



REPUBLIC OF NAURU

2023-24 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 2023-24

06 June 2023

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2023-24 SELECTED BUDGET HIGHLIGHTS

\$25.9 MILLION TO THE NAURU TRUST FUND, BUILDING UP RESERVE FOR THE FUTURE GENERATION

\$7.5 MILLION UNDER NAURU HOUSING SCHEME, TO IMPROVING HOUSING STOCK AND ADDRESS OVERCROWDING

\$17.1 MILLION AS FISCAL CASH BUFFER FOR LIQUIDITY AND IN PREPARATION FOR UNEXPECTED CONSEQUENCES OF THE RPC WIND DOWN

\$6.8 MILLION FOR AGED AND DISABILITY PENSIONS AND ALLOWANCES

\$5 MILLION FOR OVERSEAS MEDICAL REFERRALS, PROVIDING QUALITY MEDICAL TREATMENT FOR EVERYONE

\$4.9 MILLION TO IMPROVE PORT INFRASTRUCTURE AND SUBSIDY FOR CARGO FREIGHT

\$4.9 MILLION FOR SCHOLARSHIPS, EDUCATING OUR FUTURE LEADERS OF TOMORROW

\$3.2 MILLION FOR DRUGS, MEDICINE, AND ESSENTIAL MEDICAL AND CLINICAL SUPPLIES

\$3.1 MILLION FOR THE CLEAN AND GREEN PROGRAMME

\$3 MILLION FOR THE HIGHER GROUND INITIATIVE PHASE 2



\$3 MILLION FOR RATIONS, CATERING NUTRITIOUS MEAL FOR OUR STUDENTS

\$3 MILLION UNDER THE SMART VILLAGE HOUSING SCHEME, ENERGY EFFICIENT AND AFFORDABLE DESIGN

\$2.6 MILLION AS CSO LIFELINE TARIFF FOR AFFORDABLE ELECTRICITY TO ALL

\$2.3 MILLION AS SUBSIDY FOR NAURU AIRLINE TO PROVIDE AFFORDABLE AIR FREIGHT SERVICES

\$1 MILLION FOR BANK OF NAURU LIQUIDATION PAYMENTS

\$0.5 MILLION FOR IMPROVED LIVING CONDITIONS FOR PEOPLE LIVING WITH DISABILITY

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

2023-24 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 2023-24 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 continued to expand moderately in 2023 as we made our way out of the pandemic after having suffered a slow-down in growth in 2022. The pandemic policy response led by the Covid Taskforce was a big success and the achievements in securing the lives of Nauruans and strengthening our public health service has provided a solid foundation upon which to continue to grow our economy. However, the gradual winding down of the Regional Processing Centre has begun and the economy is likely to contract significantly in the coming years. This will test the government to broaden the economic base of the country, finding new and imaginative economic opportunities for our citizens to exploit. The government will do all it can, starting with this budget, to ensure that the economic impact is lessened especially for the most vulnerable in the country.

Nauru's 2022-23 fiscal performance was better than initially anticipated. This can be attributed to governments proactive COVID-19 containment measures and aggressive vaccination roll out. The further extension of the Regional Processing Centre from December 2022 to June 2023 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. However, the expected revenue for 2022-23 is down overall against the revised budget by 4% as was expenditure.

The 2023-24 Budget theme is "Building the Foundations for a new economy". As outlined in our National Sustainable Development Strategy, a sustainably resilient future means that we maintain macroeconomic stability, increasing investments in Education, Health, and the built environment. This budget recognises the financial challenges we face and demonstrates our commitment to growing our economy and opportunities for new economic activity while continuing to address social inequalities, easing cost of living, and ensuring that all Nauruans can participate.

The Government remains firmly committed to fiscal responsibility and will maintain the well-established fiscal responsibility ratios for the 2023-24 Budget. Hence, we will programme a positive fiscal 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 and stand to provide continued support as we move into uncharted waters. Nauru's development pathway is fostered through deep friendship and the government is grateful for the continued support of our development partners.

I urge all Government and SOE employees to get behind the government as we seek to build a broader and more varied economic base for our country. Be clear about and fulfil your responsibilities and mandates under the NSDS and continue to coordinate efforts to ensure

successful implementation of this budget.

May God continue to Bless the Republic of Nauru.

A handwritten signature in blue ink, appearing to be 'M. Hunt', with a large, stylized flourish at the end.

Hon. Martin Hunt MP

Minister for Finance and Sustainable Development

Part 1: BUDGET STRATEGY AND OUTLOOK

BUDGET OVERVIEW

The theme of the 2023-24 Budget is “**Building the Foundations for a New Economy**” with focus on broadening and deepening our economic base, improving infrastructure, and supporting essential service deliveries such as Health and Education to ensure we can take advantage of the opportunities presented to us in the future. This budget maintains our strong commitment to ever higher standards of public financial management and adds momentum to the economic recovery anticipated in years to come.

The Nauru economy grew less quickly in 2022 as the effects of the conflict in Europe and global level inflation reached the Pacific. The support provided by the Government during the covid pandemic helped the economy and community withstand some of the worst effects of the global slow-down, specific support was aimed at ensuring that goods and services continued to be available to citizens. The Covid taskforce spending was maintained at a level commensurate with the declining threat and impact of the pandemic. According to the IMF, the economy expanded by 1.1% in 2022 but is projected to grow by 2% in 2023-24 and by 2.5% in 2024-25.

Given the lingering uncertainties about the future of the Regional Processing Centre (RPC) beyond 2025-26 and the continuing effect of global inflation which affects supply chains and local prices, it is essential that we remain focused on our people and community’s development needs so that when the future opportunities arise, our greatest resource is well placed to take advantage.

BUDGET AGGREGATES

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

TABLE 1.1: BUDGET AGGREGATES

Description	2021-22 Preliminary Actual	2022-23 Approved Budget	2022-23 Supplementary Bills	2022-23 Revised Budget	2022-23 YTD Actual	2022-23 Projected Actual	2023-24 Approved Budget
	\$	\$	\$	\$	\$	\$	\$
Revenue	319,571,262	253,329,350	53,855,570	307,184,920	260,829,017	294,404,741	278,637,509
Expenditure	297,876,666	252,779,965	53,632,662	306,412,627	249,253,780	294,301,984	278,422,918
Balance	21,694,597	549,385	222,908	772,293	11,575,237	102,757	214,591

Overall, the economic performance for 2022-23 was better than initially projected. The major contributing factor to the improved revenue collection was, as last year, the extension of RPC facility to June 2023. 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 the international economy suffering a pronounced slowdown amid political and military unrest leading to a substantial rise in inflation, small economies like Nauru performed relatively well. Fisheries revenues have also held up well despite the supply chain and fuel price inflation. challenges.

The confirmed winding down of the RPC from 1 July 2023, and resultant impact on local economic conditions, means that government revenues will decline in 2023-24, and expenditure restraint is programmed to reflect this contraction, both in budget allocations and in tightening of enforcement of spending policies.

The government’s policy priorities for 2023-24 include:

- Macro-economic stability – ensuring an orderly and cushioned RPC adjustment process, with realistic estimates of expected revenue and spending that are adjusted through the year as better information becomes available, with expenditures reflecting the policy priorities of the government.
- Prioritised investment in activities that will support government efforts to broaden our economic base and continued infrastructure development.
- Cost of living and safety net initiatives
- Investment in social safeguarding infrastructure, especially education and health
- Addressing cross-cutting issues such as improving women’s’ empowerment and climate change adaptation and mitigation.

Nauru’s medium-term outlook remains uncertain though the immediate future of the Regional Processing centre (RPC) has now been confirmed. The current RPC agreement between Nauru and Australia will transition into an Enduring Capability arrangement from 1 July 2023. The successful handling of the COVID-19 pandemic and the declassification by WHO of the disease as no longer a “Public health Emergency of International Concern” (PHEIC), will allow the Government to remove all remaining containment measures and re-allocate funding which had been earmarked for the Covid Task-Force.

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	2020-21	2021-22	2022-23	2023-24
Real GDP Growth (per cent change)	3.4	2.9	2.0	1.5
Nominal GDP (A\$ million)	191	202	216	227
Consumer Prices (period average, per cent change)	2.1	2.5	3.4	4.1

(Source: IMF World Economic Outlook April 2023)

GLOBAL PROSPECTS

According to the latest IMF World Economic Outlook (April 2023), The baseline forecast for global growth is for a fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024.

Beyond 2024, global growth is forecast to remain at around 3.0% over the medium term. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation’s return to target is unlikely before 2025 in most cases.

The IMF has acknowledged Nauru’s success in dealing with the threat of COVID-19. The Fund remains of the view that diversifying the economy is the way forward, particularly in light of the scaling down of the funding available from the Regional Processing Centre over the next few years. Diversification

of the economy has become a primary focus of the government for the medium term. Growth will require supportive policies to accelerate investment in human capital and infrastructure, and efforts to improve the business environment.

The extension of RPC to 30 June 2023, has not been sufficient to raise the IMF's expectations for Gross Domestic Product (GDP) growth, which is now expected to slow to 1.5% for FY 2023-24, however, it is projected to bounce back to 2.3% in 2024-25. The inflation outlook has followed global trends and is projected to remain unstable, rising to 4.1% for 2023/24 and reducing to around 3.7% for 2024-25. The nominal GDP estimate for 2022-23 is \$215.5 million and this is projected to increase to \$227.0 million for FY 2023-24

Nauru's economic growth is expected to slow down significantly as the RPC transitions to enduring capability on 1 July 2023, reducing government revenues and leading to more modest levels of economic activity. The success of the measures taken to contain and mitigate the COVID-19 outbreak means we can move forward with a highly vaccinated population and a strengthened health system.

The economic outlook looks risky with the impact of the winding down of the RPC, continuing global uncertainty around commodity prices and stubbornly high inflation. The transition to a possible El Nino event in 2024 could increase the volatility of fishing revenues.

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 overarching goals of this strategy are economic stability and optimum allocation of resources to accelerate our economic diversification and boost investment.

MEDIUM TERM FISCAL STRATEGY

The Medium-Term Fiscal Strategy has been formulated against the backdrop of a global economy finding its way after the COVID-19 pandemic and fraught with uncertainty related to the conflict in Europe and the knock-on effects of high inflation and supply chain challenges. It also considers the government's plan to widen the economic base while sustaining economic recovery and maximising opportunities to boost investment. It integrates the government's commitment to improving livelihoods and protecting the vulnerable from the impact of high inflation. The strategy is based on the need to address issues such as the planned reduction in revenue from the RPC, climate change adaptation, 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 the new financial year are designed to lay the foundations for expanding economic activity, maintaining current economic growth levels in the face of global uncertainty, and managing fiscal risks prudently. The FY 2023-24 Budget aims to achieve following outcomes:

- Macro-economic expansion– Ensuring the declining revenues from the RPC are applied to invest in critical areas of the economy.

- 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 2023-24 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 two months adjusted non-RPC expenditure.

The government has successfully achieved all three fiscal responsibility ratios in 2022-23, and aims to achieve this again in 2023-24. Performance is summarised in the tables below.

TABLE 1.3: FISCAL RESPONSIBILITY RATIOS

Measure	Target	2021-22	2022-23 Revised	2022-23 Projected	2023-24 Approved
		Preliminary Actual	Budget	Actual	Budget
Fiscal balance to GDP	Positive as %age of GDP	10.74%	0.36%	0.05%	0.09%
Personnel costs ratio	Less than 30% of current expenditures	14.8%	17.1%	17.8%	19.2%

Government has successfully achieved the benchmark ratios for its fiscal responsibility indicators with Fiscal balance to GDP estimated at 0.05% of GDP by end of 2022-23 fiscal year, this is a fall from the previous year arising from reduced revenue performance. The government targets an outcome close to balanced when the budget is approved.

The personnel cost ratio was achieved in 2021-22, and is expected to increase in the current year and 2023-24 budget, but remain comfortably below the target.

TABLE 1.4: FISCAL CASH BUFFER REQUIREMENTS

	Requirement (\$)	Total Funds (\$)	
		As at 1 Jul 2022	As at 30 Apr 2023
Cash Buffer at 1 July 2022	36,062,965	139,966,511	
Cash Buffer at 30 April 2023	36,062,965		165,714,817
<i>of which, held in cash buffer accounts</i>		40,109,511	40,186,464

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 of two months' adjusted expenditure, so that the government has sufficient cash on hand to meet its bills in a timely manner.

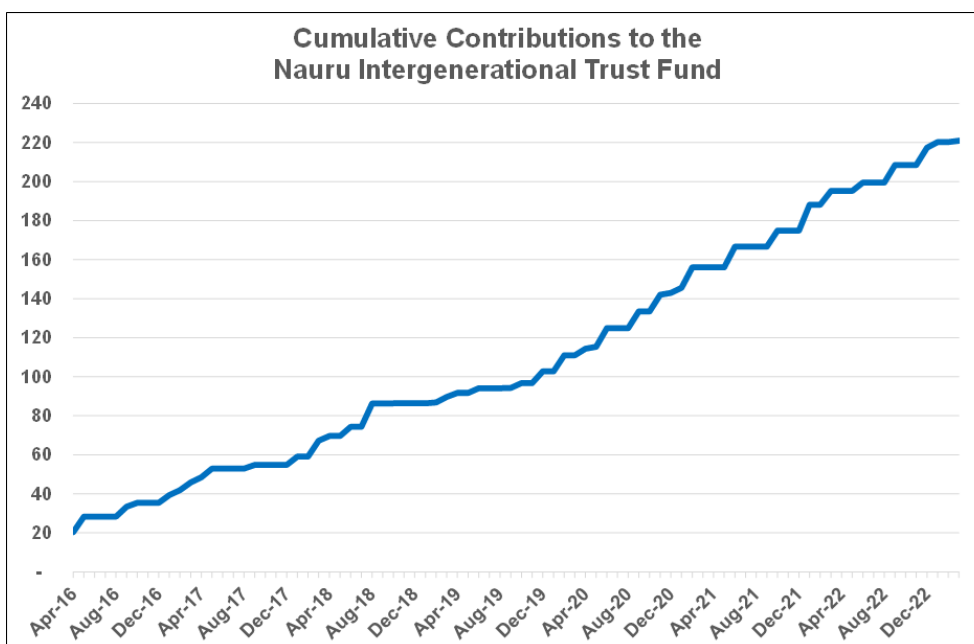
NAURU INTERGENERATIONAL TRUST FUND (NTF)

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 2023-24 fiscal year its required contribution to the NTF at 10.1% of adjusted prior year revenue.

For the 2023-24 budget, the government's contribution is forecasted at \$25.9 million. A prepayment of \$6.8 million is expected to be made towards this obligation in 2022-23, leaving the remaining balance of \$19.1 million to be appropriated in 2023-24.

Total cash contributions at 31 March 2023 were \$221 million. Investments at 31 March 2023 were valued at \$280 million. Contributions since establishment to March 2023 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
To Jun-22	2,634	24,228	145,255	5,589	21,831	199,536
To Sep-22	2,634	24,228	154,160	5,589	21,831	208,441
to Dec-22	2,634	24,228	163,064	5,589	21,831	217,346
to Mar-23	2,634	24,928	163,064	5,589	24,705	220,920
	1.2%	11.3%	73.8%	2.5%	11.2%	

ALIGNING THE BUDGET TO THE NATIONAL DEVELOPMENT PRIORITIES

In formulating the expenditure measures of the 2023-24 Budget, the 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 include:

- Higher ground (topside) initiatives to mitigate the impact of climate and environmental degradation – the fight against climate change continues as the government considers options to relocate key infrastructure and housing to higher locations, as protection against rising sea levels. \$1.8 million is allocated to the further development of Portion 230 and \$3.0 million is set aside for the Higher Ground Initiative Project Phase 2 this year. The deliverables of Phase 2 of the Higher Ground Initiative include:
 - Mobilization, Preliminary Planning, LP230 Master Plan Review
 - Topographic Surveys & LiDar Drone Survey
 - Geotechnical Services, Stage 1
 - Contaminated Land - Site Contamination Report and Remedial Action Plan

- Detailed design, including drawings, schedule of quantities and construction specification for the preferred option.
- Engineering Staff Site Visits, Phase 1 - Site familiarization and investigations on Island by Team members, between 1 and 3 trips.
- Improving transport infrastructure and providing reliable and sustainable transport services – \$4.9 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 \$20 million in the Health sector and related services to improve and strengthen local hospital capacity.
- Improving the quality and broadening the scope and reach of education – Government will invest \$16 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 \$2.2 million has been provided for the Department of Sport.
- Strengthen the capacity of the Nauru Public Service – Funding will be provided to further develop an e-recruitment system for faster, centralised recruitment.
- Foreign Investment Act - An expert group has been set up to develop and implement the new Foreign Investment Act. This act will describe the basis of Nauru’s commitment to potential investors in the country who may wish to support our efforts to broaden our economic base.

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 \$8.4 million in 2023-24 compared with \$14.3 million in 2022-23. This does not include Aid-in-Kind contributions, which is estimated at \$98.1 million for the financial year 2023-24.

The 2023-24 estimate reflects \$5.5 million in funds carried over from 2022-23 and \$2.9 million in expected new funds for 2023-24. *More detail on Donor Commitments is captured in the Development Fund projections statement.*

PUBLIC FINANCIAL MANAGEMENT REFORM INITIATIVES

Under the Public Financial Management reform initiatives that the government is collaborating with the Asian Development Bank and the IMF through PFTAC; key reform initiatives relate to support in identifying and managing fiscal risks, the development of a PFM Roadmap, continuing to strengthen SOE Governance and monitor performance, and continuing efforts to strengthen compliance to mobilise greater revenues.

Identifying and Managing Fiscal Risks

The Nauru government has provided financial support to SOEs and donor funded projects for many years. As the country and SOEs emerge from the COVID-19 pandemic, and as the withdrawal of funding for the RPC begins to impact revenue, it is prudent to quantify all financial risks for which the Government may become liable in the years ahead. Additional inherent risk is recognised in large infrastructure projects e.g., the port development project which contains potentially open-ended liabilities for the government and which is worryingly delayed.

ADB have indicated that they would be able to support the provision of technical assistance starting in 2023 to help identify, quantify, and manage fiscal risks across all government funded activities. The work would be funded through an agreement with DFAT Australia under the proposed Economic Governance Programme.

PFM Roadmap

PFTAC has begun to develop a PFM Roadmap for the Department of Finance. The roadmap will ensure that departmental initiatives are fully coordinated with government policy objectives and incorporate the inputs from development partners, Departments, and as far as possible, local communities. The roadmap will see an increased reference to gender and vulnerable communities' considerations in planning activities.

Strengthening SOE Governance

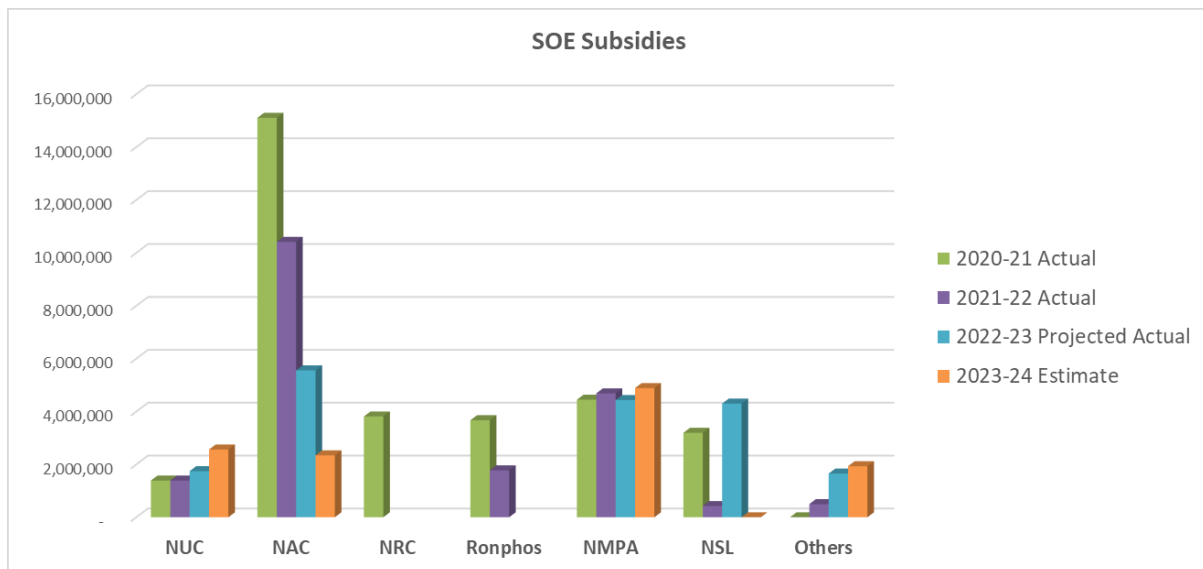
The sequence in which Public Enterprises are to establish a better governance framework is to start with a Board Charter, then setting clear statements of objectives, strategy, and targets by way of a Statement of Corporate Intent and Business Plan. Following this, Boards will provide improved accountability reporting comparing actual achievements against what was planned. With the support of ADB, over 50% of the SOEs in Nauru have submitted the required 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 support for the Public Enterprise Monitoring Unit (PEMU) to allow it to develop the capacity to fulfill its role and continue activities after the current programme of TA support from the ADB ends in June 2023. ADB has agreed, in principle, to provide a further TA programme for up to three years from 2023/24.

Monitoring SOE Performance

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

In addition to achieving social objectives, the 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 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 2023-24 Budget includes measures to continue module implementation of the ASYCUDA World which is expected to go live in July 2023. 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

Fiscal risks over the medium term are dominated by the winding down of the RPC and the possibility that all funding may cease in FY 2026-27. There are significant negative impacts expected over the short to medium-term but the limited data available make it impossible to calculate all of the secondary and tertiary level impacts that the reduction in revenue will have on the local economy. Budget execution is generally well managed but risks related to SOEs and large infrastructure projects, which themselves may be affected by the RPC closure, remain as issues of significant concern. COVID-19, although no longer a substantial threat, remains a concern.

