,438	167,358	171,744
1305 - Registration Fees-Motorcycles	25,295	23,994	43,009	49,153	49,884
1310 - Vehicle/Insurance Fees	383,325	339,226	505,635	577,869	589,392
1325 - Passport Fees and Photographs	54,760	50,000	49,183	56,209	54,576
1330 - Visa Check up	4,116	4,332	840	960	0
1335 - Visa Fees - RPC	978,000	395,600	505,000	577,143	0
1340 - Police Clearance	32,445	45,000	21,755	24,863	25,020
1360 - D.C.A.-Pax Levy	0	0	0	0	921,600
1361 - Fuel Levy	355	1,314,384	1,557,410	1,779,897	0
1365 - D.C.A.-Departure Taxes	0	0	0	0	873,246
1370 - D.C.A.-Air Navigation Fees	478,904	496,461	81,397	93,025	492,420
1375 - D.C.A.-Landing Fees	153,300	161,368	11,756	13,435	552,195
1380 - D.C.A.-Rental Fees	17,806	5,552	60,267	68,877	73,800
1475 - Miscellaneous Revenue	6,413,576	272,840	1,576,179	1,801,347	899,177
1480 - Bus Services	1,655	900	4,700	5,371	10,099
1485 - Quarantine Fees	77,636	80,000	59,985	68,554	70,932
1490 - Court Fines and Fees	55,053	52,043	39,496	45,139	52,043
1495 - Service Fees	20,026,179	20,046,904	18,349,507	20,970,865	16,500
1500 - Sale of Maps	7,550	7,052	16,070	18,366	18,348
1501 - Sale of Livestock	0	0	14,814	16,930	18,552
1520 - Food Handler Check up	11,580	11,600	3,800	4,343	4,272
1540 - Advertising Revenue	67,652	64,000	17,070	19,509	19,500
1555 - Spectacles,Drugs etc	4,690	5,000	180	206	216
1565 - Medical Services	7,860	8,273	1,256	1,435	1,507
1575 - Visa Fees (Other Business)	1,782,552	1,540,444	1,536,656	1,756,179	2,838,196
1577 - DJBC - Operations	4,211,732	4,052,890	4,615,335	5,274,668	0
1578 - DJBC - Reimbursable Costs	21,055,454	22,027,929	17,244,038	19,707,472	0
1580 - Visa Fees - RPC Resettlement	3,000,000	2,289,400	2,500,000	2,857,143	0
1590 - Employment/Non-resident Withholding Tax	19,531,297	16,920,000	14,312,801	14,312,801	10,200,000
1591 - Business Profit Tax	43,950,090	37,420,000	39,853,484	39,853,484	21,900,000
1596 - Traffic Infringements	130,935	150,000	194,355	222,120	218,700
1597 - TVET Course Fees	29,555	27,538	21,060	24,069	24,060
1598 - Hosting Fee	36,983,331	84,699,998	84,699,998	84,699,998	101,242,500
1660 - General Budget Support	21,273,593	12,273,824	4,500,143	12,273,824	17,562,375
1700 - National/District Roll Sales	3,090	1,010	6,990	7,989	5,520
1705 - Electoral Various Fees	82,000	17,894	670,220	765,966	77,760
1902 - EXIM NAC Loan Proceeds	0	33,399,842	16,108,339	19,024,947	16,016,563
Total Revenue	271,469,525	338,274,303	298,422,898	322,684,196	253,329,350

EXPENDITURE

Expenditure in the FY 2022-23 Budget is expected to be lower than the FY 2021-22 Revised budget reflecting the reduced revenue base as a result of the expected winding down of the RPC arrangements on island, and the need for expenditure restraint to meet the fiscal responsibility ratios.

Consistent with the fiscal strategy and expected revenue limit, all departments were advised of operational expenditure ceilings within which to develop the FY 2022-23 Budget. The ceiling that was approved by Cabinet in January 2022 assumed RPC arrangements up to June 2022 and was established based on the FY 2021-22 budget numbers with a 10% efficiency dividend. Any expenditure over the ceiling was to be supported by a New Project Proposal to enable government to prioritise new investment. New Project proposals were discussed extensively between respective Head of Departments and Finance and recommendations made to the Budget Review Committee (chaired by the Minister for Finance) on the relevance or otherwise of proposals in respect to Nauru Sustainable Development Goals and value for money assessment.

CHART 1.4: EXPENDITURE AGGREGATES



The total ceiling amount was set to around \$180 million and at the end of the budget rounds consultations with the Minister, along with New Project Proposals plus general increase in operational expenses, the total approved expenditure is \$252.8 million.

TABLE 1.19: EXPENDITURE AGGREGATES

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$	Share of Total Budget %
Personnel	39,201,982	47,069,038	37,316,711	42,744,468	50,695,528	20%
Govt Travel	1,206,175	7,252,775	2,918,386	6,600,772	6,034,849	2%
Subsidies & Donations	52,943,008	44,058,182	17,509,242	30,029,789	38,823,418	15%
Govt Operations	89,487,938	105,620,672	87,582,860	98,507,046	89,331,066	35%
Capital Expenditure	24,325,801	39,356,975	14,300,529	36,223,592	12,490,986	5%
Social Benefits	23,430,717	44,578,515	35,236,214	41,420,122	22,854,319	9%
Other	485,437	706,713	338,132	167,915	708,800	0%
Transfer (Non Expense)	48,762,538	49,334,978	39,920,463	49,334,979	31,840,998	13%
Total Expenditure	279,843,596	337,977,848	235,122,536	305,028,682	252,779,965	100%

PERSONNEL COSTS

Personnel costs are expected to be higher in FY 2022-23 reflecting vacant positions that have now been filled, increase in training following border restrictions, and increase in Government contributions toward the Nauru Parliament Pension scheme, reflecting an increase in fortnightly allowances for MPs, following an amendment to the Pension Services Act allowances rate in 2021.

TABLE 1.20: PERSONNEL COSTS

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2005 - Salaries & Allowances - (MP's)	1,236,654	909,035	805,946	921,081	952,835
2010 - HE Salary & Allowances	100,532	105,034	90,144	103,021	110,286
2015 - Salary - Local	24,904,442	28,667,598	23,815,149	26,725,297	29,884,143
2020 - Salary Expatriate	7,487,920	7,811,705	6,395,718	6,931,386	9,475,005
2025 - Allowances - Staff Contract	1,437,130	2,134,492	1,816,023	1,988,651	1,427,116
2026 - Directors Fees	25,250	63,400	31,340	34,846	63,800
2031 - Staff Contract - Ministerial	50,197	450,968	317,757	310,968	520,968
2035 - Overtime - local	766,129	1,046,212	827,220	941,803	1,440,685
2040 - Staff Training	730,950	1,873,590	860,608	947,772	2,262,644
2041 - Prep & Orientation of Seasonal Workers	0	10,000	9,350	10,000	10,000
2045 - Recruitment	4,859	31,030	20,126	23,001	35,000
2050 - Uniforms & Protective Clothing	351,625	555,762	379,629	407,455	579,277
2072 - Meals and Drinks - Staff	286,408	277,297	233,787	266,271	351,769
2651 - GON Contributions	1,819,887	3,132,916	1,713,915	3,132,916	3,582,000
Total Personnel	39,201,982	47,069,038	37,316,711	42,744,468	50,695,528

GOVERNMENT TRAVEL

Government travel has commenced toward the second half of the current year and is expected to continue with more travel anticipated in FY 2022-23 as countries continue to ease border restrictions.

TABLE 1.21: GOVERNMENT TRAVEL

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2070 - Travel - Staff	360,446	845,677	417,876	338,674	997,017
2075 - Travel - Business	845,729	6,407,098	2,500,510	6,262,098	5,037,832
Total Government Travel	1,206,175	7,252,775	2,918,386	6,600,772	6,034,849

SUBSIDIES AND DONATIONS

Subsidies and donations are around the same level compared to FY 2021-22. The second drawdown of the EXIM loan relating to Nauru Aircraft Replacement Program will occur in the FY 2022-23. Two new grant lines have been introduced to distinguish between grants and subsidies to SOEs and recipients of those transfers in accordance with the Government Finance Statistics (GFS) classification framework.

TABLE 1.22: SUBSIDIES AND DONATIONS

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2376 - Equity Purchases	13,191,700	19,646,218	0	6,505,920	16,016,563
2614 - Grants to EBU's	0	1,481,378	0	1,481,378	2,659,438
2616 - Subsidies to SoEs	30,784,485	14,890,443	11,203,893	14,890,443	15,154,967
2617 - Donations - local	8,965,045	7,933,000	6,305,007	7,152,048	3,901,866
2618 - Donations - overseas	1,777	107,143	342	0	107,143
2619 - Grants to SoEs	0	0	0	0	983,442
Total Subsidies & Donations	52,943,008	44,058,182	17,509,242	30,029,789	38,823,418

CAPITAL EXPENDITURE

Capital expenditure is lower in FY 2022-23, reflecting the one-off contribution payment toward the rehabilitation work for the government owned land at Portion 230 that will not be repeated. There will be however continuation of the Higher Ground Initiative on portion 230 in FY 2022-23, with provisions allocated in the Building and Structure subhead to cover for the architectural design and engineering work to lay the foundation for further housing development in the area.

TABLE 1.23: CAPITAL EXPENDITURE

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2480 - Medical Equipment	622,615	302,250	201,914	230,759	877,180
2495 - Plant & Equipment Purchases	5,638,836	5,352,987	3,655,558	4,160,326	3,259,691
2496 - Building and Structures	17,766,650	32,274,650	9,304,066	30,654,782	8,154,115
2497 - Land Purchase	0	845,087	842,469	845,087	0
2580 - Public Works	297,700	582,000	296,521	332,638	200,000
Total Capital Expenditure	24,325,801	39,356,975	14,300,529	36,223,592	12,490,986

SOCIAL BENEFITS

Overall expenditure on social benefits is expected to decrease in FY 2022-23, reflecting a smaller investment in Nauru Community Housing.

The FY 2022-23 expenditure assumes payment of an Ex-Gratia to all government and SOEs employees, including aged and disabled pensioners to support households cushion the COVID 18 impact on cost-of-living pressures especially increasing basic food items.

TABLE 1.24: SOCIAL BENEFITS

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2220 - Nauru Community Housing	14,888,972	32,250,000	26,923,113	32,364,066	9,445,000
2390 - Social Welfare - Birth Claims	173,700	192,000	153,800	154,971	192,000
2395 - Social Welfare - Death Claims	168,000	283,000	145,253	161,432	283,000
2396 - Back to School Support	353,400	739,800	660,700	739,800	739,800
2400 - Social Services - Aged Pensions	2,895,551	3,808,840	2,752,980	3,090,571	3,808,840
2405 - Social Services - Super Contributors	77,641	100,000	63,192	71,379	100,000
2420 - Social Services - Disability Payments	1,581,250	1,681,160	1,580,990	1,681,160	1,681,160
2421 - Ex Gratia - Age and Disable	476,000	548,800	546,400	548,800	595,000
2422 - Ex Gratia SoEs	1,000,700	999,500	998,200	999,500	1,340,300
2423 - Ex Gratia Nauru Public Service	0	0	0	0	1,471,400
2440 - Scholarships - School & Trade	1,815,502	3,975,415	1,411,585	1,608,443	3,197,819
Total Social Benefits	23,430,717	44,578,515	35,236,214	41,420,122	22,854,319

OTHER

Expenditure in FY 2022-23 under Other is expected to increase slightly reflecting projected movements in exchange rates for foreign currencies with respect to the Australian dollar.

TABLE 25: OTHER

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2565 - Insurance	434,325	537,986	281,074	135,308	576,608
2570 - Bank Charges	53,679	64,558	44,986	32,613	76,817
2690 - Foreign exchange gains/losses	(2,567)	104,169	12,072	(6)	55,375
Total Other	485,437	706,713	338,132	167,915	708,800

NON-EXPENSE ITEMS

Expenditure in FY 2022-23 on non-expense items is expected to be lower than FY 2021-22, reflecting the one-off transfer to the Nauru Trust Fund in FY 2021-22, and high debt repayments, that included the resolution of legacy debt and Bank of Nauru liquidation payments related to NPRT and bank book holders.

The FY 2022-23 contribution to the Nauru Trust Fund is set at \$19.3 million based on 10.1% of forecast adjusted FY 2021-22 revenue. This assessment will be adjusted and confirmed in August 2022, following confirmation of actual revenue receipts for the year.

The government again commits to a 5% Ronwan capital re-distribution in FY 2022-23 from balances available from the Bank of Nauru liquidation. A minor provision has also been made for bank book holder payments and is likely to be revisited with likely increases during the course of the financial year following finalization of the Bank of Nauru Debt consolidation and resolution exercise currently in June 2022. This exercise will help identify unknown bank of Nauru bank account holders, resolve balances disputes and recommend a payment approach to settlement of remaining Bank of Nauru debts.

The fiscal cash buffer provision will be used through the year as an appropriation measure to cover for urgent and unforeseen expenditure priorities.

TABLE 1.26: NON-EXPENSE ITEMS

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2545 - Debt Repayments - Other	9,409,337	16,303,498	11,164,946	16,303,498	8,799,436
2650 - Trust Fund	33,717,652	25,820,869	25,820,869	25,820,869	19,257,451
2652 - Fiscal Cash Buffer	0	1,359,433	0	1,359,433	2,784,111
2680 - BON Liquidation- Payment	5,635,549	5,851,178	2,934,647	5,851,178	1,000,000
Total Non-expense items	48,762,538	49,334,978	39,920,463	49,334,979	31,840,998

GOVERNMENT OPERATIONS

Expenditure is lower in 2022-23 on Government Operations, mainly reflecting lower planned expenditure on Overseas Medical Referral, Salaries-other contracts (related to the RPC camp sites), and R&M Plant.

TABLE 1.27: GOVERNMENT OPERATIONS

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2030 - Salaries - Other Contracts	30,862,047	32,142,538	28,135,864	31,948,526	29,512,050
2055 - Consultants fees	2,204,855	3,578,743	2,768,402	3,093,269	3,846,046
2060 - Legal Fees - External	107,601	266,000	176,720	191,680	550,000
2100 - Entertainment	1,002,734	1,289,198	981,443	1,030,559	1,111,509
2105 - Official Celebrations	848,984	991,388	859,430	973,192	1,405,586
2110 - Protocol	6,409	13,000	4,587	5,243	123,500
2130 - Printing & Stationery	848,700	1,023,254	723,982	807,967	961,133
2132 - TVET Supplies	139,999	140,000	128,328	140,000	170,200
2135 - Stores	565,423	653,451	283,926	312,072	613,001
2136 - Museum Artefacts	350	4,000	870	994	4,000
2155 - House Rental	10,455,964	11,479,183	9,925,681	11,465,183	12,322,757
2160 - Land Rental	8,580,019	8,459,829	7,592,361	8,593,159	7,474,572
2165 - Office Rental	811,656	1,018,953	588,055	385,407	1,056,056
2185 - R&M - Buildings	1,997,300	1,960,237	1,372,512	1,484,045	1,471,895
2190 - R&M - Office Equipment	292,244	189,373	97,033	105,847	234,425
2191 - R&M Medical Equipment	28,145	50,000	43,573	50,000	100,000
2195 - R&M - Office Premises	37,653	27,353	8,162	9,328	18,353
2200 - R&M - Motor Vehicles	594,756	764,945	679,041	762,298	924,807
2205 - R&M - Plant	1,570,504	2,960,557	2,787,182	3,012,727	1,634,293
2210 - R&M - Aerodrome	64,363	60,000	39,626	45,287	60,000
2225 - Agricultural Supplies	61,866	51,300	46,124	51,300	61,000
2230 - Publicity and Awareness	68,676	134,510	44,209	49,192	128,473
2275 - Purchase of Petrol	561,730	725,007	540,224	592,447	853,216
2280 - Purchase of Diesel	725,083	930,628	648,431	725,476	947,619
2290 - Purchase of Fuel - Other	5,280	10,793	10,742	10,793	10,793
2315 - Utilities	4,692,055	5,645,158	4,151,221	4,670,151	4,201,806
2330 - Telephone / Internet	2,383,568	3,171,931	2,592,259	3,062,231	2,911,220
2350 - Freight	2,240,892	3,103,800	2,402,160	3,105,054	2,657,214
2370 - Membership Fees & Subscriptions	1,094,234	797,384	372,251	395,832	1,135,771
2372 - Nauru Radio Supplies	16,500	10,300	6,600	7,543	10,300
2373 - Media TV Supplies	55,301	19,000	11,506	9,447	52,375
2375 - ICT Supplies	60,372	52,146	15,561	17,561	52,146
2460 - Medical Expenses	37,193	85,695	32,161	12,796	83,849
2461 - Primary Health Care Services	130,423	129,400	110,909	126,529	259,000
2462 - NCD Control & Health Promotion	35,032	43,600	37,448	42,797	43,600
2463 - Environmental Health and Food safety	7,017	20,500	2,604	2,976	20,000
2464 - Management Monitoring & Evaluation	12,865	30,000	29,612	33,843	30,000
2467 - Drugs and Medicines	1,099,571	1,100,000	1,025,570	1,100,000	1,100,000
2468 - Dental Supplies	10,312	50,000	2,412	1,482	50,000
2469 - Dialysis Supplies	249,347	350,000	349,992	350,000	350,000
2471 - Medical Consumable	647,091	715,000	623,084	711,533	500,000
2472 - Laboratory supplies	247,987	300,000	255,033	291,466	352,000
2473 - Radiology Supplies	19,986	25,000	6,155	7,034	25,000
2474 - Clinical Education Supplies	0	20,000	17,035	19,469	20,000
2475 - Overseas Medical Treatment	5,335,089	12,500,000	10,869,969	12,000,000	3,000,000
2560 - Educational Expenses - Special	119,724	220,979	86,610	15,409	195,808
2575 - Local Transport	1,869,089	2,447,686	1,923,144	2,161,360	2,163,293
2585 - Rations	3,928,377	3,965,285	3,292,848	3,604,317	2,278,832
2590 - Correctional Services Supplies	7,102	8,160	7,530	4,034	10,000
2600 - Postage	10,380	34,590	31,826	4,348	18,021
2605 - Library/Periodicals	0	77,500	75,948	79,500	5,000
2610 - Survey Supplies	5,194	4,500	3,356	3,285	275,500
2611 - Children Education Toys and Learning Supplies	332,021	710,044	454,305	519,205	857,150
2620 - Lease & Charter Payments	43,342	53,676	36,605	11,119	56,438
2625 - Family Court Expenses	3,100	4,800	3,300	3,771	4,800
2630 - Safe House	160,826	181,660	92,254	86,866	196,660
2681 - Prior Year Account Payable (GoN)	1,198,036	0	0	0	0
2700 - Deportee Revomal	0	20,000	0	0	20,000
2705 - NEAT Scheme	162,250	298,639	175,085	200,097	300,000
2998 - COVID 19 Taskforce	831,324	0	0	0	0
2999 - Contingency fund	0	500,000	0	0	500,000
Total Government Operations	89,487,938	105,620,672	87,582,860	98,507,046	89,331,066

TABLE 1.28: EXPENDITURE BY DEPARTMENT

Description	2020-21 Preliminary Actual	2021-22 Revised Budget	2021-22 YTD Actual	2021-22 Projected Actual	2022-23 Approved Budget
	\$	\$	\$	\$	\$
01 - Presidency and State House (including GIO)	2,699,326	3,208,953	2,763,846	3,153,699	3,727,757
02 - Ministerial	17,903,434	36,521,108	30,332,983	36,442,836	14,805,943
03 - Chief Secretariat	17,254,614	18,481,997	15,612,555	18,247,682	20,135,093
05 - Audit	256,249	297,483	209,195	238,886	468,772
06 - Parliament	960,015	(0)	35,995	39,280	(0)
08 - National Emergency Services	1,535,860	1,997,198	1,656,530	1,865,633	2,082,189
09 - Electoral Commission	333,261	541,797	383,549	429,340	594,527
11 - Finance Secretariat	2,114,901	3,072,246	2,139,491	2,369,341	2,472,289
12 - Finance -Public Debt	13,191,700	20,226,213	0	4,405,920	18,982,665
13 - Bureau of Statistics	91,184	214,629	119,659	136,585	169,973
15 - Nauru Revenue Office	407,601	505,279	388,473	443,969	548,771
16 - Finance - Other Payments	114,649,958	107,150,553	76,458,809	107,084,265	70,624,076
17 - Nauru Customs Office (NCO)	766,884	1,183,548	774,222	880,685	911,756
18 - Nauru Regional Processing Centre (NRPCC) Corporation	1,329,362	1,710,707	1,077,353	1,229,847	1,866,238
21 - CIE	922,866	1,022,989	732,148	835,547	1,239,042
22 - Climate Change	743,084	1,426,038	752,731	845,100	2,337,626
31 - Fisheries	2,652,660	3,551,266	3,015,989	3,400,964	2,843,106
41 - Police	4,599,257	5,915,357	4,872,256	5,478,365	5,030,328
42 - Dept of Multi Cultural Affairs	25,889,762	37,925,464	22,147,420	35,657,763	19,139,362
43 - Justice - Secretariat	3,785,684	3,014,360	2,623,010	2,985,569	4,082,967
44 - Judiciary	1,627,035	2,024,387	1,608,601	1,641,959	1,924,531
45 - Border Control	894,876	799,941	562,429	631,472	764,133
46 - Correctional Services	873,168	940,461	800,822	901,054	1,116,862
50 - Directorate of TVET	545,538	808,565	607,333	682,287	844,686
51 - Education	11,291,874	16,235,228	9,567,959	12,689,737	12,872,319
52 - Youth Affairs	226,984	284,612	169,884	189,581	332,393
60 - COVID-19 task force	9,016,914	10,183,466	9,517,768	10,871,175	11,312,440
61 - Health	16,109,271	26,502,537	22,407,279	26,494,237	18,102,101
62 - Sports	1,260,194	2,125,840	1,331,230	1,730,043	1,633,958
63 - Department of Infrastructure Development	3,133,422	4,536,504	3,395,076	3,837,987	3,975,732
71 - Foreign Affairs - Secretariat	1,090,046	1,400,746	954,018	1,061,551	1,712,441
72 - Foreign Affairs - Brisbane	869,305	1,033,352	0	0	916,858
73 - Foreign Affairs - Suva	976,999	662,158	270,077	50,275	707,200
74 - Foreign Affairs - New York	1,674,063	2,136,759	1,355,603	257,691	2,357,590
75 - Foreign Affairs - Taiwan	359,484	603,448	509,174	264,076	602,432
76 - Foreign Affairs- Geneva	609,636	656,450	313,281	0	616,183
77 - High Commission India	0	211,975	52,592	46,303	1,295,526
78 - High Commission Canberra	250,479	807,534	265,157	81,207	971,354
81 - Home Affairs	4,185,824	4,182,851	3,793,217	4,307,365	4,142,958
82 - Women's Affairs	577,283	1,077,457	673,785	716,203	1,375,476
83 - Media Bureau	1,036,786	705,729	587,288	619,556	829,229
84 - Lands & Survey	5,846,632	5,922,841	5,303,620	5,960,733	6,003,609
85 - Lands Committee	325,240	417,998	359,471	410,824	322,164
86 - Department of Land Management	156,488	132,667	147,028	166,043	105,376
87 - Disability Department	85,681	197,961	165,955	167,115	485,147
91 - Transport Secretariat	2,460,576	2,555,519	1,954,233	2,190,652	2,777,032
95 - ICT	2,234,289	2,772,939	2,318,925	2,848,834	2,492,757
97 - Telecom	37,851	90,739	34,516	39,447	125,000
Total Expenditure	279,843,596	337,977,848	235,122,536	305,028,682	252,779,965

TABLE 1.29: EXPENDITURE BY NATURAL ACCOUNT

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2005 - Salaries & Allowances - (MP's)	1,236,654	909,035	805,946	921,081	952,835
2010 - HE Salary & Allowances	100,532	105,034	90,144	103,021	110,286
2015 - Salary - Local	24,904,442	28,667,598	23,815,149	26,725,297	29,884,143
2020 - Salary Expatriate	7,487,920	7,811,705	6,395,718	6,931,386	9,475,005
2025 - Allowances - Staff Contract	1,437,130	2,134,492	1,816,023	1,988,651	1,427,116
2026 - Directors Fees	25,250	63,400	31,340	34,846	63,800
2030 - Salaries Other contracts - Expatriate	30,862,047	32,142,538	28,135,864	31,948,526	29,512,050
2031 - Staff Contract - Ministerial	50,197	450,968	317,757	310,968	520,968
2035 - Overtime - local	766,129	1,046,212	827,220	941,803	1,440,685
2040 - Staff Training	730,950	1,873,590	860,608	947,772	2,262,644
2041 - Prep & Orientation of Seasonal Workers	0	10,000	9,350	10,000	10,000
2045 - Recruitment	4,859	31,030	20,126	23,001	35,000
2050 - Uniforms & Protective Clothing	351,625	555,762	379,629	407,455	579,277
2055 - Consultants fees	2,204,855	3,578,743	2,768,402	3,093,269	3,846,046
2060 - Legal Fees - External	107,601	266,000	176,720	191,680	550,000
2070 - Travel - Staff	360,446	845,677	417,876	338,674	997,017
2072 - Meals and Drinks - Staff	286,408	277,297	233,787	266,271	351,769
2075 - Travel - Business	845,729	6,407,098	2,500,510	6,262,098	5,037,832
2100 - Entertainment	1,002,734	1,289,198	981,443	1,030,559	1,111,509
2105 - Official Celebrations	848,984	991,388	859,430	973,192	1,405,586
2110 - Protocol	6,409	13,000	4,587	5,243	123,500
2130 - Printing & Stationery	848,700	1,023,254	723,982	807,967	961,133
2132 - TVET Supplies	139,999	140,000	128,328	140,000	170,200
2135 - Stores	565,423	653,451	283,926	312,072	613,001
2136 - Museum Artefacts	350	4,000	870	994	4,000
2155 - House Rental	10,455,964	11,479,183	9,925,681	11,465,183	12,322,757
2160 - Land Rental	8,580,019	8,459,829	7,592,361	8,593,159	7,474,572
2165 - Office Rental	811,656	1,018,953	588,055	385,407	1,056,056
2185 - R&M - Buildings	1,997,300	1,960,237	1,372,512	1,484,045	1,471,895
2190 - R&M - Office Equipment	292,244	189,373	97,033	105,847	234,425
2191 - R&M Medical Equipment	28,145	50,000	43,573	50,000	100,000
2195 - R&M - Office Premises	37,653	27,353	8,162	9,328	18,353
2200 - R&M - Motor Vehicles	594,756	764,945	679,041	762,298	924,807
2205 - R&M - Plant	1,570,504	2,960,557	2,787,182	3,012,727	1,634,293
2210 - R&M - Aerodrome	64,363	60,000	39,626	45,287	60,000
2220 - Nauru Community Housing	14,888,972	32,250,000	26,923,113	32,364,066	9,445,000
2225 - Agricultural Supplies	61,866	51,300	46,124	51,300	61,000
2230 - Publicity and Awareness	68,676	134,510	44,209	49,192	128,473
2275 - Purchase of Petrol	561,730	725,007	540,224	592,447	853,216
2280 - Purchase of Diesel	725,083	930,628	648,431	725,476	947,619
2290 - Purchase of Fuel - Other	5,280	10,793	10,742	10,793	10,793
2315 - Utilities	4,692,055	5,645,158	4,151,221	4,670,151	4,201,806
2330 - Telephone / Internet	2,383,568	3,171,931	2,592,259	3,062,231	2,911,220
2350 - Freight	2,240,892	3,103,800	2,402,160	3,105,054	2,657,214
2370 - Membership Fees & Subscriptions	1,094,234	797,384	372,251	395,832	1,135,771
2372 - Nauru Radio Supplies	16,500	10,300	6,600	7,543	10,300
2373 - Media TV Supplies	55,301	19,000	11,506	9,447	52,375
2375 - ICT Supplies	60,372	52,146	15,561	17,561	52,146
2376 - Equity Purchases	13,191,700	19,646,218	0	6,505,920	16,016,563
2390 - Social Welfare - Birth Claims	173,700	192,000	153,800	154,971	192,000
2395 - Social Welfare - Death Claims	168,000	283,000	145,253	161,432	283,000
2396 - Back to School Support	353,400	739,800	660,700	739,800	739,800
2400 - Social Services - Aged Pensions	2,895,551	3,808,840	2,752,980	3,090,571	3,808,840

TABLE 1.29: EXPENDITURE BY NATURAL ACCOUNT - CONTINUED

Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected Actual \$	2022-23 Approved Budget \$
2405 - Social Services - Super Contributors	77,641	100,000	63,192	71,379	100,000
2420 - Social Services - Disability Payments	1,581,250	1,681,160	1,580,990	1,681,160	1,681,160
2421 - Ex Gratia - Age and Disable	476,000	548,800	546,400	548,800	595,000
2422 - Ex Gratia SoEs	1,000,700	999,500	998,200	999,500	1,340,300
2423 - Ex Gratia Nauru Public Service	0	0	0	0	1,471,400
2440 - Scholarships - School & Trade	1,815,502	3,975,415	1,411,585	1,608,443	3,197,819
2460 - Medical Expenses	37,193	85,695	32,161	12,796	83,849
2461 - Primary Health Care Services	130,423	129,400	110,909	126,529	259,000
2462 - NCD Control & Health Promotion	35,032	43,600	37,448	42,797	43,600
2463 - Environmental Health and Food safety	7,017	20,500	2,604	2,976	20,000
2464 - Management Monitoring & Evaluation	12,865	30,000	29,612	33,843	30,000
2467 - Drugs and Medicines	1,099,571	1,100,000	1,025,570	1,100,000	1,100,000
2468 - Dental Supplies	10,312	50,000	2,412	1,482	50,000
2469 - Dialysis Supplies	249,347	350,000	349,992	350,000	350,000
2471 - Medical Consumable	647,091	715,000	623,084	711,533	500,000
2472 - Laboratory supplies	247,987	300,000	255,033	291,466	352,000
2473 - Radiology Supplies	19,986	25,000	6,155	7,034	25,000
2474 - Clinical Education Supplies	0	20,000	17,035	19,469	20,000
2475 - Overseas Medical Treatment	5,335,089	12,500,000	10,869,969	12,000,000	3,000,000
2480 - Medical Equipment	622,615	302,250	201,914	230,759	877,180
2495 - Plant & Equipment Purchases	5,638,836	5,352,987	3,655,558	4,160,326	3,259,691
2496 - Buliding & Structures	17,766,650	32,274,650	9,304,066	30,654,782	8,154,115
2497 - Land Purchase	0	845,087	842,469	845,087	0
2545 - Debt Repayments - Other	9,409,337	16,303,498	11,164,946	16,303,498	8,799,436
2560 - Educational Expenses - Special	119,724	220,979	86,610	15,409	195,808
2565 - Insurance	434,325	537,986	281,074	135,308	576,608
2570 - Bank Charges	53,679	64,558	44,986	32,613	76,817
2575 - Local Transport	1,869,089	2,447,686	1,923,144	2,161,360	2,163,293
2580 - Public Works	297,700	582,000	296,521	332,638	200,000
2585 - Rations	3,928,377	3,965,285	3,292,848	3,604,317	2,278,832
2590 - Correctional Services Supplies	7,102	8,160	7,530	4,034	10,000
2600 - Postage	10,380	34,590	31,826	4,348	18,021
2605 - Library/Periodicals	0	77,500	75,948	79,500	5,000
2610 - Survey Supplies	5,194	4,500	3,356	3,285	275,500
2611 - Children Education Toys and Learning Supp	332,021	710,044	454,305	519,205	857,150
2614 - Grants to EBUs	0	1,481,378	0	1,481,378	2,659,438
2616 - Subsidies to SoEs	30,784,485	14,890,443	11,203,893	14,890,443	15,154,967
2617 - Donations - local	8,965,045	7,933,000	6,305,007	7,152,048	3,901,866
2618 - Donations - overseas	1,777	107,143	342	0	107,143
2619 - Grants to SoEs	0	0	0	0	983,442
2620 - Lease & Charter Payments	43,342	53,676	36,605	11,119	56,438
2625 - Family Court Expenses	3,100	4,800	3,300	3,771	4,800
2630 - Safe House	160,826	181,660	92,254	86,866	196,660
2650 - Trust Fund	33,717,652	25,820,869	25,820,869	25,820,869	19,257,451
2651 - GON Contributions	1,819,887	3,132,916	1,713,915	3,132,916	3,582,000
2652 - Fiscal Cash Buffer	0	1,359,433	0	1,359,433	2,784,111
2680 - BON Liquidation- Payment	5,635,549	5,851,178	2,934,647	5,851,178	1,000,000
2681 - Prior Year Account Payable (GoN)	1,198,036	0	0	0	0
2690 - Foreign exchange gains/losses	(2,567)	104,169	12,072	(6)	55,375
2700 - Deportee Revomal	0	20,000	0	0	20,000
2705 - NEAT Scheme	162,250	298,639	175,085	200,097	300,000
2998 - COVID 19 Taskforce	831,324	0	0	0	0
2999 - Contingency fund	0	500,000	0	0	500,000
Total Expenditure	279,843,596	337,977,848	235,122,536	305,028,682	252,779,965

MEDIUM TERM DEBT STRATEGIES

This section outlines the Government of Nauru's Medium-Term Debt Strategy for the 2022-23 financial year, in line with the government's 2022-23 Fiscal Strategy. It is based on all available information to Treasury as at 20 May 2022.

GOVERNMENT LOANS AND PUBLIC DEBT LEVELS

The following provides details of the loans contracted by the Republic of Nauru and their status in terms of debt outstanding and loans to be disbursed.

RONPHOS

The Republic of Nauru acting by and through its Ministry/Department of Finance (the "Borrower") signed a loan agreement on 16 October 2018 with the Export-Import Bank (EXIM) of the Republic of China (Taiwan). The USD \$5 million aggregate principal amount has been used to support the Republic of Nauru Phosphate Corporation (RONPHOS) in its purchase of mining equipment for extraction of secondary phosphate. While the loan is for RONPHOS, with a subsidiary loan agreement between the Republic of Nauru and RONPHOS dated 14 November 2018, the primary loan is in the name of Republic of Nauru and therefore is classified as central government public debt and recorded in the public debt register (in accordance the international debt classifications).

The primary and subsidiary loans have the same terms and conditions. The primary loan is recorded as central government debt. The subsidiary loan agreement is an SOE loan (between RONPHOS and the Republic of Nauru) and therefore recorded as a financial asset. For the period to 31 December 2022, the loan will be serviced by the Republic of China (Taiwan) under the annual grant. From a recording and accounting perspective, all inter-related transactions under the primary and subsidiary loans will be recorded and funded from the Republic of China (Taiwan). Beyond 2022, the loan and subsidiary loan will be subject to further negotiation with the Republic of China (Taiwan).

NAURU AIRLINES

The Republic of Nauru acting by and through its Department of Finance (the "Borrower") signed a loan agreement on 28 December 2021 with the Export-Import Bank (EXIM) of the Republic of China (Taiwan). This will provide a facility in the maximum aggregate amount of USD \$24.95 million to Support Nauru Leasing Corporation to Purchase and Lease Replacement Aircrafts and to Lease the replacement Aircrafts to Nauru Air Corporation.

The Republic of Nauru will firstly enter a loan agreement for USD \$13.46 million for the purchase of the first Replacement Aircraft and to enter a separate loan agreement for USD \$11.49 million for the purchase of the second Replacement Aircraft when it is identified in the future.

Under the loan agreement, there is a promissory note for a maximum of USD \$24.95 million from EXIM to Republic of Nauru through the Department of Finance (the Borrower), which is required to meet all loan payments. There is no subsidiary loan agreement. Both Nauru Leasing Corporation and Nauru Air Corporation will mortgage the aircraft thereby providing a guarantee or collateral against the loan. This means the aircraft will be registered in the name of EXIM.

The date for the drawdown of the first tranche of USD \$13.35 million was 16 May 2022. The primary loan will be recorded as central government debt (in accordance the international debt classifications).

For the period to 31 December 2022, the loan will be serviced by Republic of China (Taiwan) under the annual grant. From a recording and accounting perspective, all inter-related transactions under the primary loan will be recorded and funded from the Republic of China (Taiwan) annual grant. Beyond 2022, the loan will be subject to further negotiation with Republic of China (Taiwan).

PUBLIC DEBT LEVELS

Prior to 2021, Nauru was assessed at being at high risk of debt distress due to significant external legacy bond obligations, and significant domestic liabilities related to the Bank of Nauru Liquidation. Implementation of the Debt Action Plan has utilised windfall government revenues to resolve all external legacy debts and progress resolution of the Bank of Nauru liquidation, as well as addressing SOE payment arrears. The total government debt stock (gross debt) estimated as at 30 June 2022 is set out in Table 1.30. The net debt estimated after including financial assets (i.e. cash and deposits, Nauru Trust Fund investment, lending to SOEs, and equity in Nauru Airlines Corporation) as at 30 June 2022 is set out in Table 1.31.

TABLE 1.30: DEBT STOCK OUTSTANDING

Government Debt Stock as at 30 June 2022			
Australian Dollar (A\$'000)	2019-20 Actual	2020-21 Actual	2021-22 Estimate
Total External and Internal	183,536.5	49,653.9	59,742.0
As a share of GDP	107%	28%	32%
External	131,226.9	8,594.4	25,515.9
As a share of GDP	77%	5%	14%
Government External Debt	128,296.6	5,664.1	24,015.9
Informal Liabilities (Payment Arrears)	2,930.3	2,930.3	1,500.0
Internal	52,309.6	41,059.5	34,226.2
As a share of GDP	31%	23%	19%
Bank of Nauru Liquidation Creditors	51,950.9	41,059.5	34,226.2
Informal Liabilities (Payment Arrears)	358.7	-	-
Notes:			
1. Table reflects unaudited results and may change			
2. Numbers as at 30/06/2022 reflect an estimate and may change			
3. This table could be extended by adding past and future years			

The net debt shows that the financial assets are significantly higher than GON debt to the extent that the estimated net debt as at 30 June 2022 is \$291.6 million, equivalent to 122% of GDP

TABLE 1.31: NET DEBT

Australian Dollar (A\$'000)	2020-21 Actual	2021-22 Estimate
Liabilities in net debt		
Bonds	-	-
Loans	5,664.1	24,015.9
Other liabilities (BON & arrears)	43,989.8	35,726.2
Total Liabilities in net debt	49,653.9	59,742.0
Assets included in net debt		
Cash and deposits	102,215.3	150,490.2
Investments (NTF)	166,608.0	195,236.0
Lending to SOEs	6,364.1	5,656.1
NAC equity (EXIM)	-	19,059.8
Total Assets included in net debt	275,187.4	351,382.3
Net Debt	(225,533.5)	(291,640.3)
As a share of GDP	126%	122%
Notes: Bonds are valued at face value		

In the recent 2021 IMF Article IV mission report, it was assessed that debt is sustainable under current policies, which is a significant improvement from the 2019 Debt Sustainability Analysis when debt was assessed as unsustainable. Two key factors contributed to this improvement:

- the settlement in March 2021 of the long-defaulted external debt (yen bonds), and
- reductions in domestic debt inherited from the liquidated Bank of Nauru. A continuation of sound fiscal and public debt policies, which is expected in the baseline, will help maintain public debt sustainability.

To maintain debt sustainability, the IMF indicated that continued sound fiscal and public debt management policies are needed, as well as policies to generate and diversify economic activity. Moreover, the IMF noted that the Government of Nauru (GON) was transparently reporting details of domestic and external debt which began in the FY 2021-22 budget. It was further noted that the government was working towards strengthening debt management and monitoring arrangements, including management of fiscal risks, with assistance from the ADB.

The government agreed with the IMF's analysis and assessment that Nauru's debt is sustainable. The GON through the Ministry of Finance (MOF) underscored the commitment to responsible debt management and noted the actions that were being taken toward reining in debt levels since Fiscal Year 2020, including resolving the long-standing external debt to Firebird in March 2021, the ongoing Bank of Nauru (BON) liquidation payments to individuals and the Nauru Phosphate Royalties Trust (NPRT), and resolving accounts payable arrears for Eigigu Holdings. The MOF stressed that repayment and servicing of the planned EXIM loan to upgrade the Nauru Airlines fleet would be met by committed budget support from Republic of China Taiwan.

DEBT ACTION PLAN

The resolution of BON debts is progressing with assistance from the Australian-based business advisory firm, Cor Cordis. The government continues to make ongoing payments when budget funds permit. There have been 37 payment batches to BON claimants totalling \$2.6 million up to March 2022. The current position as at the beginning of May 2022 showing the account status is set out in [Table 5](#).

TABLE 1.32: ACCOUNT STATUS OF BON CLAIMANTS

Account Status	Scenario 5.3 Balance \$	Treasury 7 May 2021 Balance	Calculated Balance \$	Net Variance \$	No.
Closed Accounts [#]	10,431,775	(5,230)	(5,191)	(39)	7,732
Active Accounts	26,162,064	20,980,739	21,127,048	(146,309)	2,935
T.B.A. Closed / Active*	631,033	16,155	(161,157)	177,312	100
Total private sector accounts	37,224,873	20,991,665	20,960,700	30,965	10,767

[#] Includes +/- \$10 variance (Now Closed) - Net Variance total \$38.55

* Zero treasury balance does not reconcile to calculated balance.

** 505 accounts fully paid in the \$0 -\$100 range totalling \$22,939 were removed from BON Master

The revised budget for BON repayments in 2021-22 is \$5.85 million. For 2022-23, it is estimated that the BON repayment will amount to \$1 million which will depend on the GON fiscal and liquidity position. The government plans to make available funding to NPRT with a 5% Ronwan capital re-distribution from balances available from the Bank of Nauru liquidation.

COSTS AND RISKS OF PUBLIC DEBT

COST-RISK MATRIX

An important component of the Medium-Term Debt Strategy is to conduct an assessment of the costs and risks of the public debt portfolio. The cost-risk matrix in Table 1.33 sets out the risk indicators for the GON debt portfolio for the estimate of debt outstanding as at 30 June 2022. Therefore, it does not include the second tranche of the Nauru Airlines loan.

TABLE 1.33: RISK INDICATORS

Risk Indicators (for year ending 30 June 2022)		External Debt
Total Public Debt (in million AUD)		24.016
Nominal Public Debt as % of GDP		13%
PV of Public Debt as % of GDP		12%
Interest Payment as % of Government Revenue		0.06%
Cost of Debt	Interest Payment as % GDP	0.08%
	Weighted Average Interest Rate (%)	2.66%
Refinancing Risk	Average Time to Maturity (ATM) in years	5.63
	Debt Maturing within 1-year (% total debt)	4%
Interest Rate Risk	Average Time to Refixing (ATR) in years	0.39
	Debt Refixing within 1-year (% total debt)	100
	Fixed Rate Debt (% of total debt)	0
FX Risk	Foreign Currency Debt (% total debt)	100

EXCHANGE RATE RISK

The Government of Nauru has significant exchange rate risk as 100% of the external debt portfolio is denominated in US dollars, whereas the government's budget and reporting currency is Australian dollars. For example, if the US dollar appreciates against the Australian dollar, the cost of servicing external debt will increase. However, this risk is mitigated by the Republic of China Taiwan budget support grant that is used to meet the debt service principal and interest obligations of the GON.

INTEREST RATE RISK

The Government of Nauru has significant interest rate risk as 100% of the debt portfolio has the interest payment set by a spread to the 6-month floating US dollar interest rate. Interest rates have begun to increase in 2022 as the US Federal Reserve began raising the Fed Funds rate in March and is expected to raise the rate further over the next two years, possibly by more than 2%. The impact has begun to take effect immediately as the 6-month LIBOR rate has risen from 0.34% at the beginning of January to 2.07% as at 20th May 2022. The impact of the rise in 6-month LIBOR on the projected interest cost in FY 2022-23 and beyond can be seen in Table 1.34. As with the exchange rate risk, interest rate risk is mitigated by the Republic of China Taiwan budget support grant that is used to meet the debt service interest payment obligations of the GON.

If the 6-month LIBOR interest rate was to rise by a further 2%, the interest payments would increase by around \$800,000 financial years 2023-24 and 2024-25.

TABLE 1.34: DEBT SERVICING 2021-2025

Instrument	2021-22	2022-23	2023-24	2024-25
	Projected			
Original Currency				
EXIM Bank China Ronphos (US\$'000)	569.3	592.2	603.9	586.1
<i>Principal Payments</i>	500.0	500.0	500.0	500.0
<i>Interest Payments</i>	69.3	92.2	103.9	86.1
EXIM Bank China - Aircraft TR#1 (US\$'000)	-	1,504.6	1,473.0	1,439.5
<i>Principal Payments</i>	-	1,121.7	1,121.7	1,121.7
<i>Interest Payments</i>	-	383.0	351.3	317.8
EXIM Bank China - Aircraft TR#2 (US\$'000)	-	644.3	1,271.4	1,242.7
<i>Principal Payments</i>	-	478.8	957.5	957.5
<i>Interest Payments</i>	-	165.5	313.9	285.2
Australian Dollar (A\$'000)				
EXIM Bank China - Ronphos	806.2	838.5	855	830
<i>Principal Payments</i>	708.0	708.0	708.0	708.0
<i>Interest Payments</i>	98.2	130.5	147.1	121.9
EXIM Bank China - Aircraft TR#1	✓ -	✓ 2,130.6	✓ 2,086	✓ 2,038
<i>Principal Payments</i>	-	1,588.3	1,588.3	1,588.3
<i>Interest Payments</i>	-	542.3	497.5	450.0
EXIM Bank China - Aircraft TR#2	✓ -	✓ 912.3	✓ 1,800.3	✓ 1,759.7
<i>Principal Payments</i>	-	677.9	1,355.8	1,355.8
<i>Interest Payments</i>	-	234.4	444.4	403.9
Total:	806.2	3,881.5	4,741.2	4,627.9
<i>Principal Payments</i>	708.0	2,974.3	3,652.2	3,652.2
<i>Interest Payments</i>	98.2	907.2	1,089.0	975.8

LIQUIDITY RISK AND CASH BUFFER

The Government of Nauru continued to build up cash balances over the third quarter of FY 2021-22. At the end of the quarter, total funds were \$150.5 million as set out in Table 1.35. The cash buffer requirement of two months of adjusted expenditure was \$40.6 million. Total funds were significantly in excess of the recommended fiscal cash buffer, with \$40.1 million quarantined in separate cash buffer accounts.

TABLE 1.35: CASH BUFFER REQUIREMENTS

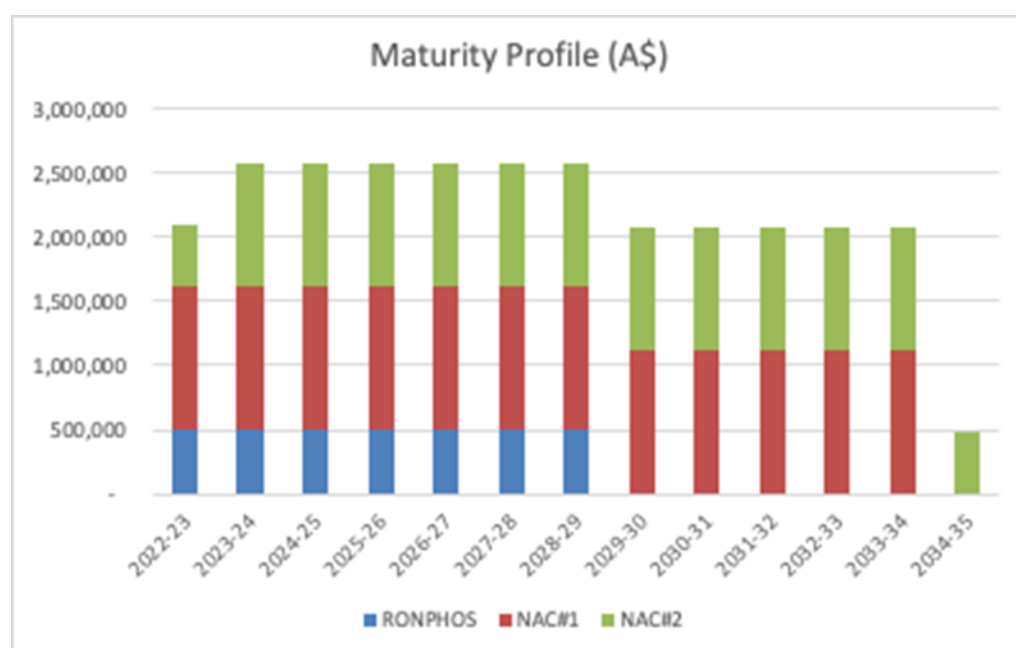
	TOTAL FUNDS (\$)		
	Requirement (\$)	As at 1 July 2021	As at 31 Mar 2022
Cash Buffer at 1 July 2021	37,743,821	102,215,345	
Cash Buffer 31 Mar 2022	40,587,770		150,490,229
<i>of which held in cash buffer accounts</i>		40,070,267	40,098,922

To mitigate liquidity risk, the government will maintain a fiscal cash buffer with the strategy of continuing to build up the cash buffers up to the equivalent of two months adjusted expenditure, to ensure that government has sufficient cash on hand to meet its bills as and when they fall due.