Regional Processing Centre

The 2023-24 Budget reflects the decision of the Australian authorities to move the RPC into an 'Enduring Capability Operation' for the years 2023-24, to 2025-26. An 'in principle' funding agreement has been reached which will see a minimum of \$133 million paid in 2023-24 and a maximum of \$195 million spread over the years 2024-25 and 2025-26. Discussions relating to any future years' contributions are ongoing.

The significance of RPC related revenues on the budget cannot be understated and is illustrated in the table below. If, as seems likely, the transition to ending of the agreement with Australia entirely will be accelerated after 2025-26, the economy will face a substantial reduction in revenues.

Table 1.7: RPC Related lines

Description	2021-22 Preliminary Actual \$	2022-23 Revised Budget \$	2022-23 YTD Actual \$	2022-23 Projected Actual \$	2023-24 Approved \$
1335 - Visa Fees - RPC	505,000	0	2,100	2,100	0
1580 - Visa Fees - RPC Resettlement	2,807,000	921,000	2,026,000	2,026,000	0
1475 - Miscellaneous Revenue	1,867,738	899,177	923,448	899,177	203,728
1495 - Service Fees	20,016,444	20,016,504	15,002,021	20,016,504	20,002,004
1577 - DJBC - Operations	5,089,226	1,057,755	3,064,559	3,064,559	4,400,000
1578 - DJBC - Reimbursable Costs	18,788,295	3,264,351	10,610,309	10,610,309	63,700,000
1598 - Hosting Fee	84,699,998	94,933,324	84,533,328	94,933,324	71,899,996
1590 - Employment Services Tax	15,572,949	11,590,000	11,346,032	11,590,000	2,300,000
1591 - Business Profit Tax	39,846,201	36,550,000	34,758,200	36,550,000	6,300,000
1015 - Income from Investments & Dividends-Others	15,649,509	19,200,000	18,000,000	18,000,000	0
Total RPC related revenue	204,842,359	188,432,111	180,265,997	197,691,973	168,805,728
Share of total revenue	60%	61%	67%	64%	53%
As %age of GDP	101%	87%	83%	92%	74%

SOE Management

Poor performing SOE's can be costly for public finance and generate significant fiscal risk. Underperforming SOE's can hinder economic development. Assessing the financial health of SOE's and the fiscal risks that may arise from the sector is vital for ensuring sound public finances.

Several SOEs have recently or plan to embark on aggressive growth programmes. These ambitious plans may run into the headwinds of the RPC wind down. For most SOEs, the Government is the biggest benefactor and the biggest customer at the same time. Declining Government revenues will likely have a significant impact on the options open to those entities who may need to curtail expansion or accept greater financial risks. Those risks are ultimately underwritten by the Government which is the main reason for the commitment to gaining a better understanding of the fiscal risk position before any significant risks materialise.

Port Development

Progress on the construction is at 50% and has not increased significantly in recent months. In December 2021 the contractor agreed to progress completion to meet three milestones.

the delivery of a cargo berth by 30 April 2022.

the delivery of a fuel products discharge facility by 9 April 2023, and

the completion of the project by 30 June 2024.

Milestones 1 and 2 were not met by the contractor and Milestone 3 remains in doubt. Progress is significantly behind schedule and delays are creating an extensive cost burden for the Port Authority. The Government remains liable for cost overruns and unexpected charges, Identifying and quantifying these potential costs is of paramount importance to the Government in the coming months.

COVID-19

The World Health Organisation (WHO) announced on 4 May 2023 that COVID-19 "... no longer constitutes a public health emergency of international concern." This has allowed the Government

to close the Covid Taskforce completely for the 2023-24 budget. A total of \$17.9 million was spent in implementing the strategy over the two years of the pandemic, and although covid is still with us, the general health services in the country can provide the care and prevention services that may still be needed going forward.

2023-24 BUDGET POLICY SETTINGS

The 2023-24 Budget has been formulated towards mitigating the fiscal challenges confronting Nauru and to navigate the numerous economic challenges as a result of the scaling down of the RPC and lower future revenue collections. Recognising that maintaining the support for social welfare programmes and basic services is a critical influencer of those mitigation measures.

The revenue and expenditure policies in the 2023-24 Budget, and the medium term are guided by the following principles.

REVENUE POLICY

The underlying revenue policy framework for 2023-24 focuses on beginning the concerted efforts to broaden the economy to prepare for the post RPC era. Revenue sources will largely remain unchanged during 2023/24 but analysis will be undertaken and political consideration will be given to how the Republic can develop a blend of additional revenue sources and social inclusion measures that can be used to transition to a more diverse economy that both protects and motivates Nauruans in the uncertain years ahead. The key revenue principles are as follows:

- Explore options of broadening the revenue base in the form of undertaking scoping studies for new tax measures.
- 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, and
- Strengthen relationships and coordination with Donors for sustainable budget support aimed at clear project outcomes.

EXPENDITURE POLICY

The 2023-24 Budget focuses on reinforcing fiscal fundamentals that will provide the baseline for future year planning in the post RPC era. 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 ensuring 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 PERFORMANCE

Like 2021-22, the 2022-23 budget was framed against significant uncertainty as to the future of the RPC and the COVID-19 pandemic. The outturn exceeded expectations with better managed COVID 19 response and on the revenue side, better than expected collections from tax, import duties and non-tax RPC related collections following extension of the RPC arrangements during the year. As a result of new revenue measures, the government was able to pass three supplementary appropriation budgets:

- Supplementary Appropriation Bill (No.1) 2022-23 passed by Parliament on 25 August 2022, recognised additional government revenue of \$22.2 million, and \$22.1 million in expenditure was appropriated, with a surplus balance of \$0.1 million
- Supplementary Appropriation Bill (No.2) 2022-23 passed by Parliament on 8 October 2022, recognised additional government revenue of \$17.7 million, and expenditure of \$17.6 million was appropriated, with a surplus balance of \$0.1 million, and
- Supplementary Appropriation Bill (No.3) 2022-23 passed by Parliament on 12 December 2022, recognised additional government revenue of \$14 million and \$13.9 million in expenditure, with a surplus balance of \$7 thousand.

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

TABLE 1.6: SUPPLEMENTARY APPROPRIATIONS FY 2022-23

Description	2021-22 Preliminary Actual	2022-23 Approved Budget	2022-23 Supp Bill 1	2022-23 Supp Bill 2	2022-23 Supp Bill 3	2022-23 Revised YTD Budget	2022-23 Projected Actual
	\$	\$	\$	\$	\$	\$	\$
Revenue	319,571,262	253,329,350	22,164,742	17,690,828	14,000,000	307,184,920	294,404,741
Expenditure	297,876,666	252,779,965	22,065,304	17,574,590	13,992,768	306,412,627	294,301,984
Balance	21,694,597	549,385	99,438	116,238	7,232	772,293	102,757

The 2022-23 budget aims to maintain a balanced budget and comply with fiscal responsibility ratios being mandated in medium-term strategy. Overall, the 2022-23 budget is expected to conclude with a small surplus bottom-line position.

2023-24 BUDGET PRIORITIES

The Government is determined to take all necessary measures to ensure that the transition to the post RPC environment is handled carefully and thoughtfully. The 2023-24 budget marks the beginning of that formal transition with reduced revenues and activities designed to inform and prepare for the more difficult fiscal challenges to come. We will maintain investments in key areas such as higher ground initiatives, health, education, and infrastructure; We will undertake analysis and parliamentary level discussions on how to minimise the impact and maximise the opportunities presented by this new reality as we seek to build the foundations for a new economy. Accordingly, the FY 2023-24 Budget has been framed around the following priorities:

- Macro-economic and fiscal stability through Responsible economic management
- Cost of living and safety net initiatives to protect the most vulnerable
- Investment in social and economic infrastructure, especially in health and education to ensure delivery of basic services.
- Maximising Donor Assistance in Infrastructure Programs
- Addressing cross-cutting issues such as gender inequality and climate change.

MACROECONOMIC AND FISCAL STABILITY THROUGH RESPONSIBLE ECONOMIC MANAGEMENT

The government remains committed to responsible and disciplined economic management, managing the transition to the post RPC era, 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 2023-24 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 two 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
- Strengthening enforcement and compliance efforts of the National Customs Service with the imminent implementation of the ASYCUDA Systems.
- To support further maturation of Nauru's PFM processes, a PFM Roadmap will be developed by PFTAC after the completion of the PEFA Gender Assessment which serves as a baseline against which to assess reform progress. 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 aimed to improve governance, accountability, and transparency.

- Continued progress in fiscal transparency with quarterly budget reporting, audit, and publication of legacy financial statements. The audit of the FY 2020-21 financial statements is nearing completion. Final queries from the Auditor General Office (AGO) have been received and will be dealt with once budget preparation is complete.
- Collaborating with ADB on Improved Fiscal Sustainability and Social Protection Program that involves a set of mutually agreed policy actions, which once achieved, triggers a \$6.5 million grant as budget support.
- \$17.1 million has been provided in the fiscal cash buffer to provide for consequences of the RPC's move to a contingent state. The funding will be used to provide welfare payments to those whose jobs will be lost and to fund capacity building support to assist in finding new employment or business opportunities under the 'Alternative Pathway' programme proposed to the Government of Australia.

COST OF LIVING AND SAFETY NET

The government will use the FY 2023-24 Budget to protect households and especially the most vulnerable and disadvantaged citizens from the cost-of-living pressures they face. Initiatives in this budget include:

- \$7.0 million has been provided for Nauru Community Housing to support continued investment in improving and increasing Nauru's housing stock under Infrastructure
- \$3.0 million has been provided to the Department of Infrastructure to invest in new house construction as part of Smart Homes initiative
- \$6.6 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 prepaid tariff for up to 200 kw/hrs, supporting reductions in residential tariff rates.
 - In FY 2023-24, the residential prepay lifeline tariff will be further reduced to 17 cents, and maintained pre-pay residential tariff at 47 cents and post-pay residential tariff at 48 cents a kw/hr.
 - Freighter services by Nauru Airlines will continue to be subsidised by the government although reduced by 50%, 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.
 - 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, \$0.7 million 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 increased to \$6.7 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) to 0.5 million. 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 2022-23 initiatives, the 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 Plan:

- \$3.1 million to support the Port Redevelopment Project.
- \$1.8 million is provided to Nauru Rehabilitation Corporation (NRC) to support further land clearing for portion 230
- \$3 million available for the High Ground Initiatives project. Funding will be for a detailed design and quantification plan. farm
- \$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.
- \$0.5 million has been provided through the Department of People Living with Disabilities.
- \$50,000 is provided to the Department of Sports to make renovations to the existing sports complex.
- \$1.2 million has been committed in 2023-24 for the completion work for the new chancery for the Canberra Mission. If construction starts in July it is estimated to take about 12-15 months to complete.
- \$.08 million has been added to the 23/24 budget for installation of the twin-chamber septic tanks.

DONOR ASSISTANCE INFRASTRUCTURE PROGRAMS

The National Sustainable Development Strategy - Funding Analysis projects an amount of \$50,980,385 to go towards the Infrastructure Sector.

- 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 \$5 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 \$1.3M

- Solar Project (USD \$16.9 million): The project includes the construction of a 6 MW 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 6 MW solar power project funded by ADB and Government of Nauru. The project is scheduled for completion by the end of FY 2023-24.

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 improved service delivery.

Measures related to government services in the FY 2023-24 Budget include:

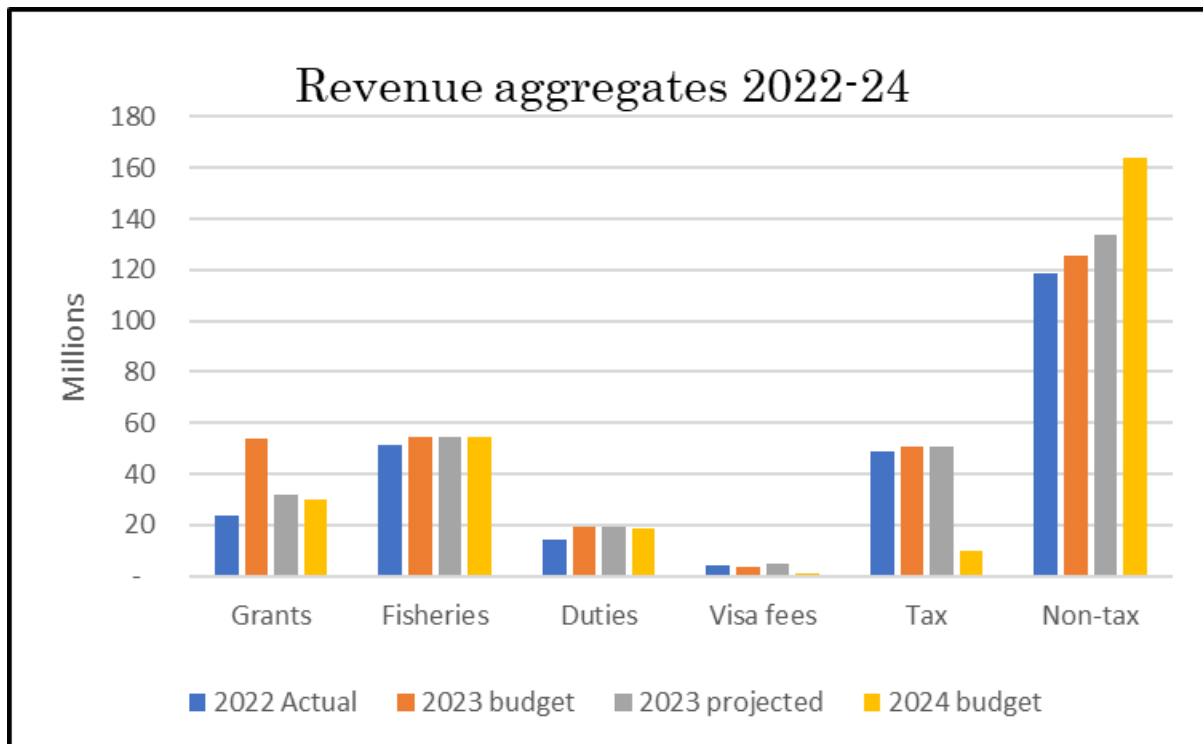
- \$3.1 million is provided for clean and green community clean-up projects
- Measures to improve the efficiency and effectiveness of SOEs including:
 - Continuation of CSOs to recognise the social obligations the government requires of some SOEs.
 - Budget support to low performing entities to raise 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 drawn down on the 1st Tranche amounting to USD \$13.4 million. A second aircraft is expected to be purchased in FY 2023-24, which will draw down the remaining loan balance.

REVENUE

This section provides an overview of revenue expected for FY 2023-24.

Over the years, government revenue collections are highly dependent on RPC activity levels. The challenge for the new FY is the decline in RPC related revenue as Nauru enters into the transition period to Enduring Capability stage, now confirmed to commence from 1 July 2023. The negotiations for the revenue arrangements for the first year have been confirmed and discussions on the second and third year are still ongoing.

CHART 1.3: REVENUE AGGREGATES



Projections indicate Import Duties will slightly drop from current levels heading into FY 2023-24 due to expected reductions in cargo volume but might be offset from additional revenue that are expected as a result of improved compliance from the implementation of ASYCUDA.

Tax has dropped significantly reflecting closure of RPC current active services by 30 June and transition to Enduring Capability, effective July 1.

Non-Tax has increased compared to the current year to account for the new revenue arrangement from the first year of enduring capability along with contributions from the Government of Australia to support the Alternative Pathway program.

TABLE 1.10: REVENUE AGGREGATES

Revenue Description	2021-22	2022-23	2022-23	2022-23	2023-24	Share of
	Preliminary Actual \$	Revised Budget \$	YTD Actual \$	Projected Actual \$	Approved Budget \$	Total Budget %
Grants Dividends Other Financing	41,571,617	53,660,574	23,600,169	31,552,487	30,096,359	11%
Fisheries	58,198,773	54,530,000	51,106,368	54,530,000	54,530,000	20%
Import duties	21,007,457	19,285,128	14,496,581	19,285,128	18,804,412	7%
Visa fees	5,061,886	3,759,196	4,296,659	4,875,520	1,228,503	0%
Tax	58,082,004	50,640,000	48,652,041	50,687,809	9,850,000	4%
Non-Tax	135,649,526	125,310,022	118,677,199	133,473,797	164,128,235	59%
Total Revenue	319,571,262	307,184,920	260,829,017	294,404,741	278,637,509	100%

Revenue curve has been on a decreasing trend and is expected to continue in this pattern going into the new financial year and the next two years. In FY 2021-22 revenue collections were at \$319.6m, the current financial year 2022-23 projected actual is likely to be in the order of \$294.4m and 2023-24 estimates is around \$278.6m.

FISHERIES REVENUE

Fisheries revenue for FY 2023-24 has been maintained at the same level as current financial year 2022-23, lesser than past years collections reflecting the smoothing out of fishing days sales to offset previous years oversales.

TABLE 1.11: FISHERIES REVENUE

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary Actual \$	Revised Budget \$	YTD Actual \$	Projected Actual \$	Approved Budget \$
1055 - Support Vessel Charges	566,692	230,000	232,150	230,000	230,000
1071 - Purse Seine Revenue - Licensing	1,107,804	1,300,000	2,002,597	1,300,000	1,300,000
1072 - Purse Seine Revenue - Fishing Days	56,524,277	53,000,000	48,871,620	53,000,000	53,000,000
Total Fisheries Revenue	58,198,773	54,530,000	51,106,368	54,530,000	54,530,000

TAX REVENUE

Tax revenue collections for FY 2022-23 are expected to reach the set annual target; better than anticipated at the start of the financial year due to the 6-month extension of the RPC arrangement. On the basis that the RPC arrangement under current active status is now confirmed to cease by June 30th, the FY 2023-24 tax revenue has been adjusted accordingly reflecting only 3 months collections plus final tax from RPC corporations for the final quarter.

TABLE 1.12: TAX REVENUE

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary Actual \$	Revised Budget \$	YTD Actual \$	Projected Actual \$	Approved Budget \$
1190 - Telecom Tax	2,662,854	2,500,000	2,547,809	2,547,809	1,250,000
1590 - Employment Services Tax	15,572,949	11,590,000	11,346,032	11,590,000	2,300,000
1591 - Business Profit Tax	39,846,201	36,550,000	34,758,200	36,550,000	6,300,000
Total Tax	58,082,004	50,640,000	48,652,041	50,687,809	9,850,000

CUSTOMS DUTIES

For FY 2022-23, actual Customs duties collections have been largely lower than benchmark, particularly for Tobacco and Others. In FY 2023-24, the government is expected to go live with the new ASYCUDA World System; it is expected that the system will enable better monitoring of cargo movements and improve duty collections through improved compliance and reduction of revenue leakages.

TABLE 1.13: CUSTOMS DUTIES

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
1140 - Customs and Excise Duty - Tobacco	7,577,355	6,696,908	5,675,567	6,696,908	6,403,605
1145 - Customs and Excise Duty - Alcohol	1,924,643	1,540,000	1,145,728	1,540,000	1,241,540
1150 - Customs and Excise Duty - Sugar	1,400,897	1,464,480	780,200	1,464,480	1,565,944
1155 - Customs and Excise - Machinery/Vehicle/Equip	1,728,352	1,586,424	1,083,643	1,586,424	1,588,010
1160 - Customs and Excise Duty - Other	3,957,190	3,894,000	2,819,089	3,894,000	3,897,894
1165 - Customs and Excise Duty - Petrol Sales	2,563,712	2,424,840	1,606,230	2,424,840	2,427,265
1170 - Customs and Excise Duty - Diesel Sales	1,855,307	1,678,476	1,386,123	1,678,476	1,680,154
Total Customs and Excise Duty	21,007,457	19,285,128	14,496,581	19,285,128	18,804,412

VISA REVENUE

Visa fees collections for current FY 2022-23 have surpassed the revised budget and are expected to go even higher, due to the extension of businesses associated with RPC to June 2023 with January to June 2023 invoices yet to be settled. The next FY 2023-24 estimates have been reduced significantly from base again in view of the RPC current active status wind down by June 30.

TABLE 1.14: VISA REVENUE

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
1330 - Visa Check up	840	0	9,224	9,224	10,068
1335 - Visa Fees - RPC	505,000	0	2,100	2,100	0
1575 - Visa Fees (Other Business)	1,749,046	2,838,196	2,259,335	2,838,196	1,218,435
1580 - Visa Fees - RPC Resettlement	2,807,000	921,000	2,026,000	2,026,000	0
Total Visa Fees	5,061,886	3,759,196	4,296,659	4,875,520	1,228,503

GRANTS, DIVIDENDS AND FINANCING

The Government has successfully drawn down on both instalments for the first aircraft of the EXIM loan for the Nauru Airlines Aircraft Replacement program. The projected revenue for FY 2022-23 does not assume receipt of the second tranche of the EXIM loan as Nauru Airlines is still in the process of finalising the procurement for the second aircraft and will only be able to do so in the new financial year.

The ADB policy-based grant will not be received in this financial year contrary to projections due to an outstanding condition that is not able to be met but the funding is now expected to be collected in the new financial year, 2023-24.

TABLE 1.15: DIVIDENDS, GRANTS AND OTHER FINANCING

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary Actual \$	Revised Budget \$	YTD Actual \$	Projected Actual \$	Approved Budget \$
1015 - Income from Investments & Dividends-Others	15,649,509	19,200,000	18,000,000	18,000,000	0
1660 - General Budget Support	9,462,899	18,444,011	5,600,169	10,594,129	13,888,908
1902 - EXIM NAC Loan Proceeds	16,459,209	16,016,563	0	2,958,357	16,207,451
Total Dividends , Grants and Other	41,571,617	53,660,574	23,600,169	31,552,487	30,096,359

NON-TAX REVENUE

Total non-tax revenue collections for FY 2023-24 are higher than FY 2022-23, particularly for the RPC Reimbursable Costs due to a once off funding provision from the Government of Australia to retrain and absorb RPC related workers as part of the Alternative Pathway program, set to commence on July 1. The increase in RPC Reimbursable revenue is also attributable to a decision to defer RPC Reimbursables due from the Government of Australia to 2023-24 to align with approved expenditures for the new year.