ROLLOVER/REFINANCING RISK (MATURITY PROFILE)

The Government of Nauru has a low rollover or refinancing risk as the average time to maturity (ATM) of the debt portfolio is 5.6 years and with only 4% of the debt maturing in 1-year. Moreover, the debt portfolio has a smooth maturity profile as shown in Chart 1.5. It should be noted that the maximum payment due in any Fiscal Year is \$2.6 million.

CHART 1.5: MATURITY PROFILE



DEBT SUSTAINABILITY

While Nauru's external debt level is still considered moderate to high, it is sustainable. The two key factors that contribute to this improvement are the settlement of the Firebird debt and some repayment of domestic debt related to the liquidation of the Bank of Nauru. This assessment is also confirmed by the IMF in the 2021 Article IV mission report.

The projected level of government external debt for the financial years 2021-22 to 2024-25 by loan in both original currency and Australian dollars is shown in Table 1.36. The debt as a share of GDP increases to around 20% in FY 2022-23, when the second tranche of the EXIM Bank China Nauru Airlines loan is drawn, but falls back to 15% in FY 2024-25. This and for subsequent Fiscal Years, the benchmark external debt to GDP of less than 15% will be met.

TABLE 1.36: TOTAL GOVERNMENT EXTERNAL DEBT OUTSTANDING

Instrument	2021-22	2022-23	2023-24	2024-25
	Projected			
Original Currency				
Samurai Bond Series B (JPY millions)	-	-	-	-
Samurai Bond Series C (JPY millions)	-	-	-	-
EXIM Bank China - Ronphos (US\$'000)	3,500	3,000	2,500	2,000
EXIM Bank China - Aircraft TR#1(US\$'000)	13,460	12,338	11,217	10,095
EXIM Bank China - Aircraft TR#2(US\$'000)	-	11,011	10,054	9,096
Australian Dollar (A\$'000)				
Samurai Bond Series B	-	-	-	-
Samurai Bond Series C	-	-	-	-
EXIM Bank China - Ronphos	4,956.1	4,248.1	3,540.1	2,832.1
EXIM Bank China - Aircraft TR#1	19,059.8	17,471.4	15,883.1	14,294.8
EXIM Bank China - Aircraft TR#2	-	15,592.3	14,236.4	12,880.6
Total:	24,015.9	37,311.8	33,659.6	30,007.4
As a share of GDP	13%	20%	17%	15%

SOES, GOVERNMENT GUARANTEES AND FISCAL RISKS

The performance of State-owned enterprises (SOEs) is a key fiscal risk for the 2022-23 budget, including the need to fund ongoing operations and capital investment. Several of the SOEs are years behind in preparing financial statements, and any data that may be available to undertake an assessment of performance, which are often based upon internal management reports, has not been audited. Some data can be years old and therefore considered to have a low level of reliability.

The focus of efforts by Ministry of Finance to review the performance of SOEs has been on governance improvement rather than debt issues. The 2022-23 Budget Strategy and Outlook (Paper No.1) sets out the measures to strengthen SOE governance as well as the responsibilities of the Public Enterprise Monitoring Unit (PEMU) to monitor the performance of SOEs. Other than the loans from RONPHOS to GON, there are no recorded loans across the other SOEs.

GOVERNMENT GUARANTEES

There are no existing Government Guarantees to report.

FISCAL RISKS

Budget Paper 1 sets out the fiscal risks which are tilted significantly towards the downside. The key fiscal risks for Nauru relate to the construction delays of the Port Project, the anticipated fuel price spikes, the uncertainty around the future of the RPC beyond December 2022, and the impact of COVID-19. There are no fiscal risks arising from public debt.

DEBT STRATEGY FOR 2022-23

The Medium-Term Debt Strategy 2022-23 has been prepared in accordance with the Financial Instructions (Liabilities) approved by Cabinet in June 2021. The overall objective is to ensure that the financing needs of the GON for the medium term are met on a timely basis, with borrowing costs as low as possible and consistent with a prudent degree of risk.

The risks inherent in the Government debt portfolio have been identified (i.e. exchange rate, interest rate, liquidity, and refinancing or rollover risks) and measured as set out in the cost-risk matrix in Table 1.33. The mitigation strategy for each risk is outlined.

Consistent with Nauru's Medium-Term Fiscal Strategy to achieve macro-economic stability and inclusive economic growth with a commitment to fiscal responsibility, the GON's Medium Term Debt Strategy is to target a 'low risk' IMF debt sustainability rating through:

- Responsible fiscal policy settings with three fiscal responsibility ratios:
 - Budget balance must be positive as a share of GDP – that is, the budget must be in surplus
 - Personnel as a proportion of current expenditure must be below 30%
 - Fiscal cash buffer of three months adjusted non-RPC expenditure
- No new public debt arrangements for the foreseeable future with the aim to maintain the debt to GDP ratio at sustainable levels over the medium term, i.e. benchmark external debt to GDP of less than 15 %
- If new debt is to be considered, it must be concessional – either a minimum 35 % grant element, or supported by back-to-back grant funding that meet all principal and interest payments
- Continued resolution of legacy domestic debt and liabilities where fiscal conditions allow
- Maintenance of a liquidity cash buffer equivalent to a minimum of two months adjusted expenditure

The Debt Strategy is based on the assumption that the servicing of the EXIM RONPHOS and Nauru Airlines loans will be met by committed budget support from Republic of China Taiwan beyond the current agreement period to 31 December 2022.

PART 2: EXPENDITURE MEASURES

This section outlines budget expenditure and measures by expenditure head.

01 PRESIDENCY AND STATE HOUSE

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2010	HE Salary & Allowances	100,532	105,034	90,144	110,286
2015	Salary - Local	383,110	373,375	333,614	396,429
2026	Directors Fees	1,300	7,200	6,140	10,000
2035	Overtime - local	83,324	96,000	92,564	90,000
2050	Uniforms & Protective Clothing	34,997	69,000	58,580	70,000
2075	Travel - Business	185,581	-	-	1,000,000
2100	Entertainment	249,916	265,000	210,859	200,000
2105	Official Celebrations	433,000	330,000	327,423	400,000
2130	Printing & Stationery	26,980	25,000	20,826	10,000
2135	Stores	16,987	20,000	17,813	10,000
2185	R&M - Buildings	126,381	100,000	98,827	150,000
2200	R&M - Motor Vehicles	2,413	5,000	4,855	5,000
2330	Telephone / Internet	15,797	20,500	17,493	16,500
2495	Plant & Equipment Purchases	275,078	163,100	162,404	275,100
2496	Building and Structures	299,589	250,000	247,911	250,000
2575	Local Transport	50,700	96,000	82,150	108,000
2617	Donations - local	389,998	1,179,000	976,811	500,000
Expense Subtotal		2,615,681	3,104,209	2,748,414	3,601,315
Division : 0101 - Nauru Museum					
Expense by Natural Account					
2015	Salary - Local	-	25,674	-	67,372
2050	Uniforms & Protective Clothing	1,200	-	-	-
2130	Printing & Stationery	-	5,000	-	5,000
2136	Museum Artefacts	350	4,000	920	4,000
2200	R&M - Motor Vehicles	6,706	-	-	-
2330	Telephone / Internet	-	2,520	-	2,520
2495	Plant & Equipment Purchases	26,893	47,550	15,658	47,550
2496	Building and Structures	48,496	20,000	11,443	-
Expense Subtotal		83,645	104,744	28,020	126,442
Total Expense		2,699,326	3,208,953	2,776,434	3,727,757

The total budget for Presidency and State House is higher in FY 2022-23 than FY 2021-22, reflecting increases in travel business, Plant and Equipment and Building and Structure.

The Nauru Museum which was established in FY 2021-22 as new division will continue to operate as a separate cost centre in FY 2022-23.

02 MINISTERIAL

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2005	Salaries & Allowances - (MP's)	881,490	909,035	790,522	952,835
2015	Salary - Local	671,660	532,640	548,283	418,640
2020	Salary Expatriate	134,352	180,000	147,873	180,000
2030	Salaries - Other Contracts	7,286	-	18,269	-
2031	Staff Contract - Ministerial	50,197	310,968	317,757	520,968
2035	Overtime - local	24,890	50,000	33,280	50,000
2055	Consultants fees	402,413	452,800	436,636	402,400
2070	Travel - Staff	-	27,365	4,429	35,000
2075	Travel - Business	8,088	100,000	98,703	2,000,000
2100	Entertainment	206,996	200,000	190,764	200,000
2105	Official Celebrations	13,846	-	-	-
2130	Printing & Stationery	13,085	25,000	16,144	25,000
2135	Stores	10,930	15,000	12,066	15,000
2185	R&M - Buildings	13,109	60,000	22,760	120,000
2200	R&M - Motor Vehicles	12,000	6,500	6,500	6,500
2220	Nauru Community Housing	14,883,211	32,200,000	26,873,113	9,100,000
2330	Telephone / Internet	53,751	262,600	238,015	277,600
2495	Plant & Equipment Purchases	298,896	500,000	196,708	200,000
2496	Building and Structures	135,936	335,000	264,139	50,000
2575	Local Transport	81,300	214,200	175,570	252,000
Expense Subtotal		17,903,434	36,381,108	30,400,785	14,805,943
Total Expense		17,903,434	36,381,108	30,400,785	14,805,943

Overall, the total budget for Ministerial has dropped to \$14.8 million in FY 2022-23 from \$31.9 million in FY 2021-22. Raises have been made to selected expenditure items like Travel Business, R&M building and Local Transport but these are more than offset by the reduction in the Nauru Community Housing. In FY 2021-22, a total of \$28 million was provided and expended to progress investment in improving and boosting Nauru's housing stock but a modest amount of \$9.1 million has been allocated for FY 2022-23.

03 CHIEF SECRETARY

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
1230	Liquor Licensing Board	42,200	30,141	6,000	6,852
1260	Birth Certificate	13,310	11,389	18,985	21,480
1265	Death Certificate	870	757	710	780
1270	Marriage Certificate	1,700	1,378	2,155	2,448
1475	Miscellaneous Revenue	1,030	-	970	-
Total Revenue		59,110	43,665	28,820	31,560
Division : 0301 - Office of the Chief Secretary					
Expense by Natural Account					
2015	Salary - Local	87,950	104,699	98,150	183,949
2050	Uniforms & Protective Clothing	4,353	-	-	-
2075	Travel - Business	- 227	-	-	20,000
2100	Entertainment	11,250	14,000	12,056	26,000
2130	Printing & Stationery	3,470	3,500	2,978	3,500
2135	Stores	4,544	1,700	1,650	1,700
2190	R&M - Office Equipment	680	-	-	-
2330	Telephone / Internet	-	1,500	80	1,500
2495	Plant & Equipment Purchases	79,581	-	-	-
Expense Subtotal		191,601	125,399	114,914	236,649
Division : 0302 - Administration					
Expense by Natural Account					
2015	Salary - Local	559,487	633,070	523,917	685,370
2020	Salary Expatriate	25,400	26,000	21,500	26,000
2030	Salaries - Other Contracts	6,772,702	7,010,093	6,641,155	7,884,322
2050	Uniforms & Protective Clothing	-	10,000	-	-
2070	Travel - Staff	-	-	-	20,000
2072	Meals and Drinks - Staff	763	2,400	1,400	2,400
2100	Entertainment	-	2,000	703	2,000
2130	Printing & Stationery	15,525	8,703	2,800	8,703
2135	Stores	62,441	30,000	4,921	30,000
2155	House Rental	4,639,781	4,650,760	3,756,660	5,031,126
2185	R&M - Buildings	105,957	100,000	89,916	250,000
2190	R&M - Office Equipment	10,748	-	-	-
2200	R&M - Motor Vehicles	460,485	550,000	519,996	700,000
2275	Purchase of Petrol	485,366	550,000	475,136	650,000
2280	Purchase of Diesel	685,764	873,864	621,717	873,864
2315	Utilities	1,542,614	1,777,254	1,422,295	1,870,987
2330	Telephone / Internet	-	2,520	937	2,520
2495	Plant & Equipment Purchases	193,418	-	-	-
2575	Local Transport	19,600	50,000	8,620	50,000
Expense Subtotal		15,580,050	16,276,664	14,091,670	18,087,291
Division : 0303 - Birth/Death/Marriages					
Expense by Natural Account					
2015	Salary - Local	116,088	121,979	106,670	119,126
2035	Overtime - local	2,336	1,000	888	2,500
2040	Staff Training	1,752	-	-	-
2050	Uniforms & Protective Clothing	694	700	40	700
2100	Entertainment	197	1,200	600	1,200
2105	Official Celebrations	400	400	-	-
2130	Printing & Stationery	17,075	19,670	18,516	15,000
2135	Stores	2,566	2,000	1,860	2,000
2165	Office Rental	15,583	19,800	16,500	19,800
2495	Plant & Equipment Purchases	10,737	9,598	6,588	12,000
Expense Subtotal		167,428	176,347	151,662	172,326

<i>Natural Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 0304 - Human Resource					
Expense by Natural Account					
2015	Salary - Local	271,729	742,689	522,181	410,039
2020	Salary Expatriate	30,669	100,000	96,690	125,000
2025	Allowances - Staff Contract	-	-	-	-
2035	Overtime - local	2,074	10,000	7,234	15,000
2040	Staff Training	320,837	432,579	155,958	548,218
2045	Recruitment	4,859	31,030	20,126	35,000
2055	Consultants fees	73,759	18,000	15,335	36,000
2070	Travel - Staff	-	-	-	10,000
2075	Travel - Business	117	-	-	-
2100	Entertainment	200	1,000	680	1,400
2105	Official Celebrations	8,880	18,830	18,830	30,000
2130	Printing & Stationery	26,850	5,350	5,270	5,650
2135	Stores	6,920	1,170	755	2,500
2165	Office Rental	86,000	-	-	-
2185	R&M - Buildings	1,248	-	-	-
2190	R&M - Office Equipment	284	1,000	371	1,000
2200	R&M - Motor Vehicles	-	1	-	-
2330	Telephone / Internet	779	1,470	1,470	5,320
2370	Membership Fees & Subscriptions	-	1,000	-	1,000
2440	Scholarships - School & Trade	295,780	370,000	241,727	395,200
2495	Plant & Equipment Purchases	86,110	157,149	156,884	17,500
2575	Local Transport	-	12,320	10,800	-
Expense Subtotal		1,217,095	1,903,588	1,254,309	1,638,827
Division : 0305 - Labor Sending Unit					
Expense by Natural Account					
2015	Salary - Local	40,373	-	-	-
2130	Printing & Stationery	700	-	-	-
2135	Stores	40	-	-	-
2330	Telephone / Internet	89	-	-	-
2575	Local Transport	33,500	-	-	-
2617	Donations - local	23,738	-	-	-
Expense Subtotal		98,440	-	-	-
Total Expense		17,254,614	18,481,997	15,612,555	20,135,093

There is a slight increase to the Chief Secretary's total budget for FY 2022-23 reflecting increases to:

- Salaries other contracts to accommodate the need to extend security to new expatriate houses and new office premises not previously covered;
- R&M Building for repairs of the government water and gutter system to avoid leakages and water loss
- Petrol costs covering for an increase in number of cars as well as to cover for the expected increase in fuel prices
- House rental for leases of additional hotel rooms and single houses to cater for an increase in government expatriate staff on island especially health medical workers, and
- Utilities to cover for the increase in government tariff rates effective in February 2022.

Around \$600,000 has been provided to the Chief Secretary department to continue the new graduate internship program, and establish a pathway for new graduates (targeting 10) to be exposed to the

Public Sector under their respective career areas with the view for them to take up positions on a permanent basis following completion of their internship tenure.

05 AUDIT

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	75,712	109,555	62,577	98,490
2020	Salary Expatriate	109,815	105,000	98,081	220,000
2050	Uniforms & Protective Clothing	2,150	2,160	-	1,260
2070	Travel - Staff	1,199	16,300	-	70,600
2075	Travel - Business	7,561	-	-	-
2100	Entertainment	1,200	2,000	1,144	2,000
2105	Official Celebrations	-	1,000	1,000	3,000
2130	Printing & Stationery	3,034	3,475	1,656	3,180
2135	Stores	1,699	1,750	1,746	1,750
2165	Office Rental	34,844	37,800	31,500	37,800
2185	R&M - Buildings	-	500	-	500
2190	R&M - Office Equipment	880	1,000	680	1,400
2205	R&M - Plant	-	1,000	-	-
2315	Utilities	8,564	9,780	5,986	9,780
2330	Telephone / Internet	-	-	-	1,000
2370	Membership Fees & Subscriptions	4,552	6,163	4,825	5,762
2495	Plant & Equipment Purchases	5,040	-	-	12,250
Expense Subtotal		256,249	297,483	209,195	468,772
Total Expense		256,249	297,483	209,195	468,772

The Total budget for Audit is higher in FY 2022-23 than FY 2021-22, reflecting the approval for Audit to recruit 3 expatriate auditors covering for their salaries, travel and communication and laptop purchases (Plant and Equipment Purchases subhead) to support audit field work.

06 OFFICE OF PARLIAMENTARY SERVICES

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2005	Salaries & Allowances - (MP's)	355,164			
2015	Salary - Local	395,537			
2020	Salary Expatriate	-			
2030	Salaries - Other Contracts	-			
2035	Overtime - local	1,060			
2040	Staff Training	-			
2045	Recruitment	-			
2055	Consultants fees	-			
2070	Travel - Staff	-			
2072	Meals and Drinks - Staff	-			
2075	Travel - Business	- 1,846			
2100	Entertainment	47,639			
2105	Official Celebrations	-			
2110	Protocol	-			
2130	Printing & Stationery	5,459			
2135	Stores	8,366			
2155	House Rental	-			
2185	R&M - Buildings	71,681			
2190	R&M - Office Equipment	2,760			
2200	R&M - Motor Vehicles	13,859			
2205	R&M - Plant	-			
2230	Publicity and Awareness	-			
2275	Purchase of Petrol	-			
2280	Purchase of Diesel	-			
2330	Telephone / Internet	6,528			
2370	Membership Fees & Subscriptions	30,800			
2375	ICT Supplies	-			
2495	Plant & Equipment Purchases	22,728			
2570	Bank Charges	-			
2600	Postage	-			
2605	Library/Periodicals	-			
2617	Donations - local	280			
2620	Lease & Charter Payments	-			
Expense Subtotal		960,015			
Total Expense		960,015			

From FY 2022-23 Parliament Office operations similar to SOEs will be funded through direct grant support from Head 16 Finance Other to reflect that it is no longer part of the whole-of-government FMIS and accounting system consistent with its autonomy mandate. Grants will be paid to the Office on a quarterly basis and will be accounted for within Parliament standalone system of expenditure and revenue.

08 NATIONAL EMERGENCY

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2185	R&M - Buildings	15,933	-	-	-
2200	R&M - Motor Vehicles	20,549	-	-	-
2496	Building and Structures	-	-	-	200,000
Expense Subtotal		36,482	-	-	200,000
Division : 0801 - Office of the Secretary and Administration					
Expense by Natural Account					
2015	Salary - Local	800,141	1,211,806	299,294	1,316,089
2030	Salaries - Other Contracts	-	2,000	482	-
2035	Overtime - local	231,230	200,000	199,232	250,000
2040	Staff Training	725	2,000	-	2,000
2050	Uniforms & Protective Clothing	540	-	-	-
2055	Consultants fees	100	33,000	22,100	20,000
2072	Meals and Drinks - Staff	1,360	5,200	1,672	1,000
2105	Official Celebrations	-	3,000	2,450	4,000
2130	Printing & Stationery	692	4,252	877	5,000
2135	Stores	-	2,000	864	-
2185	R&M - Buildings	-	-	-	10,800
2190	R&M - Office Equipment	200	48,500	29,183	5,000
2200	R&M - Motor Vehicles	13,734	6,000	5,307	6,000
2330	Telephone / Internet	2,227	-	-	6,000
2370	Membership Fees & Subscriptions	21,000	45,000	45,000	40,000
2495	Plant & Equipment Purchases	-	30,000	7,800	-
2496	Building and Structures	-	60,000	42,492	-
2575	Local Transport	3,200	-	-	-
Expense Subtotal		1,075,149	1,652,758	656,753	1,665,889
Division : 0802 - Fire and Rescue Department					
Expense by Natural Account					
2015	Salary - Local	248,836	-	624,041	-
2030	Salaries - Other Contracts	50	-	-	-
2050	Uniforms & Protective Clothing	-	50,000	45,008	25,000
2072	Meals and Drinks - Staff	3,000	-	-	5,000
2100	Entertainment	868	-	-	1,000
2105	Official Celebrations	5,000	-	-	-
2130	Printing & Stationery	500	-	-	-
2135	Stores	982	800	397	2,000
2185	R&M - Buildings	-	28,000	14,875	-
2200	R&M - Motor Vehicles	1,973	80,000	77,959	80,000
2205	R&M - Plant	577	25,000	1,680	2,000
2315	Utilities	38,292	33,600	33,600	35,000
2330	Telephone / Internet	7,486	5,040	5,040	-
2495	Plant & Equipment Purchases	42,896	-	-	50,000
2616	Subsidies to SoEs	-	2,000	-	-
Expense Subtotal		350,461	224,440	802,600	200,000
Division : 0803 - Nauru Lifeguard Division					
Expense by Natural Account					
2015	Salary - Local	18,919	-	61,572	-
2050	Uniforms & Protective Clothing	-	5,000	4,614	1,000
2072	Meals and Drinks - Staff	3,000	-	-	3,000
2105	Official Celebrations	500	-	-	500
2185	R&M - Buildings	-	10,000	-	-
2200	R&M - Motor Vehicles	1,985	-	-	-
2205	R&M - Plant	50	35,000	17,150	3,500
2495	Plant & Equipment Purchases	3,576	-	-	-
Expense Subtotal		28,030	50,000	83,336	8,000

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 0804 - Ambulance Division					
Expense by Natural Account					
2015	Salary - Local	39,354	-	88,423	-
2050	Uniforms & Protective Clothing	-	5,000	3,222	-
2072	Meals and Drinks - Staff	50	-	-	300
2100	Entertainment	-	-	-	500
2135	Stores	-	-	-	500
2185	R&M - Buildings	-	3,000	-	-
2200	R&M - Motor Vehicles	1,280	-	-	-
2205	R&M - Plant	-	5,000	-	500
Expense Subtotal		40,684	13,000	91,645	1,800
Division : 0805 - Meteorology					
Expense by Natural Account					
2015	Salary - Local	-	-	22,197	-
2050	Uniforms & Protective Clothing	-	5,000	-	-
2072	Meals and Drinks - Staff	269	-	-	500
2130	Printing & Stationery	322	-	-	500
2135	Stores	-	-	-	500
2185	R&M - Buildings	-	5,000	-	-
2200	R&M - Motor Vehicles	-	2,000	-	-
2205	R&M - Plant	530	5,000	-	5,000
2495	Plant & Equipment Purchases	3,933	-	-	-
Expense Subtotal		5,054	17,000	22,197	6,500
Total Expense		1,535,860	1,957,198	1,656,530	2,082,189

The total budget for NES is higher in FY 2022-23 than FY 2021-22, reflecting an increase in provisions for overtime, purchase of fire extinguishers and investment in revamping of the existing RFS building to accommodate growing staff number and ensure efficiency and effectiveness of emergency response operations.

09 NATIONAL ELECTORAL COMMISSION (NEC)

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	30	1,000	3,360	1,000
1700	National/District Roll Sales	3,090	1,010	6,990	5,520
1705	Electoral Various Fees	82,000	17,894	670,220	77,760
Total Revenue		85,120	19,904	680,570	84,280
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	189,406	248,780	207,651	297,844
2030	Salaries - Other Contracts	-	77,490	48,253	80,701
2035	Overtime - local	247	3,000	1,432	3,000
2040	Staff Training	12,765	12,000	475	1,500
2050	Uniforms & Protective Clothing	-	14,170	5,880	-
2055	Consultants fees	7,280	10,000	3,480	6,960
2072	Meals and Drinks - Staff	3,221	15,900	12,857	20,325
2100	Entertainment	990	1,600	320	1,600
2130	Printing & Stationery	4,497	6,400	2,828	1,000
2135	Stores	2,938	2,993	2,993	2,993
2165	Office Rental	25,098	32,400	29,700	32,400
2185	R&M - Buildings	2,030	5,000	1,671	1,000
2190	R&M - Office Equipment	3,796	2,000	1,886	2,000
2200	R&M - Motor Vehicles	3,780	3,725	3,168	1,750
2230	Publicity and Awareness	21,997	14,800	11,961	-
2275	Purchase of Petrol	-	-	-	1,190
2315	Utilities	12,852	21,900	17,669	23,400
2330	Telephone / Internet	36,357	37,059	24,050	34,660
2495	Plant & Equipment Purchases	6,007	28,600	4,625	77,644
2575	Local Transport	-	3,980	2,650	4,560
Expense Subtotal		333,261	541,797	383,549	594,527
Total Expense		333,261	541,797	383,549	594,527

The total budget for NEC is slightly higher in FY 2022-23 than FY 2021-22, reflecting additional provisions for the preparations for the upcoming national election, due to be held in September 2022.

11 FINANCE – SECRETARIAT

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	761	2,000	3,500	2,000
Total Revenue		761	2,000	3,500	2,000
Division : 0000 - General					
Expense by Natural Account					
		-	-	-	-
Expense Subtotal		-	-	-	-
Division : 1101 - Treasury Division					
Expense by Natural Account					
2015	Salary - Local	204,293	292,158	212,645	384,289
2020	Salary Expatriate	194,809	293,434	215,371	292,400
2035	Overtime - local	2,895	15,000	8,008	15,000
2040	Staff Training	2,826	3,000	2,820	11,000
2050	Uniforms & Protective Clothing	3,193	-	-	-
2055	Consultants fees	1,128,463	1,416,622	1,185,118	1,051,979
2070	Travel - Staff	30,990	30,660	7,781	43,660
2075	Travel - Business	- 4,935	-	-	30,000
2100	Entertainment	148,997	194,000	99,003	124,000
2130	Printing & Stationery	16,022	15,280	1,816	15,280
2135	Stores	4,159	4,200	3,328	4,200
2185	R&M - Buildings	1,633	44,734	38,463	3,000
2190	R&M - Office Equipment	-	5,500	2,049	5,500
2330	Telephone / Internet	1,270	7,160	2,485	6,000
2370	Membership Fees & Subscriptions	4,436	29,046	210	18,776
2495	Plant & Equipment Purchases	121,946	19,000	17,860	19,000
2496	Building and Structures	-	224,966	20,210	-
2570	Bank Charges	33,008	36,000	27,258	48,000
2600	Postage	-	2,000	34	2,000
Expense Subtotal		1,894,006	2,632,761	1,844,460	2,074,084
Division : 1102 - Planning and Aid Division					
Expense by Natural Account					
2015	Salary - Local	63,517	206,517	97,016	162,516
2020	Salary Expatriate	7,751	-	-	-
2040	Staff Training	-	118,525	112,151	15,000
2050	Uniforms & Protective Clothing	1,081	-	-	-
2075	Travel - Business	1,880	-	-	35,000
2100	Entertainment	6,882	13,200	4,747	6,000
2105	Official Celebrations	-	4,000	-	10,000
2130	Printing & Stationery	7,000	2,000	630	4,500
2135	Stores	477	500	500	2,000
2230	Publicity and Awareness	-	-	-	14,400
2330	Telephone / Internet	1,884	1,884	1,570	1,884
2495	Plant & Equipment Purchases	44,000	-	-	33,940
Expense Subtotal		134,471	346,626	216,614	285,240
Division : 1103 - Social Services Divisions					
Expense by Natural Account					
2015	Salary - Local	41,583	56,460	45,464	76,565
2130	Printing & Stationery	554	2,000	1,854	2,000
2135	Stores	2,596	2,000	1,999	2,000
2165	Office Rental	26,994	30,000	27,500	30,000
2230	Publicity and Awareness	-	2,400	1,600	2,400
2495	Plant & Equipment Purchases	14,699	-	-	-
Expense Subtotal		86,425	92,860	78,417	112,965
Total Expense		2,114,901	3,072,246	2,139,491	2,472,289

The total budget for Finance Secretariat is lower in FY 2022-23 than FY 2021-22, mainly reflecting one off expenditures for the following not expected to be repeated in FY 2022-23:

- Staff Training relating to the placement of a Finance official in New York Mission,
- Consultancy fee provisions for Hale and Tomwey relating to the Tender and Evaluation process for the Tank Farm
- Building and Structure and R&M building for the extension of the Treasury Office which is one off.

\$100,000 has been provided for the engagement of a government finance statistician on a consulting arrangement to assist the office undertake compilation of key statistical work for the government.

Treasury has made significant achievements during the year to progress key Public Financial Management Reform initiatives including the completion of the Public Expenditure and Financial Accountability (PEFA) assessment, continued out-sourcing of the internal audit arrangements, completion of the 2018-19 financial statements and audit and close finalization of the 2019-20 and 2020-21 accounts, and ongoing settlement of government debt liabilities.

The FY 2021-22 PEFA assessment follows from a self-assessment in 2016, and provides a good opportunity to review Nauru's progress and opportunities to improve.

The aim of a PEFA review is to assess strengths and weaknesses in Public Financial Management (PFM) systems. It is a point in time assessment and provides a blueprint to reform systems towards better practice, often reflected by use of international benchmarks and standards, for example, use of International Public Sector Accounting Standards (IPSAS).

The PEFA report is close to being finalized by PFTA and report is expected to be finalized by end of May 2022.

Three ADB funded projects commenced during the year relating to Improving State Owned Enterprise Governance Project and two related to debt: a Debt Stocktake and Reconciliation of Bank of Nauru liquidation. These key activities are expected to continue and be finalized in financial year 2021-22.

12 FINANCE PUBLIC DEBT

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1902	EXIM NAC Loan Proceeds	-	33,399,842	-	16,016,563
Total Revenue		-	33,399,842	-	16,016,563
Division : 0000 - General					
Expense by Natural Account					
2376	Equity Purchases	13,191,700	16,245,600	-	16,016,563
2545	Debt Repayments - Other	-	3,980,613	-	2,966,102
Expense Subtotal		13,191,700	20,226,213	-	18,982,665
Total Expense		13,191,700	20,226,213	-	18,982,665

In FY 2022-23, the government expects to draw down the balance of the EXIM Loan for the Aircraft Replacement Program, and make principal and interest payments for the EXIM Ronphos Equipment loan and EXIM Aircraft Loan. Principal and interest payments are expected to be disbursed directly to EXIM Bank by the ROC Taiwan.

In October 2020, the government announced that it would support Nauru Airlines with its aircraft replacement program, with a new USD \$24.95 million loan from EXIM Bank, supported by ROC Taiwan.

By the end of June 2021, it is expected that Nauru Airlines will have completed the purchase of an aircraft and that the loan will be partially drawn down to an amount of USD \$13.3 million.

The remainder of the loan is assumed to be drawn down by June 2022. This will fund another aircraft that is yet to be identified.

Repayments of principal and interest will commence in FY 2022-23 (November), which is six months from the drawdown of the first tranche, supported by a general budget support grant provided by ROC Taiwan as outlined in a Memorandum of Understanding with the government.

This is a similar arrangement for the ROC Taiwan budget support for the EXIM Bank Ronphos equipment loan.

The EXIM Bank Aircraft Loan is for a total amount of USD24.95 million over 12 years at an interest rate of six-month LIBOR + 0.8%. The EXIM Bank Ronphos Equipment Loan was for a total amount of USD \$5 million, over 10 years at an interest rate of six-month LIBOR + 1.5%.

13 BUREAU OF STATISTICS

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	56,536	120,228	75,577	130,435
2030	Salaries - Other Contracts	11,375	9,850	9,770	-
2040	Staff Training	1,625	9,410	5,767	13,700
2050	Uniforms & Protective Clothing	5,848	1,000	1,000	1,000
2055	Consultants fees	-	31,700	-	17,000
2100	Entertainment	306	3,000	284	600
2130	Printing & Stationery	728	4,677	877	1,431
2135	Stores	1,304	1,500	190	500
2190	R&M - Office Equipment	-	1,000	-	1,000
2230	Publicity and Awareness	1,273	15,060	10,541	1,423
2330	Telephone / Internet	558	1,884	1,431	1,884
2495	Plant & Equipment Purchases	4,436	15,320	14,222	1,000
2575	Local Transport	7,195	-	-	-
Expense Subtotal		91,184	214,629	119,659	169,973
Total Expense		91,184	214,629	119,659	169,973

The total budget for the Bureau of Statistics has reduced in FY 2022-23, reflecting reduced provision relating to the 10-year full-scale Census and household and income survey that was completed in FY 2021-22.

15 NAURU REVENUE OFFICE (NRO)

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1190	Telecom Tax	3,340,938	2,650,000	2,439,069	2,500,000
1215	Licenses-Drivers etc	118,528	80,000	150,452	70,000
1235	Gaming / Bingo Licenses	53,250	50,000	148,252	80,004
1590	Employment/Non-resident Withholding	19,531,297	14,710,000	14,312,801	10,200,000
1591	Business Profit Tax	43,950,090	29,490,000	39,853,484	21,900,000
Total Revenue		66,994,103	46,980,000	56,904,058	34,750,004
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	263,531	300,729	245,216	374,721
2035	Overtime - local	6,093	7,000	6,740	7,000
2040	Staff Training	-	2,500	-	2,500
2050	Uniforms & Protective Clothing	5,716	4,000	3,993	4,000
2075	Travel - Business	-	-	-	26,500
2100	Entertainment	250	250	200	250
2130	Printing & Stationery	29,042	16,300	16,172	16,300
2135	Stores	2,475	4,500	4,220	4,500
2165	Office Rental	35,544	57,000	44,000	48,000
2185	R&M - Buildings	2,505	-	-	-
2190	R&M - Office Equipment	1,387	2,500	460	2,500
2195	R&M - Office Premises	-	20,000	881	-
2315	Utilities	21,379	25,000	19,452	25,000
2330	Telephone / Internet	141	1,500	312	1,500
2370	Membership Fees & Subscriptions	28,810	35,000	27,964	33,000
2495	Plant & Equipment Purchases	10,729	29,000	18,863	3,000
Expense Subtotal		407,601	505,279	388,473	548,771
Total Expense		407,601	505,279	388,473	548,771

The total budget for NRO is higher in FY 2022-23 than FY 2021-22, reflecting increases in salary and travel business.

16 FINANCE – OTHER PAYMENTS

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1015	Income from Investments & Dividends-Other	2,721,656	2,412,143	649,509	1,200,000
1361	Fuel Levy	-	1,314,384	1,557,410	-
1475	Miscellaneous Revenue	1,404,277	-	7,180	-
1660	General Budget Support	21,273,593	12,273,824	4,500,143	17,562,375
Total Revenue		25,399,526	16,000,351	6,714,241	18,762,375
Division : 0000 - General					
Expense by Natural Account					
2030	Salaries - Other Contracts	540,000	540,000	540,000	540,000
2055	Consultants fees	18,315	-	-	-
2075	Travel - Business	-	4,110,000	857,613	-
2205	R&M - Plant	1,500,000	2,814,384	2,697,674	1,500,000
2350	Freight	2,190,850	2,775,800	2,077,829	2,600,000
2370	Membership Fees & Subscriptions	295,954	-	-	-
2376	Equity Purchases	-	3,400,618	-	-
2390	Social Welfare - Birth Claims	173,700	192,000	157,100	192,000
2395	Social Welfare - Death Claims	168,000	283,000	147,253	283,000
2396	Back to School Support	353,400	739,800	660,700	739,800
2400	Social Services - Aged Pensions	2,895,551	3,808,840	2,851,840	3,808,840
2405	Social Services - Super Contributors	77,641	100,000	65,091	100,000
2420	Social Services - Disability Payments	1,581,250	1,681,160	1,642,205	1,681,160
2421	Ex Gratia - Age and Disable	476,000	548,800	546,400	595,000
2422	Ex Gratia SoEs	1,000,700	999,500	998,200	1,340,300
2423	Ex Gratia Nauru Public Service	-	-	-	1,471,400
2475	Overseas Medical Treatment	916,169	-	-	-
2496	Building and Structures	13,940,042	15,942,262	6,947,324	3,717,833
2497	Land Purchase	-	845,087	842,469	-
2545	Debt Repayments - Other	9,409,337	12,322,885	11,247,053	5,833,334
2565	Insurance	49,214	100,000	74,766	100,000
2614	Grants to EBUS	-	1,481,378	-	2,659,438
2616	Subsidies to SoEs	30,784,485	14,890,443	12,179,958	15,154,967
2617	Donations - local	5,076,900	2,810,000	2,775,297	100,000
2618	Donations - overseas	-	100,000	-	100,000
2619	Grants to SoEs	-	-	-	983,442
2650	Trust Fund	33,717,652	25,820,869	25,820,869	19,257,451
2651	GON Contributions	1,819,887	3,132,916	1,718,470	3,582,000
2652	Fiscal Cash Buffer	-	1,359,633	-	2,784,111
2680	BON Liquidation- Payment	5,635,549	5,851,178	2,937,677	1,000,000
2681	Prior Year Account Payable (GoN)	1,198,036	-	-	-
2998	COVID 19 Taskforce	831,324	-	-	-
2999	Contingency fund	-	500,000	-	500,000
Expense Subtotal		114,649,958	107,150,554	77,785,789	70,624,076
Total Expense		114,649,958	101,764,557	77,785,789	70,624,076

Head 16 - Finance Other Payments, covers expenditure lines that relate to whole-of-government measures. It includes expenditures related to SOE subsidies, social welfare, whole-of-government freight, government superannuation contributions on behalf of employees, Nauru Trust Fund (NTF) contributions, Ex Gratia, Bank of Nauru liquidation and other debt repayments, and provision for urgent and unexpected events through the fiscal cash buffer and contingency provisions.

The budget for this head is lower in FY 2022-23 than FY 2021-22 reflecting mainly reductions to SOE subsidies, NTF and Port Project contributions.

The Trust Fund contributions for next year is assessed based on 10.1% of the current year (2021-22) total forecast revenue less pass through and this will be revised in August 2022 after the close of accounts and by which time the FY 2021-22 actual revenue figures would have been confirmed.

The FY 2020-21 NTF allocation has been boosted due to a pre-payment of \$9.3 million of FY 2022-23 contributions.

The government has completed its required Port cash contributions in FY 2020-21 as required under the Port Project Agreement with the ADB. However, there is still in-kind contributions in FY 2022-23 relating to the purchase of aggregate materials from Nauru Rehabilitation Corporation, support for continued engagement of diesel mechanics (paid to NRC), and Port Management Unit expenses (all shown in Buildings and Structures).

All Social welfare allowances related to Aged, Disabled, Birth and Death benefits are expected to be maintained at current levels.

Key expenditure measures in Head 16 include:

- \$19.3 million for the Nauru Trust Fund (\$9.2 million pre-paid in FY 2021-22 to total \$28.5 million);
- \$2.1 million has been provided under the Building and Structure to provide for government in-kind contributions toward Port project costs, including purchase of aggregate, relocation and project costs;
- \$1.6 million has also been provided to enable additional clearing and rehabilitation of government land at top side for a cemetery site.
- \$6.8 million has been provided for Debt settlement, including Bank of Nauru (BON) liquidation payments of \$1 million and Nauru Phosphate Royalties Trust (NPRT) of \$5.8 million (Debt repayments - other),
- \$1.5 million has been provided as government contributions toward the refurbishing and ongoing maintenance of the government Tank Farm infrastructure to ensure safety and reliability.

2616 – SUBSIDIES TO SOEs

The FY 2022-23 Budget acknowledges the need for government to continue fiscal support to State Owned Entities (SOEs) to ensure they generate commercial returns for the Government and to meet the requirements of the *Public Enterprise Act 2019*.

In FY 2020-21, the Government of Nauru established a Community Service Obligation (CSO) framework that acknowledges that the government from time to time will require public enterprises to pursue social policy objectives that undermine the entities' ability to be fully commercial and to generate sufficient revenue to comply with its primary objective under the *Public Enterprise Act 2019*, of being a successful business.

The CSO frameworks seeks to compensate public enterprises for the difference between the commercial based prices that the public enterprise would have charged for the service and the discounted prices that the services are actually being delivered to the public as requested by the government.

The FY 2022-23 Budget includes provision for the continuation of the Community Service Obligation (CSO) agreements for the following:

- \$1.7 million provided to Nauru Utilities Corporation to provide affordable electricity through a pre-pay lifeline for up to 200kw/hr of power and public lighting services
- \$4.7 million to Nauru Airlines Corporation (NAC) to provide regular and affordable air freight services with a once weekly freighter service from Brisbane or Fiji at pre-Covid-19 rates. This CSO will cover the empty return journey for freight services, to ensure a weekly service continues to be provided for the rest of the year;
- \$1.9 million to Nauru Port and Maritime Authority (NMPA) to ensure affordable Port charges, by holding Stevedoring and Wharf charges at current rates. The CSO will cover the difference between the current rate and the '2019 gazette rate' that has been set to ensure that NMPA can cover its costs and operate commercially. The revenue from the CSO will ensure that NMPA does not need to increase its charges beyond the current pre-COVID-19 rates, and still cover all its costs. There has been an increase from current level due to expected increase in cargo demand for local importers.

Other CSO related measures in Head 16 include:

- \$2.5 million to NMPA for of hire tug-boats to support shipping operations, for fuel and phosphate voyages. This is a temporary cover until the new Port becomes operational in which case the Tug will not be required for the Fuel cargo operations.
- \$4.3 million to Nauru Shipping Line for the required servicing of the Micronesian Pride and charter during the period of dry dock.

Grant Funding has also been allocated in FY 2022-23 to support State Owned Entities operations as follows:

- \$0.2 million to Nauru Tourism Corporation;
- \$0.2 million to Nauru Sports Inc
- \$0.5 million to Nauru Phosphate and Royalty Trust (NPRT)
- \$0.1 million to Nauru Fibre Cable Corporation (NFCC)

\$2.7 million in Grant is provided to the Office of Parliamentary Services to fund operations for FY 2022-23. Parliament is no longer an Appropriation Head with effect from July 2021 following its establishment as an autonomous unit consistent with its constitutional mandate.

17 NAURU CUSTOMS OFFICE (NCO)

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1140	Customs and Excise Duty - Tobacco	7,073,041	6,696,908	6,573,810	6,696,908
1145	Customs and Excise Duty - Alcohol	1,956,048	2,040,000	1,312,133	1,540,000
1150	Customs and Excise Duty - Sugar	1,263,016	1,220,394	1,174,788	1,464,480
1155	Customs and Excise - Machinery/Vehicle	1,045,379	1,395,764	1,393,401	1,586,424
1160	Customs and Excise Duty - Other	2,813,363	3,272,123	3,411,384	3,894,000
1165	Customs and Excise Duty - Petrol Sales	2,654,280	2,771,838	2,121,744	2,424,840
1170	Customs and Excise Duty - Diesel Sales	2,775,403	1,700,000	1,468,666	1,678,476
1245	Drones Licenses	1,500	2,000	1,000	1,000
Total Revenue		19,582,029	19,099,027	17,456,925	19,286,128
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	353,847	345,587	333,923	482,902
2030	Salaries - Other Contracts	-	23,500	-	14,400
2035	Overtime - local	-	15,000	9,124	24,000
2040	Staff Training	10,852	12,223	1,656	21,659
2050	Uniforms & Protective Clothing	1,014	3,500	2,833	1,550
2055	Consultants fees	147,070	344,542	186,181	193,860
2075	Travel - Business	-	-	-	14,559
2100	Entertainment	1,915	8,400	8,275	8,400
2130	Printing & Stationery	29,232	10,008	2,070	3,202
2135	Stores	3,453	11,564	8,921	2,190
2165	Office Rental	32,000	149,300	130,590	93,600
2185	R&M - Buildings	1,424	-	-	-
2190	R&M - Office Equipment	-	1,500	-	1,500
2200	R&M - Motor Vehicles	-	300	-	-
2230	Publicity and Awareness	6,659	69,600	-	23,500
2315	Utilities	-	7,200	-	7,200
2330	Telephone / Internet	2,769	4,375	1,691	1,884
2370	Membership Fees & Subscriptions	10,000	10,000	10,000	10,000
2495	Plant & Equipment Purchases	166,649	115,449	78,958	7,350
2605	Library/Periodicals	-	1,500	-	-
Expense Subtotal		766,884	1,133,548	774,222	911,756
Total Expense		766,884	1,133,548	774,222	911,756

Nauru Customs Office expenditure is slightly lower in FY 2022-23 than FY 2021-22, reflecting reduced provision for the Automated Systems for Customs Data (ASYCUDA) project activities after settlement of one-off expenditure in the first year of the project implementation.

Implementation of the ASYCUDA World, UNCTAD's latest version web-based software for processing of customs data is on track and is one part of efforts at reforming and modernising the Nauru Customs Office. ASYCUDA Project Implementation involves migration from use of the current data processing software, PC Trade Blue, to a more robust and reliable system that will cover the full range of Customs core business processes. The Project commenced on August 16th, 2021 and is expected to be completed in 2023.

18 NAURU REGIONAL PROCESSING CENTRE CORPORATION (NRPCC)

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1000	Project Revenue	1,500	-	-	-
1495	Service Fees	20,000,004	20,000,004	18,333,337	-
Total Revenue		20,001,504	20,000,004	18,333,337	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	398,779	609,597	340,157	477,950
2025	Allowances - Staff Contract	86,300	78,000	67,100	78,000
2040	Staff Training	340	290,415	1,870	290,680
2055	Consultants fees	5,000	-	-	5,000
2072	Meals and Drinks - Staff	2,884	5,475	-	5,470
2075	Travel - Business	3,675	-	-	254,450
2100	Entertainment	-	2,400	-	-
2105	Official Celebrations	19,845	10,000	375	10,000
2130	Printing & Stationery	9,377	2,100	7,520	7,520
2200	R&M - Motor Vehicles	2,680	-	350	3,000
2275	Purchase of Petrol	18,998	39,276	22,247	41,264
2280	Purchase of Diesel	5,325	10,764	3,892	10,764
2330	Telephone / Internet	37,325	34,000	43,384	41,418
2495	Plant & Equipment Purchases	49,704	10,000	20,056	22,042
2570	Bank Charges	335	480	284	480
2575	Local Transport	611,530	613,200	565,618	613,200
2617	Donations - local	77,265	5,000	4,500	5,000
Expense Subtotal		1,329,362	1,710,707	1,077,353	1,866,238
Total Expense					
		1,329,362	1,710,707	1,077,353	1,866,238

The total budget for NRPCC is higher in FY 2022-23 than FY 2021-22, mainly reflecting increases to salary provisions, covering for staff superannuation contributions, Travel Business, Purchase of Travel and Plant and Equipment purchases.