Due to the imminent unwinding of the current RPC arrangement, it is no doubt clear that services and business activities on the island will drop from current levels. The scale back effect has been reflected in the 2023-24 estimates for aviation, passenger, and cargo related lines namely quarantine, DCA pax levies, departure taxes and landing fees. Similar approach has been taken for transport related lines such as vehicle and motorcycle registrations and insurance fees.

TABLE 1.16: NON-TAX REVENUE

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
1121 - Curator fees	3,438	0	26,669	0	0
1215 - Licenses-Drivers etc	159,737	70,000	150,952	150,952	100,000
1220 - Corporation Fees and Licenses	553,402	311,424	449,651	449,651	490,524
1225 - Licenses-Trading	300,150	319,464	362,795	362,795	393,168
1230 - Liquor Licensing Board	6,000	6,852	12,508	12,508	13,644
1235 - Gaming / Bingo Licenses	165,300	80,004	41,310	41,310	50,000
1240 - Licenses-Dogs etc	0	73	0	73	5,000
1245 - Drones Licenses	1,000	1,000	300	1,000	1,001
1260 - Birth Certificate	21,250	21,480	30,580	30,580	23,433
1265 - Death Certificate	770	780	770	780	780
1270 - Marriage Certificate	2,455	2,448	4,000	4,000	2,670
1300 - Registration Fees-Motor Cars	155,428	171,744	115,174	171,744	125,112
1305 - Registration Fees-Motorcycles	48,164	49,884	49,722	49,884	54,072
1310 - Vehicle/Insurance Fees	552,110	589,392	514,059	589,392	558,576
1325 - Passport Fees and Photographs	57,923	54,576	172,040	172,040	186,084
1340 - Police Clearance	27,130	25,020	26,290	26,290	25,020
1360 - D.C.A.-Pax Levy	0	921,600	348,025	348,025	379,656
1361 - Fuel Levy	1,735,685	0	0	0	0
1365 - D.C.A.-Departure Taxes	0	873,246	303,300	303,300	330,864
1370 - D.C.A.-Air Navigation Fees	112,882	492,420	245,539	245,539	147,816
1375 - D.C.A.-Landing Fees	11,756	552,195	404,244	404,244	440,988
1380 - D.C.A.-Rental Fees	50,375	73,800	140,147	140,147	137,772
1475 - Miscellaneous Revenue	1,867,738	899,177	923,448	899,177	203,728
1480 - Bus Services	5,000	10,099	3,880	3,880	4,184
1485 - Quarantine Fees	66,965	70,932	137,855	137,855	144,840
1490 - Court Fines and Fees	42,442	52,043	41,389	52,043	43,944
1495 - Service Fees	20,016,444	20,016,504	15,002,021	20,016,504	20,002,004
1500 - Sale of Maps	18,470	18,348	14,610	18,348	15,840
1501 - Sale of Livestock	14,814	18,552	1,700	1,700	1,860
1520 - Food Handler Check up	4,040	4,272	6,538	6,538	6,948
1540 - Advertising Revenue	17,270	19,500	3,233	3,233	3,456
1555 - Spectacles,Drugs etc	220	216	1,820	1,820	1,980
1565 - Medical Services	1,256	1,507	2,055	2,055	3,739
1577 - DJBC - Operations	5,089,226	1,057,755	3,064,559	3,064,559	4,400,000
1578 - DJBC - Reimbursable Costs	18,788,295	3,264,351	10,610,309	10,610,309	63,700,000
1596 - Traffic Infringements	219,805	218,700	124,457	124,457	134,844
1597 - TVET Course Fees	20,930	24,060	10,461	10,461	11,412
1598 - Hosting Fee	84,699,998	94,933,324	84,533,328	94,933,324	71,899,996
1700 - National/District Roll Sales	7,440	5,520	29,910	5,520	5,520
1705 - Electoral Various Fees	804,220	77,760	767,550	77,760	77,760
Total Non Tax	135,649,526	125,310,022	118,677,199	133,473,797	164,128,235

TABLE 1.17: REVENUE BY DEPARTMENT

Description	2021-22 Preliminary Actual	2022-23 Revised Budget	2022-23 YTD Actual	2022-23 Projected Actual	2023-24 Approved Budget
03 - Chief Secretariat	31,505	31,560	48,523	47,868	40,527
09 - Electoral Commission	815,350	84,280	795,660	84,280	84,280
11 - Finance Secretariat	3,500	2,000	0	2,000	0
12 - Finance -Public Debt	16,459,209	16,016,563	0	2,958,357	16,207,451
15 - Nauru Revenue Office	58,407,040	50,790,004	48,844,303	50,799,119	10,000,000
16 - Finance - Other Payments	12,001,092	19,644,011	5,664,068	10,594,129	13,888,908
17 - Nauru Customs Office (NCO)	21,008,457	19,286,128	14,499,921	19,286,128	18,805,413
18 - Nauru Regional Processing Centre (NRPCC) Corporation	20,000,004	0	0	0	0
21 - CIE	5,940	5,000	0	5,000	0
31 - Fisheries	58,325,356	54,530,000	51,497,148	54,530,000	54,530,000
41 - Police	249,298	246,420	153,507	153,447	162,564
42 - Dept of Multi Cultural Affairs	127,227,519	138,176,434	133,468,197	148,636,296	160,000,000
43 - Justice - Secretariat	877,667	630,961	882,961	893,471	888,692
44 - Judiciary	42,442	52,043	41,389	52,043	43,944
45 - Border Control	1,873,954	2,963,704	2,569,230	3,148,091	1,549,359
46 - Correctional Services	14,814	18,552	1,700	1,700	1,860
50 - Directorate of TVET	20,930	24,060	11,227	10,461	11,412
51 - Education	0	0	4,200	0	0
60 - COVID-19 task force	26,950	0	40	0	0
61 - Health	1,064,976	775,639	94,979	789,281	104,923
62 - Sports	2,000	0	0	0	0
83 - Media Bureau	17,270	19,500	3,233	3,233	3,456
84 - Lands & Survey	20,190	18,348	14,610	18,348	15,840
85 - Lands Committee	14,720	16,500	2,020	16,500	2,000
91 - Transport Secretariat	1,050,446	3,849,213	2,223,355	2,370,988	2,287,340
95 - ICT	10,635	4,000	8,745	4,000	9,540
	319,571,263	307,184,920	260,829,017	294,404,741	278,637,509

TABLE 1.18: REVENUE BY NATURAL ACCOUNT

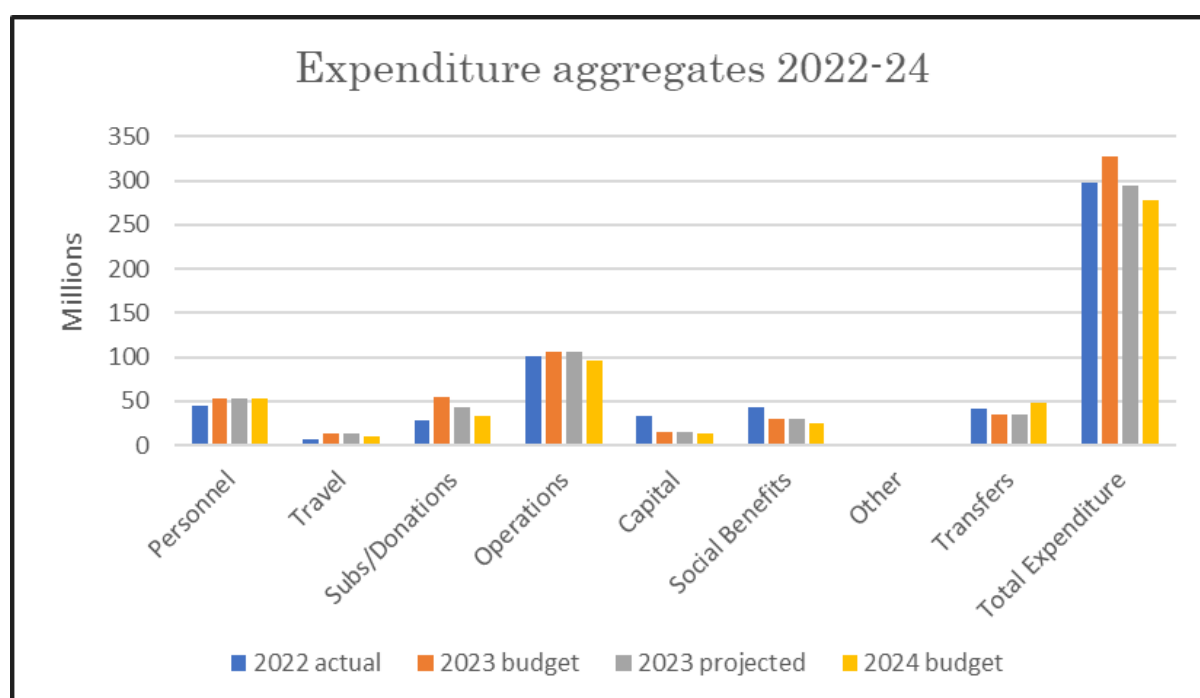
Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary Actual	Revised Budget	YTD Actual	Projected Actual	Approved Budget
1015 - Income from Investments & Dividends-Others	15,649,509	19,200,000	18,000,000	18,000,000	0
1055 - Support Vessel Charges	566,692	230,000	232,150	230,000	230,000
1071 - Purse Seine Revenue - Licensing	1,107,804	1,300,000	2,002,597	1,300,000	1,300,000
1072 - Purse Seine Revenue - Fishing Days	56,524,277	53,000,000	48,871,620	53,000,000	53,000,000
1121 - Curator fees	3,438	0	26,669	0	0
1140 - Customs and Excise Duty - Tobacco	7,577,355	6,696,908	5,675,567	6,696,908	6,403,605
1145 - Customs and Excise Duty - Alcohol	1,924,643	1,540,000	1,145,728	1,540,000	1,241,540
1150 - Customs and Excise Duty - Sugar	1,400,897	1,464,480	780,200	1,464,480	1,565,944
1155 - Customs and Excise - Machinery/Vehicle/Equip.	1,728,352	1,586,424	1,083,643	1,586,424	1,588,010
1160 - Customs and Excise Duty - Other	3,957,190	3,894,000	2,819,089	3,894,000	3,897,894
1165 - Customs and Excise Duty - Petrol Sales	2,563,712	2,424,840	1,606,230	2,424,840	2,427,265
1170 - Customs and Excise Duty - Diesel Sales	1,855,307	1,678,476	1,386,123	1,678,476	1,680,154
1190 - Telecom Tax	2,662,854	2,500,000	2,547,809	2,547,809	1,250,000
1215 - Licenses-Drivers etc	159,737	70,000	150,952	150,952	100,000
1220 - Corporation Fees and Licenses	553,402	311,424	449,651	449,651	490,524
1225 - Licenses-Trading	300,150	319,464	362,795	362,795	393,168
1230 - Liquor Licensing Board	6,000	6,852	12,508	12,508	13,644
1235 - Gaming / Bingo Licenses	165,300	80,004	41,310	41,310	50,000
1240 - Licenses-Dogs etc	0	73	0	73	5,000
1245 - Drones Licenses	1,000	1,000	300	1,000	1,001
1260 - Birth Certificate	21,250	21,480	30,580	30,580	23,433
1265 - Death Certificate	770	780	770	780	780
1270 - Marriage Certificate	2,455	2,448	4,000	4,000	2,670
1300 - Registration Fees-Motor Cars	155,428	171,744	115,174	171,744	125,112
1305 - Registration Fees-Motorcycles	48,164	49,884	49,722	49,884	54,072
1310 - Vehicle/Insurance Fees	552,110	589,392	514,059	589,392	558,576
1325 - Passport Fees and Photographs	57,923	54,576	172,040	172,040	186,084
1330 - Visa Check up	840	0	9,224	9,224	10,068
1335 - Visa Fees - RPC	505,000	0	2,100	2,100	0
1340 - Police Clearance	27,130	25,020	26,290	26,290	25,020
1360 - D.C.A.-Pax Levy	0	921,600	348,025	348,025	379,656
1361 - Fuel Levy	1,735,685	0	0	0	0
1365 - D.C.A.-De parture Taxes	0	873,246	303,300	303,300	330,864
1370 - D.C.A.-Air Navigation Fees	112,882	492,420	245,539	245,539	147,816
1375 - D.C.A.-Landing Fees	11,756	552,195	404,244	404,244	440,988
1380 - D.C.A.-Rental Fees	50,375	73,800	140,147	140,147	137,772
1475 - Miscellaneous Revenue	1,867,738	899,177	923,448	899,177	203,728
1480 - Bus Services	5,000	10,099	3,880	3,880	4,184
1485 - Quarantine Fees	66,965	70,932	137,855	137,855	144,840
1490 - Court Fines and Fees	42,442	52,043	41,389	52,043	43,944
1495 - Service Fees	20,016,444	20,016,504	15,002,021	20,016,504	20,002,004
1500 - Sale of Maps	18,470	18,348	14,610	18,348	15,840
1501 - Sale of Livestock	14,814	18,552	1,700	1,700	1,860
1520 - Food Handler Check up	4,040	4,272	6,538	6,538	6,948
1540 - Advertising Revenue	17,270	19,500	3,233	3,233	3,456
1555 - Spectacles,Drugs etc	220	216	1,820	1,820	1,980
1565 - Medical Services	1,256	1,507	2,055	2,055	3,739
1575 - Visa Fees (Other Business)	1,749,046	2,838,196	2,259,335	2,838,196	1,218,435
1577 - DJBC - Operations	5,089,226	1,057,755	3,064,559	3,064,559	4,400,000
1578 - DJBC - Reimbursable Costs	18,788,295	3,264,351	10,610,309	10,610,309	63,700,000
1580 - Visa Fees - RPC Resettlement	2,807,000	921,000	2,026,000	2,026,000	0
1590 - Employment/Non-resident Withholding Tax	15,572,949	11,590,000	11,346,032	11,590,000	2,300,000
1591 - Business Profit Tax	39,846,201	36,550,000	34,758,200	36,550,000	6,300,000
1596 - Traffic Infringements	219,805	218,700	124,457	124,457	134,844
1597 - TVET Course Fees	20,930	24,060	10,461	10,461	11,412
1598 - Hosting Fee	84,699,998	94,933,324	84,533,328	94,933,324	71,899,996
1660 - General Budget Support	9,462,899	18,444,011	5,600,169	10,594,129	13,888,908
1700 - National/District Roll Sales	7,440	5,520	29,910	5,520	5,520
1705 - Electoral Various Fees	804,220	77,760	767,550	77,760	77,760
1902 - EXIM NAC Loan Proceeds	16,459,209	16,016,563	0	2,958,357	16,207,451
	319,571,262	307,184,920	260,829,017	294,404,741	278,637,509

EXPENDITURE

Expenditure in the FY 2023-24 Budget is expected to be lower than the FY 2022-23 Revised budget which is aligned to the lower revenue base as a result of the unwinding of the current RPC arrangements from July 1 2023 and the need for expenditure restraint to meet the government fiscal balance commitments.

Consistent with the fiscal strategy and expected revenue limit, all departments were advised of operational expenditure ceilings within which to develop the FY 2023-24 Budget. The ceiling that was approved by Cabinet in January 2023 assumed RPC arrangements up to June 2023 followed by commencement of the Enduring Capability from July 1. Any expenditure over the ceiling or any new project proposal were to be supported by a New Project Proposal to enable the 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 \$199 million and at the end of the budget rounds consultations with the Minister, along with New Project Proposals including, approved expenditure totalled \$278.4 million.

TABLE 1.19: EXPENDITURE AGGREGATES

Description	2021-22	2022-23	2022-23	2022-23	2023-24	Share of
	Preliminary	Revised	YTD Actual	Projected	Approved	Total
	Actual	Budget		Actual	Budget	Budget
	\$	\$	\$	\$	\$	%
Personnel	44,037,038	52,361,222	41,718,724	52,361,222	53,438,121	19%
Govt Travel	6,788,217	13,406,501	12,016,109	13,406,501	9,187,833	3%
Subsidies & Donations	28,088,774	53,977,250	41,240,874	42,366,607	33,556,972	12%
Govt Operations	101,583,954	106,208,440	90,548,485	105,708,440	96,530,361	35%
Capital Expenditure	33,305,070	15,583,791	11,596,459	15,583,791	13,240,833	5%
Social Benefits	43,039,716	29,362,028	27,331,381	29,362,028	24,329,407	9%
Other	492,921	762,051	505,958	762,051	777,948	0%
Transfer (Non Expense)	40,540,976	34,751,345	24,295,789	34,751,345	47,361,442	17%
Total Expenditure	297,876,666	306,412,627	249,253,780	294,301,984	278,422,918	100%

PERSONNEL COSTS

Personnel related costs are expected to be higher in FY 2023-24 with increases to almost all the lines, particularly attributable to the 10 percent general wage increase introduced in FY 2022-23 as well as the changed COVID 19 situation on the island. Recruitments, capacity development and training particularly overseas ones that were stalled during the COVID 19 periods have received increased provisions with the view that these will be reinstated.

Salary allowances for Presidency and Members of Parliament have been increased to include super contributions and enable them to make fortnightly deductions toward their retirement savings, like all other employees.

GoN super contributions has been slightly reduced reflecting once off arrears of contributions in the current year 2022-23 not expected to be repeated in 2023-24.

TABLE 1.20: PERSONNEL COSTS

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
2005 - Salaries & Allowances - (MP's)	893,798	952,835	887,537	952,835	1,185,858
2010 - HE Salary & Allowances	101,886	110,286	89,167	110,286	115,537
2015 - Salary - Local	28,047,087	33,190,369	26,601,326	33,190,369	34,046,124
2020 - Salary Expatriate	7,840,371	9,073,552	7,379,102	9,073,552	9,446,013
2025 - Allowances - Staff Contract	2,137,867	1,132,863	953,859	1,132,863	1,448,914
2026 - Directors Fees	44,990	37,200	12,650	37,200	98,900
2031 - Staff Contract - Ministerial	378,336	670,968	492,454	670,968	700,916
2035 - Overtime - local	926,388	1,607,974	1,414,398	1,607,974	1,012,691
2040 - Staff Training	996,225	1,651,912	1,090,348	1,651,912	2,144,219
2041 - Prep & Orientation of Seasonal Workers	9,350	10,000	0	10,000	10,000
2045 - Recruitment	23,135	35,000	23,928	35,000	35,000
2050 - Uniforms & Protective Clothing	506,312	472,395	288,372	472,395	504,736
2072 - Meals and Drinks - Staff	277,012	383,869	278,427	383,869	89,214
2651 - GON Contributions	1,854,281	3,032,000	2,207,156	3,032,000	2,600,000
Total Personnel	44,037,038	52,361,222	41,718,724	52,361,222	53,438,121

GOVERNMENT TRAVEL

Government travel for 2023-24 has been slightly reduced due to lesser travel expectations in the new year. Around 40% of the total travel budget is held within the Presidency and Ministerial department to fund official trips for the President and Ministers.

TABLE 1.21: GOVERNMENT TRAVEL

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
2070 - Travel - Staff	599,694	1,145,556	1,058,897	1,145,556	990,320
2075 - Travel - Business	6,188,523	12,260,945	10,957,212	12,260,945	8,197,513
Total Government Travel	6,788,217	13,406,501	12,016,109	13,406,501	9,187,833

SUBSIDIES AND DONATIONS

Subsidies and donations estimate for 2023-24 has been reduced significantly from the current year reflecting the reclassification of the Sports Federation grants and the Smart Housing allocation which previously were part of the Donations local subhead. The second tranche drawdown of the EXIM loan relating to Nauru Airlines Replacement Program is expected to be finalized in FY 2023-24. Grants to SoEs include a provision for Eigigu Solution Corporation (ESC),

TABLE 1.22: SUBSIDIES AND DONATIONS

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
2376 - Equity Purchases	3,400,618	18,016,563	6,405,920	6,405,920	16,207,451
2614 - Grants to EBU's	1,479,753	2,659,438	2,520,897	2,659,438	2,803,895
2615 - Other Subsidies & Donations	0	24,000	3,180	24,000	0
2616 - Subsidies to SoEs	15,785,253	16,029,967	15,984,598	16,029,967	9,785,385
2617 - Donations - local	7,322,808	15,987,942	15,488,199	15,987,942	1,141,716
2618 - Donations - overseas	100,342	107,143	1,860	107,143	107,063
2619 - Grants to SoEs	0	1,152,197	836,221	1,152,197	12,031,462
2621 - Grants to Sports Federations	0	0	0	0	1,580,000
Total Subsidies & Donations	28,088,774	53,977,250	41,240,874	42,366,607	43,656,972

CAPITAL EXPENDITURE

Capital expenditure is lower in FY 2023-24, reflecting once-off provisions made in 2022-23 not expected to be repeated in 2023-24 relating to COVID 19 and Health capital related works, and various departmental purchases. The new year estimates include a provision for the continuation of the Port project, construction of a new chancery in Canberra and progression of the Higher Ground program.

TABLE 1.23: CAPITAL EXPENDITURE

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
2480 - Medical Equipment	218,668	841,950	646,422	841,950	400,000
2495 - Plant & Equipment Purchases	6,464,380	4,290,811	3,433,444	4,290,811	2,898,039
2496 - Building and Structures	25,206,615	10,263,430	7,340,369	10,263,430	9,632,795
2497 - Land Purchase	842,469	0	0	0	0
2580 - Public Works	572,938	187,600	176,225	187,600	310,000
Total Capital Expenditure	33,305,070	15,583,791	11,596,459	15,583,791	13,240,833

SOCIAL BENEFITS

Overall expenditure on social benefits has been reduced in FY 2023-24, reflecting a smaller investment in Nauru Community Housing and zero allocation for Ex Gratia allowances.