21 COMMERCE INDUSTRY AND ENVIRONMENT (CIE)

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	7,100	5,000	5,940	5,000
Total Revenue		7,100	5,000	5,940	5,000
Division : 2101 - Administration/Secretariat					
Expense by Natural Account					
2015	Salary - Local	185,647	113,266	183,389	115,419
2020	Salary Expatriate	-	-	20	-
2040	Staff Training	62,979	2,000	384	2,000
2050	Uniforms & Protective Clothing	3,816	2,500	2,500	2,500
2055	Consultants fees	19,000	24,000	24,000	17,000
2072	Meals and Drinks - Staff	4,406	6,000	2,485	-
2075	Travel - Business	- 212	-	-	-
2100	Entertainment	949	4,000	1,255	4,000
2105	Official Celebrations	800	10,000	9,877	17,500
2130	Printing & Stationery	4,290	3,000	2,993	3,000
2135	Stores	2,418	4,000	3,295	6,000
2185	R&M - Buildings	-	-	-	5,000
2190	R&M - Office Equipment	140	1,000	188	1,000
2205	R&M - Plant	-	1,000	-	1,000
2330	Telephone / Internet	2,990	-	-	8,000
2370	Membership Fees & Subscriptions	23,821	45,194	32,957	29,674
2495	Plant & Equipment Purchases	127,896	16,200	9,167	14,800
2496	Building and Structures	45,999	-	-	-
2575	Local Transport	36,800	48,000	38,400	48,000
Expense Subtotal		521,737	280,161	310,909	274,893
Division : 2102 - Agriculture					
Expense by Natural Account					
2015	Salary - Local	170,589	310,684	165,666	311,464
2030	Salaries - Other Contracts	3,831	5,000	-	15,000
2035	Overtime - local	6,104	8,096	7,336	8,120
2040	Staff Training	2,285	2,500	1,368	2,500
2050	Uniforms & Protective Clothing	2,060	5,400	2,658	5,400
2100	Entertainment	5,768	5,800	5,800	5,800
2105	Official Celebrations	5,025	7,200	7,133	7,200
2185	R&M - Buildings	-	7,500	3,460	7,500
2225	Agricultural Supplies	23,726	21,000	16,724	21,000
2230	Publicity and Awareness	-	3,950	2,545	3,950
2315	Utilities	2,602	2,700	2,025	2,700
2330	Telephone / Internet	4,957	-	-	-
2495	Plant & Equipment Purchases	-	8,740	1,420	1,000
2496	Building and Structures	17,934	131,260	106,099	14,000
2617	Donations - local	-	-	-	22,316
Expense Subtotal		244,880	519,830	322,232	427,950
Division : 2103 - Commerce & Business					
Expense by Natural Account					
2015	Salary - Local	22,306	-	19,584	-
2100	Entertainment	4,926	-	-	-
2105	Official Celebrations	500	-	-	-
2495	Plant & Equipment Purchases	2,615	-	-	-
Expense Subtotal		30,347	-	19,584	-
Division : 2104 - Climate Change					
Expense by Natural Account					
2015	Salary - Local	6,821	-	1,223	-
2105	Official Celebrations	280	-	-	-
Expense Subtotal		7,101	-	1,223	-

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 2105 - Environment					
Expense by Natural Account					
2015	Salary - Local	56,952	162,999	28,819	135,289
2040	Staff Training	1,150	3,000	495	2,000
2100	Entertainment	7,680	6,800	3,450	6,800
2105	Official Celebrations	7,674	3,500	2,160	3,500
2230	Publicity and Awareness	14,000	7,700	2,930	7,000
2495	Plant & Equipment Purchases	4,887	-	-	-
2617	Donations - local	-	39,000	39,000	381,610
Expense Subtotal		92,343	222,999	76,854	536,199
Division : 2106 - Energy					
Expense by Natural Account					
2020	Salary Expatriate	21,993	-	0	-
2495	Plant & Equipment Purchases	224	-	-	-
Expense Subtotal		22,217	-	0	-
Total Expense		918,626	1,022,989	730,802	1,239,042

The total budget for CIE is higher in FY 2022-23 than FY 2021-22, mainly reflecting increased provision to cover for the pilot implementation of the Twin Chamber and Concrete Septic Tanks (both pilot) for households, engagement of a local farm consultant, and an allocation to increase the level of livestock farms in the community. The provision of the Twin Chamber and Concrete Septic Tank will minimize the contamination of brackish water and to help address the negative impact of potential leakages of wastewater on wells, minimising adverse impact to the environment and to the public in general. The Twin Chamber Septic Tank Project will benefit 32 households whereas the Concrete Septic Tanks is expected to benefit 10 households.

22 CLIMATE CHANGE

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 2104 - Climate Change					
Expense by Natural Account					
2015	Salary - Local	-	-	9,728	-
Expense Subtotal		-	-	9,728	-
Division : 2201 - Secretariat Division					
Expense by Natural Account					
2015	Salary - Local	6,513	92,010	72,958	75,834
2020	Salary Expatriate	-	-	2,428	-
2040	Staff Training	3,000	118,392	87,778	118,392
2050	Uniforms & Protective Clothing	-	4,515	2,928	4,515
2055	Consultants fees	40,695	20,000	20,000	20,000
2070	Travel - Staff	-	15,000	10,948	15,000
2075	Travel - Business	3,255	30,000	22,711	60,000
2100	Entertainment	3,000	26,000	17,747	10,000
2105	Official Celebrations	4,000	4,000	3,801	4,000
2130	Printing & Stationery	2,979	7,968	584	5,000
2135	Stores	1,498	3,000	2,952	4,000
2185	R&M - Buildings	-	104,452	83,631	-
2330	Telephone / Internet	-	2,984	2,746	3,000
2370	Membership Fees & Subscriptions	-	7,970	4,335	3,000
2495	Plant & Equipment Purchases	119,286	4,746	4,484	4,000
2575	Local Transport	21,000	-	-	-
Expense Subtotal		205,225	441,037	340,029	326,741
Division : 2202 - Climate Change Division					
Expense by Natural Account					
2015	Salary - Local	39,487	39,040	40,617	49,361
2040	Staff Training	470	3,000	430	3,000
2100	Entertainment	-	3,000	800	1,000
2105	Official Celebrations	500	3,000	1,850	1,850
2230	Publicity and Awareness	-	3,000	400	1,000
2330	Telephone / Internet	-	3,000	2,747	3,000
Expense Subtotal		40,457	54,040	46,844	59,211
Division : 2203 - Energy Division					
Expense by Natural Account					
2015	Salary - Local	-	17,203	6,459	27,524
2020	Salary Expatriate	39,369	70,000	8,855	70,000
2040	Staff Training	-	2,000	430	-
2055	Consultants fees	-	20,000	20,000	20,000
2100	Entertainment	2,282	2,500	1,700	3,000
2105	Official Celebrations	500	3,000	1,850	3,000
2190	R&M - Office Equipment	-	500	-	500
2330	Telephone / Internet	-	3,000	2,220	3,000
2495	Plant & Equipment Purchases	8,803	3,000	-	1,500
Expense Subtotal		50,954	121,203	41,513	128,524
Division : 2204 - Water Division					
Expense by Natural Account					
2015	Salary - Local	5,266	59,260	50,725	83,343
2040	Staff Training	-	3,000	-	-
2055	Consultants fees	-	20,000	20,000	20,000
2100	Entertainment	1,000	1,000	200	1,000
2105	Official Celebrations	1,600	3,000	1,850	3,000
2330	Telephone / Internet	-	3,000	2,747	3,000
2495	Plant & Equipment Purchases	281,275	623,384	274,427	1,000
2617	Donations - local	150,000	-	-	-
Expense Subtotal		439,141	712,644	349,948	111,343

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 2205 - Higher Ground Initiative					
Expense by Natural Account					
2015	Salary - Local	-	59,616	50,000	52,807
2040	Staff Training	-	-	-	3,000
2055	Consultants fees	-	35,000	29,420	-
2105	Official Celebrations	-	-	-	3,000
2330	Telephone / Internet	-	2,500	758	3,000
2496	Building and Structures	-	-	-	1,650,000
Expense Subtotal		-	97,116	80,178	1,711,807
Total Expense		735,777	1,426,038	868,240	2,337,626

The total budget for Climate Change is significantly higher in FY 2022-23, mainly reflecting increased costs to fund the first-year project plan for Land Portion 230 which includes translation of the site plan into technical engineering document, completion of a whole island master plan for agriculture and natural areas and begin land tenure consultations to allow expansion of the HGI implementation beyond 230.

The department will continue the New York Internship program which first commenced in FY 2021-22.

31 FISHERIES

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
1055	Support Vessel Charges	426,855	400,000	552,560	230,000
1071	Purse Seine Revenue - Licensing	1,393,798	1,500,000	1,098,032	1,300,000
1072	Purse Seine Revenue - Fishing Days	57,977,121	58,000,000	51,024,383	53,000,000
1475	Miscellaneous Revenue	454,813	-	121,284	-
Total Revenue		60,252,587	59,900,000	52,796,259	54,530,000
Division : 3101 - Ministerial & Board					
Expense by Natural Account					
2015	Salary - Local	57,385	55,255	46,360	52,162
2026	Directors Fees	16,750	17,800	14,900	12,200
2100	Entertainment	19,550	14,000	12,382	-
2105	Official Celebrations	21,139	142,100	96,960	186,000
2185	R&M - Buildings	138,880	-	-	-
2330	Telephone / Internet	2,310	2,520	1,969	2,520
2495	Plant & Equipment Purchases	420,039	-	-	-
Expense Subtotal		676,052	231,675	172,571	252,882
Division : 3102 - Corporate Section					
Expense by Natural Account					
2015	Salary - Local	319,820	333,373	288,246	309,576
2030	Salaries - Other Contracts	3,366	3,600	1,655	5,600
2035	Overtime - local	240	1,000	-	1,000
2050	Uniforms & Protective Clothing	3,162	5,500	3,765	5,500
2075	Travel - Business	0	-	-	-
2130	Printing & Stationery	12,253	4,271	3,745	10,191
2135	Stores	4,705	4,748	4,737	7,678
2185	R&M - Buildings	19,213	93,406	83,013	12,200
2190	R&M - Office Equipment	4,640	8,340	4,210	8,340
2195	R&M - Office Premises	3,094	-	-	-
2200	R&M - Motor Vehicles	16,878	50,000	47,644	39,000
2205	R&M - Plant	2,722	-	-	-
2290	Purchase of Fuel - Other	5,280	10,793	10,742	10,793
2315	Utilities	117,865	140,004	91,921	207,206
2330	Telephone / Internet	84,530	91,992	73,913	91,992
2370	Membership Fees & Subscriptions	157,924	70,400	61,988	244,100
2495	Plant & Equipment Purchases	254,695	1,217,500	1,187,500	546,049
2600	Postage	590	600	588	600
Expense Subtotal		1,010,978	2,035,527	1,863,667	1,499,825
Division : 3103 - Oceanic Fisheries Section					
Expense by Natural Account					
2015	Salary - Local	147,729	193,752	165,151	172,657
Expense Subtotal		147,729	193,752	165,151	172,657
Division : 3104 - Coastal Fisheries Section					
Expense by Natural Account					
2015	Salary - Local	484,163	516,041	445,082	468,529
2020	Salary Expatriate	180,000	182,000	150,000	180,000
2040	Staff Training	-	27,000	17,810	-
2070	Travel - Staff	-	6,000	-	6,000
2100	Entertainment	17,985	18,000	12,432	18,000
2130	Printing & Stationery	-	5,000	1,077	5,000
2185	R&M - Buildings	12,027	10,000	9,848	-
2205	R&M - Plant	677	16,800	-	16,800
2275	Purchase of Petrol	7,254	5,000	5,000	5,000
2495	Plant & Equipment Purchases	32,279	107,000	73,404	-
2565	Insurance	15,525	14,000	1,190	14,000
Expense Subtotal		749,909	906,841	715,843	713,329

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 3105 - Policy & Legal Section					
Expense by Natural Account					
2015	Salary - Local	16,823	36,500	33,336	31,500
Expense Subtotal		16,823	36,500	33,336	31,500
Division : 3106 - Nauru National Fisheries Observer Program					
Expense by Natural Account					
2015	Salary - Local	35,152	30,816	27,500	12,861
2025	Allowances - Staff Contract	12,467	74,064	20,588	104,032
2040	Staff Training	-	17,278	-	17,500
2185	R&M - Buildings	-	17,500	17,333	-
2330	Telephone / Internet	420	2,520	-	2,520
2495	Plant & Equipment Purchases	871	2,000	-	2,000
2565	Insurance	270	2,794	-	32,000
2600	Postage	1,990	-	-	2,000
Expense Subtotal		51,169	146,972	65,421	172,913
Total Expense		2,652,660	3,551,266	3,015,989	2,843,106

The total budget for Fisheries is lower in FY 2022-23 than FY 2021-22, mainly reflecting reductions purchase of new outboard and trailers, R&M building, more than offset increases to Official Celebrations (25th Anniversary celebrations), Allowances Staff Contract (Observer Fees), Membership Fees.

BOX 1.0**FISHERIES INDUSTRY - A BACKBONE OF NAURU ECONOMY**

Fisheries development in Nauru is considered to be a major economic prospect for now and into the future. Although possessing only a very shallow lagoon (much of which dries at low tide) and a narrow fringing reef, the food produced by fishing in these inshore areas is very important in the Nauru diet. Nauru's open ocean areas are frequented by an abundance of tuna and other pelagic species. The harvests of tuna in Nauru waters are substantial, but the vast majority of the catch is taken by foreign industrial fishing vessels. The access fees paid by those vessels form a large portion of the government revenue. Total catch by Nauru flagged for the last 3 years averages around 530 tonnes.

The annual catch taken from the Nauru EEZ has ranged in recent years from between (approximately) 20 000 and 67 000 tonnes but most of them are taken by foreign purse seiners. Over 90 % of the catch is tunas, with various non-tuna species, mainly large pelagic. There is no fleet operating by Nauru flag vessels in offshore areas. Coastal fishing is carried out for subsistence purposes and is sold in local markets.



In 2010, the Parties to the Nauru Agreement (PNA) began implementing the Vessel Day Scheme (VDS), transitioning from permitting a total number of purse-seine vessels in the region (205) to permitting a total allowable effort (TAE) in number of purse-seine fishing days (averages 44 800 days). Given the volume, value and multi-jurisdictional nature of the fishery, it is arguably one of the most complex fishery management arrangements ever put in place. Its key features are as follows:

- System of tradable fishing effort (days) allocated to the eight Parties
- Limit on total effort (the TAE) ~ 45 000 days
- TAE is allocated to Parties based on zonal biomass and historical effort as PAEs (Party Allowable Effort)
- Fishing days are sold to fleets for fishing in each EEZ
- There is a minimum benchmark price for VDS days sold to foreign vessels
- Fishing days monitored by satellite-based Vessel Monitoring System (VMS)
- VMS monitoring supported by observers on board all vessels
- Days are tradable between Parties
- Scheme costs are financed by levies on vessels

The system is creating competition for a limited number of days, thereby increasing the value of each day. In practice, the value of a fishing day before the VDS was roughly USD 1 350, but it increased to about USD 6 000 in July 2019 and days were being sold in 2020 for over USD 12 000.

On a different and less tangible level, another benefit is that the VDS moves fisheries management in the region to a desirable rights-based system. That is, fishing rights (such as vessel days) can be

defined, allocated and traded. Consistent with this transition to a rights-based approach, a VDS-style arrangement for management of the tropical longline fishery is being implemented by PNA.

Revenue from Fisheries Sector

Historically Fishing revenue have performed exceptionally well, and this remain to be in preceding years. With introduction of PNA, fishing license days sometimes are oversold and during pre-covid period, a return to normal fishing collections is expected.

Fisheries Revenue				
	2019-20	2020-21	2021-22	2022-23
1055 - Support Vessel Charges	326,526	426,855	400,000	400,000
1071 - Purse Seine Revenue - Licensing	1,745,909	1,393,798	1,500,000	1,500,000
1072 - Purse Seine Revenue - Fishing Days	71,206,717	57,977,121	58,000,000	58,000,000
Total	73,279,152	59,797,774	59,900,000	59,900,000
<i>As % GDP</i>	43%	33%	32%	32%

Fisheries revenue peak in 2019-20 at \$73.3 million before hitting a plateau in the last 3 years. The major contributing factor in 2019-20 is the oversold of fishing days which was averaging USD 12,000 a day. Aside from Hosting fee revenue, Fisheries revenue is the 2nd major revenue earner for Nauru for over decade. As a %age of GDP, Fisheries revenue comprises 32 %.



2022-23 Outlook

Projections looks promising as most of the fishing days have been sold, there are no available days for upcoming requests from vessels. Tender for days close on November last year and allocation has been finalized. Most of these days (300 days) are sold for 12,000 a day under the Sub-regional pooling arrangement. With all days being sold, revenue target can be maintained at current levels or slightly grow. To support fisheries development and milkfish farming program in Nauru, the levy charged on Flag vessels will be utilized for this purpose.

41 POLICE

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1340	Police Clearance	32,445	45,000	21,755	25,020
1430	Tank Farm Fee	305	-	-	-
1475	Miscellaneous Revenue	14,435	17,640	2,363	2,700
1595	Business Tax	50	-	-	-
1596	Traffic Infringements	130,935	150,000	194,355	218,700
Total Revenue		178,170	212,640	218,473	246,420
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	3,516,401	4,218,991	3,963,200	4,167,962
2030	Salaries - Other Contracts	7,504	19,600	3,582	19,600
2035	Overtime - local	81,007	230,000	174,809	130,000
2040	Staff Training	10,946	19,000	3,369	119,000
2050	Uniforms & Protective Clothing	100,450	94,350	83,896	94,550
2072	Meals and Drinks - Staff	3,000	9,000	8,023	6,000
2075	Travel - Business	2,340	200,000	175,209	15,000
2100	Entertainment	8,497	13,500	13,093	3,500
2105	Official Celebrations	33,964	30,000	29,884	20,000
2130	Printing & Stationery	32,751	29,990	29,811	16,990
2135	Stores	9,341	29,280	16,473	9,280
2185	R&M - Buildings	11,896	54,000	49,194	20,000
2190	R&M - Office Equipment	6,208	23,000	1,500	5,000
2205	R&M - Plant	18	29,500	10,191	9,500
2230	Publicity and Awareness	6,997	10,200	6,792	10,200
2275	Purchase of Petrol	-	4,800	-	3,000
2315	Utilities	187,950	255,996	178,353	255,996
2330	Telephone / Internet	2,016	5,880	4,300	5,880
2495	Plant & Equipment Purchases	576,641	97,970	96,137	27,170
2496	Building and Structures	-	38,600	23,900	90,000
2575	Local Transport	1,330	1,700	540	1,700
Expense Subtotal		4,599,257	5,415,357	4,872,256	5,030,328
Total Expense		4,599,257	5,415,357	4,872,256	5,030,328

Expenditure for Police in 2022-23 is slightly lower than 2021-22. This reflects reductions to overtime, Travel Business, R&M Building, Plant and Equipment Purchases more than offsetting increase to Building and Structure, Staff Training.

\$200,000 in new funding has been provided to construct a new Police gym and invest in specialised training for Police Officers to enhance professionalism and service delivery to the public.

42 MULTICULTURAL AFFAIRS (MCA)

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1015	Income from Investments & Dividends-C	4,000,000	15,000,000	15,000,000	-
1335	Visa Fees - RPC	978,000	395,600	505,000	-
1475	Miscellaneous Revenue	4,348,000	156,000	234,000	-
1577	DJBC - Operations	4,211,732	4,052,890	4,615,335	-
1578	DJBC - Reimbursable Costs	21,055,454	22,027,929	17,244,038	-
1580	Visa Fees - RPC Resettlement	3,000,000	2,289,400	2,500,000	-
1598	Hosting Fee	36,983,331	84,699,998	84,699,998	100,400,000
Total Revenue		74,576,517	128,621,817	124,798,370	100,400,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	838,182	1,395,973	868,659	1,042,800
2020	Salary Expatriate	875,310	1,602,613	734,208	992,000
2030	Salaries - Other Contracts	18,454,447	18,763,131	16,003,903	13,208,331
2040	Staff Training	39,140	45,000	-	30,000
2050	Uniforms & Protective Clothing	15,991	28,000	12,326	12,000
2055	Consultants fees	39,385	50,000	4,923	-
2060	Legal Fees - External	-	50,000	-	50,000
2070	Travel - Staff	398	50,000	-	50,000
2075	Travel - Business	47,481	100,000	58,807	300,000
2100	Entertainment	68,489	73,000	62,459	75,000
2130	Printing & Stationery	14,123	15,000	4,349	14,350
2135	Stores	4,414	7,063	1,302	7,000
2155	House Rental	388,733	264,081	186,923	295,650
2160	Land Rental	3,186,401	3,218,573	2,700,444	1,974,242
2185	R&M - Buildings	415,620	273,750	193,867	240,000
2190	R&M - Office Equipment	184,123	34,000	2,668	34,000
2315	Utilities	107,392	607,880	142,184	128,549
2330	Telephone / Internet	283,857	179,200	136,151	55,440
2495	Plant & Equipment Purchases	273,655	50,000	26,336	30,000
2496	Building and Structures	-	11,000,000	390,685	-
2575	Local Transport	652,620	613,200	611,728	600,000
2617	Donations - local	-	55,000	5,500	-
Expense Subtotal		25,889,762	38,475,464	22,147,420	19,139,362
Total Expense		25,889,762	38,475,464	22,147,420	19,139,362

The total budget for MCA is \$19.1 million in 2022-23, \$19.4 million lower than 2021-22, mainly reflecting reductions to Building and Structure, Land Rental (for RPC gifted sites), Salary other contracts (again relating to gifted camp sites), more than offsetting increases to Travel Business and House Rental.

There has been little progress on the construction of the Government Office \$11 million building with only \$300,000 spent on demolition work to date. This fund will be transferred to a designated Trust Fund Account before close of the financial year to ensure continued drawdown and utilization beyond 30 June 2022.

Huge reductions in Salary other contracts and Land rental are attributable to security and rental costs for Ewa and RPC 2 Camps both of which were gifted to the government in December 2021 and will no longer be part of MCA costs or qualify for reimbursables from the Australian Government.

Discussions with the Australian Government are ongoing for the transition of operations to an 'enduring capability' arrangement. Whilst revenue components for the first year has been largely confirmed, negotiations are still ongoing for the 2nd and 3rd year arrangements.

REGIONAL PROCESSING CENTRE

Current RPC facility arrangements will continue between June to December 2022. This will contribute hosting revenue, service fees, business profit tax and employment service tax to the Nauruan economy. With a 6-month extension and enduring capability' arrangement commencing in January 2023, hosting fee revenue is forecast at \$100.4 million for 2022-23. Whilst revenue components for the first year has been largely confirmed, negotiations are still ongoing for the 2nd and 3rd year arrangements.

Under the Enduring Capability arrangement, Nauru will maintain an operationally ready and viable regional processing capability which can be activated if and when required. Focus will shift from being people based to facilities based. Australia will pay a "hosting fee" to compensate Nauru for keeping the facility available for a future time.

Revenue Description	2020-21 Preliminary Actual \$	2021-22 Revised Budget \$	2021-22 YTD Actual \$	2021-22 Projected YTD Actual \$	2022-23 Approved Budget \$
1335 - Visa Fees - RPC	978,000	395,600	505,000	577,143	0
1580 - Visa Fees - RPC Resettlement	3,000,000	2,289,400	2,500,000	2,857,143	0
1475 - Miscellaneous Revenue	6,413,576	272,840	1,576,179	1,801,347	899,177
1495 - Service Fees	20,026,179	20,046,904	18,349,507	20,970,865	16,500
1577 - DJBC - Operations	4,211,732	4,052,890	4,615,335	5,274,668	0
1578 - DJBC - Reimbursable Costs	21,055,454	22,027,929	17,244,038	19,707,472	0
1598 - Hosting Fee	36,983,331	84,699,998	84,699,998	84,699,998	101,242,500
1590 - Employment Services Tax	19,531,297	16,920,000	14,312,801	14,312,801	10,200,000
1591 - Business Profit Tax	43,950,090	37,420,000	39,853,484	39,853,484	21,900,000
1015 - Income from Investments & Dividends-Others	6,721,656	17,412,143	15,649,509	15,649,509	0
Total RPC related revenue	162,871,314	205,537,704	199,305,850	205,704,430	134,258,177
Share of total revenue	60%	61%	67%	64%	53%

Major deliverables for MCA for FY 2022-23 include:

- \$11 million Government building project – funds rolled over from the current year to build a building to house government departments, including MCA
- Transfer of camp sites and leases to government – Government will take over the current RPC camp facilities, undertaking regular repairs and maintenance to maintain them in good condition. Land leases, security and utilities, which are reimbursed by Australia under current arrangements, will be borne by government upon transfer.
- Alternative pathways (AP)- Winding down of RPC facility will result in expected laying off of workers. MCA is designing alternative employment pathways through training at USP or TVET, to prepare workers to enter the job market either with government agencies or SOEs.

43 JUSTICE

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1110	Fisheries Revenue - Other	-	-	16	-
1121	Curator fees	105,569	-	5,623	-
1220	Corporation Fees and Licenses	403,725	500,000	272,943	311,424
1225	Licenses-Trading	311,868	209,683	268,150	319,464
1240	Licenses-Dogs etc	83	73	-	73
1475	Miscellaneous Revenue	1,130	-	14,041	-
Total Revenue		822,375	709,756	560,742	630,961
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	489,223	473,706	447,769	483,783
2020	Salary Expatriate	1,621,866	1,395,750	1,399,179	1,773,000
2026	Directors Fees	-	10,000	3,400	-
2030	Salaries - Other Contracts	382,150	312,000	278,000	312,000
2035	Overtime - local	19,226	8,000	3,094	-
2040	Staff Training	95,445	59,000	6,975	40,000
2050	Uniforms & Protective Clothing	19,733	17,000	-	35,000
2060	Legal Fees - External	107,601	266,000	176,720	500,000
2070	Travel - Staff	5,826	54,500	30,406	66,500
2075	Travel - Business	6,451	35,000	20,618	339,590
2100	Entertainment	39,200	45,000	40,750	40,000
2130	Printing & Stationery	110,726	60,000	25,233	25,000
2135	Stores	49,820	16,741	16,211	15,446
2185	R&M - Buildings	244,739	2,650	-	2,650
2190	R&M - Office Equipment	-	10,405	4,665	5,405
2200	R&M - Motor Vehicles	445	-	-	-
2280	Purchase of Diesel	200	-	-	-
2330	Telephone / Internet	3,930	4,762	4,238	63,960
2350	Freight	30,800	-	-	-
2370	Membership Fees & Subscriptions	24,638	22,146	308	66,056
2495	Plant & Equipment Purchases	476,398	102,500	92,791	39,000
2496	Building and Structures	19,548	-	-	-
2575	Local Transport	37,720	29,200	27,360	32,850
2605	Library/Periodicals	-	40,000	40,000	-
Expense Subtotal		3,785,684	2,964,360	2,617,716	3,840,240
Division : 4301 - Financial Intelligence Unit (FIU)					
Expense by Natural Account					
2015	Salary - Local	-	-	-	20,220
2020	Salary Expatriate	-	-	-	75,000
2075	Travel - Business	-	-	-	25,000
2100	Entertainment	-	-	-	5,000
2370	Membership Fees & Subscriptions	-	-	-	12,558
Expense Subtotal		-	-	-	137,778
Division : 4302 - Dog Management Unit (DMU)					
Expense by Natural Account					
2015	Salary - Local	-	-	-	75,729
2050	Uniforms & Protective Clothing	-	-	-	2,600
2100	Entertainment	-	-	-	1,000
2135	Stores	-	-	-	16,770
2495	Plant & Equipment Purchases	-	-	-	8,850
Expense Subtotal		-	-	-	104,949
Total Expense		3,785,684	2,964,360	2,617,716	4,082,967

The total budget for Justice has increased in FY 2022-23, mainly reflecting increases to salary expatriate, legal fees and travel business more than offsetting reductions to Plant and Equipment Purchases, and Library and Periodicals.

44 JUDICIARY

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1490	Court Fines and Fees	55,053	52,043	39,496	52,043
Total Revenue		55,053	52,043	39,496	52,043
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	218,049	226,011	197,090	285,186
2020	Salary Expatriate	413,471	370,000	368,648	422,500
2025	Allowances - Staff Contract	653,369	904,606	562,965	975,764
2030	Salaries - Other Contracts	100,000	104,000	92,000	104,000
2050	Uniforms & Protective Clothing	440	3,735	3,248	3,535
2070	Travel - Staff	1,552	20,468	11,869	20,648
2075	Travel - Business	-	-	-	25,000
2100	Entertainment	7,109	13,200	11,493	8,200
2105	Official Celebrations	6,780	11,250	11,245	10,000
2130	Printing & Stationery	1,400	19,000	8,127	5,000
2135	Stores	1,532	3,846	3,607	5,846
2185	R&M - Buildings	-	70,267	70,267	-
2190	R&M - Office Equipment	-	1,500	1,409	1,500
2330	Telephone / Internet	282	3,822	426	9,072
2495	Plant & Equipment Purchases	11,000	203,602	203,160	10,000
2496	Building and Structures	208,950	-	-	-
2575	Local Transport	-	28,480	23,800	28,480
2605	Library/Periodicals	-	36,000	35,948	5,000
2625	Family Court Expenses	3,100	4,800	3,300	4,800
2652	Fiscal Cash Buffer	-	200	-	-
Expense Subtotal		1,627,035	2,024,387	1,608,601	1,924,531
Total Expense		1,627,035	2,024,387	1,608,601	1,924,531

The budget for Judiciary is lower in FY 2022-23, mainly reflecting the reductions to R&M Building, Plant and Equipment Purchases, Library and Periodicals more than offset increase in Salary local, Salary Expatriate, Staff Travel, and Travel Business.

Key expenditure items include:

- \$600,000 for 6 new Court positions, including Court Interpreters, IT personnel, IT Management System Officer, Compliance and Liaison Officer to ensure smooth operations of the Nauru Court, and
- \$500,000 increase in Salary Expatriate to engage a second Resident Magistrate.

There is a plan to recruit two judges to preside over the sitting of the Nauru Court of Appeal around the second half of this calendar year. The department is still exploring options of investment in a new Court house and there are ongoing negotiations with landowners for identification of a suitable piece of land for this project.

45 BORDER CONTROL

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
1325	Passport Fees and Photographs	54,760	50,000	49,183	54,576
1485	Quarantine Fees	77,636	80,000	59,985	70,932
1575	Visa Fees (Other Business)	1,782,552	1,540,444	1,536,656	2,838,196
Total Revenue		1,914,948	1,670,444	1,645,824	2,963,704
Division : 4501 - Immigration					
Expense by Natural Account					
2015	Salary - Local	157,545	208,177	141,041	172,981
2020	Salary Expatriate	81,262	80,000	53,292	80,000
2035	Overtime - local	21,935	30,007	14,060	50,000
2040	Staff Training	-	4,000	-	4,000
2050	Uniforms & Protective Clothing	5,867	3,200	345	3,200
2070	Travel - Staff	5,334	23,563	6,126	-
2100	Entertainment	4,000	3,000	2,944	3,000
2130	Printing & Stationery	18,960	2,797	1,533	4,000
2135	Stores	1,942	3,000	2,668	1,000
2185	R&M - Buildings	117,001	3,000	-	-
2190	R&M - Office Equipment	10,570	10,000	6,000	10,000
2200	R&M - Motor Vehicles	-	1,200	-	-
2330	Telephone / Internet	1,500	1,500	-	1,500
2370	Membership Fees & Subscriptions	1,936	2,100	2,010	2,500
2495	Plant & Equipment Purchases	9,448	-	-	-
2600	Postage	-	400	-	-
2700	Deportee Revomal	-	20,000	-	20,000
Expense Subtotal		437,300	395,944	230,019	352,181
Natural_Account	Description	Prior Year Actual	Revised Budget	Actual + Commitment	Proposed Budget
Division : 4502 - Passport					
Expense by Natural Account					
2015	Salary - Local	50,904	61,506	47,403	73,064
2040	Staff Training	-	2,000	1,344	2,103
2050	Uniforms & Protective Clothing	3,553	-	-	-
2100	Entertainment	500	1,000	981	1,000
2130	Printing & Stationery	32,015	-	-	-
2135	Stores	499	817	661	817
2190	R&M - Office Equipment	-	2,000	-	2,000
2330	Telephone / Internet	-	2,520	2,520	1,560
2350	Freight	-	1,254	-	2,214
2495	Plant & Equipment Purchases	10,057	4,000	1,800	4,000
Expense Subtotal		97,528	75,097	54,709	86,758
Division : 4503 - Quarantine					
Expense by Natural Account					
2015	Salary - Local	242,310	259,844	210,703	244,824
2040	Staff Training	3,000	5,000	3,628	5,000
2050	Uniforms & Protective Clothing	24,496	5,000	4,986	10,960
2055	Consultants fees	325	-	-	20,000
2100	Entertainment	4,450	3,000	3,000	3,000
2130	Printing & Stationery	1,535	8,664	8,651	10,000
2135	Stores	8,341	14,103	14,103	14,970
2185	R&M - Buildings	37,810	2,000	1,420	4,000
2190	R&M - Office Equipment	935	-	-	-
2330	Telephone / Internet	5,100	4,200	4,200	2,100
2495	Plant & Equipment Purchases	31,748	27,090	27,010	10,340
Expense Subtotal		360,049	328,901	277,701	325,194
Total Expense		894,876	799,941	562,429	764,133

The total budget for Border Control is lower in FY 2022-23, compared to FY 2021-22. This mainly reflects reductions to Plant and Equipment Purchases, and Travel Staff that more than offset reductions to Salary Expatriate, and Overtime Local.

46 CORRECTIONAL SERVICES

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	2,100	-	-	-
1501	Sale of Livestock	-	-	14,814	18,552
Total Revenue		2,100	-	14,814	18,552
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	657,297	709,966	633,330	854,748
2030	Salaries - Other Contracts	1,170	3,300	740	13,360
2040	Staff Training	1,500	11,781	7,176	24,500
2050	Uniforms & Protective Clothing	23,845	49,889	49,889	30,000
2072	Meals and Drinks - Staff	3,775	5,000	4,107	5,954
2100	Entertainment	-	2,400	1,999	6,600
2130	Printing & Stationery	2,153	3,000	1,236	4,500
2135	Stores	4,599	4,715	4,296	5,100
2185	R&M - Buildings	26,651	5,000	4,169	28,500
2190	R&M - Office Equipment	2,794	2,500	2,500	3,000
2225	Agricultural Supplies	38,140	30,300	30,300	40,000
2495	Plant & Equipment Purchases	37,819	3,450	1,616	9,600
2585	Rations	66,324	81,000	51,933	81,000
2590	Correctional Services Supplies	7,102	8,160	7,530	10,000
Expense Subtotal		873,168	920,461	800,822	1,116,862
Total Expense		873,168	920,461	800,822	1,116,862

The total budget for Correctional Services is higher in FY 2022-23. This mainly reflects an increase in Salary Local following filling of vacant positions, Salary Other Contracts, Agricultural Supplies, Staff Training, Entertainment, more than offsetting reductions to Uniforms and Protective Clothing, purchase of plant and equipment and staff meals and drinks.

The key expenditure for Correctional relates to the \$200,000 for Training of Correctional Officers as part of the department's capacity building program.

50 TVET

<i>Natural Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	7,550	7,200	-	-
1597	TVET Course Fees	29,555	27,538	21,060	24,060
Total Revenue		37,105	34,738	21,060	24,060
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	294,988	390,692	250,208	321,742
2026	Directors Fees	4,400	2,000	850	2,000
2030	Salaries - Other Contracts	7,321	55,200	54,728	66,460
2050	Uniforms & Protective Clothing	-	20,000	5,574	20,000
2075	Travel - Business	-	-	-	7,000
2100	Entertainment	906	-	-	2,000
2105	Official Celebrations	7,500	6,000	461	7,000
2130	Printing & Stationery	1,637	21,450	11,869	18,704
2132	TVET Supplies	139,999	140,000	128,328	170,200
2135	Stores	2,342	19,000	5,206	18,900
2185	R&M - Buildings	999	25,000	13,314	5,000
2190	R&M - Office Equipment	-	1,500	1,500	6,500
2195	R&M - Office Premises	-	-	-	10,000
2200	R&M - Motor Vehicles	-	-	-	3,500
2205	R&M - Plant	2,778	6,000	6,000	9,000
2230	Publicity and Awareness	1,500	2,100	990	3,600
2315	Utilities	42,705	42,600	42,600	65,000
2330	Telephone / Internet	2,045	10,080	10,080	66,000
2370	Membership Fees & Subscriptions	-	3,400	1,800	1,900
2495	Plant & Equipment Purchases	16,000	38,940	38,940	35,080
2496	Building and Structures	9,053	24,603	15,196	3,750
2575	Local Transport	-	-	-	1,350
Expense Subtotal		534,172	808,565	587,644	844,686
Total Expense		534,173	808,565	587,645	844,686

The total budget for TVET is slightly higher in FY 2022-23 than FY 2021-22, mainly reflecting increases to Salary Local, Salary Other contracts, TVET Supplies, Utilities, Telephone and Internet, R&M Office Premises, more than offsetting reductions to Building and Structure, Printing and Stationery, Uniforms and protective clothing, and building and structure.

51 EDUCATION

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2030	Salaries - Other Contracts	11,591	-	1,496	-
Expense Subtotal		11,591	-	1,496	-
Division : 5101 - Head Office					
Expense by Natural Account					
2015	Salary - Local	1,059,200	849,994	656,706	864,743
2020	Salary Expatriate	406,710	459,224	151,042	540,273
2026	Directors Fees	-	21,600	5,250	21,600
2030	Salaries - Other Contracts	-	-	1,572	138,100
2040	Staff Training	42,063	581,397	393,563	581,397
2055	Consultants fees	16,950	-	-	-
2070	Travel - Staff	72,602	141,000	58,838	229,800
2075	Travel - Business	-	8,432	-	144,660
2100	Entertainment	35,979	55,750	44,512	55,750
2130	Printing & Stationery	17,421	22,538	22,538	19,570
2135	Stores	11,152	17,145	1,480	17,151
2185	R&M - Buildings	144,000	150,000	74,672	150,000
2370	Membership Fees & Subscriptions	107,216	61,323	7,432	61,323
2373	Media TV Supplies	-	-	-	288
2440	Scholarships - School & Trade	1,519,722	3,966,383	1,169,858	2,802,619
2495	Plant & Equipment Purchases	159,061	55,362	51,732	11,000
2575	Local Transport	94,120	42,720	25,800	42,720
Expense Subtotal		3,686,194	6,432,868	2,664,993	5,680,994
Division : 5102 - Infant School					
Expense by Natural Account					
2015	Salary - Local	679,250	870,836	636,853	927,689
2020	Salary Expatriate	-	-	2,624	-
2030	Salaries - Other Contracts	19,194	55,456	26,540	-
2130	Printing & Stationery	100,392	160,131	160,131	138,927
2135	Stores	83,202	78,922	2,575	79,330
2205	R&M - Plant	-	-	-	2,000
2315	Utilities	85,776	111,040	65,327	111,096
2373	Media TV Supplies	-	-	-	10,179
2495	Plant & Equipment Purchases	43,126	118,414	118,292	199,603
2496	Building and Structures	169,999	180,000	30,660	-
2585	Rations	465,518	449,110	438,789	221,839
2611	Children Education Toys and Learning Su	109,267	256,622	256,622	228,840
Expense Subtotal		1,755,724	2,280,531	1,738,412	1,919,503
Division : 5103 - Primary School					
Expense by Natural Account					
2015	Salary - Local	1,296,448	1,185,628	1,234,615	1,464,811
2020	Salary Expatriate	4,287	-	98,166	-
2030	Salaries - Other Contracts	39,417	76,592	29,450	27,820
2130	Printing & Stationery	40,000	100,000	99,999	198,012
2135	Stores	23,868	60,000	5,755	60,000
2205	R&M - Plant	-	-	-	5,000
2315	Utilities	168,273	228,080	146,089	228,080
2373	Media TV Supplies	-	-	-	699
2495	Plant & Equipment Purchases	129,076	243,498	243,498	54,434
2496	Building and Structures	183,019	646,278	43,214	-
2585	Rations	2,126,282	1,843,776	1,648,081	1,094,208
2611	Children Education Toys and Learning Su	147,674	320,411	193,652	500,395
Expense Subtotal		4,158,343	4,704,262	3,742,519	3,633,458

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Division : 5104 - Secondary School					
Expense by Natural Account					
2015	Salary - Local	279,812	320,785	285,201	383,433
2020	Salary Expatriate	515	-	24,597	-
2030	Salaries - Other Contracts	18,687	25,394	10,520	25,394
2130	Printing & Stationery	45,391	50,000	50,000	48,624
2135	Stores	20,987	24,029	1,840	34,353
2205	R&M - Plant	-	-	-	3,750
2315	Utilities	113,743	123,224	97,654	120,304
2373	Media TV Supplies	-	-	-	715
2495	Plant & Equipment Purchases	32,269	37,558	37,558	95,018
2496	Building and Structures	59,753	301,386	-	-
2585	Rations	590,635	602,952	532,116	262,366
2611	Children Education Toys and Learning Su	36,918	40,000	4,030	94,473
2705	NEAT Scheme	162,250	298,639	175,085	300,000
Expense Subtotal		1,360,960	1,823,966	1,218,602	1,368,431
Division : 5105 - Able Disable Centre					
Expense by Natural Account					
2015	Salary - Local	109,337	110,178	108,215	126,149
2030	Salaries - Other Contracts	7,802	9,908	4,800	9,908
2130	Printing & Stationery	22,143	14,550	14,549	12,118
2135	Stores	14,429	15,800	445	15,294
2205	R&M - Plant	-	-	-	1,500
2315	Utilities	15,119	21,685	15,883	21,680
2495	Plant & Equipment Purchases	15,870	11,000	1,678	2,538
2496	Building and Structures	40,000	50,000	-	-
2585	Rations	24,846	39,479	35,604	19,419
2611	Children Education Toys and Learning Su	15,943	65,953	-	11,000
Expense Subtotal		265,489	338,553	181,174	219,607
Division : 5106 - Community Play Centre					
Expense by Natural Account					
2015	Salary - Local	- 0	-	-	-
2130	Printing & Stationery	12,363	13,464	13,461	12,824
2135	Stores	10,914	7,627	-	7,772
2315	Utilities	5,280	-	-	-
2373	Media TV Supplies	-	-	-	494
2495	Plant & Equipment Purchases	2,797	6,900	6,582	6,795
2611	Children Education Toys and Learning Su	22,218	27,058	-	22,441
2617	Donations - local	-	600,000	-	-
Expense Subtotal		53,573	655,049	20,043	50,327
Total Expense		11,291,874	16,235,228	9,567,239	12,872,319

The total budget for Education is lower in FY 2022-23 than FY 2021-22, mainly reflecting huge reductions to R&M Building, Donations and Building and Structure, Children Education Toys and Learning supplies due to very low spending pattern in FY 2021-22.

EDUCATION – “EVERY STUDENT LEARNING”

The Nauru Government remains steadfast in its commitment to investing in an inclusive and quality education provided for all students. A quality education gives Nauruan children the knowledge and skills they need to face daily life challenges, and take advantage of economic and lifelong learning opportunities.

Government is focusing on Education as its key driver for reducing poverty, fostering economic growth, achieving gender equality, and social development. With increased funding going into Education last three years, the improvements in children’s participation in school is notable:

- Attendance and retention rate in the current school year has improved. Attendance has improved by 15% while the retention rate is above 60%.
- Teacher–Student ratios have improved, with an average of one teacher to 32 students in 2022, compared to one teacher to fifty students previously. This reflects the Department of Education’s success in retaining and recruiting qualified teachers and teacher assistants, and ensuring there are sufficient quality classrooms available.

Education Budget (\$M)			
Major Expenditure Items	2019-20 Actual	2020-21 Budget	2021-22 Budget
Personnel costs	3.0	4.3	3.8
Printing & Stationary	0.1	0.2	0.2
Scholarships	1.9	1.9	3.2
Rations	2.3	2.6	3.2
NEAT Scheme	0.1	0.1	0.3
Total Expenditure	10.31	11.54	16.2

For FY 2022-23 the following programs have been targeted:

- \$2.8 million is provided for scholarships, enable students to study in Fiji and Australia. The increase reflects high retention rate and satisfactorily results from Y12
- \$1.6 million is provided for a nutritious school lunch program
- \$0.7 million is provided for a back-to-school payment of \$50 per child per term, to ensure that parents can purchase necessary school items to outfit children with uniforms, shoes and other items to be ‘school ready’
- \$0.6 million Staff Training – Providing opportunities for staff to acquire Diploma or higher qualifications, and
- \$0.3 million for Neat Scheme – Rewarding students to stay at school and graduate from year 12.

52 YOUTH AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	134,303	170,220	96,698	177,101
2025	Allowances - Staff Contract	10,920	-	-	-
2030	Salaries - Other Contracts	24,812	41,040	8,130	41,040
2035	Overtime - local	6,824	7,500	7,184	7,500
2100	Entertainment	1,000	2,000	1,200	2,500
2105	Official Celebrations	13,900	45,650	44,650	86,050
2130	Printing & Stationery	209	2,000	-	2,000
2135	Stores	673	949	-	949
2195	R&M - Office Premises	24,574	4,253	4,252	4,253
2205	R&M - Plant	137	1,000	-	1,000
2495	Plant & Equipment Purchases	9,631	10,000	7,770	10,000
Expense Subtotal		226,984	284,612	169,884	332,393
Total Expense		226,984	284,612	169,884	332,393

The total budget for Youth Affairs is higher in FY 2022-23 than FY 2021-22, mainly reflecting increases in salaries and official celebrations.

\$900,000 is provided for the National Youth Day celebration to be coordinated by the Youths of Nauru alongside the celebration for the birthday of late President of Nauru Sir Hammer De Robert.

60 COVID-19 TASKFORCE

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	25,000	-
Total Revenue		-	-	25,000	-
Division : 6001 - Hospital Preparedness					
Expense by Natural Account					
2015	Salary - Local	99,594	66,880	66,880	292,500
2030	Salaries - Other Contracts	-	-	-	119,760
2050	Uniforms & Protective Clothing	6,612	20,620	20,619	100,000
2185	R&M - Buildings	-	4,200	4,169	50,000
2471	Medical Consumable	22,788	100,000	99,871	-
2480	Medical Equipment	311,479	20,000	10,186	-
2495	Plant & Equipment Purchases	22,955	-	-	-
2496	Building and Structures	1,663,968	950,000	558,484	-
Expense Subtotal		2,127,395	1,161,700	760,209	562,260
Division : 6002 - Quarantine & Isolation					
Expense by Natural Account					
2015	Salary - Local	-	11,250	11,250	260,000
2030	Salaries - Other Contracts	1,085,664	1,410,400	1,377,334	2,751,900
2050	Uniforms & Protective Clothing	-	-	-	10,000
2135	Stores	31,326	25,000	21,149	50,000
2155	House Rental	4,815,347	5,590,000	5,551,345	5,870,700
2315	Utilities	211,873	266,440	193,653	402,000
2472	Laboratory supplies	-	-	-	52,000
2496	Building and Structures	-	-	-	800,000
2575	Local Transport	17,840	29,760	29,740	180,000
2617	Donations - local	188,869	25,000	25,000	-
Expense Subtotal		6,350,919	7,357,850	7,209,471	10,376,600
Division : 6003 - National Measures					
Expense by Natural Account					
2015	Salary - Local	143,288	254,000	161,135	192,000
2050	Uniforms & Protective Clothing	-	-	-	10,000
2072	Meals and Drinks - Staff	22,673	28,850	20,073	50,000
2075	Travel - Business	323,816	1,000,200	1,000,200	-
2130	Printing & Stationery	5,968	8,000	1,645	10,000
2135	Stores	1,435	5,000	2,713	-
2275	Purchase of Petrol	9,536	15,000	14,170	26,500
2280	Purchase of Diesel	9,458	15,000	11,719	26,500
2330	Telephone / Internet	1,844	6,508	5,791	2,580
2350	Freight	19,242	328,000	327,967	55,000
2370	Membership Fees & Subscriptions	1,340	3,358	2,675	1,000
Expense Subtotal		538,600	1,663,916	1,548,088	373,580
Total Expense		9,016,914	10,183,466	9,517,768	11,312,440

The total budget for COVID-19 Taskforce is higher in FY 2022-23 compared to FY 2021-22.

Increase provision has been made in Salary local, Salaries other contracts, Uniforms and PPEs and Fuel to cover operational and logistical costs associated with the rollout of the vaccination to the under 11 population.

The proposed budget assumes that the 24 hours pre travel that was introduced in January 2022 and the existing on island mandatory quarantine will continue in FY 2022-23 and provisions have been made

in the budget, covering for accommodation, regular RAT and PCR tests, meals, securities, supplies, and allowances for facility managers.

Notwithstanding the roll out of the COVID-19 vaccination to 98% of the adult population in Nauru, there is still a risk of community outbreak with severity infections and potential deaths particularly people with poor pre-existing medical condition. With this in mind and in view of the need to have a filtering process to minimise the load on our hospitals if there was a community break, the COVID-19 Capture and Contain Policy will be maintained business as usual in the new financial year 2022-23.

All incoming passengers will still undergo pre-travel quarantine in Brisbane with strict and regular testing requirement and again upon arrival in Nauru and will only be released to the community following issuance of a clean medical report.

There are plans for refurbishment and upgrade of the former RPC Ewa Camp (now a government asset) to be the next quarantine facility, replacing Budapest. Work will be undertaken to bring the camp to quarantine ready state including fencing with the view for it to be operational from September 2022 onwards.

Key measures in the Taskforce budget includes:

- \$500,000 to upgrade the former RPC Ewa Camp
- \$100,000 for the RON hospital flood mitigation project
- \$200,000 for a new medical waste treatment, and
- \$5.8 million to fund the pre-travel accommodation at designated hotels in Brisbane and rent of quarantine facilities on island i.e., Menen Hotel and Budapest (3 months provision).