There has been an increase however in the Aged and Disability budget following a decision by the Government to increase allowance rates by an additional \$20 per pensioner per fortnight to assist the vulnerable members of the community mitigate the impact of increasing cost of living on the island.

The Smart Housing project which in the past has been recorded under the Local Donations subhead has been separated and reported as a single line item to avoid confusion and to ensure that the account properly reflects the nature of the expenditure measure.

TABLE 1.24: SOCIAL BENEFITS

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
2220 - Nauru Community Housing	32,218,559	11,447,009	11,446,150	11,447,009	7,500,000
2221 - Smart Housing	0	0	0	0	3,617,207
2390 - Social Welfare - Birth Claims	167,900	192,000	134,600	192,000	168,000
2395 - Social Welfare - Death Claims	151,253	283,000	98,000	283,000	160,000
2396 - Back to School Support	678,615	739,800	704,450	739,800	715,200
2400 - Social Services - Aged Pensions	3,124,900	4,088,640	3,660,605	4,088,640	4,209,920
2405 - Social Services - Super Contributors	71,095	100,000	61,681	100,000	64,844
2420 - Social Services - Disability Payments	1,797,230	2,400,360	2,195,545	2,400,360	2,539,160
2421 - Ex Gratia - Age and Disable	974,800	1,190,000	1,190,000	1,190,000	0
2422 - Ex Gratia SoEs	1,726,400	2,780,600	2,678,900	2,780,600	0
2423 - Ex Gratia Nauru Public Service	0	2,942,800	2,101,600	2,942,800	0
2440 - Scholarships - School & Trade	2,128,964	3,197,819	3,059,849	3,197,819	5,355,076
Total Social Benefits	43,039,716	29,362,028	27,331,381	29,362,028	24,329,407

OTHER

Expenditure in FY 2023-24 under Other is expected to increase slightly reflecting projected increase in Insurance for new staff at the various Foreign Mission Offices. Bank Fees and charges have also been increased to cover increased banking activities due to newly opened bank accounts.

TABLE 25: OTHER

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
2565 - Insurance	362,227	648,826	465,445	648,826	659,439
2570 - Bank Charges	57,574	81,008	40,184	81,008	80,312
2690 - Foreign exchange gains/losses	73,120	32,217	330	32,217	38,197
Total Other	492,921	762,051	505,958	762,051	777,948

NON-EXPENSE ITEMS

Expenditure in FY 2023-24 on non-expense items is higher than FY 2022-23, reflecting an increase in the Fiscal Cash Buffer allocation for contingency purposes and Debt and Repayments Other considering the commencement of repayments for the second aircraft loan.

The FY 2023-24 contribution to the Nauru Trust Fund is set at \$25.9 million of which \$6.8 will be prepaid in 2022-23 leaving a balance of \$19.1 million to be settled in FY 2023-24. The NTF contribution is assessed based on 10.1% of forecast adjusted current year revenue (actual) as of December 2022. This assessment will be finalised in July 2023, following confirmation of actual revenue receipts for the year.

The government again commits to a 5% Ronwan capital redistribution in FY 2023-24 from balances available from the Bank of Nauru liquidation, which will lead to a reduction in the overall Ronwan debt to \$7 million.

A minor provision has also been made for bank book holder payments and is likely to be revisited during the financial year following finalization of the Bank of Nauru Debt consolidation and resolution exercise. This Bank of Nauru debt stock take is supported by ADB and Australia and will help identify unknown bank of Nauru bank account holders, resolve balance 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 provide for consequences of the RPC's move to a contingent state.

TABLE 1.26: NON-EXPENSE ITEMS

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary	Revised	YTD Actual	Projected	Approved
	Actual	Budget		Actual	Budget
	\$	\$	\$	\$	\$
2545 - Debt Repayments - Other	11,500,338	8,958,337	5,336,542	8,958,337	10,198,060
2650 - Trust Fund	25,820,869	24,643,008	17,809,536	24,643,008	19,085,560
2652 - Fiscal Cash Buffer	0	0	0	0	17,077,822
2680 - BON Liquidation- Payment	3,219,769	1,150,000	1,149,711	1,150,000	1,000,000
Total Non-expense items	40,540,976	34,751,345	24,295,789	34,751,345	47,361,442

GOVERNMENT OPERATIONS

Expenditure is lower in 2023-24 on Government Operations, mainly reflecting lower planned expenditure on Overseas Medical Referral, Salaries-other contracts (related to maintenance of the RPC camp sites), and R&M Plant.

TABLE 1.27: GOVERNMENT OPERATIONS

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary Actual \$	Revised Budget \$	YTD Actual \$	Projected Actual \$	Approved Budget \$
2030 - Salaries - Other Contracts	32,337,550	32,033,930	28,601,532	32,033,930	25,418,182
2055 - Consultants fees	3,215,799	3,254,562	2,627,124	3,254,562	4,013,592
2060 - Legal Fees - External	265,920	400,000	220,790	400,000	400,000
2100 - Entertainment	1,267,270	1,284,417	1,001,161	1,284,417	1,209,921
2105 - Official Celebrations	1,074,919	1,426,978	1,358,136	1,426,978	1,256,048
2110 - Protocol	9,395	145,675	73,739	145,675	129,396
2130 - Printing & Stationery	908,367	904,551	635,016	904,551	1,188,041
2132 - TVET Supplies	146,529	170,200	163,822	170,200	170,200
2135 - Stores	468,583	598,101	355,846	598,101	651,762
2136 - Museum Artefacts	3,920	5,750	5,481	5,750	20,000
2155 - House Rental	10,656,710	10,976,604	8,699,321	10,976,604	7,903,619
2160 - Land Rental	8,105,752	8,056,751	7,943,622	8,056,751	7,519,786
2165 - Office Rental	991,884	1,118,305	743,568	1,118,305	1,091,418
2185 - R&M - Buildings	2,051,951	1,726,194	1,222,595	1,726,194	2,523,331
2190 - R&M - Office Equipment	177,404	931,365	822,646	931,365	250,947
2191 - R&M Medical Equipment	43,573	100,000	91,873	100,000	100,000
2195 - R&M - Office Premises	8,413	18,353	7,054	18,353	55,000
2200 - R&M - Motor Vehicles	813,346	863,408	495,753	863,408	727,463
2205 - R&M - Plant	2,837,176	1,593,840	1,531,807	1,593,840	1,670,231
2210 - R&M - Aerodrome	59,982	65,000	38,254	65,000	60,000
2225 - Agricultural Supplies	69,290	64,000	40,894	64,000	57,000
2230 - Publicity and Awareness	77,934	125,383	81,541	125,383	246,750
2275 - Purchase of Petrol	630,628	860,186	593,953	860,186	579,843
2280 - Purchase of Diesel	771,632	932,619	735,546	932,619	636,810
2290 - Purchase of Fuel - Other	10,742	10,793	6,071	10,793	(0)
2315 - Utilities	4,757,054	5,401,136	4,321,838	5,401,136	5,176,558
2330 - Telephone / Internet	2,995,162	2,902,314	2,681,624	2,902,314	2,698,773
2350 - Freight	2,955,351	3,857,360	3,108,669	3,857,360	3,602,000
2370 - Membership Fees & Subscriptions	601,385	1,121,907	866,120	1,121,907	1,323,296
2372 - Nauru Radio Supplies	6,600	5,567	5,567	5,567	5,000
2373 - Media TV Supplies	12,266	217,625	200,768	217,625	46,660
2375 - ICT Supplies	51,951	34,746	23,143	34,746	34,786
2460 - Medical Expenses	43,706	87,563	38,673	87,563	89,742
2461 - Primary Health Care Services	126,672	259,000	144,180	259,000	259,000
2462 - NCD Control & Health Promotion	41,228	43,600	27,158	43,600	43,600
2463 - Environmental Health and Food safe	6,124	20,000	2,566	20,000	20,000
2464 - Management Monitoring & Evaluatic	29,612	30,000	0	30,000	0
2467 - Drugs and Medicines	1,051,655	1,100,000	1,084,049	1,100,000	1,100,000
2468 - Dental Supplies	41,675	50,000	1,023	50,000	50,000
2469 - Dialysis Supplies	349,992	350,000	201,214	350,000	350,000
2471 - Medical Consumable	684,678	500,000	424,130	500,000	800,000
2472 - Laboratory supplies	299,998	1,952,000	1,436,957	1,952,000	450,000
2473 - Radiology Supplies	6,342	25,000	24,650	25,000	25,000
2474 - Clinical Education Supplies	17,035	20,000	0	20,000	20,000
2475 - Overseas Medical Treatment	13,083,400	13,354,356	12,053,574	13,354,356	5,000,000
2560 - Educational Expenses - Special	103,764	203,386	138,113	203,386	269,958
2575 - Local Transport	2,437,666	2,681,777	2,293,902	2,681,777	1,794,745
2585 - Rations	3,915,865	2,455,068	2,398,316	2,455,068	3,894,755
2590 - Correctional Services Supplies	7,530	10,000	9,999	10,000	10,000
2600 - Postage	33,134	23,967	8,681	23,967	25,768
2605 - Library/Periodicals	90,698	0	0	0	1,000
2610 - Survey Supplies	4,018	6,662	1,500	6,662	1,500
2611 - Children Education Toys and Learnin	459,093	857,150	564,232	857,150	416,802
2620 - Lease & Charter Payments	53,188	53,191	41,102	53,191	59,416
2625 - Family Court Expenses	3,300	8,400	7,400	8,400	12,000
2630 - Safe House	91,281	183,130	144,325	183,130	181,750
2700 - Deportee Revomal	0	20,000	1,294	20,000	30,000
2705 - NEAT Scheme	217,860	206,570	196,570	206,570	258,913
2999 - Contingency fund	0	500,000	0	0	500,000
Total Government Operations	101,583,954	106,208,440	90,548,485	105,708,440	86,430,361

TABLE 1.28: EXPENDITURE BY DEPARTMENT

Department	2021-22 Preliminary Actual	2022-23 Revised Budget	2022-23 YTD Actual	2022-23 Projected Actual	2023-24 Approved Budget
01 - Presidency and State House (including GIO)	3,189,144	5,353,393	5,040,893	5,353,393	3,222,966
02 - Ministerial	36,507,680	19,250,440	18,742,494	19,250,440	7,296,348
03 - Chief Secretariat	18,001,965	20,261,240	17,273,113	20,261,240	21,452,636
05 - Audit	265,469	541,935	350,798	541,935	533,198
08 - National Emergency Services	1,877,167	2,252,703	1,938,548	2,252,703	2,303,293
09 - Electoral Commission	503,501	694,527	622,936	694,527	444,304
11 - Finance Secretariat	2,588,750	2,822,381	2,335,651	2,822,381	3,324,056
12 - Finance -Public Debt	0	18,982,665	4,405,920	7,372,022	20,572,177
13 - Bureau of Statistics	153,637	185,875	95,206	185,875	271,759
15 - Nauru Revenue Office	443,558	585,354	439,070	585,354	565,098
16 - Finance - Other Payments	96,065,480	95,772,855	81,953,180	95,272,855	89,673,486
17 - Nauru Customs Office (NCO)	1,108,974	955,773	651,564	955,773	966,465
18 - Nauru Regional Processing Centre (NRPCC) Corporation	1,077,353	1,866,238	1,336,713	1,866,238	845,807
21 - CIE	898,992	1,476,609	1,075,032	1,476,609	1,255,272
22 - Climate Change	1,388,159	2,596,093	2,484,541	2,596,093	4,138,681
31 - Fisheries	3,432,537	3,219,876	2,986,416	3,219,876	3,573,473
41 - Police	5,993,395	5,712,190	5,744,124	5,712,190	6,511,925
42 - Dept of Multi Cultural Affairs	36,752,698	23,113,031	21,151,747	23,113,031	17,667,506
43 - Justice - Secretariat	3,503,137	4,155,665	3,064,690	4,155,665	3,817,668
44 - Judiciary	2,143,982	2,422,175	2,096,718	2,422,175	1,572,684
45 - Border Control	717,066	818,490	589,618	818,490	1,726,665
46 - Correctional Services	965,342	1,323,071	1,057,752	1,323,071	1,178,604
50 - Directorate of TVET	644,381	885,336	673,982	885,336	1,105,465
51 - Education	12,546,753	13,304,651	10,830,663	13,304,651	16,735,833
52 - Youth Affairs	201,597	349,341	230,199	349,341	521,291
60 - COVID-19 task force	10,168,020	11,312,440	7,498,106	11,312,440	0
61 - Health	26,689,893	29,866,735	25,138,485	29,866,735	20,833,752
62 - Sports	2,079,400	1,714,691	1,488,580	1,714,691	2,268,368
63 - Department of Infrastructure Development	4,340,633	4,325,672	3,891,775	4,325,672	12,031,279
71 - Foreign Affairs - Secretariat	1,299,320	1,848,681	1,529,912	1,848,681	1,713,990
72 - Foreign Affairs - Brisbane	846,777	1,116,859	607,089	1,116,859	1,155,186
73 - Foreign Affairs - Suva	535,341	707,200	387,569	707,200	802,731
74 - Foreign Affairs - New York	1,683,682	2,357,590	1,834,153	2,357,590	2,470,514
75 - Foreign Affairs - Taiwan	567,253	744,456	546,048	744,456	788,231
76 - Foreign Affairs- Geneva	313,281	616,183	446,693	616,183	616,183
77 - High Commission India	205,102	1,295,526	787,772	1,295,526	1,466,350
78 - High Commission Canberra	615,780	1,881,354	677,785	1,881,354	2,421,858
81 - Home Affairs	4,226,458	4,406,289	3,958,235	4,406,289	4,212,473
82 - Women's Affairs	1,077,038	1,416,967	1,117,582	1,416,967	1,691,108
83 - Media Bureau	700,120	1,072,411	902,747	1,072,411	1,114,609
84 - Lands & Survey	5,483,093	6,034,056	5,786,652	6,034,056	6,510,094
85 - Lands Committee	401,669	352,082	279,342	352,082	362,344
86 - Department of Land Management	172,952	136,208	103,799	136,208	100,376
87 - Disability Department	164,087	495,645	467,303	495,645	712,682
91 - Transport Secretariat	2,539,935	3,115,998	2,320,445	3,115,998	3,225,493
95 - ICT	2,735,753	2,561,689	2,273,297	2,561,689	2,577,796
97 - Telecom	60,364	131,990	38,840	131,990	70,842
	297,876,666	306,412,627	249,253,780	294,301,984	278,422,918

TABLE 1.29: EXPENDITURE BY NATURAL ACCOUNT

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary Actual	Revised Budget	YTD Actual	Projected Actual	Approved Budget
2005 - Salaries & Allowances - (MP's)	893,798	952,835	887,537	952,835	1,185,858
2010 - HE Salary & Allowances	101,886	110,286	89,167	110,286	115,537
2015 - Salary - Local	28,047,087	33,190,369	26,601,326	33,190,369	34,046,124
2020 - Salary Expatriate	7,840,371	9,073,552	7,379,102	9,073,552	9,446,013
2025 - Allowances - Staff Contract	2,137,867	1,132,863	953,859	1,132,863	1,448,914
2026 - Directors Fees	44,990	37,200	12,650	37,200	98,900
2030 - Salaries Other contracts - Expatriate	32,337,550	32,033,930	28,601,532	32,033,930	25,418,182
2031 - Staff Contract - Ministerial	378,336	670,968	492,454	670,968	700,916
2035 - Overtime - local	926,388	1,607,974	1,414,398	1,607,974	1,012,691
2040 - Staff Training	996,225	1,651,912	1,090,348	1,651,912	2,144,219
2041 - Prep & Orientation of Seasonal Workers	9,350	10,000	0	10,000	10,000
2045 - Recruitment	23,135	35,000	23,928	35,000	35,000
2050 - Uniforms & Protective Clothing	506,312	472,395	288,372	472,395	504,736
2055 - Consultants fees	3,215,799	3,254,562	2,627,124	3,254,562	4,013,592
2060 - Legal Fees - External	265,920	400,000	220,790	400,000	400,000
2070 - Travel - Staff	599,694	1,145,556	1,058,897	1,145,556	990,320
2072 - Meals and Drinks - Staff	277,012	383,869	278,427	383,869	89,214
2075 - Travel - Business	6,188,523	12,260,945	10,957,212	12,260,945	8,197,513
2100 - Entertainment	1,267,270	1,284,417	1,001,161	1,284,417	1,209,921
2105 - Official Celebrations	1,074,919	1,426,978	1,358,136	1,426,978	1,256,048
2110 - Protocol	9,395	145,675	73,739	145,675	129,396
2130 - Printing & Stationery	908,367	904,551	635,016	904,551	1,188,041
2132 - TVET Supplies	146,529	170,200	163,822	170,200	170,200
2135 - Stores	468,583	598,101	355,846	598,101	651,762
2136 - Museum Artefacts	3,920	5,750	5,481	5,750	20,000
2155 - House Rental	10,656,710	10,976,604	8,699,321	10,976,604	7,903,619
2160 - Land Rental	8,105,752	8,056,751	7,943,622	8,056,751	7,519,786
2165 - Office Rental	991,884	1,118,305	743,568	1,118,305	1,091,418
2185 - R&M - Buildings	2,051,951	1,726,194	1,222,595	1,726,194	2,523,331
2190 - R&M - Office Equipment	177,404	931,365	822,646	931,365	250,947
2191 - R&M Medical Equipment	43,573	100,000	91,873	100,000	100,000
2195 - R&M - Office Premises	8,413	18,353	7,054	18,353	55,000
2200 - R&M - Motor Vehicles	813,346	863,408	495,753	863,408	727,463
2205 - R&M - Plant	2,837,176	1,593,840	1,531,807	1,593,840	1,670,231
2210 - R&M - Aerodrome	59,982	65,000	38,254	65,000	60,000
2215 - R&M - Nauruan House	0	0	0	0	0
2220 - Nauru Community Housing	32,218,559	11,447,009	11,446,150	11,447,009	7,500,000
2221 - Smart Housing	0	0	0	0	3,617,207
2225 - Agricultural Supplies	69,290	64,000	40,894	64,000	57,000
2230 - Publicity and Awareness	77,934	125,383	81,541	125,383	246,750
2275 - Purchase of Petrol	630,628	860,186	593,953	860,186	579,843
2280 - Purchase of Diesel	771,632	932,619	735,546	932,619	636,810
2285 - Purchase of JetA1	0	0	0	0	0
2290 - Purchase of Fuel - Other	10,742	10,793	6,071	10,793	(0)
2315 - Utilities	4,757,054	5,401,136	4,321,838	5,401,136	5,176,558
2330 - Telephone / Internet	2,995,162	2,902,314	2,681,624	2,902,314	2,698,773
2350 - Freight	2,955,351	3,857,360	3,108,669	3,857,360	3,602,000
2370 - Membership Fees & Subscriptions	601,385	1,121,907	866,120	1,121,907	1,323,296
2372 - Nauru Radio Supplies	6,600	5,567	5,567	5,567	5,000
2373 - Media TV Supplies	12,266	217,625	200,768	217,625	46,660
2375 - ICT Supplies	51,951	34,746	23,143	34,746	34,786
2376 - Equity Purchases	3,400,618	18,016,563	6,405,920	6,405,920	16,207,451
2390 - Social Welfare - Birth Claims	167,900	192,000	134,600	192,000	168,000
2395 - Social Welfare - Death Claims	151,253	283,000	98,000	283,000	160,000
2396 - Back to School Support	678,615	739,800	704,450	739,800	715,200
2400 - Social Services - Aged Pensions	3,124,900	4,088,640	3,660,605	4,088,640	4,209,920
2405 - Social Services - Super Contributors	71,095	100,000	61,681	100,000	64,844

TABLE 1.29: EXPENDITURE BY NATURAL ACCOUNT - CONTINUED

Description	2021-22	2022-23	2022-23	2022-23	2023-24
	Preliminary Actual	Revised Budget	YTD Actual	Projected Actual	Approved Budget
2420 - Social Services - Disability Payments	1,797,230	2,400,360	2,195,545	2,400,360	2,539,160
2421 - Ex Gratia - Age and Disable	974,800	1,190,000	1,190,000	1,190,000	0
2422 - Ex Gratia SoEs	1,726,400	2,780,600	2,678,900	2,780,600	0
2423 - Ex Gratia Nauru Public Service	0	2,942,800	2,101,600	2,942,800	0
2440 - Scholarships - School & Trade	2,128,964	3,197,819	3,059,849	3,197,819	5,355,076
2460 - Medical Expenses	43,706	87,563	38,673	87,563	89,742
2461 - Primary Health Care Services	126,672	259,000	144,180	259,000	259,000
2462 - NCD Control & Health Promotion	41,228	43,600	27,158	43,600	43,600
2463 - Environmental Health and Food safety	6,124	20,000	2,566	20,000	20,000
2464 - Management Monitoring & Evaluation	29,612	30,000	0	30,000	0
2467 - Drugs and Medicines	1,051,655	1,100,000	1,084,049	1,100,000	1,100,000
2468 - Dental Supplies	41,675	50,000	1,023	50,000	50,000
2469 - Dialysis Supplies	349,992	350,000	201,214	350,000	350,000
2471 - Medical Consumable	684,678	500,000	424,130	500,000	800,000
2472 - Laboratory supplies	299,998	1,952,000	1,436,957	1,952,000	450,000
2473 - Radiology Supplies	6,342	25,000	24,650	25,000	25,000
2474 - Clinical Education Supplies	17,035	20,000	0	20,000	20,000
2475 - Overseas Medical Treatment	13,083,400	13,354,356	12,053,574	13,354,356	5,000,000
2480 - Medical Equipment	218,668	841,950	646,422	841,950	400,000
2495 - Plant & Equipment Purchases	6,464,380	4,290,811	3,433,444	4,290,811	2,898,039
2496 - Buliding & Structures	25,206,615	10,263,430	7,340,369	10,263,430	9,632,795
2497 - Land Purchase	842,469	0	0	0	0
2545 - Debt Repayments - Other	11,500,338	8,958,337	5,336,542	8,958,337	10,198,060
2560 - Educational Expenses - Special	103,764	203,386	138,113	203,386	269,958
2565 - Insurance	362,227	648,826	465,445	648,826	659,439
2570 - Bank Charges	57,574	81,008	40,184	81,008	80,312
2575 - Local Transport	2,437,666	2,681,777	2,293,902	2,681,777	1,794,745
2580 - Public Works	572,938	187,600	176,225	187,600	310,000
2585 - Rations	3,915,865	2,455,068	2,398,316	2,455,068	3,894,755
2590 - Correctional Services Supplies	7,530	10,000	9,999	10,000	10,000
2600 - Postage	33,134	23,967	8,681	23,967	25,768
2605 - Library/Periodicals	90,698	0	0	0	1,000
2610 - Survey Supplies	4,018	6,662	1,500	6,662	1,500
2611 - Children Education Toys and Learning Supp	459,093	857,150	564,232	857,150	416,802
2614 - Grants to EBU's	1,479,753	2,659,438	2,520,897	2,659,438	2,803,895
2615 - Other Subsidies & Donations	0	24,000	3,180	24,000	0
2616 - Subsidies to SoEs	15,785,253	16,029,967	15,984,598	16,029,967	9,785,385
2617 - Donations - local	7,322,808	15,987,942	15,488,199	15,987,942	1,141,716
2618 - Donations - overseas	100,342	107,143	1,860	107,143	107,063
2619 - Grants to SoEs	0	1,152,197	836,221	1,152,197	12,031,462
2620 - Lease & Charter Payments	53,188	53,191	41,102	53,191	59,416
2621 - Grants to Sports Federations	0	0	0	0	1,580,000
2625 - Family Court Expenses	3,300	8,400	7,400	8,400	12,000
2630 - Safe House	91,281	183,130	144,325	183,130	181,750
2650 - Trust Fund	25,820,869	24,643,008	17,809,536	24,643,008	19,085,560
2651 - GON Contributions	1,854,281	3,032,000	2,207,156	3,032,000	2,600,000
2652 - Fiscal Cash Buffer	0	0	0	0	17,077,822
2680 - BON Liquidation- Payment	3,219,769	1,150,000	1,149,711	1,150,000	1,000,000
2690 - Foreign exchange gains/losses	73,120	32,217	330	32,217	38,197
2700 - Deportee Revomal	0	20,000	1,294	20,000	30,000
2705 - NEAT Scheme	217,860	206,570	196,570	206,570	258,913
2999 - Contingency fund	0	500,000	0	0	500,000
	297,876,666	306,412,627	249,253,780	294,301,984	278,422,918

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 with 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 \$11.3 million was 16 May 2022. The second drawdown of USD \$2.04 million occurred on 17 March 2023. The primary loan will be recorded as central government debt (in accordance with the international debt classifications). For the period to 31 December 2022 the loan was serviced by the 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. The MOU between the Government and The Republic of China (Taiwan) for the repayment is under negotiation and is

expected to be signed imminently. As of 30 May, two repayments have been made totalling \$1.0 million.