61 HEALTH

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1330	Visa Check up	4,116	4,332	840	-
1475	Miscellaneous Revenue	68,827	-	1,047,147	769,644
1495	Service Fees	-	30,000	-	-
1520	Food Handler Check up	11,580	11,600	3,800	4,272
1555	Spectacles, Drugs etc	4,690	5,000	180	216
1565	Medical Services	7,860	8,273	1,256	1,507
Total Revenue		97,073	59,205	1,053,223	775,639
Division : 6101 - Office of the Secretary					
Expense by Natural Account					
2015	Salary - Local	2,921,232	2,771,965	1,933,496	3,385,153
2020	Salary Expatriate	2,223,938	2,209,812	1,700,234	3,001,058
2025	Allowances - Staff Contract	491,024	1,130,184	1,090,900	56,000
2026	Directors Fees	-	2,400	-	6,000
2030	Salaries - Other Contracts	70,000	6,800	6,713	560,820
2035	Overtime - local	-	-	-	468,000
2040	Staff Training	81,297	30,000	28,772	130,000
2050	Uniforms & Protective Clothing	-	5,000	1,646	20,000
2055	Consultants fees	233,204	215,000	191,323	468,000
2070	Travel - Staff	85,854	50,000	42,414	120,000
2075	Travel - Business	145	-	-	-
2100	Entertainment	12,957	40,000	39,837	40,000
2130	Printing & Stationery	8,245	35,000	30,178	35,000
2135	Stores	2,996	5,000	4,664	5,000
2160	Land Rental	15,000	30,000	30,000	36,000
2185	R&M - Buildings	16,660	129,600	126,333	210,000
2190	R&M - Office Equipment	23,568	10,000	9,859	72,000
2230	Publicity and Awareness	-	-	-	10,000
2315	Utilities	1,409,696	1,412,827	1,385,315	125,000
2330	Telephone / Internet	7,380	15,000	4,475	14,506
2370	Membership Fees & Subscriptions	13,820	-	-	-
2474	Clinical Education Supplies	-	-	-	20,000
2475	Overseas Medical Treatment	4,418,920	12,000,000	11,561,600	3,000,000
2495	Plant & Equipment Purchases	-	140,000	135,744	450,000
2496	Building and Structures	-	-	-	250,000
2575	Local Transport	28,075	200,000	176,030	72,000
Expense Subtotal		12,064,011	20,438,588	18,499,533	12,554,537
Division : 6102 - RON Hospital					
Expense by Natural Account					
2015	Salary - Local	42,259	-	591,688	-
2020	Salary Expatriate	12,594	-	455,163	-
2040	Staff Training	-	-	-	101,000
2050	Uniforms & Protective Clothing	16,442	30,000	21,970	30,000
2055	Consultants fees	-	-	-	500,000
2072	Meals and Drinks - Staff	234,008	205,000	193,263	250,000
2130	Printing & Stationery	46,873	25,000	24,980	30,000
2135	Stores	2,966	5,000	4,911	10,000
2190	R&M - Office Equipment	5,750	10,000	10,000	-
2191	R&M Medical Equipment	28,145	50,000	43,573	100,000
2205	R&M - Plant	52,507	53,200	47,519	60,000
2220	Nauru Community Housing	5,762	-	-	-
2467	Drugs and Medicines	1,099,571	1,100,000	1,031,781	1,100,000
2468	Dental Supplies	10,312	50,000	2,412	50,000
2469	Dialysis Supplies	-	-	-	350,000
2471	Medical Consumable	624,302	615,000	523,212	500,000
2472	Laboratory supplies	247,987	300,000	255,033	300,000
2473	Radiology Supplies	19,986	25,000	6,155	25,000
2474	Clinical Education Supplies	-	20,000	17,035	-
2480	Medical Equipment	311,137	282,250	191,728	877,180
2495	Plant & Equipment Purchases	160,160	1,000	997	142,000
2496	Building and Structures	-	1,500,000	-	158,784
2585	Rations	654,773	588,000	586,326	600,000
Expense Subtotal		3,575,534	4,859,450	4,007,747	5,183,964

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 6103 - Public Health					
Expense by Natural Account					
2015	Salary - Local	28,765	-	62,584	-
2020	Salary Expatriate	-	-	18,621	-
2050	Uniforms & Protective Clothing	-	3,000	3,000	3,000
2130	Printing & Stationery	3,372	5,000	4,978	5,000
2135	Stores	2,906	3,000	2,967	3,000
2185	R&M - Buildings	-	70,000	32,760	-
2461	Primary Health Care Services	130,423	129,400	115,866	259,000
2462	NCD Control & Health Promotion	35,032	43,600	37,448	43,600
2463	Environmental Health and Food safety	7,017	20,500	3,644	20,000
2464	Management Monitoring & Evaluation	12,865	30,000	29,612	30,000
2469	Dialysis Supplies	249,347	350,000	349,992	-
2495	Plant & Equipment Purchases	-	50,000	46,480	-
Expense Subtotal		469,726	704,500	707,952	363,600
Total Expense		16,109,271	26,002,537	23,215,232	18,102,101

The total budget for Health is significantly slightly lower in 2022-23 at \$17.1 million, compared to \$26 million in 2021-22. In the 2021-22 Budget, health services have been maintained and supplemented with expenditures related to OMR, bringing the total OMR budget to \$12 million whilst a modest \$3 million has been allocated for 2022-23.

Other Key Health expenditure measures in 2022-23 include:

- \$600,000 to purchase a mammogram machine and construct a unit to house it
- \$600,000 for Telemedicine service, to create the platform for consulting overseas specialists and superspecialist to assist our local medical team in-country on integrated management and review of urgent, critical and complicated cases
- \$300,000 for the establishment of a disability friend training facility that will be suitable for training health professionals and conduct nursing award programmes under the Nauru Health Professionals Training Institute.
- \$300,000 for a m-supply license ensuring efficient management of pharmaceutical supplies.
- \$6.4 million for local and expatriate salaries and allowances for existing and new medical staff

The Nauru Health Professional Training Institute training and capacity development will continue in 2022-23. This is being done in partnership with universities in Fiji and Australia.

GOVERNMENT SPENDING ON HEALTH

The government's strategic priority is to support a healthy and productive population through the provision of quality health and medical services.

The Department of Health will maximise the use of "Beyond Central Solution", this is a patient management system used to register, track and monitor all individuals that access our health services and sequence the types of follow up clinical services required thereafter. Decentralization of Health services is also in pipeline, bringing medical services closer to communities that will improve early detection and expedite treatment of underlying symptoms.

Health Spending (\$M)			
Major Expenditure Items	2019/20 Actual	2020-21 Forecast	2021-22 (Budget)
Personnel costs	4.3	5.2	6.2
Overseas Medical Treatment	5.56	4.4	12.0
Drugs & Medicine	0.77	1.1	1.1
Medical consumables	0.67	0.64	0.62
Primary Health Care	0.01	0.29	0.29
Medical Equipment	0.27	0.3	0.28
Dialysis	0.25	0.25	0.35
Total Health Expenditure	13.27	16.0	26.25

Key Initiatives and budget for FY 2022-23:

The Department will focus on preventive measures – "Preventive measure takes precedence than cure". Activities this year will include:

- An anticipated increase in visiting specialists, funded by our bilateral partners
- Access to Overseas Medical Treatment - \$3 million is budgeted for overseas medical treatment in Australia (various Health providers), Fiji (Suva private Hospital, Nasese Clinic, MIOT), ROC Taiwan (Taijung hospital) and Malaysia
- Purchasing quality medical equipment - Government will procure a mammogram machine for the early detection of breast cancer
- Telemedicine – government has allocated \$0.6 million to create the platform for consulting overseas specialists to assist our local medical team in the review of urgent, critical and complicated cases
- Strengthening Human resource capacity - Personnel costs have increased from \$3.9 million in FY 2018-19 to \$6.2 million in FY 2021-22. An intensive recruitment of expatriates is ongoing and this will raise service levels provided by RON Hospital and public health. At the same time, Government is prioritising the Training of local staff, with 20 trainee nurses to be trained at the Nauru Public Health Institute facility.

62 SPORT

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	2,000	-
Total Revenue		-	-	2,000	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	200,508	174,990	176,042	223,468
2030	Salaries - Other Contracts	1,900	20,000	4,285	10,000
2035	Overtime - local	1,320	-	-	-
2040	Staff Training	1,450	10,000	4,576	20,000
2050	Uniforms & Protective Clothing	3,750	3,750	1,526	3,000
2055	Consultants fees	-	30,000	6,750	15,000
2075	Travel - Business	14,111	70,000	25,086	150,000
2100	Entertainment	2,597	5,000	4,845	5,000
2105	Official Celebrations	300	20,000	19,956	20,000
2130	Printing & Stationery	7,200	3,000	1,290	3,000
2135	Stores	1,000	2,000	757	-
2185	R&M - Buildings	199,913	50,000	26,049	20,000
2230	Publicity and Awareness	-	-	-	40,000
2370	Membership Fees & Subscriptions	-	7,000	6,987	7,500
2495	Plant & Equipment Purchases	79,394	25,000	24,998	20,000
2496	Building and Structures	38,906	70,000	49,504	-
2575	Local Transport	3,990	15,000	12,420	10,000
2617	Donations - local	703,856	1,220,000	968,861	1,086,990
Expense Subtotal		1,260,194	1,725,740	1,333,930	1,533,958
Total Expense		1,260,194	1,725,740	1,333,930	1,533,958

The total budget for Sport is lower in FY 2022-23 than FY 2021-22, mainly reflecting reduced investment in community gyms, R&M building, Building and Structures, Salary Other contract more than offsetting increases to Travel Business and Staff training.

Key expenditure measures in FY 2022-23 includes:

- \$300,000 for the Oceania Regional Powerlifting Championship to be held in Niue in October 2022, covering for the cost of a return flight charter and logistics.
- \$200,000 for National Sports Grant for continuation of the Active Pathway Federations
- \$200,000 to upgrade the Location and Aiwo Multipurpose courts to include overhead steel truss roofing to provide shading and improve sports participation especially for youths.
- \$100,000 for Sports Development grant
- \$100,000 to ensure regular repair and maintenance of the Nauru Sports Complex and community sports facilities to ensure ongoing safety of users as well as durability and longevity of the facilities.
- \$100,000 to support the Frigate Bird catching activities.
- \$400,000 to enable the Andi Doping unit carry out its outreach Promotion and Awareness of Anti-doping program to sport communities and stakeholders in line with Nauru's commitments to the protection and development of sport values, ethic and integrity under the International Convention against Doping in Sport.
- \$300,000 for the ongoing funding of the No school No play incentive, and

- \$300,000 for National Day sport prizes.

63 DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	154,081	202,798	153,424	238,419
2030	Salaries - Other Contracts	-	144,400	91,642	139,776
2040	Staff Training	4,163	17,500	2,400	17,500
2050	Uniforms & Protective Clothing	-	-	-	4,500
2055	Consultants fees	20,682	641,596	589,279	641,596
2100	Entertainment	2,500	3,500	3,500	3,500
2130	Printing & Stationery	2,482	3,000	2,406	3,000
2135	Stores	2,638	2,710	2,707	2,710
2165	Office Rental	72,000	72,000	-	18,000
2185	R&M - Buildings	-	-	-	25,000
2315	Utilities	2,600	22,560	-	22,560
2330	Telephone / Internet	-	80,000	70,522	21,000
2495	Plant & Equipment Purchases	172,036	38,926	23,454	53,222
2496	Building and Structures	-	600,000	583,829	742,500
2575	Local Transport	47,900	73,000	69,440	36,500
2580	Public Works	297,700	582,000	310,521	200,000
2617	Donations - local	2,354,139	2,000,000	1,686,788	1,805,950
Expense Subtotal		3,132,922	4,483,989	3,589,913	3,975,732
Total Expense		3,132,922	4,483,989	3,589,913	3,233,232

The total budget for Infrastructure Development is lower in FY 2022-23 than FY 2021-22 reflecting reductions to Local donations, public works, Building and structures, Telephone and internet, salary other contracts more than offsetting increase to Salary local and Plant and Equipment purchases.

- \$1.8 million has been provided to fund continuation of the Smart Housing project following completion of the Pilot exercise undertaken in FY 2021-22.
- \$700,000 is to be provided to continue the seawall project covering 500 metres along the Menen shoreline.
- \$600,000 has been provided to introduce an 'environmentally friendly and sustainable vehicle disposable method'
- \$200,000 is provided for public works, covering ongoing servicing of drains, repainting of road lines, zebra crossing and other footpath related repairs.

71 FOREIGN AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	520,542	593,319	541,812	744,529
2025	Allowances - Staff Contract	1,400	-	-	-
2035	Overtime - local	9,378	13,800	5,272	10,000
2040	Staff Training	-	10,000	8,801	10,000
2041	Prep & Orientation of Seasonal Workers	-	10,000	9,350	10,000
2050	Uniforms & Protective Clothing	200	-	-	-
2055	Consultants fees	2,000	10,000	6,300	10,000
2070	Travel - Staff	46,986	160,040	141,597	88,500
2075	Travel - Business	165,720	78,810	35,513	284,075
2100	Entertainment	23,035	33,290	26,506	2,000
2105	Official Celebrations	4,236	4,000	3,982	10,500
2110	Protocol	6,409	10,000	4,587	120,500
2130	Printing & Stationery	5,283	17,856	7,786	7,731
2135	Stores	4,888	5,000	3,319	5,980
2155	House Rental	14,000	42,400	42,165	21,198
2190	R&M - Office Equipment	15	1,000	-	1,000
2275	Purchase of Petrol	-	5,200	-	2,600
2330	Telephone / Internet	8,864	48,600	30,743	43,000
2370	Membership Fees & Subscriptions	187,123	324,632	78,313	333,829
2460	Medical Expenses	-	6,000	6,000	3,000
2495	Plant & Equipment Purchases	84,653	20,800	-	-
2560	Educational Expenses - Special	-	4,000	-	2,000
2565	Insurance	4,000	-	-	-
2600	Postage	470	2,000	1,973	2,000
Expense Subtotal		1,089,201	1,400,746	954,018	1,712,441
Total Expense		1,089,201	1,400,746	954,018	1,712,441

The total budget for Foreign Affairs is higher in FY 2022-23 than in FY 2021-22 due to increased provision for salary local, travel business, protocol, membership fees and subscriptions more than offsetting reductions to House Rental, Plant and Equipment Purchases, Telephone and Internet, Entertainment, Travel Staff etc.

An increased allocation has been allocated for Travel Business and Protocol given the possibility of travel in the new financial year.

An increased provision has also been made for salary following the introduction of 8 new directors for the department reflecting to improve service delivery and performance in the diplomatic front.

72 BRISBANE

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	48,571	36,576	-	47,821
2020	Salary Expatriate	417,061	467,652	-	419,852
2030	Salaries - Other Contracts	34,523	69,744	-	-
2040	Staff Training	-	3,000	-	3,000
2070	Travel - Staff	8,791	26,500	-	16,600
2075	Travel - Business	1,575	-	-	3,865
2100	Entertainment	5,718	7,500	-	7,500
2105	Official Celebrations	3,000	3,750	-	3,750
2130	Printing & Stationery	2,147	3,000	-	3,000
2135	Stores	3,113	4,000	-	4,000
2155	House Rental	51,425	44,200	-	44,200
2165	Office Rental	151,917	166,200	-	166,200
2185	R&M - Buildings	1,403	4,560	-	4,560
2190	R&M - Office Equipment	10,462	16,880	-	16,880
2200	R&M - Motor Vehicles	12,736	11,250	-	11,250
2275	Purchase of Petrol	20,194	25,168	-	25,168
2280	Purchase of Diesel	4,962	6,000	-	6,000
2315	Utilities	3,892	10,600	-	10,600
2330	Telephone / Internet	32,095	42,600	-	42,600
2370	Membership Fees & Subscriptions	11,060	14,732	-	14,732
2495	Plant & Equipment Purchases	3,596	5,000	-	5,000
2560	Educational Expenses - Special	4,000	8,000	-	8,000
2565	Insurance	24,456	29,184	-	29,184
2575	Local Transport	12,538	26,356	-	22,196
2600	Postage	71	900	-	900
Expense Subtotal		869,305	1,033,352	-	916,858
Total Expense		869,305	1,033,352	-	916,858

The total budget for Brisbane is slightly lower in FY 2022-23 than FY 2021-22 mainly reflecting reduced salaries and other personnel entitlements for the vacant Vice Consul (VC) position.

73 SUVA

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	140,646	165,765	79,629	168,308
2020	Salary Expatriate	55,293	63,193	40,474	70,130
2050	Uniforms & Protective Clothing	815	2,825	-	2,825
2070	Travel - Staff	-	34,202	636	-
2075	Travel - Business	16,647	-	6,949	-
2100	Entertainment	4,197	6,429	2,148	6,429
2105	Official Celebrations	7,484	11,786	-	11,653
2130	Printing & Stationery	5,052	5,830	3,230	5,765
2135	Stores	1,383	5,848	90	5,848
2155	House Rental	95,530	123,500	57,210	123,500
2165	Office Rental	39,845	42,715	19,320	43,478
2185	R&M - Buildings	4,610	7,003	1,333	2,000
2190	R&M - Office Equipment	5,212	8,690	2,858	8,690
2200	R&M - Motor Vehicles	12,558	27,697	4,259	10,000
2275	Purchase of Petrol	11,540	19,286	6,144	19,286
2280	Purchase of Diesel	19,373	25,000	11,103	30,491
2315	Utilities	15,005	18,000	10,955	21,000
2330	Telephone / Internet	11,518	15,000	5,345	15,000
2460	Medical Expenses	12,051	14,143	1,759	14,143
2495	Plant & Equipment Purchases	8,553	33,469	5,062	-
2496	Building and Structures	500,000	-	-	97,836
2560	Educational Expenses - Special	7,404	10,000	12,015	23,107
2565	Insurance	115	10,000	21	15,933
2570	Bank Charges	363	864	116	864
2600	Postage	30	771	353	771
2618	Donations - overseas	1,777	7,143	342	7,143
2690	Foreign exchange gains/losses	-	3,000	-	3,000
Expense Subtotal		976,999	662,158	270,077	707,200
Total Expense		976,999	662,158	270,077	707,200

The total budget for Suva is higher in FY 2022-23 than FY 2021-22 mainly reflecting the increased allocation for educational expenses special, insurance, purchase of diesel, utilities, salary expatriate more than offsetting reductions to travel staff, R&M Motor vehicle.

\$100,000 has been allocated for purchase of furniture and fittings and furnishing of the new High Commission's office in Nasese. A total of \$500,000 was allocated in FY 2021-22 to fund this project, building work is near complete with commissioning expected by June 2022.

74 NEW YORK

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	287,495	308,714	216,958	308,714
2020	Salary Expatriate	195,694	228,283	164,237	228,283
2025	Allowances - Staff Contract	25,882	37,477	32,331	34,715
2035	Overtime - local	-	5,858	-	10,000
2050	Uniforms & Protective Clothing	12,964	-	-	-
2055	Consultants fees	6,355	43,796	33,798	43,796
2070	Travel - Staff	87,773	122,247	91,743	125,009
2075	Travel - Business	11,929	68,096	29,556	33,577
2100	Entertainment	7,211	28,000	22,194	28,000
2130	Printing & Stationery	13,812	19,416	5,340	19,416
2155	House Rental	262,852	348,060	218,834	294,891
2165	Office Rental	209,210	262,774	161,861	262,774
2190	R&M - Office Equipment	-	1,679	-	1,679
2200	R&M - Motor Vehicles	2,536	5,197	1,987	5,197
2205	R&M - Plant	8,832	10,073	5,810	10,073
2275	Purchase of Petrol	2,979	8,759	3,536	8,759
2315	Utilities	22,057	26,277	16,857	26,277
2330	Telephone / Internet	75,074	107,142	51,695	107,142
2370	Membership Fees & Subscriptions	46,047	49,557	23,734	90,980
2460	Medical Expenses	9,758	37,313	10,632	37,313
2495	Plant & Equipment Purchases	4,596	11,679	3,243	11,679
2560	Educational Expenses - Special	35,492	46,241	35,683	37,956
2565	Insurance	284,647	255,629	172,754	230,775
2570	Bank Charges	19,581	22,774	15,593	22,774
2600	Postage	509	1,000	623	1,000
2610	Survey Supplies	-	-	-	274,000
2620	Lease & Charter Payments	43,342	53,676	36,605	56,438
2690	Foreign exchange gains/losses	-	2,567	-	46,375
Expense Subtotal		1,674,063	2,136,759	1,355,603	2,357,590
Total Expense		1,674,063	2,136,759	1,355,603	2,357,590

The expenditure for New York is higher in FY 2022-23 than FY 2021-22 reflecting increased provision for secondment of an International Seabed Authority officer.

75 TAIWAN

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	79,325	117,885	115,176	104,220
2020	Salary Expatriate	82,985	103,999	102,621	115,077
2025	Allowances - Staff Contract	7,780	12,370	12,360	10,400
2030	Salaries - Other Contracts	5,302	4,000	4,290	6,747
2050	Uniforms & Protective Clothing	1,207	3,500	329	3,500
2075	Travel - Business	7,697	51,516	42,224	53,206
2100	Entertainment	7,693	9,405	6,721	12,427
2105	Official Celebrations	5,217	19,286	10,254	21,700
2130	Printing & Stationery	1,748	1,693	407	2,400
2135	Stores	512	1,016	860	2,682
2155	House Rental	31,047	58,682	58,105	56,092
2165	Office Rental	25,248	34,064	33,041	36,824
2190	R&M - Office Equipment	2,185	1,952	2,458	3,181
2200	R&M - Motor Vehicles	1,143	2,000	2,119	6,142
2275	Purchase of Petrol	1,025	4,200	1,970	4,200
2315	Utilities	13,742	23,280	16,546	26,400
2330	Telephone / Internet	13,095	16,292	12,036	14,600
2370	Membership Fees & Subscriptions	1,630	1,189	1,096	1,232
2460	Medical Expenses	14,908	20,740	7,829	19,393
2495	Plant & Equipment Purchases	3,521	8,897	9,796	5,000
2560	Educational Expenses - Special	23,805	44,993	7,584	48,000
2565	Insurance	9,308	21,450	15,596	23,422
2570	Bank Charges	225	941	472	1,000
2575	Local Transport	13,306	21,200	18,308	23,237
2600	Postage	5,832	17,899	26,977	350
2690	Foreign exchange gains/losses	-	1,000	5	1,000
Expense Subtotal		359,484	603,448	509,174	602,432
Total Expense		359,484	603,448	509,174	602,432

With no new activities or changes, the total budget for Taiwan in FY 2022-23 is more less the same compared to FY 2021-22. There have been slight movements in various lines that in total offset one another, Travel business, local transport, educational expenses R&M motor vehicles, official celebrations have increased whilst there were reductions to other lines including salary, postage etc.

76 GENEVA

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	165,041	111,099	73,788	98,994
2020	Salary Expatriate	113,326	124,424	80,332	127,298
2050	Uniforms & Protective Clothing	3,146	5,000	5,179	5,000
2070	Travel - Staff	5,718	3,800	2,114	3,800
2075	Travel - Business	26,889	13,728	9,875	33,673
2100	Entertainment	3,474	7,299	4,046	10,000
2105	Official Celebrations	1,794	6,795	1,079	6,795
2130	Printing & Stationery	1,280	4,228	817	4,228
2135	Stores	4,564	4,530	4,379	4,530
2155	House Rental	105,672	135,900	36,240	117,000
2165	Office Rental	8,562	18,000	23,715	27,180
2190	R&M - Office Equipment	4,930	5,000	1,775	7,550
2200	R&M - Motor Vehicles	6,527	10,000	3,727	15,100
2275	Purchase of Petrol	1,296	7,852	2,185	9,048
2315	Utilities	4,568	7,500	1,307	13,590
2330	Telephone / Internet	55,754	48,800	33,889	34,800
2370	Membership Fees & Subscriptions	-	302	-	302
2495	Plant & Equipment Purchases	5,497	7,550	3,605	7,550
2560	Educational Expenses - Special	48,094	67,745	11,628	32,745
2565	Insurance	42,520	63,378	12,229	53,000
2570	Bank Charges	167	500	1,199	500
2600	Postage	820	3,020	174	3,500
Expense Subtotal		609,636	656,450	313,281	616,183
Total Expense		609,636	656,450	313,281	616,183

The total budget for Geneva is slightly lower in FY 2022-23 than FY 2021-22.