PUBLIC DEBT LEVELS

The total government debt stock (gross debt) estimated as at 30 June 2023 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						
Australian Dollar (A\$'000)	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Actual	Estimate	Estimate	Estimate
Total External and Internal	195,687.7	61,275.4	42,964.5	35,162.1	54,846.7	46,809.8
As a share of GDP	114%	31%	21%	16%	24%	19%
External	131,226.9	8,214.3	4,623.5	3,963.0	30,481.0	29,277.4
As a share of GDP	77%	4%	2%	2%	13%	12%
Government External Debt	128,296.6	5,284.0	4,623.5	3,963.0	30,481.0	29,277.4
Informal Liabilities (Payment Arrears)	2,930.3	2,930.3	-	-	-	-
Internal	64,460.8	53,061.1	38,341.0	31,199.0	24,365.7	17,532.4
As a share of GDP	38%	27%	18%	14%	11%	7%
Bank of Nauru Liquidation Creditors	64,102.1	53,061.1	38,341.0	31,199.0	24,365.7	17,532.4
Informal Liabilities (Payment Arrears)	358.7	-	-	-	-	-

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 2023 is \$480.2 million, equivalent to 248% of GDP

TABLE 1.31: NET DEBT

Australian Dollar (A\$'000)	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Actual	Actual	Estimate	Estimate
Liabilities in net debt					
Bonds	121,740	-			
Loans	6,557	5,284	19,551	20,124	30,481
Other liabilities (BON & arrears)	67,391	55,991	38,341	31,199	24,366
Total Liabilities in net debt	195,688	61,275	57,892	51,323	54,847
Assets included in net debt					
Cash and deposits	168,968	173,426	232,578	210,000	220,000
Investments (NTF)	142,063	217,848	238,927	297,660	347,993
Lending to SOEs	7,257	7,257	7,257	7,257	7,257
NAC equity (EXIM)	-	-	17,630	16,572	27,118
Total Assets included in net debt	318,288	398,531	496,392	531,489	602,368
Net Debt	(122,601)	(337,255)	(438,501)	(480,166)	(547,521)
As a share of GDP	68%	182%	231%	248%	278%

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 G.O.N 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. Further payments to BON claimants totalling \$1.2 million were made during 2022-23 up to May 2023.

For 2023-24, it is estimated that the BON repayment will amount to \$1 million and may be supplemented during the year depending on the government fiscal and liquidity position, leaving a balance of \$18 million. The government plans to make further payments for Ronwan account holders totalling \$5.8 million in 2023-24.

COSTS AND RISKS OF PUBLIC DEBT

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 continued to rise in 2023 and are expected to rise further over twelve months. 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.

TABLE 1.34: DEBT SERVICING 2021-2025

Instrument	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
						Projected
Original Currency						
Samura i Bond Series B (JPY millions)	-	-	-	-	-	-
Principal Payments	-	N/A	-	-	-	-
Interest Payments	-	-	-	-	-	-
Samura i Bond Series C (JPY millions)	-	-	-	-	-	-
Principal Payments	-	N/A	-	-	-	-
Interest Payments	-	-	-	-	-	-
EXIM Bank China Ronphos (US\$'000)	684.0	616.5	566.9	614.6	548.5	540.2
Principal Payments	500.0	500.0	500.0	500.0	500.0	500.0
Interest Payments	184.0	116.5	66.9	114.6	48.5	40.2
EXIM Bank China - Aircraft (US\$'000)	-	-	-	1,624.8	2,170.8	3,037.1
Principal Payments	-	-	-	1,112.2	1,523.1	2,151.7
Interest Payments	-	-	-	512.6	647.7	885.4
Australian Dollar (A\$'000)						
Samura i Bond Series B	-	1,292.3	-	-	-	-
Principal Payments	-	1,292.3	-	-	-	-
Interest Payments	-	-	-	-	-	-
Samura i Bond Series C	-	2,707.7	-	-	-	-
Principal Payments	-	2,707.7	-	-	-	-
Interest Payments	-	-	-	-	-	-
EXIM Bank China - Ronphos	996.6	814.5	748.8	811.9	725	714
Principal Payments	728.5	660.5	660.5	660.5	660.5	660.5
Interest Payments	268.1	154.0	88.3	151.4	64.1	53.1
EXIM Bank China - Aircraft	-	-	-	2,146.4	2,867.7	4,012.0
Principal Payments	-	-	-	1,469.2	2,012.1	2,842.4
Interest Payments	-	-	-	677.2	855.6	1,169.6
Total:	996.6	4,814.5	748.8	2,958.3	3,592.3	4,725.7
Principal Payments	728.5	4,660.5	660.5	2,129.7	2,672.6	3,502.9
Interest Payments	268.1	154.0	88.3	828.6	919.7	1,222.8
Notes:						
1. The principal & interest payments on EXIM China Ronphos loan are met by equivalent payment under the RONPHOS subsidiary loan agreement						
2. The RONPHOS subsidiary loan agreement will be met from the Republic of China (Taiwan) annual grant to RON until 31 December 2022						
3. The principal & interest payments on EXIM China Aircraft loan are met by equivalent payment under the NAC subsidiary loan agreement						
4. Samura i Bond Series B and C were repaid in full to Firebird on 29 March 2021 with a settlement value of A\$4,000,000						

LIQUIDITY RISK AND CASH BUFFER

The Government of Nauru continued to build up cash balances over the third quarter of FY 2022-23. At the end of April, total funds were \$165.7 million as set out in Table 1.35. The cash buffer requirement of two months of adjusted expenditure was \$36.1 million. Total funds were significantly in excess of the recommended fiscal cash buffer, with \$40.2 million quarantined in separate cash buffer accounts.

TABLE 1.35: CASH BUFFER REQUIREMENTS

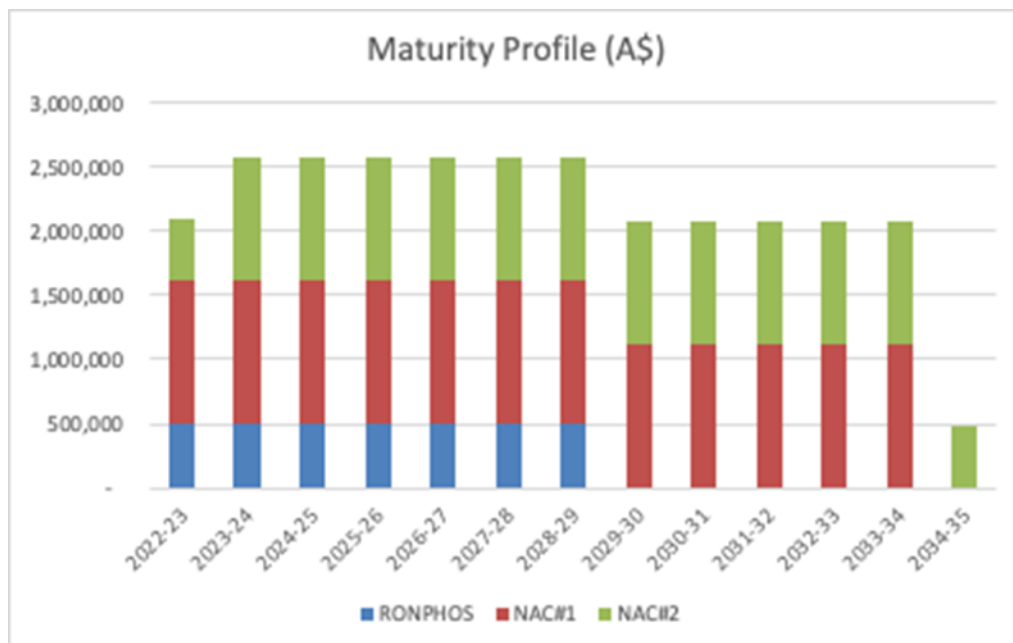
	Requirement (\$)	Total Funds (\$)	
		As at 1 Jul 2022	As at 30 Apr 2023
Cash Buffer at 1 July 2022	36,062,965	139,966,511	
Cash Buffer at 30 April 2023	36,062,965		165,714,817
<i>of which, held in cash buffer accounts</i>		40,109,511	40,186,464

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 the 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 from 2% of GDP to around 13% in FY 2023-24, still well within the set benchmark external debt to GDP of less than 15%.

TABLE 1.36: TOTAL GOVERNMENT EXTERNAL DEBT OUTSTANDING

Instrument	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Actual						Projections				
Original Currency											
Samurai Bond Series B (JPY millions)	4,000	4,000	4,000	-	-	-	-	-			
Samurai Bond Series C (JPY millions)	5,000	5,000	5,000	-	-	-	-	-			
EXIM Bank China - Ronphos (US\$'000)	-	5,000	4,500	4,000	3,500	3,000	2,500	2,000	1,500	1,000	500
EXIM Bank China - Aircraft (US\$'000)				-	11,300	12,234	20,574	20,163	18,084	16,005	13,925
Australian Dollar (A\$'000)											
Samurai Bond Series B	48,999.4	52,968.9	54,106.5	-	-	-	-	-			
Samurai Bond Series C	61,249.3	66,211.1	67,633.2	-	-	-	-	-			
EXIM Bank China - Ronphos	-	7,129.6	6,556.9	5,284.0	4,623.5	3,963.0	3,302.5	2,642.0	1,981.5	1,321.0	660.5
EXIM Bank China - Aircraft				-	14,927.3	16,160.9	27,178.5	26,635.4	23,888.8	21,142.2	18,395.6
Total:	110,248.7	126,309.7	128,296.6	5,284.0	4,623.5	3,963.0	30,481.0	29,277.4	25,870.3	22,463.2	19,056.1
As a share of GDP	66%	76%	75%	3%	2%	2%	13%	12%	10%	9%	7%

SOES AND GOVERNMENT GUARANTEES

The performance of State-owned enterprises (SOEs) is a key fiscal risk for the 2023-24 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.

GOVERNMENT GUARANTEES

There are no existing Government Guarantees to report.

DEBT STRATEGY 2023-28

The Medium-Term Debt Strategy 2023-28 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:

1. 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 two months adjusted non-RPC expenditure

2. 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 %
3. 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
4. Continued resolution of legacy domestic debt and liabilities where fiscal conditions allow
5. Maintenance of a liquidity cash buffer equivalent to a minimum of two months adjusted expenditure

The Debt Strategy assumes 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. This agreement is expected to be signed imminently.

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>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2010	HE Salary & Allowances	101,886	110,286	76,893	115,537
2015	Salary - Local	384,245	445,732	395,469	460,279
2020	Salary Expatriate	-	-	-	180,000
2026	Directors Fees	7,190	5,000	2,350	10,000
2035	Overtime - local	100,864	75,000	59,320	90,000
2050	Uniforms & Protective Clothing	68,968	55,000	49,516	50,000
2070	Travel - Staff	-	-	-	48,000
2075	Travel - Business	-	1,525,000	1,507,601	800,000
2100	Entertainment	236,882	270,000	269,262	150,000
2105	Official Celebrations	329,923	420,000	419,539	400,000
2130	Printing & Stationery	25,000	10,000	9,054	15,000
2135	Stores	20,000	10,000	9,999	15,000
2185	R&M - Buildings	99,999	8,000	6,710	50,000
2200	R&M - Motor Vehicles	4,855	5,000	4,455	10,000
2330	Telephone / Internet	19,706	26,500	25,289	21,000
2495	Plant & Equipment Purchases	162,957	365,100	359,353	200,000
2496	Building and Structures	256,851	176,000	175,762	-
2575	Local Transport	112,290	208,000	183,990	144,000
2617	Donations - local	1,178,963	1,436,000	1,411,020	200,000
Expense Subtotal		3,110,579	5,150,618	4,965,582	2,958,816
Division : 0101 - Nauru Museum					
Expense by Natural Account					
2015	Salary - Local	-	113,705	66,275	97,812
2040	Staff Training	-	-	-	16,338
2055	Consultants fees	-	-	-	19,000
2100	Entertainment	-	-	-	2,000
2105	Official Celebrations	-	-	-	6,200
2130	Printing & Stationery	5,000	7,300	7,262	7,000
2136	Museum Artefacts	3,920	5,750	5,481	20,000
2230	Publicity and Awareness	-	-	-	16,800
2330	Telephone / Internet	2,100	2,520	2,155	3,000
2370	Membership Fees & Subscriptions	-	-	-	1,000
2495	Plant & Equipment Purchases	37,547	40,350	17,142	50,000
2496	Building and Structures	29,998	33,150	33,143	25,000
Expense Subtotal		78,565	202,775	131,457	264,150
Total Expense		3,189,144	5,353,393	5,097,039	3,222,966

The total budget for the Presidency and State House general division is lower in FY 2023-24, reflecting decreases in Travel business, Donations local, Local transport and Local donations.

The Nauru Museum however will receive an increased provision to fund maintenance of heritage sites around the island, upskilling of staff and various community awareness programs.

02 MINISTERIAL

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2005	Salaries & Allowances - (MP's)	893,798	952,835	974,413	1,185,858
2015	Salary - Local	615,711	533,137	527,263	524,212
2020	Salary Expatriate	168,567	180,000	158,656	-
2030	Salaries - Other Contracts	18,269	-	13,798	-
2031	Staff Contract - Ministerial	378,336	670,968	530,373	700,916
2035	Overtime - local	50,000	50,000	49,868	50,000
2055	Consultants fees	466,436	747,400	690,495	530,800
2070	Travel - Staff	4,429	17,000	16,794	-
2075	Travel - Business	105,633	3,361,200	3,326,666	2,900,000
2100	Entertainment	221,998	200,000	149,603	150,000
2130	Printing & Stationery	24,997	25,000	20,893	25,600
2135	Stores	14,999	15,000	14,938	15,000
2185	R&M - Buildings	59,770	67,100	67,031	100,000
2200	R&M - Motor Vehicles	6,500	6,500	2,260	-
2220	Nauru Community Housing	32,187,910	11,097,700	11,097,667	-
2330	Telephone / Internet	241,893	277,600	277,034	37,562
2495	Plant & Equipment Purchases	504,134	750,000	723,364	400,000
2496	Building and Structures	320,999	47,000	46,384	-
2575	Local Transport	223,300	252,000	246,730	176,400
2617	Donations - local	-	-	-	500,000
Expense Subtotal		36,507,680	19,250,440	18,934,230	7,296,348
Total Expense		36,507,680	19,250,440	18,934,230	7,296,348

Overall, the total budget for the Ministerial has dropped to \$7.3 million in FY 2023-24 from \$19.3 million in FY 2022-23, reflecting mainly the transfer of the Nauru Community scheme to the Department of Infrastructure, reduced travel business, local transport, salary expatriate and plant and equipment purchases.

An increase in Staff Contract Ministerial is to cover for two new Chief Staff and Consultancy fees has been increased to engage an International Media Consultant.

The transfer of the Nauru Community Housing program to Infrastructure is in line with Infrastructure's mandate and to ensure that the scheme is coordinated, consistent with Nauru's overall Infrastructure framework.

03 CHIEF SECRETARY

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1230	Liquor Licensing Board	6,000	6,852	12,508	13,644
1260	Birth Certificate	21,250	21,480	31,080	23,433
1265	Death Certificate	770	780	840	780
1270	Marriage Certificate	2,455	2,448	4,100	2,670
1475	Miscellaneous Revenue	1,030	-	2,915	-
Total Revenue		31,505	31,560	51,443	40,527
Division : 0000 - General					
Expense by Natural Account					
2010	HE Salary & Allowances	-	-	20,737	-
Expense Subtotal		-	-	20,737	-
Division : 0801 - Office of the Chief Secretary					
Expense by Natural Account					
2015	Salary - Local	114,358	310,096	153,544	175,629
2035	Overtime - local	-	3,719	1,622	-
2075	Travel - Business	-	6,440	3,440	-
2100	Entertainment	13,996	15,276	12,516	26,000
2130	Printing & Stationery	2,978	14,060	10	3,500
2135	Stores	1,650	12,424	1,515	2,000
2330	Telephone / Internet	80	781	781	1,550
Expense Subtotal		133,062	362,796	173,427	208,679
Division : 0802 - Administration					
Expense by Natural Account					
2015	Salary - Local	609,439	685,370	601,745	678,489
2020	Salary Expatriate	24,425	26,000	22,325	26,000
2030	Salaries - Other Contracts	7,483,314	8,634,322	7,710,171	8,766,920
2050	Uniforms & Protective Clothing	20,000	-	-	-
2070	Travel - Staff	-	20,000	11,687	20,000
2072	Meals and Drinks - Staff	1,400	2,400	621	2,400
2100	Entertainment	703	2,000	280	2,000
2130	Printing & Stationery	8,702	8,703	1,350	3,000
2135	Stores	19,971	30,000	5,771	10,000
2155	House Rental	4,185,348	4,171,126	4,114,654	6,220,717
2185	R&M - Buildings	129,994	250,000	177,528	250,000
2200	R&M - Motor Vehicles	615,702	550,000	385,810	400,000
2275	Purchase of Petrol	540,781	650,000	497,337	400,000
2280	Purchase of Diesel	727,595	873,864	700,792	600,000
2315	Utilities	1,702,503	1,970,987	1,790,698	1,870,987
2330	Telephone / Internet	1,227	2,520	892	2,520
2495	Plant & Equipment Purchases	50,000	100,000	-	-
2575	Local Transport	48,040	110,000	109,760	20,000
Expense Subtotal		16,169,145	18,087,291	16,131,423	19,273,032
Division : 0803 - Birth/Death/Marriages					
Expense by Natural Account					
2015	Salary - Local	120,733	119,126	119,746	121,937
2035	Overtime - local	888	2,500	2,500	2,500
2050	Uniforms & Protective Clothing	40	530	530	1,000
2100	Entertainment	600	1,176	1,176	2,700
2130	Printing & Stationery	21,806	16,464	14,517	17,000
2135	Stores	1,860	2,000	1,126	2,000
2165	Office Rental	11,550	19,800	19,800	19,800
2495	Plant & Equipment Purchases	8,626	10,730	10,730	12,000
Expense Subtotal		166,102	172,326	170,125	178,937

Division : 0304 - Human Resource					
Expense by Natural Account					
2015	Salary - Local	568,861	410,039	343,624	462,188
2020	Salary Expatriate	111,038	125,000	106,636	125,000
2035	Overtime - local	7,804	15,000	15,938	15,000
2040	Staff Training	189,260	354,548	133,050	519,359
2045	Recruitment	23,135	35,000	23,928	35,000
2050	Uniforms & Protective Clothing	-	5,728	-	6,000
2055	Consultants fees	15,335	36,000	35,635	39,000
2070	Travel - Staff	-	10,000	9,491	13,000
2100	Entertainment	680	2,400	1,094	1,400
2105	Official Celebrations	18,830	30,000	30,000	30,000
2130	Printing & Stationery	6,170	12,400	3,113	6,000
2135	Stores	1,855	5,000	2,382	2,500
2165	Office Rental	72,000	72,000	-	-
2190	R&M - Office Equipment	371	1,000	-	1,000
2330	Telephone / Internet	3,957	5,320	4,272	3,568
2370	Membership Fees & Subscriptions	-	1,000	-	-
2440	Scholarships - School & Trade	270,627	395,200	258,874	499,200
2495	Plant & Equipment Purchases	232,935	123,192	7,437	33,773
2575	Local Transport	10,800	-	-	-
Expense Subtotal		1,533,656	1,638,827	975,475	1,791,988
Total Expense		18,001,965	20,261,240	17,471,188	21,452,636

There is a slight increase to the Chief Secretary's total budget for FY 2023-24 reflecting increases to:

- Salaries other contracts to accommodate the need to extend security to new expatriate houses and new office premises not previously covered;
- House rental to cater for the transfer of the Budapest accommodation budget from Taskforce
- Staff training to bring the allocation level back to pre-COVID as more students are now able to resume studies.

05 AUDIT

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	73,294	117,763	80,143	122,113
2020	Salary Expatriate	111,660	220,000	117,402	190,000
2050	Uniforms & Protective Clothing	1,665	1,260	160	2,260
2070	Travel - Staff	16,202	53,090	31,327	62,600
2075	Travel - Business	-	52,945	52,926	79,355
2100	Entertainment	1,894	2,000	1,996	2,500
2105	Official Celebrations	1,000	3,000	1,908	3,500
2130	Printing & Stationery	2,786	3,180	1,379	3,280
2135	Stores	1,746	2,000	1,997	3,100
2165	Office Rental	37,800	40,950	34,950	39,600
2185	R&M - Buildings	-	500	-	1,000
2190	R&M - Office Equipment	510	1,400	220	1,400
2315	Utilities	7,683	12,335	10,401	9,780
2330	Telephone / Internet	-	1,000	-	-
2370	Membership Fees & Subscriptions	6,329	5,762	4,960	6,230
2495	Plant & Equipment Purchases	2,900	24,750	23,805	6,480
Expense Subtotal		265,469	541,935	363,574	533,198
Total Expense		265,469	541,935	363,574	533,198

The Total budget for Audit is slightly lesser in FY 2023-24, reflecting reductions to Plant and Equipment purchases, more than offset increases to travel staff, salary local and others.

08 NATIONAL EMERGENCY

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2496	Building and Structures	-	257,392	257,392	-
Expense Subtotal		-	257,392	257,392	-
Division : 0801 - Office of the Secretary and Administration					
Expense by Natural Account					
2015	Salary - Local	1,127,559	1,466,603	1,322,034	1,473,343
2030	Salaries - Other Contracts	482	-	-	-
2035	Overtime - local	219,681	250,000	249,920	250,000
2040	Staff Training	-	1,000	1,000	4,000
2050	Uniforms & Protective Clothing	-	-	-	2,850
2055	Consultants fees	22,100	24,000	24,000	20,000
2072	Meals and Drinks - Staff	1,672	1,000	1,000	1,000
2075	Travel - Business	-	41,000	24,194	80,000
2100	Entertainment	-	-	-	6,000
2105	Official Celebrations	2,450	4,000	3,880	4,000
2130	Printing & Stationery	877	2,253	2,253	8,000
2135	Stores	240	-	-	-
2185	R&M - Buildings	-	2,339	2,339	10,800
2190	R&M - Office Equipment	29,183	-	-	5,000
2200	R&M - Motor Vehicles	5,037	6,000	4,748	6,000
2330	Telephone / Internet	-	6,264	5,847	6,000
2370	Membership Fees & Subscriptions	45,000	21,736	21,736	40,000
2495	Plant & Equipment Purchases	7,800	-	741	-
2496	Building and Structures	42,492	-	-	-
Expense Subtotal		1,504,572	1,826,195	1,663,693	1,916,993
Division : 0802 - Fire and Rescue Department					
Expense by Natural Account					
2015	Salary - Local	107,523	-	43,609	-
2050	Uniforms & Protective Clothing	68,108	4,750	4,750	25,000
2072	Meals and Drinks - Staff	-	5,000	5,000	5,000
2100	Entertainment	-	9,000	7,181	1,000
2135	Stores	397	2,000	1,477	2,000
2185	R&M - Buildings	49,721	-	-	200,000
2200	R&M - Motor Vehicles	77,959	36,595	36,595	80,000
2205	R&M - Plant	-	1,707	1,707	2,000
2315	Utilities	35,237	35,000	28,060	35,000
2330	Telephone / Internet	7,040	-	-	-
2495	Plant & Equipment Purchases	-	69,568	63,599	20,000
Expense Subtotal		345,986	163,620	191,978	370,000
Division : 0803 - Nauru Lifeguard Division					
Expense by Natural Account					
2015	Salary - Local	10,117	-	-	-
2050	Uniforms & Protective Clothing	4,614	263	-	1,000
2072	Meals and Drinks - Staff	-	3,000	3,000	3,000
2105	Official Celebrations	-	500	500	500
2205	R&M - Plant	-	3,433	3,433	3,500
Expense Subtotal		14,730	7,196	6,933	8,000

Division : 0804 - Ambulance Division					
Expense by Natural Account					
2015	Salary - Local	6,055	-	5,124	-
2050	Uniforms & Protective Clothing	1,836	-	-	-
2072	Meals and Drinks - Staff	-	300	300	300
2100	Entertainment	-	500	-	500
2135	Stores	-	-	-	500
2205	R&M - Plant	-	-	-	500
Expense Subtotal		7,891	800	5,424	1,800
Division : 0805 - Meteorology					
Expense by Natural Account					
2015	Salary - Local	3,988	-	1,510	-
2072	Meals and Drinks - Staff	-	500	500	500
2130	Printing & Stationery	-	-	-	500
2135	Stores	-	-	-	500
2205	R&M - Plant	-	-	3,000	5,000
Expense Subtotal		3,988	-	2,010	6,500
Division : 8101 - Office of the Secretariat					
Expense by Natural Account					
Expense Subtotal		-	-	-	-
Total Expense		1,877,167	2,252,703	2,127,430	2,303,293

The total budget for NES is slightly higher in FY 2023-24 than FY 2022-23, mainly reflecting an increase in provisions for membership fees, R&M motor vehicle to cover essential servicing of fire trucks and business travel to enable staff to undertake safety and rescue training in Australia.

A new allocation of \$0.2m has been provided to cover for the extension of the RFS building to accommodate growing staff numbers and ensure better service outcomes.

09 NATIONAL ELECTORAL COMMISSION (NEC)

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	3,690	1,000	200	1,000
1700	National/District Roll Sales	7,440	5,520	29,910	5,520
1705	Electoral Various Fees	804,220	77,760	765,550	77,760
Total Revenue		815,350	84,280	795,660	84,280
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	240,607	269,229	251,581	271,151
2030	Salaries - Other Contracts	54,205	151,125	150,780	2,000
2035	Overtime - local	1,845	11,500	9,771	3,000
2040	Staff Training	475	1,500	1,100	1,500
2050	Uniforms & Protective Clothing	10,670	-	-	-
2055	Consultants fees	7,760	7,120	7,120	6,960
2072	Meals and Drinks - Staff	15,872	52,425	49,857	1,000
2075	Travel - Business	-	16,000	12,231	24,000
2100	Entertainment	3,584	1,600	1,198	1,600
2130	Printing & Stationery	8,548	2,150	-	1,000
2135	Stores	3,446	5,993	5,534	2,993
2165	Office Rental	32,400	32,400	29,700	32,400
2185	R&M - Buildings	2,856	3,000	2,574	1,000
2190	R&M - Office Equipment	1,886	2,000	-	2,000
2200	R&M - Motor Vehicles	5,892	7,250	816	1,750
2230	Publicity and Awareness	20,111	18,060	12,660	35,000
2275	Purchase of Petrol	-	1,690	1,587	290
2315	Utilities	21,897	15,821	10,177	23,400
2330	Telephone / Internet	34,828	33,660	25,247	31,260
2495	Plant & Equipment Purchases	32,729	53,944	47,202	2,000
2575	Local Transport	3,890	8,060	7,740	-
Expense Subtotal		503,501	694,527	626,873	444,304
Total Expense		503,501	694,527	626,873	444,304

The total budget for NEC is lesser in FY 2023-24 than FY 2022-23, reflecting it is not an Election year. Huge reductions in the Salaries Other contracts more than offset increases to salary local, travel business and publicity and awareness. The increase to Publicity and awareness is to enable the Department to undertake a program to enhance voter awareness and civic education.

11 FINANCE – SECRETARIAT

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	3,500	2,000	-	-
Total Revenue		3,500	2,000	-	-
Division : 0000 - General					
Expense by Natural Account					
Expense Subtotal		-	-	-	-
Division : 1101 - Treasury Division					
Expense by Natural Account					
2015	Salary - Local	259,235	464,922	363,905	474,046
2020	Salary Expatriate	259,849	247,400	222,339	280,400
2035	Overtime - local	10,528	35,000	26,812	20,000
2040	Staff Training	2,820	11,000	4,955	28,600
2055	Consultants fees	1,288,221	1,225,019	1,122,224	1,539,480
2070	Travel - Staff	17,881	43,660	41,415	70,000
2075	Travel - Business	12,760	30,000	29,687	39,000
2100	Entertainment	193,699	141,250	72,212	124,000
2130	Printing & Stationery	2,701	11,280	4,116	5,710
2135	Stores	4,168	8,200	6,106	4,200
2185	R&M - Buildings	41,176	10,150	7,150	103,000
2190	R&M - Office Equipment	2,222	5,500	387	5,500
2330	Telephone / Internet	2,694	6,600	5,560	6,000
2370	Membership Fees & Subscriptions	16,807	18,776	315	18,776
2495	Plant & Equipment Purchases	18,290	65,419	57,211	12,000
2496	Building and Structures	108,862	-	-	-
2570	Bank Charges	32,788	48,000	31,648	48,000
2600	Postage	34	2,000	-	2,000
Expense Subtotal		2,274,738	2,374,176	1,996,043	2,780,712
Division : 1102 - Plannind and Aid Division					
Expense by Natural Account					
2015	Salary - Local	111,306	162,516	118,653	272,617
2040	Staff Training	99,096	15,000	13,808	15,000
2050	Uniforms & Protective Clothing	-	-	-	4,160
2075	Travel - Business	-	65,000	64,731	35,400
2100	Entertainment	11,364	6,000	5,991	8,000
2105	Official Celebrations	-	10,000	2,708	10,000
2130	Printing & Stationery	704	4,500	2,497	4,500
2135	Stores	500	2,000	1,994	3,200
2185	R&M - Buildings	-	20,000	18,445	1,000
2230	Publicity and Awareness	-	14,400	14,150	14,400
2330	Telephone / Internet	1,884	1,884	1,762	3,768
2495	Plant & Equipment Purchases	-	33,940	31,757	45,570
Expense Subtotal		224,854	335,240	276,496	417,615
Division : 1103 - Social Services Divisions					
Expense by Natural Account					
2015	Salary - Local	52,759	76,565	84,655	86,329
2050	Uniforms & Protective Clothing	-	-	-	2,000
2130	Printing & Stationery	2,000	2,000	917	3,000
2135	Stores	2,800	2,000	1,882	2,000
2165	Office Rental	30,000	30,000	27,500	30,000
2230	Publicity and Awareness	1,600	2,400	1,638	2,400
Expense Subtotal		89,159	112,965	116,592	125,729
Total Expense		2,588,750	2,822,381	2,389,131	3,324,056

The total budget for Finance Secretariat is higher in FY 2023-24, reflecting increased provisions for:

- Staff Training,
- Consultancy fee
- Building and Structure and R&M building for the extension of the Treasury Office

\$120,000 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 in the past two years to progress key Public Financial Management Reform initiatives including the completion of the Public Expenditure and Financial Accountability (PEFA) assessment, 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. Some of these initiatives have been somewhat stalled now due to staffing constraints following departure of key expatriate staff but are expected to be picked up again when recruitment is finalized, in the new financial year.

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 has been finalized by PFTA and the department is in the process of finalising a reform roadmap based on recommendations of the report to steer the PFM priorities for the short to medium term.

Three ADB funded projects that commenced in past years relating to Improving State Owned Enterprise Governance Project for instance is well underway with the new Division being fully operational with a director and two junior staff. Two other ADB projects pertaining to a Debt Stocktake and Reconciliation of Bank of Nauru liquidation are expected to be finalized in the new financial year 2023-24.

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

The 2023-24 estimates for Public Debt include the remainder of the loan that is likely to be drawn down during the first half of the new financial year, 2023-24 to facilitate purchase of the second aircraft.

In FY 2022-23, the government has fully drawn down on the balance of the Aircraft Loan from Exim for the purchase of the first aircraft. Two loan repayments have been made thus far, the first in November 2022 and second in May 2023, supported by ROC Taiwan.

13 BUREAU OF STATISTICS

The total budget for the Bureau of Statistics has increased in FY 2023-24, in view of the Nauru 2023 Household Income and Expenditure Survey (HIES) project that the Statistics will be coordinating. The HIES will complement the 10-year full-scale Census and household and income survey, completed in FY 2021-22, and will provide the necessary economic and statistical information necessary for fiscal analysis, forecasting and decision making.

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	87,873	146,337	96,847	137,891
2030	Salaries - Other Contracts	9,770	18,200	-	35,810
2040	Staff Training	5,620	320	-	7,800
2050	Uniforms & Protective Clothing	1,000	3,809	462	3,029
2055	Consultants fees	-	-	-	-
2075	Travel - Business	-	-	-	29,875
2100	Entertainment	284	600	598	3,400
2130	Printing & Stationery	2,097	2,361	1,098	3,020
2135	Stores	3,086	1,020	-	414
2190	R&M - Office Equipment	-	1,000	1,000	1,000
2230	Publicity and Awareness	27,090	1,423	140	1,500
2330	Telephone / Internet	1,745	1,884	1,884	4,680
2495	Plant & Equipment Purchases	15,072	7,921	-	6,684
2575	Local Transport	-	1,000	-	36,657
Expense Subtotal		153,637	185,875	102,029	271,759
Total Expense		153,637	185,875	102,029	271,759

15 NAURU REVENUE OFFICE (NRO)

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1190	Telecom Tax	2,662,854	2,500,000	2,547,809	1,250,000
1215	Licenses-Drivers etc	159,737	70,000	151,867	100,000
1235	Gaming / Bingo Licenses	165,300	80,004	41,310	50,000
1590	Employment/Non-resident Withholding	15,572,949	11,590,000	11,380,053	2,300,000
1591	Business Profit Tax	39,846,201	36,550,000	34,758,200	6,300,000
Total Revenue		58,407,040	50,790,004	48,879,239	10,000,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	286,004	375,704	268,813	322,598
2035	Overtime - local	7,588	7,000	6,485	7,000
2040	Staff Training	1,777	2,740	500	2,500
2050	Uniforms & Protective Clothing	3,993	2,386	2,386	4,000
2075	Travel - Business	-	28,905	28,695	27,500
2100	Entertainment	200	250	250	500
2130	Printing & Stationery	16,172	17,914	17,741	20,000
2135	Stores	4,498	4,260	4,250	4,500
2165	Office Rental	48,000	81,000	74,000	84,000
2190	R&M - Office Equipment	460	2,500	2,356	3,000
2195	R&M - Office Premises	881	-	-	-
2315	Utilities	19,452	25,000	22,145	43,000
2330	Telephone / Internet	399	1,500	1,038	1,500
2370	Membership Fees & Subscriptions	30,539	33,928	33,885	35,000
2495	Plant & Equipment Purchases	23,593	2,267	2,235	10,000
Expense Subtotal		443,558	585,354	464,779	565,098
Total Expense		443,558	585,354	464,779	565,098

The total budget for Nauru Revenue Office is slightly lower in FY 2023-24, reflecting reduction in salary more than offset increases to Utilities, Printing and Stationery and Plant and Equipment purchases.

16 FINANCE – OTHER PAYMENTS

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1015	Income from Investments & Dividends-Others	649,509	1,200,000	-	-
1361	Fuel Levy	1,735,685	-	-	-
1475	Miscellaneous Revenue	152,999	-	63,899	-
1660	General Budget Support	9,462,899	18,444,011	5,600,169	13,888,908
Total Revenue		12,001,092	19,644,011	5,664,068	13,888,908
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	4,450	-	-	-
2030	Salaries - Other Contracts	758,575	540,000	462,500	540,000
2075	Travel - Business	3,736,043	2,670,977	2,276,636	200,000
2205	R&M - Plant	2,742,754	1,500,000	1,500,000	1,500,000
2350	Freight	2,624,284	3,600,000	3,280,185	3,600,000
2376	Equity Purchases	3,400,618	2,000,000	2,000,000	-
2390	Social Welfare - Birth Claims	167,900	192,000	135,800	168,000
2395	Social Welfare - Death Claims	151,253	283,000	100,000	160,000
2396	Back to School Support	678,615	739,800	704,350	715,200
2400	Social Services - Aged Pensions	3,124,900	4,088,640	3,660,605	4,209,920
2405	Social Services - Super Contributors	71,095	100,000	61,681	64,844
2420	Social Services - Disability Payments	1,797,230	2,400,360	2,195,545	2,539,160
2421	Ex Gratia - Age and Disable	974,800	1,190,000	1,190,000	-
2422	Ex Gratia SoEs	1,726,400	2,780,600	2,678,900	-
2423	Ex Gratia Nauru Public Service	-	2,942,800	2,273,200	-
2496	Building and Structures	10,630,206	4,855,833	3,482,528	4,958,904
2497	Land Purchase	842,469	-	-	-
2545	Debt Repayments - Other	11,500,338	5,992,235	5,336,542	5,833,334
2565	Insurance	74,766	100,000	87,467	100,000
2614	Grants to EBUs	1,479,753	2,659,438	2,520,897	2,803,895
2616	Subsidies to SoEs	15,785,253	16,029,967	15,984,598	9,785,385
2617	Donations - local	2,798,860	10,530,000	10,519,213	100,000
2618	Donations - overseas	100,000	100,000	-	100,000
2619	Grants to SoEs	-	1,152,197	836,221	12,031,462
2650	Trust Fund	25,820,869	24,643,008	17,809,536	19,085,560
2651	GON Contributions	1,854,281	3,032,000	2,251,822	2,600,000
2652	Fiscal Cash Buffer	-	-	-	17,077,822
2680	BON Liquidation- Payment	3,219,769	1,150,000	1,149,711	1,000,000
2999	Contingency fund	-	500,000	-	500,000
Expense Subtotal		96,065,480	95,772,855	82,497,937	89,673,486
Total Expense		96,065,480	95,772,855	82,497,937	89,673,486

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, 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 2023-24, mainly reflecting reductions to Donations Local, SOE subsidies, Travel Business, NTF and GoN super contributions.

The Trust Fund contributions for next year is assessed based on 10.1% of the current year (2022-23) total forecast revenue less pass through and this will be revised in August 2023 after the confirmation of actual 2022-23 collections.

The government has completed its required Port cash contributions in FY 2020-21 as required under the Port Project Agreement with ADB. However, there are still in-kind contributions in FY 2023-24 relating to the Relocation of Location residences, Aggregate for construction works, NRC support for diesel mechanics, PMU, and other Port related costs.

Recipients under the Social welfare Aged and Disabled group will receive an additional \$20 per fortnight whilst Birth and Death benefits are expected to be maintained at the current levels.

Key expenditure measures in Head 16 include:

- \$19.1 million for the Nauru Trust Fund (\$6.8 million to be pre-paid in FY 2022-23, with 2023-24 allocation totalling \$25.9 million);
- \$5 million has been provided under the Building and Structure to provide for government in-kind contributions toward Port project costs, including relocation, purchase of aggregate and other project costs;
- \$1.8 million has been provided to complete the rehabilitation work for Portion 230.
- \$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 for capital re-distribution to account holders,
- \$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 continued reliability of fuel supply on the island.

2616 – SUBSIDIES TO SOEs

The FY 2022-23 Budget acknowledges the need for the government to continue fiscal support to State Owned Enterprises (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 framework seeks to compensate SOE's 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 being delivered to the public as requested by the government.

The FY 2023-24 Budget includes provision for the continuation of the Community Service Obligation (CSO) agreements for the following:

- \$2.6 million provided to Nauru Utilities Corporation to continue provision of the affordable electricity through a prepay lifeline tariff for 17 cents per kw/hr up to 200 kw/hr of power per month.
- \$2.3 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.
- \$1.7 million to Nauru Port and Maritime Authority (NMPA) to ensure ongoing support to importers through affordable Port charges, by holding Stevedoring and Wharf charges at

below commercial 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. There has been a slight decrease in Port CSO allocation from current level due to the anticipated drop in cargo demand.

Other CSO related measures in Head 16 include:

- \$3.2 million to NMPA for hiring tug-boats to support shipping operations, primarily fuel and phosphate voyages. This is a temporary cover until the new Port becomes operational.

Grant Funding has also been allocated in FY 2023-24 to support State Owned Entities operations as follows:

- \$10.1 million to Eigigu Solutions Corporation to support RPC related operations under the Enduring Capability program to maintain services at a contingent ready state, able to be reactivated in the case of new arrivals
- \$0.3 million to Nauru Tourism Corporation
- \$0.2 million to Nauru Sports Inc
- \$0.4 million to Nauru Phosphate and Royalty Trust (NPRT)
- \$0.4 million to Nauru Fibre Cable Corporation (NFCC)
- \$0.7 million to Nauru Postal Services

\$2.8 million in Grant is provided to the Office of Parliamentary Services for operational support operations for FY 2023-24, which is a slight increase of \$0.1m from the current allocation.