77 INDIA

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	-	41,250	30,760	132,494
2020	Salary Expatriate	-	6,000	-	45,000
2030	Salaries - Other Contracts	-	-	-	57,600
2035	Overtime - local	-	-	-	10,000
2050	Uniforms & Protective Clothing	-	-	-	5,100
2055	Consultants fees	-	-	-	164,855
2070	Travel - Staff	-	-	-	23,000
2075	Travel - Business	-	-	-	136,677
2100	Entertainment	-	2,500	-	21,000
2105	Official Celebrations	-	-	-	21,000
2130	Printing & Stationery	-	1,000	-	8,400
2135	Stores	-	500	-	8,000
2155	House Rental	-	-	-	276,000
2165	Office Rental	-	-	-	126,000
2185	R&M - Buildings	-	1,250	-	8,000
2200	R&M - Motor Vehicles	-	1,000	-	6,000
2275	Purchase of Petrol	-	4,000	-	9,600
2315	Utilities	-	3,050	-	12,000
2330	Telephone / Internet	-	4,050	-	18,000
2495	Plant & Equipment Purchases	-	62,750	8,835	136,300
2560	Educational Expenses - Special	-	-	-	4,000
2565	Insurance	-	9,500	-	57,900
2570	Bank Charges	-	1,000	-	1,200
2600	Postage	-	1,000	920	2,400
2690	Foreign exchange gains/losses	-	73,125	12,077	5,000
Expense Subtotal		-	211,975	52,592	1,295,526
Total Expense		-	211,975	52,592	1,295,526

The total budget for India is higher in FY 2022-23 than FY 2021-21, reflecting that the India High Commission will surely be operational in the new financial year.

Key increases are attributable to:

- Consultancy fee \$200,000 to progress work relating to the High Ground Initiative
- \$200,000 to Travel Business to fund a HGI roadshow, marketing and sourcing of funds from the donor communities for funding of the HGI masterplan, and
- General operating costs covering for personnel emoluments, house and office rental, transport, entertainment, uniform etc.

78 CANBERRA

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	26,341	144,587	73,313	177,763
2020	Salary Expatriate	10,992	163,463	42,574	155,559
2025	Allowances - Staff Contract	-	5,980	-	7,680
2040	Staff Training	-	-	-	7,800
2050	Uniforms & Protective Clothing	855	5,000	-	5,000
2055	Consultants fees	-	-	-	50,000
2070	Travel - Staff	2,288	4,160	-	31,300
2075	Travel - Business	- 2,748	16,000	7,277	26,000
2100	Entertainment	-	7,000	365	7,000
2105	Official Celebrations	-	8,000	1,404	4,000
2110	Protocol	-	3,000	-	3,000
2130	Printing & Stationery	1,843	3,624	610	2,000
2135	Stores	-	2,500	143	2,000
2155	House Rental	51,579	171,600	18,200	192,400
2165	Office Rental	45,666	96,900	70,328	114,000
2185	R&M - Buildings	3,971	7,500	125	2,000
2190	R&M - Office Equipment	-	2,000	-	2,500
2200	R&M - Motor Vehicles	488	5,750	989	16,368
2275	Purchase of Petrol	3,541	35,106	9,836	45,601
2315	Utilities	636	19,200	2,532	19,200
2330	Telephone / Internet	5,303	21,612	7,055	22,464
2370	Membership Fees & Subscriptions	-	-	-	3,324
2460	Medical Expenses	476	7,500	5,940	10,000
2495	Plant & Equipment Purchases	94,048	-	-	-
2560	Educational Expenses - Special	930	40,000	19,699	40,000
2565	Insurance	4,270	32,052	4,518	20,395
2570	Bank Charges	-	2,000	64	2,000
2600	Postage	-	3,000	183	2,000
Expense Subtotal		250,479	807,534	265,157	971,354
Total Expense		250,479	807,534	265,157	971,354

The total budget for Canberra is higher in FY 2022-23 than FY 2021-22. This mainly reflects increased costs to fund operations cost for the mission office after the formal opening of the mission office in 2022 and the mission now being able to fully perform its mission functions.

81 INTERNAL AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 8101 - Office of the Secretariat					
Expense by Natural Account					
2015	Salary - Local	601,641	184,536	447,345	115,749
2020	Salary Expatriate	109,375	-	139,461	-
2030	Salaries - Other Contracts	4,600	32,640	9,978	32,514
2035	Overtime - local	4,986	8,000	5,952	8,000
2040	Staff Training	15,950	5,000	5,000	5,000
2050	Uniforms & Protective Clothing	-	4,300	1,460	4,300
2075	Travel - Business	5,723	155,000	154,283	-
2100	Entertainment	7,491	14,000	9,000	4,000
2105	Official Celebrations	166,113	113,000	112,981	128,320
2130	Printing & Stationery	1,000	-	-	-
2135	Stores	300	58,500	16,772	1,000
2185	R&M - Buildings	-	27,740	30,398	-
2275	Purchase of Petrol	-	1,360	-	2,000
2495	Plant & Equipment Purchases	18,675	25,840	25,501	14,830
2575	Local Transport	-	8,040	-	-
Expense Subtotal		935,854	637,956	958,131	315,713
Division : 8102 - Culture & Language Bureau					
Expense by Natural Account					
2015	Salary - Local	-	257,061	- 616	260,776
2030	Salaries - Other Contracts	750	-	-	4,920
2035	Overtime - local	800	1,000	-	1,000
2040	Staff Training	1,000	1,000	1,000	1,000
2075	Travel - Business	-	-	1,200	-
2100	Entertainment	18,820	5,052	5,000	5,052
2105	Official Celebrations	10,000	10,000	7,984	10,000
2135	Stores	340	1,000	214	10,820
2185	R&M - Buildings	21,999	3,185	-	3,185
2200	R&M - Motor Vehicles	-	1,000	180	5,000
2205	R&M - Plant	-	600	-	600
Expense Subtotal		53,710	279,898	14,962	302,353

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 8104 - Family & Community Services					
Expense by Natural Account					
2015	Salary - Local	-	63,113	9,090	53,927
2072	Meals and Drinks - Staff	2,000	-	-	-
2105	Official Celebrations	2,000	1,000	-	5,000
2130	Printing & Stationery	-	5,140	-	1,000
2135	Stores	-	600	250	600
2230	Publicity and Awareness	10,400	-	-	-
Expense Subtotal		14,400	69,853	9,340	60,527
Division : 8105 - Clean & Green					
Expense by Natural Account					
2015	Salary - Local	-	31,345	3,584	31,344
2030	Salaries - Other Contracts	3,120,000	3,122,000	2,761,516	3,122,000
2100	Entertainment	2,000	5,000	5,000	5,000
2105	Official Celebrations	14,619	15,000	15,000	15,000
2130	Printing & Stationery	-	500	-	500
2135	Stores	60	200	-	200
2205	R&M - Plant	-	500	-	500
2495	Plant & Equipment Purchases	-	-	-	289,221
Expense Subtotal		3,136,679	3,174,545	2,785,099	3,463,765
Total Expense		4,140,643	4,162,251	3,767,532	4,142,958

The total budget for Internal Affairs (formerly Home Affairs) is around the same level in FY 2022-23 than FY 2021-22.

- \$3.1 million is provided for Clean and Green Community clean-up project payments, and
- \$100,000 to support National Aroeni Day events. This day is organized for all tribes of Nauru (Deiboe, Eoaru, Iruwa, Eamwit, Eamwitmwit, Eamwidara, Emangum, Eano, Emea, Ranibok and Iwi, Irutsi are extinct) to share and showcase their local skills, culture and stories.

82 WOMEN'S AND SOCIAL DEVELOPMENT AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	97,171	103,078	100,020	100,078
2035	Overtime - local	18,624	14,100	13,200	13,900
2070	Travel - Staff	-	-	-	5,600
2075	Travel - Business	11,757	-	-	-
2100	Entertainment	3,600	57,102	54,082	15,900
2105	Official Celebrations	20,993	56,000	50,820	209,468
2130	Printing & Stationery	6,882	24,930	14,529	15,670
2135	Stores	1,017	6,286	6,259	2,800
2185	R&M - Buildings	8,770	12,000	5,189	36,000
2190	R&M - Office Equipment	-	800	-	6,000
2330	Telephone / Internet	-	-	-	700
2495	Plant & Equipment Purchases	98,762	4,064	965	4,100
2630	Safe House	60,916	96,660	36,392	96,660
Expense Subtotal		328,493	375,020	281,457	506,876
Division : 8201 - Secretariat					
Expense by Natural Account					
2015	Salary - Local	-	43,147	11,286	43,147
2020	Salary Expatriate	-	151,000	2,341	140,000
2035	Overtime - local	-	10,000	7,776	10,000
2100	Entertainment	-	-	-	15,000
2105	Official Celebrations	-	5,000	5,000	31,000
2130	Printing & Stationery	-	6,930	541	6,930
2135	Stores	-	2,586	2,004	2,800
2185	R&M - Buildings	-	12,000	2,200	36,000
2190	R&M - Office Equipment	-	800	-	6,000
2330	Telephone / Internet	-	-	-	4,920
2495	Plant & Equipment Purchases	-	4,064	2,310	4,100
Expense Subtotal		-	235,527	33,458	299,897
Division : 8202 - Child Protection					
Expense by Natural Account					
2015	Salary - Local	2,219	134,402	116,700	138,552
2030	Salaries - Other Contracts	-	15,000	14,200	-
2035	Overtime - local	28,336	25,000	17,462	25,000
2055	Consultants fees	7,000	-	-	-
2100	Entertainment	17,400	20,000	15,700	42,500
2105	Official Celebrations	5,500	43,600	43,600	62,000
2130	Printing & Stationery	-	30,845	13,697	46,625
2135	Stores	379	12,000	3,075	12,500
2205	R&M - Plant	-	600	-	500
2495	Plant & Equipment Purchases	-	8,200	665	6,711
2496	Building and Structures	50,121	20,000	19,935	35,000
2630	Safe House	83,160	85,000	73,976	100,000
Expense Subtotal		194,115	394,647	319,010	469,388

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 8203 - Gender Maintreaning Unit (GMU)					
Expense by Natural Account					
2015	Salary - Local	50,384	55,949	41,982	50,722
2100	Entertainment	3,000	3,000	1,100	20,000
2105	Official Celebrations	-	-	-	11,000
2130	Printing & Stationery	174	2,225	2,027	4,025
2135	Stores	-	304	303	304
2185	R&M - Buildings	435	5,000	1,417	-
2200	R&M - Motor Vehicles	-	-	-	5,000
2495	Plant & Equipment Purchases	682	5,785	5,170	8,265
Expense Subtotal		54,675	72,263	51,998	99,316
Total Expense		577,283	1,077,457	685,834	1,375,476

The total budget for Women's Affairs is higher in FY 2022-23 than FY 2021-22. This mainly reflects increased allocation associated with the inclusion of the Miss South Pacific Pageant, Miss Nauru pageant as well as increased operating cost for overtime, official celebrations costs etc.

83 MEDIA

Natural_Account	Description	2020-21 Prior Year Actual	2021-22 Revised Budget	2021-22 Actual + Commitment	2022-23 Proposed Budget
Revenue by Natural Account					
1475	Miscellaneous Revenue	260	-	-	-
1540	Advertising Revenue	67,652	64,000	17,070	19,500
Total Revenue		67,912	64,000	17,070	19,500
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	437,057	522,751	444,310	520,463
2030	Salaries - Other Contracts	500	-	-	-
2035	Overtime - local	29,336	31,560	29,931	26,000
2040	Staff Training	-	5,000	3,883	42,145
2050	Uniforms & Protective Clothing	9,158	10,262	9,075	11,662
2055	Consultants fees	8,750	-	-	-
2075	Travel - Business	-	1,216	-	-
2100	Entertainment	2,607	2,000	1,974	2,000
2105	Official Celebrations	10,989	9,000	8,758	7,500
2130	Printing & Stationery	15,562	25,286	10,958	11,638
2135	Stores	1,945	7,540	7,410	6,000
2185	R&M - Buildings	1,428	-	-	-
2190	R&M - Office Equipment	-	3,414	3,414	2,000
2330	Telephone / Internet	690	2,105	1,490	2,000
2370	Membership Fees & Subscriptions	1,404	1,700	-	3,550
2372	Nauru Radio Supplies	16,500	10,300	6,600	10,300
2373	Media TV Supplies	55,301	19,000	11,506	40,000
2495	Plant & Equipment Purchases	106,952	49,200	43,586	109,059
2496	Building and Structures	335,339	4,395	4,394	34,412
2575	Local Transport	3,200	-	-	-
2600	Postage	68	1,000	-	500
Expense Subtotal		1,036,786	705,729	587,288	829,229
Total Expense		1,036,786	705,729	587,288	829,229

The total budget for Media is higher in FY 2022-23 than FY 2021-22. This mainly reflects increased provision to cover for the new Media Studio and technical Training for the staff.

84 LANDS AND SURVEY

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1495	Service Fees	-	-	1,720	-
1500	Sale of Maps	7,550	7,052	16,070	18,348
Total Revenue		7,550	7,052	17,790	18,348
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	274,601	363,185	258,645	450,004
2020	Salary Expatriate	56,962	58,300	30,241	14,575
2035	Overtime - local	-	7,680	7,608	8,400
2050	Uniforms & Protective Clothing	6,498	5,000	116	3,000
2070	Travel - Staff	1,881	4,000	247	4,000
2100	Entertainment	1,212	-	-	-
2105	Official Celebrations	997	3,000	2,995	2,000
2130	Printing & Stationery	10,427	10,000	9,959	4,000
2135	Stores	4,144	4,000	3,999	4,000
2160	Land Rental	5,378,618	5,344,586	4,870,917	5,464,330
2185	R&M - Buildings	16,214	30,990	30,988	1,000
2230	Publicity and Awareness	5,250	6,500	6,450	4,500
2330	Telephone / Internet	100	-	-	-
2495	Plant & Equipment Purchases	9,736	27,100	24,169	5,800
2575	Local Transport	74,800	54,000	53,930	36,500
2610	Survey Supplies	5,194	4,500	3,356	1,500
Expense Subtotal		5,846,632	5,922,841	5,303,620	6,003,609
Total Expense		5,846,632	5,922,841	5,303,620	6,003,609

The total budget for Lands and Survey is higher in FY 2022-23 than FY 2021-22. This mainly reflects increases in salaries and land rental, more than offsetting reductions in land rental costs, printing and stationery and uniforms and protective clothing.

Government is finalizing an assessment of land rental rates. In anticipation of the outcome of the review, Government has allocated \$5.4million in the 2022-23 budget, an additional \$500,000 from the 2021-22 budget.

85 LANDS COMMITTEE

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1495	Service Fees	26,175	16,900	14,450	16,500
Total Revenue		26,175	16,900	14,450	16,500
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	134,475	152,620	136,185	133,115
2025	Allowances - Staff Contract	147,988	136,119	110,439	160,525
2040	Staff Training	-	-	-	3,200
2100	Entertainment	-	1,000	1,000	2,000
2130	Printing & Stationery	3,676	4,010	3,645	5,987
2135	Stores	741	2,143	2,054	2,143
2185	R&M - Buildings	35,488	85,000	72,179	-
2230	Publicity and Awareness	-	-	-	4,500
2370	Membership Fees & Subscriptions	-	2,000	-	2,000
2495	Plant & Equipment Purchases	2,872	35,106	33,968	8,694
Expense Subtotal		325,240	417,998	359,471	322,164
Total Expense		325,240	417,998	359,471	322,164

The total budget for Lands Committee is lower in FY 2022-23 than FY 2021-22, reflecting the one-off expenditure that are now not expected to be funded again in FY 2022-23.

86 DEPARTMENT OF LAND MANAGEMENT

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	151,395	127,563	142,043	80,272
2075	Travel - Business	-	-	-	20,000
2105	Official Celebrations	995	1,000	900	1,000
2130	Printing & Stationery	1,999	2,000	1,994	2,000
2135	Stores	1,104	1,104	1,092	1,104
2185	R&M - Buildings	995	1,000	998	1,000
Expense Subtotal		156,488	132,667	147,028	105,376
Total Expense		156,488	132,667	147,028	105,376

The total budget for the Department of Land Management is lower in FY 2022-23 than FY 2021-22. This mainly reflects reductions in salary expenditure.

87 PEOPLE LIVING WITH A DISABILITY

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	54,129	95,332	81,245	87,518
2035	Overtime - local	560	2,813	1,224	4,800
2040	Staff Training	730	1,350	730	1,350
2050	Uniforms & Protective Clothing	-	945	800	945
2055	Consultants fees	450	1,772	420	2,600
2100	Entertainment	6,000	15,000	12,670	15,000
2105	Official Celebrations	6,800	11,000	10,980	11,000
2130	Printing & Stationery	1,385	1,424	1,288	1,424
2135	Stores	1,299	1,310	1,306	1,310
2185	R&M - Buildings	1,957	2,828	2,828	2,000
2190	R&M - Office Equipment	-	500	225	500
2220	Nauru Community Housing	-	50,000	50,000	345,000
2315	Utilities	552	7,200	-	7,200
2495	Plant & Equipment Purchases	11,819	6,487	2,238	4,500
Expense Subtotal		85,681	197,961	165,955	485,147
Total Expense		85,681	197,961	165,955	485,147

The FY 2022-23 budget for PLD is higher compared to FY 2021-22, reflecting the increased provision for Nauru Community Housing.

- \$300,000 in additional Housing Funds has been allocated to accommodate the increasing demand for wheel chair ramps and home modifications to ensure disability friendly homes.

91 TRANSPORT

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1300	Registration Fees-Motor Cars	139,159	124,414	146,438	171,744
1305	Registration Fees-Motorcycles	25,295	23,994	43,009	49,884
1310	Vehicle/Insurance Fees	383,325	339,226	505,635	589,392
1360	D.C.A-Pax Levy	-	-	-	921,600
1365	D.C.A.-Departure Taxes	-	-	-	873,246
1370	D.C.A.-Air Navigation Fees	478,904	496,461	81,397	492,420
1375	D.C.A.-Landing Fees	153,300	161,368	11,756	552,195
1380	D.C.A.-Rental Fees	17,806	5,552	60,267	73,800
1475	Miscellaneous Revenue	92,925	80,000	104,715	114,833
1480	Bus Services	1,655	900	4,700	10,099
Total Revenue		1,292,368	1,231,915	957,917	3,849,213
Division : 0000 - General					
Expense by Natural Account					
		-	-	-	-
Expense Subtotal		-	-	-	-
Division : 9101 - Secretariat					
Expense by Natural Account					
2015	Salary - Local	98,372	88,334	98,798	68,334
2020	Salary Expatriate	52,271	37,000	15,550	52,000
2026	Directors Fees	2,800	2,400	800	4,800
2035	Overtime - local	-	-	-	-
2050	Uniforms & Protective Clothing	386	-	-	700
2070	Travel - Staff	3,255	10,000	10,000	12,000
2075	Travel - Business	3,260	-	-	-
2100	Entertainment	1,070	800	800	700
2105	Official Celebrations	-	-	-	500
2130	Printing & Stationery	6,380	13,879	13,011	14,000
2135	Stores	65,359	36,000	34,230	46,000
2165	Office Rental	3,145	-	-	-
2190	R&M - Office Equipment	340	-	-	-
2230	Publicity and Awareness	600	-	-	2,000
2330	Telephone / Internet	4,170	-	-	3,000
2370	Membership Fees & Subscriptions	8,545	6,000	2,948	6,000
2495	Plant & Equipment Purchases	21,177	-	-	-
Expense Subtotal		271,131	194,413	176,136	210,034
Division : 9102 - DCA					
Expense by Natural Account					
2015	Salary - Local	690,178	802,372	702,077	836,898
2030	Salaries - Other Contracts	69,943	126,800	91,559	143,828
2035	Overtime - local	131,231	147,000	125,886	156,000
2040	Staff Training	12,660	-	-	50,000
2050	Uniforms & Protective Clothing	19,664	8,000	3,351	10,000
2055	Consultants fees	25,620	109,000	31,051	109,000
2100	Entertainment	2,279	3,000	2,999	3,000
2105	Official Celebrations	520	1,400	1,155	2,000
2130	Printing & Stationery	6,472	6,540	6,539	6,540
2135	Stores	34,173	2,000	859	2,000
2185	R&M - Buildings	111,000	10,000	7,104	50,000
2205	R&M - Plant	1,676	2,070	1,160	2,070
2210	R&M - Aerodrome	64,363	60,000	39,626	60,000
2315	Utilities	528,594	387,000	219,574	387,000
2330	Telephone / Internet	-	-	-	2,520
2370	Membership Fees & Subscriptions	74,591	91,673	24,673	91,673
2495	Plant & Equipment Purchases	105,513	9,700	8,650	17,140
2496	Building and Structures	-	-	-	60,000
Expense Subtotal		1,878,476	1,766,555	1,266,264	1,989,668

<i>Natural_Account</i>	<i>Description</i>	<i>Prior Year Actual</i>	<i>Revised Budget</i>	<i>Actual + Commitment</i>	<i>Proposed Budget</i>
Division : 9103 - Land Transport					
Expense by Natural Account					
2015	Salary - Local	207,988	344,993	281,168	445,143
2030	Salaries - Other Contracts	56,160	56,160	49,680	56,150
2035	Overtime - local	20,800	41,700	41,682	28,167
2050	Uniforms & Protective Clothing	1,737	4,702	3,345	4,700
2100	Entertainment	-	-	-	600
2105	Official Celebrations	795	800	785	800
2130	Printing & Stationery	1,199	1,180	1,177	5,530
2135	Stores	492	1,440	938	1,440
2185	R&M - Buildings	2,715	119,966	119,682	10,000
2190	R&M - Office Equipment	1,900	1,230	1,229	1,800
2315	Utilities	8,436	16,380	8,815	17,000
2495	Plant & Equipment Purchases	8,749	6,000	3,332	6,000
Expense Subtotal		310,969	594,551	511,834	577,330
Total Expense		2,460,576	2,555,519	1,954,233	2,777,032

The total budget for Transport is higher in FY 2022-23 reflecting increases to stores, staff training, salary other contracts, plant and equipment purchases, building and structures, overtime (DCA), salary local more than offsetting reductions in overtime (Land Transport), R&M and Building.

95 ICT

<i>Natural_Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
1015	Income from Investments & Dividends-Other	-	-	-	-
1475	Miscellaneous Revenue	10,340	4,000	8,335	4,000
Total Revenue		10,340	4,000	8,335	4,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	326,746	392,143	308,343	398,101
2020	Salary Expatriate	9,851	50,000	33,290	130,000
2035	Overtime - local	11,074	6,800	6,243	8,298
2040	Staff Training	-	10,000	-	10,000
2050	Uniforms & Protective Clothing	13,994	7,775	6,018	7,775
2055	Consultants fees	2,041	5,300	480	11,000
2072	Meals and Drinks - Staff	2,000	-	-	1,820
2100	Entertainment	5,000	10,320	8,419	6,800
2105	Official Celebrations	1,000	-	-	-
2130	Printing & Stationery	5,202	9,250	5,354	9,250
2135	Stores	4,289	5,240	5,220	1,940
2185	R&M - Buildings	55,233	39,800	37,819	-
2190	R&M - Office Equipment	7,737	7,500	5,946	7,500
2195	R&M - Office Premises	9,986	3,100	3,030	3,100
2315	Utilities	-	14,900	14,628	-
2330	Telephone / Internet	1,606,782	2,055,098	1,844,741	1,747,260
2370	Membership Fees & Subscriptions	37,586	50,000	37,150	50,000
2375	ICT Supplies	60,372	52,146	33,194	52,146
2495	Plant & Equipment Purchases	58,570	53,567	49,053	47,767
2575	Local Transport	16,825	-	-	-
Expense Subtotal		2,234,289	2,772,939	2,398,927	2,492,757
Total Expense		2,234,289	2,567,339	2,398,927	2,492,757

The total budget for ICT is lower in FY 2022-23 than FY 2021-22. This mainly reflects reductions in telephone and internet due to better deals being able to be secured with Digicel, R&M Building,

entertainment, Utilities, plant and equipment purchases more than offsetting increases in salary expatriate, salary local, consultancy fees.

97 TELECOM

<i>Natural Account</i>	<i>Description</i>	<i>2020-21 Prior Year Actual</i>	<i>2021-22 Revised Budget</i>	<i>2021-22 Actual + Commitment</i>	<i>2022-23 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	37,851	40,739	15,958	27,606
2026	Directors Fees	-	-	-	7,200
2055	Consultants fees	-	50,000	18,558	-
2130	Printing & Stationery	-	-	-	500
2135	Stores	-	-	-	300
2185	R&M - Buildings	-	-	-	1,000
2195	R&M - Office Premises	-	-	-	1,000
2330	Telephone / Internet	-	-	-	87,394
Expense Subtotal		37,851	90,739	34,516	125,000
Total Expense		37,851	90,739	34,516	125,000

The total budget for Telecom is higher in FY 2022-23 than FY 2021-22, reflecting increased provision for telephone and internet, R&M building, directors fees etc.