17 NAURU CUSTOMS OFFICE (NCO)

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1140	Customs and Excise Duty - Tobacco	7,577,355	6,696,908	5,937,767	6,403,605
1145	Customs and Excise Duty - Alcohol	1,924,643	1,540,000	1,156,092	1,241,540
1150	Customs and Excise Duty - Sugar	1,400,897	1,464,480	796,865	1,565,944
1155	Customs and Excise - Machinery/Vehicle	1,728,352	1,586,424	1,087,124	1,588,010
1160	Customs and Excise Duty - Other	3,957,190	3,894,000	2,853,981	3,897,894
1165	Customs and Excise Duty - Petrol Sales	2,563,712	2,424,840	1,606,230	2,427,265
1170	Customs and Excise Duty - Diesel Sales	1,855,307	1,678,476	1,387,719	1,680,154
1245	Drones Licenses	1,000	1,000	300	1,001
1475	Miscellaneous Revenue	-	-	3,040	-
Total Revenue		21,008,457	19,286,128	14,829,118	18,805,413
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	380,094	526,919	393,980	482,902
2030	Salaries - Other Contracts	10,192	14,400	600	14,000
2035	Overtime - local	10,684	24,000	16,292	24,000
2040	Staff Training	4,506	13,659	13,438	35,000
2050	Uniforms & Protective Clothing	3,500	9,550	6,690	5,000
2055	Consultants fees	280,798	193,860	180,577	254,078
2075	Travel - Business	-	23,059	19,381	14,559
2100	Entertainment	8,275	10,900	9,036	5,000
2130	Printing & Stationery	2,822	8,202	3,395	3,202
2135	Stores	6,378	7,190	2,285	2,190
2165	Office Rental	140,745	76,533	21,000	93,600
2190	R&M - Office Equipment	-	18,567	17,067	1,500
2230	Publicity and Awareness	-	1,500	1,141	5,000
2315	Utilities	7,200	7,200	-	7,200
2330	Telephone / Internet	4,302	2,884	1,828	1,884
2370	Membership Fees & Subscriptions	10,000	10,000	10,000	10,000
2495	Plant & Equipment Purchases	239,478	7,350	4,075	7,350
Expense Subtotal		1,108,974	955,773	700,784	966,465
Total Expense		1,108,974	955,773	700,784	966,465

2023-24 estimates for the Nauru Customs Office are around the same level as in the current financial year, reflecting Business as Usual. The Automated SYstems for CUstoms Data (ASYCUDA) project is anticipated to be commissioned by July 1. The ASYCUDA budget has therefore been reduced accordingly from 12 months to now 3.

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 funding for NCO includes a provision to engage a new Customs Auditor.

18 NAURU REGIONAL PROCESSING CENTRE CORPORATION (NRPCC)

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1495	Service Fees	20,000,004	-	-	-
Total Revenue		20,000,004	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	340,157	477,950	419,342	457,485
2025	Allowances - Staff Contract	67,100	78,000	65,904	19,200
2040	Staff Training	1,870	290,680	165,800	-
2055	Consultants fees	-	5,000	5,000	-
2072	Meals and Drinks - Staff	-	5,470	140	-
2075	Travel - Business	-	187,810	118,841	10,000
2105	Official Celebrations	375	10,000	6,550	10,000
2130	Printing & Stationery	7,520	11,520	6,590	7,520
2165	Office Rental	-	-	-	36,000
2200	R&M - Motor Vehicles	350	3,000	-	-
2275	Purchase of Petrol	22,247	41,264	19,159	-
2280	Purchase of Diesel	3,892	10,764	1,535	-
2315	Utilities	-	28,000	2,588	20,582
2330	Telephone / Internet	43,384	41,418	27,718	17,640
2495	Plant & Equipment Purchases	20,056	32,682	25,050	6,500
2570	Bank Charges	284	480	315	480
2575	Local Transport	565,618	613,200	469,000	260,400
2615	Other Subsidies & Donations	-	24,000	3,180	-
2617	Donations - local	4,500	5,000	-	-
Expense Subtotal		1,077,353	1,866,238	1,336,713	845,807
Total Expense		1,077,353	1,866,238	1,336,713	845,807

The total budget for NRPCC is lower in FY 2023-24, mainly reflecting reductions to local transport and travel business due to the winding down of the RPC activity as arrangements moved to Enduring capability arrangements.

21 DEMA

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	5,940	5,000	-	-
Total Revenue		5,940	5,000	-	-
Division : 2101 - Administration/Secretariat					
Expense by Natural Account					
2015	Salary - Local	218,280	171,186	308,310	129,316
2020	Salary Expatriate	20	-	-	-
2040	Staff Training	1,434	600	-	2,000
2050	Uniforms & Protective Clothing	2,500	2,500	2,450	2,500
2055	Consultants fees	24,000	15,173	15,173	17,000
2072	Meals and Drinks - Staff	2,485	-	-	-
2075	Travel - Business	-	221,475	195,400	210,000
2100	Entertainment	1,715	4,500	4,092	4,000
2105	Official Celebrations	9,877	17,000	15,335	17,500
2130	Printing & Stationery	2,993	3,000	2,860	3,000
2135	Stores	5,985	6,000	4,218	6,000
2185	R&M - Buildings	3,824	5,000	4,773	15,000
2190	R&M - Office Equipment	188	1,000	-	1,000
2205	R&M - Plant	-	3,000	-	1,000
2330	Telephone / Internet	-	3,725	3,585	5,040
2370	Membership Fees & Subscriptions	32,957	29,674	12,387	29,674
2495	Plant & Equipment Purchases	17,818	12,800	9,789	10,500
2575	Local Transport	38,400	39,600	39,600	48,000
Expense Subtotal		362,474	536,233	617,973	501,530
Division : 2102 - Agriculture					
Expense by Natural Account					
2015	Salary - Local	195,306	311,464	164,576	316,519
2030	Salaries - Other Contracts	-	12,500	7,500	-
2035	Overtime - local	8,480	14,543	14,000	9,408
2040	Staff Training	1,987	2,500	2,197	5,400
2050	Uniforms & Protective Clothing	4,044	5,800	4,735	5,400
2100	Entertainment	5,800	6,800	6,690	5,800
2105	Official Celebrations	7,133	7,200	7,000	7,200
2185	R&M - Buildings	6,865	5,404	5,404	7,500
2225	Agricultural Supplies	38,990	24,000	22,344	21,000
2230	Publicity and Awareness	3,792	3,950	3,950	3,950
2315	Utilities	2,510	2,700	2,479	4,450
2330	Telephone / Internet	-	3,000	-	-
2495	Plant & Equipment Purchases	8,740	1,000	370	-
2496	Building and Structures	131,260	14,000	13,996	-
2617	Donations - local	-	1,316	1,286	22,316
Expense Subtotal		414,906	410,177	256,527	408,943
Division : 2105 - Environment					
Expense by Natural Account					
2015	Salary - Local	31,797	135,289	33,238	161,299
2030	Salaries - Other Contracts	-	-	-	50,000
2040	Staff Training	1,050	2,000	940	2,000
2100	Entertainment	6,800	6,000	3,510	6,800
2105	Official Celebrations	3,499	3,500	400	3,500
2230	Publicity and Awareness	7,700	1,800	-	1,800
2617	Donations - local	39,000	381,610	213,285	119,400
Expense Subtotal		89,846	530,199	251,372	344,799
Total Expense		867,226	1,476,609	1,125,871	1,255,272

The total budget for DEMA is slightly lower in FY 2023-24 than FY 2022-23, due to the once off Concrete Septic Tanks (pilot project) not expected to be repeated in the new budget. An allocation has been provided for the installation of the Twin Chamber Septic tanks which were purchased from the current year 2022-23 budget. 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.

22 Climate Change and Resilience

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Expense by Natural Account					
2015	Salary - Local	588	8,467	-	-
Expense Subtotal		588	8,467	-	-
Division : 2104 - Climate Change					
Expense by Natural Account					
2015	Salary - Local	12,310	-	26,314	-
Expense Subtotal		12,310	-	26,314	-
Division : 2201 - Secretariat Division					
Expense by Natural Account					
2015	Salary - Local	84,212	75,834	87,572	75,834
2020	Salary Expatriate	15,898	-	-	-
2030	Salaries - Other Contracts	-	4,030	4,030	-
2035	Overtime - local	-	-	-	5,000
2040	Staff Training	97,832	86,500	86,500	101,000
2050	Uniforms & Protective Clothing	8,524	4,515	950	3,515
2055	Consultants fees	20,000	31,000	31,000	60,000
2070	Travel - Staff	6,255	7,360	7,360	15,000
2075	Travel - Business	29,671	255,450	246,896	250,000
2100	Entertainment	19,382	10,000	9,265	10,000
2105	Official Celebrations	3,801	3,850	3,850	10,000
2130	Printing & Stationery	2,568	4,295	4,295	9,000
2135	Stores	3,908	4,000	3,806	4,000
2185	R&M - Buildings	109,890	5,870	5,870	15,000
2330	Telephone / Internet	8,025	3,000	2,997	9,334
2370	Membership Fees & Subscriptions	4,335	713	713	1,800
2495	Plant & Equipment Purchases	122,900	7,000	5,288	4,900
2575	Local Transport	4,520	-	-	-
Expense Subtotal		541,722	503,417	500,392	574,383
Division : 2202 - Climate Change Division					
Expense by Natural Account					
2015	Salary - Local	41,217	47,361	22,888	54,007
2040	Staff Training	430	-	-	-
2100	Entertainment	2,800	-	-	3,000
2105	Official Celebrations	1,850	-	-	-
2230	Publicity and Awareness	400	500	100	3,000
2330	Telephone / Internet	3,587	3,000	3,000	1,100
2495	Plant & Equipment Purchases	-	-	-	4,000
Expense Subtotal		50,284	50,861	25,988	65,107
Division : 2203 - Energy Division					
Expense by Natural Account					
2015	Salary - Local	6,459	16,625	175	27,524
2020	Salary Expatriate	8,855	70,000	61,790	70,000
2040	Staff Training	430	-	-	-
2055	Consultants fees	20,000	20,000	20,000	-
2100	Entertainment	1,700	1,000	1,000	3,000
2105	Official Celebrations	1,850	2,080	2,080	-
2190	R&M - Office Equipment	-	-	-	1,000
2330	Telephone / Internet	2,220	3,000	2,520	3,000
2495	Plant & Equipment Purchases	-	-	-	-
Expense Subtotal		41,513	112,705	87,565	104,524

Division : 2204 - Water Division					
Expense by Natural Account					
2015	Salary - Local	60,658	83,343	74,580	87,989
2055	Consultants fees	20,000	18,684	18,684	-
2075	Travel - Business	-	40,000	15,141	-
2100	Entertainment	200	1,000	449	3,000
2105	Official Celebrations	1,850	2,000	2,000	-
2230	Publicity and Awareness	-	-	-	3,000
2330	Telephone / Internet	2,747	3,000	2,995	3,000
2495	Plant & Equipment Purchases	574,427	1,000	999	-
2496	Building and Structures	-	-	-	15,000
2617	Donations - local	-	-	-	200,000
Expense Subtotal		659,881	149,027	114,847	311,989
Division : 2205 - Higher Ground Initiative					
Expense by Natural Account					
2015	Salary - Local	50,000	27,807	10,025	59,678
2035	Overtime - local	-	-	-	5,000
2040	Staff Training	-	-	-	-
2055	Consultants fees	29,420	11,000	10,999	-
2100	Entertainment	-	-	-	10,000
2105	Official Celebrations	-	3,000	3,000	-
2230	Publicity and Awareness	-	-	-	5,000
2330	Telephone / Internet	2,441	3,000	3,000	3,000
2496	Building and Structures	-	1,726,809	1,726,809	3,000,000
Expense Subtotal		81,860	1,771,616	1,753,833	3,082,678
Total Expense		1,388,159	2,596,093	2,508,938	4,138,681

The total budget for Climate Change is significantly higher in FY 2023-24, mainly reflecting increased provision for the next stage of the Higher Ground Initiative project (HGI 2) covering amongst other things the detailed finalization of site plans.

The department will continue the Foreign Mission Internship program with the next year's trainee expected to be seconded to the Nauru India High Commission in Delhi.

31 FISHERIES

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1055	Support Vessel Charges	566,692	230,000	232,150	230,000
1071	Purse Seine Revenue - Licensing	1,107,804	1,300,000	2,002,597	1,300,000
1072	Purse Seine Revenue - Fishing Days	56,524,277	53,000,000	48,871,620	53,000,000
1475	Miscellaneous Revenue	126,584	-	392,631	-
Total Revenue		58,325,356	54,530,000	51,498,998	54,530,000
Division : 3101 - Ministerial & Board					
Expense by Natural Account					
2015	Salary - Local	52,878	54,334	53,873	56,476
2026	Directors Fees	19,200	12,200	2,500	12,700
2075	Travel - Business	-	-	-	246,652
2100	Entertainment	14,497	-	-	11,800
2105	Official Celebrations	188,122	186,000	172,603	91,250
2330	Telephone / Internet	2,170	2,520	2,340	2,520
Expense Subtotal		276,866	255,054	231,316	421,398
Division : 3102 - Corporate Section					
Expense by Natural Account					
2015	Salary - Local	324,214	342,846	340,159	367,991
2030	Salaries - Other Contracts	1,655	5,600	2,416	5,600
2035	Overtime - local	-	1,000	-	3,000
2050	Uniforms & Protective Clothing	5,500	5,500	5,500	5,500
2075	Travel - Business	-	415,301	415,301	384,640
2130	Printing & Stationery	3,745	10,191	10,191	9,621
2135	Stores	4,737	7,678	6,565	4,793
2185	R&M - Buildings	84,383	12,200	6,496	12,200
2190	R&M - Office Equipment	4,210	8,340	1,555	7,700
2200	R&M - Motor Vehicles	49,724	39,000	38,027	38,000
2290	Purchase of Fuel - Other	10,742	10,793	6,071	0
2315	Utilities	107,567	141,177	73,280	213,650
2330	Telephone / Internet	83,688	91,992	91,107	91,992
2370	Membership Fees & Subscriptions	63,887	246,100	232,513	458,422
2495	Plant & Equipment Purchases	1,223,826	546,049	541,290	0
2496	Building and Structures	-	-	-	284,526
2600	Postage	588	600	469	-
Expense Subtotal		1,968,466	1,884,366	1,770,940	1,887,635
Division : 3103 - Oceanic Fisheries Section					
Expense by Natural Account					
2015	Salary - Local	186,280	179,927	179,927	187,715
Expense Subtotal		186,280	179,927	179,927	187,715
Division : 3104 - Coastal Fisheries Section					
Expense by Natural Account					
2015	Salary - Local	501,222	489,243	489,243	507,727
2020	Salary Expatriate	180,000	180,000	150,000	180,000
2040	Staff Training	26,970	-	-	-
2070	Travel - Staff	6,000	6,000	6,000	6,000
2100	Entertainment	12,432	18,000	6,362	18,000
2130	Printing & Stationery	1,855	5,000	728	3,000
2185	R&M - Buildings	9,848	-	-	-
2205	R&M - Plant	9,510	16,800	16,800	16,800
2275	Purchase of Petrol	5,000	5,000	-	5,000
2495	Plant & Equipment Purchases	109,815	-	-	-
2565	Insurance	14,000	14,000	14,000	15,500
Expense Subtotal		876,652	734,043	683,133	752,027

Division : 3105 - Policy & Legal Section					
Expense by Natural Account					
2015	Salary - Local	36,420	31,500	31,500	33,000
Expense Subtotal		36,420	31,500	31,500	33,000
Division : 3106 - Nauru National Fisheries Observer Program					
Expense by Natural Account					
2015	Salary - Local	29,141	15,465	15,465	27,614
2025	Allowances - Staff Contract	25,997	91,032	90,885	208,064
2040	Staff Training	12,587	17,500	10,577	17,500
2185	R&M - Buildings	17,333	-	-	-
2330	Telephone / Internet	-	2,520	-	2,520
2495	Plant & Equipment Purchases	-	2,000	-	2,000
2565	Insurance	2,794	4,469	4,469	32,000
2600	Postage	-	2,000	-	2,000
Expense Subtotal		87,852	134,986	121,396	291,698
Total Expense		3,432,537	3,219,876	3,018,211	3,573,473

The total budget for Fisheries is higher in FY 2023-24, mainly reflecting salary increases to align with the government pay raise, Allowances Staff contract (Observer fees) and Membership fees.

41 POLICE

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1340	Police Clearance	27,130	25,020	26,890	25,020
1475	Miscellaneous Revenue	2,363	2,700	2,760	2,700
1596	Traffic Infringements	219,805	218,700	125,357	134,844
Total Revenue		249,298	246,420	155,007	162,564
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	4,858,793	4,554,824	5,128,687	5,557,489
2020	Salary Expatriate	-	-	-	-
2030	Salaries - Other Contracts	4,582	26,600	23,050	9,600
2035	Overtime - local	178,489	130,000	119,512	130,000
2040	Staff Training	3,369	47,320	45,590	19,000
2050	Uniforms & Protective Clothing	94,296	94,550	71,409	100,000
2072	Meals and Drinks - Staff	8,779	6,000	5,983	10,000
2075	Travel - Business	185,348	265,068	266,140	200,000
2100	Entertainment	18,493	3,500	3,383	4,000
2105	Official Celebrations	29,884	39,000	38,905	33,000
2130	Printing & Stationery	29,811	26,990	26,635	16,990
2135	Stores	12,720	34,280	24,985	9,280
2185	R&M - Buildings	59,134	88,699	77,391	74,000
2190	R&M - Office Equipment	1,600	5,000	2,650	5,000
2205	R&M - Plant	9,491	19,500	11,380	9,500
2230	Publicity and Awareness	9,801	1,200	1,000	10,200
2275	Purchase of Petrol	-	11,608	6,608	33,120
2315	Utilities	195,567	232,051	184,082	255,996
2330	Telephone / Internet	4,621	5,880	2,451	5,880
2495	Plant & Equipment Purchases	263,637	37,170	35,553	27,170
2496	Building and Structures	23,900	81,250	1,250	-
2575	Local Transport	1,080	1,700	1,670	1,700
Expense Subtotal		5,993,395	5,712,190	6,078,315	6,511,925
Total Expense		5,993,395	5,712,190	6,078,315	6,511,925

Expenditure for Police is higher in 2023-24, mainly reflecting increases to Salaries, and Utilities more than offset reductions to Staff training and Stores. The increase in Salaries is attributable to Police undertaking massive recruitment of Police Protective Services personnel (PPS) to manage new security sites around the island.

42 MULTICULTURAL AFFAIRS (MCA)

<i>Natural_Account</i>	<i>Description</i>	2021-22 Prior Year Actual	2022-23 Revised Budget	2022-23 Actual + Commitment	2023-24 Proposed Budget
Revenue by Natural Account					
1015	Income from Investments & Dividends-Others	15,000,000	18,000,000	18,000,000	-
1335	Visa Fees - RPC	505,000	-	-	-
1475	Miscellaneous Revenue	338,000	-	234,000	-
1495	Service Fees	-	20,000,004	15,000,001	20,000,004
1577	DJBC - Operations	5,089,226	1,057,755	3,064,559	4,400,000
1578	DJBC - Reimbursable Costs	18,788,295	3,264,351	10,610,309	63,700,000
1580	Visa Fees - RPC Resettlement	2,807,000	921,000	2,026,000	-
1598	Hosting Fee	84,699,998	94,933,324	84,533,328	71,899,996
Total Revenue		127,227,519	138,176,434	133,468,197	160,000,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	995,917	1,042,800	955,754	1,012,900
2020	Salary Expatriate	826,011	1,402,333	1,325,231	1,004,000
2030	Salaries - Other Contracts	18,483,027	15,569,076	14,371,706	11,339,193
2040	Staff Training	-	30,000	20,550	30,000
2050	Uniforms & Protective Clothing	26,980	16,000	3,949	35,000
2055	Consultants fees	4,923	-	-	-
2060	Legal Fees - External	-	-	-	50,000
2070	Travel - Staff	-	15,000	14,496	60,000
2075	Travel - Business	190,891	450,000	363,986	300,000
2100	Entertainment	72,459	85,000	55,008	75,000
2130	Printing & Stationery	4,349	14,350	9,465	16,350
2135	Stores	4,320	11,783	9,632	10,000
2155	House Rental	228,863	425,650	264,075	430,175
2160	Land Rental	3,204,835	2,648,323	2,638,305	1,638,238
2185	R&M - Buildings	211,467	240,000	205,795	400,000
2190	R&M - Office Equipment	23,997	13,000	9,490	34,000
2315	Utilities	213,875	199,185	163,562	150,622
2330	Telephone / Internet	157,501	155,531	144,868	197,928
2495	Plant & Equipment Purchases	317,336	35,000	27,603	30,000
2496	Building and Structures	11,000,000	-	-	-
2575	Local Transport	785,448	760,000	676,650	854,100
2617	Donations - local	500	-	-	-
Expense Subtotal		36,752,698	23,113,031	21,260,126	17,667,506
Total Expense		36,752,698	23,113,031	21,260,126	17,667,506

The total budget for MCA is \$17.7 million in 2023-24, \$3.6 million lower than current year, mainly reflecting reductions to Salary-Other contract, Land rental, Salary Expatriate, more than offset increases to Telephone and Internet and Local transport.

The funding allocation relating to land rentals relating to gifted RPC sites have been transferred to the Lands and Survey department so as provisions related to security and utilities now transferred to the Chief Secretary department.

43 JUSTICE

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1110	Fisheries Revenue - Other	-	16	-	-
1121	Curator fees	3,438	-	34,803	-
1220	Corporation Fees and Licenses	553,418	311,424	449,651	490,524
1225	Licenses-Trading	300,150	319,464	366,770	393,168
1240	Licenses-Dogs etc	-	73	-	5,000
1475	Miscellaneous Revenue	20,677	-	39,746	-
1575	Visa Fees (Other Business)	-	-	2,100	-
1705	Electoral Various Fees	-	-	2,000	-
Total Revenue		877,667	630,961	895,070	888,692
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	528,681	556,481	453,955	658,313
2020	Salary Expatriate	1,774,339	1,693,000	1,418,049	1,568,000
2026	Directors Fees	4,200	-	-	-
2030	Salaries - Other Contracts	312,000	312,660	288,660	46,000
2035	Overtime - local	7,571	-	-	-
2040	Staff Training	9,079	38,769	34,784	31,000
2050	Uniforms & Protective Clothing	17,000	17,690	16,835	35,000
2055	Consultants fees	-	10,000	-	10,000
2060	Legal Fees - External	265,920	340,000	220,790	350,000
2070	Travel - Staff	31,685	49,737	42,615	57,500
2075	Travel - Business	37,995	439,590	389,265	350,000
2100	Entertainment	56,000	65,000	48,648	139,000
2130	Printing & Stationery	58,670	25,000	8,986	33,879
2135	Stores	24,305	17,446	16,759	15,446
2185	R&M - Buildings	122,591	17,612	12,612	2,650
2190	R&M - Office Equipment	4,665	5,280	5,280	5,405
2200	R&M - Motor Vehicles	1,000	4,000	440	-
2330	Telephone / Internet	7,249	14,320	14,320	5,648
2370	Membership Fees & Subscriptions	22,992	41,056	8,258	66,056
2495	Plant & Equipment Purchases	126,894	232,447	61,469	39,000
2575	Local Transport	35,550	32,850	32,850	57,850
2605	Library/Periodicals	54,750	-	-	-
Expense Subtotal		3,503,137	3,912,938	3,074,574	3,470,747
Division : 4301 - Financial Intelligence Unit (FIU)					
Expense by Natural Account					
2015	Salary - Local	-	20,220	12,978	48,212
2020	Salary Expatriate	-	31,769	61,115	75,000
2075	Travel - Business	-	25,000	13,244	25,000
2100	Entertainment	-	5,000	5,000	5,000
2130	Printing & Stationery	-	14,500	12,893	-
2370	Membership Fees & Subscriptions	-	12,558	12,558	13,792
2495	Plant & Equipment Purchases	-	28,731	-	-
Expense Subtotal		-	137,778	114,648	167,004
Division : 4302 - Dog Management Unit (DMU)					
Expense by Natural Account					
2015	Salary - Local	-	29,729	4,760	106,287
2050	Uniforms & Protective Clothing	-	2,600	2,350	14,600
2100	Entertainment	-	1,000	1,000	2,000
2130	Printing & Stationery	-	-	-	3,670
2135	Stores	-	16,770	14,347	16,730
2200	R&M - Motor Vehicles	-	-	-	2,500
2330	Telephone / Internet	-	-	-	4,500
2495	Plant & Equipment Purchases	-	54,850	7,018	24,630
2496	Building and Structures	-	-	-	5,000
Expense Subtotal		-	104,949	29,475	179,917
Total Expense		3,503,137	4,155,665	3,218,696	3,817,668

The total budget for Justice has been reduced in FY 2023-24, mainly reflecting reductions to Salary, Other Contracts (Expatriate Houses securities), and Legal Fees.

The Pacific Islands Legal Officers Network (PILON) is a regional body for the annual meetings of top-ranking law officers, including Attorney Generals, Solicitor General, Secretary for Justice, Director of Public Prosecutions, and others to discuss matters of regional legal interest and greater cooperation amongst regional countries in the area of Law and Justice. Nauru is hosting this get together in 2024, after a lapse of 30 years. It is expected that more than 100 people will travel to Nauru for this meeting and a budget of \$0.2 million has been allocated to host the event.

44 JUDICIARY

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1490	Court Fines and Fees	42,442	52,043	41,504	43,944
Total Revenue		42,442	52,043	41,504	43,944
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	231,662	358,281	211,871	288,457
2020	Salary Expatriate	332,404	302,500	292,018	292,500
2025	Allowances - Staff Contract	662,479	694,303	623,132	669,050
2030	Salaries - Other Contracts	102,000	104,000	102,990	104,000
2035	Overtime - local	-	-	-	5,000
2050	Uniforms & Protective Clothing	3,248	3,535	979	3,535
2070	Travel - Staff	34,502	20,648	8,246	27,600
2075	Travel - Business	13,119	85,000	44,675	60,000
2100	Entertainment	13,853	13,080	13,079	5,000
2105	Official Celebrations	11,245	16,300	16,264	14,000
2130	Printing & Stationery	46,245	5,000	4,425	12,151
2135	Stores	7,582	6,146	5,777	4,131
2185	R&M - Buildings	162,927	-	-	3,500
2190	R&M - Office Equipment	1,409	698,506	698,406	900
2205	R&M - Plant	13,120	-	-	-
2330	Telephone / Internet	426	6,156	4,519	16,380
2495	Plant & Equipment Purchases	440,864	13,720	13,719	25,000
2575	Local Transport	27,650	86,600	86,000	28,480
2605	Library/Periodicals	35,948	-	-	1,000
2625	Family Court Expenses	3,300	8,400	7,400	12,000
Expense Subtotal		2,143,982	2,422,175	2,133,500	1,572,684
Total Expense		2,143,982	2,422,175	2,133,500	1,572,684

The budget for Judiciary is lower in FY 2023-24, mainly reflecting the reductions to R&M Building, R&M Office Equipment, Salary Local and Salary Expatriate.

Judiciary has completed the extension of the courtroom during FY 2022-23 and funding is not expected to be repeated in 2023-24.

45 BORDER CONTROL

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1325	Passport Fees and Photographs	57,923	54,576	172,600	186,084
1335	Visa Fees - RPC	-	-	2,100	-
1475	Miscellaneous Revenue	20	-	-	-
1485	Quarantine Fees	66,965	70,932	136,995	144,840
1575	Visa Fees (Other Business)	1,749,046	2,838,196	2,274,370	1,218,435
Total Revenue		1,873,954	2,963,704	2,586,065	1,549,359
Division : 0000 - General					
Expense by Natural Account					
		-	-	-	-
Expense Subtotal		-	-	-	-
Division : 4501 - Immigration					
Expense by Natural Account					
2015	Salary - Local	167,828	227,338	190,623	273,888
2020	Salary Expatriate	62,423	8,600	-	80,000
2035	Overtime - local	22,480	70,000	53,125	50,000
2040	Staff Training	305	4,000	4,439	4,000
2050	Uniforms & Protective Clothing	2,645	6,200	590	6,400
2070	Travel - Staff	19,512	-	-	15,570
2075	Travel - Business	5,622	30,000	-	45,000
2100	Entertainment	4,000	6,000	1,650	3,000
2130	Printing & Stationery	6,983	9,000	720	9,792
2135	Stores	2,888	5,400	2,976	-
2185	R&M - Buildings	29,600	-	-	6,000
2190	R&M - Office Equipment	6,000	10,000	6,843	10,000
2330	Telephone / Internet	1,500	1,500	-	1,500
2370	Membership Fees & Subscriptions	2,010	2,500	2,118	2,500
2495	Plant & Equipment Purchases	-	6,000	-	-
2600	Postage	-	-	-	1,500
2700	Deportee Revomal	-	20,000	1,294	30,000
Expense Subtotal		333,796	406,538	264,377	539,150
Division : 4502 - Passport					
Expense by Natural Account					
2015	Salary - Local	54,289	73,064	70,423	83,282
2040	Staff Training	1,344	2,103	610	2,986
2050	Uniforms & Protective Clothing	-	1,180	-	-
2100	Entertainment	981	1,000	-	1,000
2130	Printing & Stationery	1,434	2,000	1,140	13,436
2135	Stores	1,178	817	766	729
2190	R&M - Office Equipment	-	-	-	2,000
2330	Telephone / Internet	2,520	2,994	2,520	1,580
2350	Freight	-	-	-	2,000
2495	Plant & Equipment Purchases	6,109	3,600	-	702,000
2600	Postage	-	-	-	500
Expense Subtotal		67,855	86,758	75,459	809,513
Division : 4503 - Quarantine					
Expense by Natural Account					
2015	Salary - Local	246,467	244,824	248,432	267,101
2040	Staff Training	3,628	5,000	-	3,000
2050	Uniforms & Protective Clothing	4,986	10,240	10,240	9,880
2055	Consultants fees	-	20,000	-	20,000
2075	Travel - Business	-	-	-	15,000
2100	Entertainment	3,000	3,000	3,000	1,000
2130	Printing & Stationery	8,651	9,540	4,005	11,191
2135	Stores	14,103	14,970	14,970	31,890
2185	R&M - Buildings	2,000	5,180	5,180	2,000
2330	Telephone / Internet	4,200	2,100	2,100	2,100
2495	Plant & Equipment Purchases	28,380	10,340	10,340	14,840
Expense Subtotal		315,415	325,194	298,267	378,002
Total Expense		717,066	818,490	638,103	1,726,665

The total budget for Border Control is much higher in FY 2023-24. This mainly reflects the approval for the implementation of the E-Passport project by the department, increased provision for Salary Expatriate, Travel Business and Deportee allocation.

International travel is continually challenging and methods for crossing borders are evolving. To comply with the International ePassport Standards and Implementation, Border Control will progress the implementation of E-passport in the new financial year using International Civil Aviation Organization (ICAO) established formats for electronic passports that come with a secure microcontroller. This E-passport project will strengthen international travel security and help prevent illegal immigration and trans-border crimes that have been rife in recent years.

46 CORRECTIONAL SERVICES

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1501	Sale of Livestock	14,814	18,552	1,700	1,860
Total Revenue		14,814	18,552	1,700	1,860
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	757,886	1,060,957	914,616	973,814
2030	Salaries - Other Contracts	740	3,905	3,904	7,600
2040	Staff Training	7,176	13,426	13,425	9,500
2050	Uniforms & Protective Clothing	49,889	22,814	22,814	30,000
2072	Meals and Drinks - Staff	4,107	5,954	2,519	5,954
2100	Entertainment	1,999	4,600	4,600	3,000
2130	Printing & Stationery	1,236	4,500	2,579	2,976
2135	Stores	4,695	5,100	4,824	3,360
2185	R&M - Buildings	4,169	25,291	25,290	6,000
2190	R&M - Office Equipment	2,500	3,000	-	3,000
2225	Agricultural Supplies	30,300	40,000	19,990	36,000
2495	Plant & Equipment Purchases	34,223	33,338	12,351	1,000
2585	Rations	58,891	90,186	81,590	86,400
2590	Correctional Services Supplies	7,530	10,000	9,999	10,000
Expense Subtotal		965,342	1,323,071	1,118,502	1,178,604
Total Expense		965,342	1,323,071	1,118,502	1,178,604

The total budget for Correctional Services is lower in FY 2023-24. This mainly reflects reductions to Salary due to a once off funding in the current year to clear Risks Allowance arrears, general repairs and maintenance to the correctional facility and purchase of operational vehicles all of which are not expected to be repeated in the new financial year.

50 TVET

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	766	-
1597	TVET Course Fees	20,930	24,060	10,461	11,412
Total Revenue		20,930	24,060	11,227	11,412
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	307,821	362,392	327,660	325,755
2026	Directors Fees	1,700	2,000	1,450	2,000
2030	Salaries - Other Contracts	5,238	66,460	20,982	41,460
2040	Staff Training	-	-	-	171,950
2050	Uniforms & Protective Clothing	9,485	20,000	8,480	20,000
2055	Consultants fees	-	-	-	25,000
2075	Travel - Business	-	8,000	7,618	14,000
2100	Entertainment	-	2,000	-	8,500
2105	Official Celebrations	7,179	7,000	5,328	14,000
2130	Printing & Stationery	21,157	18,704	16,693	29,350
2132	TVET Supplies	146,529	170,200	170,104	170,200
2135	Stores	8,046	18,900	12,777	19,120
2185	R&M - Buildings	14,263	5,000	4,840	18,750
2190	R&M - Office Equipment	1,500	5,500	3,740	6,500
2195	R&M - Office Premises	-	10,000	4,222	50,000
2200	R&M - Motor Vehicles	-	3,500	-	3,500
2205	R&M - Plant	6,000	9,000	-	14,000
2230	Publicity and Awareness	990	3,600	3,520	3,600
2315	Utilities	49,600	65,000	65,000	65,000
2330	Telephone / Internet	10,080	66,000	49,700	66,000
2350	Freight	3,100	-	-	-
2370	Membership Fees & Subscriptions	480	1,900	-	6,690
2495	Plant & Equipment Purchases	36,017	35,080	16,502	27,840
2496	Building and Structures	15,196	3,750	3,337	-
2575	Local Transport	-	1,350	-	2,250
Expense Subtotal		644,382	885,336	714,013	1,105,465
Total Expense					
		644,381	885,336	721,952	1,105,465

The total budget for TVET is slightly higher in FY 2023-24, mainly reflecting increases to Staff Training, R&M Office Premises, more than offset reductions to Salary Local and Salary Other contracts.

To enhance the quality of vocational courses offered in Nauru, TVET has signed an agreed training and killing program with TAFE Queensland that will enable training and capacity development of current and future TVET trainers. An allocation of \$172 thousand has been made in the 2023-24 budget to support this program in the new year.

51 EDUCATION

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1475	Miscellaneous Revenue	-	-	4,200	-
Total Revenue		-	-	4,200	-
Division : 0000 - General					
Expense by Natural Account					
2030	Salaries - Other Contracts	1,496	-	-	-
Expense Subtotal		1,496	-	-	-
Division : 5101 - Head Office					
Expense by Natural Account					
2015	Salary - Local	757,276	764,202	690,216	955,290
2020	Salary Expatriate	155,455	540,273	452,163	528,428
2026	Directors Fees	10,500	9,300	6,600	16,200
2030	Salaries - Other Contracts	1,572	138,100	136,290	3,500
2040	Staff Training	451,684	456,078	408,142	478,410
2055	Consultants fees	-	60,000	39,430	-
2070	Travel - Staff	79,494	237,489	230,763	251,300
2075	Travel - Business	84,527	215,250	210,148	197,048
2100	Entertainment	44,712	70,976	57,721	66,750
2130	Printing & Stationery	22,538	19,570	19,547	78,273
2135	Stores	2,561	6,882	5,315	17,151
2185	R&M - Buildings	76,287	225,823	195,079	180,000
2370	Membership Fees & Subscriptions	7,432	152,323	148,214	159,512
2373	Media TV Supplies	-	288	210	-
2440	Scholarships - School & Trade	1,858,337	3,102,619	2,247,528	4,855,876
2495	Plant & Equipment Purchases	360,372	11,000	9,730	237,489
2575	Local Transport	36,720	42,720	10,110	-
2585	Rations	-	-	-	-
Expense Subtotal		3,949,465	6,052,893	4,867,205	8,025,227
Division : 5102 - Infant School					
Expense by Natural Account					
2015	Salary - Local	732,724	782,281	602,349	1,005,629
2020	Salary Expatriate	4,264	-	-	-
2030	Salaries - Other Contracts	26,540	-	-	54,708
2130	Printing & Stationery	160,131	138,927	89,030	231,271
2135	Stores	30,151	57,890	28,965	79,330
2185	R&M - Buildings	-	-	-	199,349
2205	R&M - Plant	-	1,000	865	2,000
2315	Utilities	72,888	82,367	65,525	112,240
2373	Media TV Supplies	-	10,179	-	-
2495	Plant & Equipment Purchases	118,292	199,603	-	0
2496	Building and Structures	30,660	22,582	22,582	-
2585	Rations	524,934	274,770	226,282	389,940
2611	Children Education Toys and Learning Supplies	256,622	228,840	228,840	176,693
Expense Subtotal		1,957,205	1,798,439	1,264,437	2,251,159
Division : 5103 - Primary School					
Expense by Natural Account					
2015	Salary - Local	1,424,362	1,419,846	1,264,965	1,609,640
2020	Salary Expatriate	125,165	-	12,152	-
2030	Salaries - Other Contracts	29,450	27,820	20,600	77,340
2130	Printing & Stationery	99,999	111,456	75,456	198,986
2135	Stores	35,770	20,329	10,832	158,479
2185	R&M - Buildings	-	-	6,790	36,440
2205	R&M - Plant	-	1,000	715	12,500
2315	Utilities	164,310	205,563	167,923	228,080
2373	Media TV Supplies	-	699	-	-
2495	Plant & Equipment Purchases	243,498	54,434	35,136	-
2496	Building and Structures	431,384	-	-	-
2585	Rations	2,002,921	1,534,618	1,234,409	2,027,300
2611	Children Education Toys and Learning Supplies	198,440	500,395	218,479	240,109
Expense Subtotal		4,755,298	3,876,159	3,047,456	4,588,874

Division : 5104 - Secondary School					
Expense by Natural Account					
2015	Salary - Local	335,544	383,433	324,399	500,335
2020	Salary Expatriate	32,822	-	5,920	-
2030	Salaries - Other Contracts	16,720	25,394	24,617	25,394
2130	Printing & Stationery	50,000	48,624	37,668	68,016
2135	Stores	7,595	4,930	860	34,353
2205	R&M - Plant	-	-	-	3,750
2315	Utilities	111,359	118,100	102,267	120,324
2373	Media TV Supplies	-	715	-	-
2495	Plant & Equipment Purchases	37,558	95,018	10,011	-
2496	Building and Structures	161,686	-	-	-
2585	Rations	621,966	352,366	304,366	582,000
2611	Children Education Toys and Learning Supplies	4,030	94,473	94,473	-
2705	NEAT Scheme	217,860	206,570	196,570	258,913
Expense Subtotal		1,597,140	1,329,624	1,101,152	1,593,085
Division : 5105 - Able Disable Centre					
Expense by Natural Account					
2015	Salary - Local	125,317	126,149	113,874	138,874
2030	Salaries - Other Contracts	4,800	9,908	-	19,410
2130	Printing & Stationery	14,549	12,118	10,225	12,118
2135	Stores	8,927	1,962	918	15,294
2205	R&M - Plant	-	1,000	-	1,500
2315	Utilities	17,592	21,680	12,391	21,680
2495	Plant & Equipment Purchases	1,678	2,538	2,500	-
2496	Building and Structures	49,608	-	-	-
2585	Rations	43,634	26,374	20,590	48,015
2611	Children Education Toys and Learning Supplies	-	11,000	-	-
Expense Subtotal		266,105	208,806	160,498	256,891
Division : 5106 - Community Play Centre					
Expense by Natural Account					
2130	Printing & Stationery	13,461	5,400	-	12,824
2135	Stores	-	3,600	-	7,772
2373	Media TV Supplies	-	494	-	-
2495	Plant & Equipment Purchases	6,582	6,795	-	-
2611	Children Education Toys and Learning Supplies	-	22,441	22,440	-
Expense Subtotal		20,043	38,731	22,440	20,597
Total Expense		12,546,753	13,304,651	10,463,189	16,735,833

The total budget for Education is higher in FY 2023-24, mainly reflecting increases to Scholarships, Rations, Printing and Stationery and Neat Scheme more than offset reductions to Plant and Equipment Purchases, and Children and Education Supplies.

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 and government will continue this effort into the new financial year:

The following programs are targeted for FY 2023-24:

- \$4.9 million is provided for scholarships, an increase of \$1.8 million from current level to increase the number of scholarship recipients to pursue high level studies in Australia

- \$3 million is allocated for the school feeding program to ensure kids are provided with nutritious school lunches
- \$0.7 million is provided for a back-to-school payment of \$50 per child per term, to cover school items such as uniforms, shoes and stationeries and ensure kids are 'school ready'
- \$0.5 million toward Training and Capacity development to enable staff to pursue Diploma and higher qualifications courses
- \$0.3 million is allocated to schools for urgent and essential building repairs and maintenance to support a conducive learning environment for students
- \$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>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	113,330	194,049	103,464	194,802
2030	Salaries - Other Contracts	21,330	41,040	37,735	55,200
2035	Overtime - local	7,184	7,500	6,496	6,500
2075	Travel - Business	-	7,000	-	20,000
2100	Entertainment	1,200	2,500	2,100	28,000
2105	Official Celebrations	44,650	86,050	86,050	73,600
2130	Printing & Stationery	-	2,000	435	1,000
2135	Stores	810	949	877	949
2195	R&M - Office Premises	4,252	4,253	-	900
2205	R&M - Plant	-	1,000	-	100
2495	Plant & Equipment Purchases	8,841	3,000	-	10,000
2496	Building and Structures	-	-	-	130,240
Expense Subtotal		201,597	349,341	237,156	521,291
Total Expense		201,597	349,341	237,156	521,291

The total budget for Youth Affairs is higher in FY 2023-24 than FY 2022-23, mainly reflecting increases to Building and Structure for the construction of a new Youth Affairs Office, Travel Business for the Youth Expo and Salaries Other Contracts pertaining to increased allowances rates for tutors.

\$0.1 million has been provided to construct a new Youth Affairs office covering works for the first year of the project.

60 COVID-19 TASK FORCE

Natural Account	Description	2021-22 Prior Year Actual	2022-23 Revised Budget	2022-23 Actual + Commitment	2023-24 Proposed Budget
Revenue by Natural Account					
1300	Registration Fees-Motor Cars	-	-	40	-
1475	Miscellaneous Revenue	26,950	-	-	-
Total Revenue		26,950	-	40	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	- 836	-	-	-
Expense Subtotal		- 836	-	-	-
Division : 6001 - Hospital Preparedness					
Expense by Natural Account					
2015	Salary - Local	66,880	292,500	249,410	-
2030	Salaries - Other Contracts	-	-	-	-
2050	Uniforms & Protective Clothing	20,619	-	-	-
2135	Stores	-	-	105	-
2185	R&M - Buildings	4,200	50,000	-	-
2471	Medical Consumable	99,999	-	-	-
2480	Medical Equipment	19,999	50,000	40,874	-
2496	Building and Structures	825,774	-	-	-
Expense Subtotal		1,037,471	392,500	290,389	-
Division : 6002 - Quarantine & Isolation					
Expense by Natural Account					
2015	Salary - Local	11,250	260,000	208,690	-
2030	Salaries - Other Contracts	1,529,250	2,071,660	1,294,766	-
2050	Uniforms & Protective Clothing	-	10,000	-	-
2135	Stores	24,999	50,000	5,061	-
2155	House Rental	5,589,886	4,920,700	3,546,866	-
2315	Utilities	263,240	402,000	87,605	-
2472	Laboratory supplies	-	1,502,000	989,427	-
2496	Building and Structures	-	800,000	506,990	-
2575	Local Transport	29,740	270,000	228,710	-
2617	Donations - local	25,000	-	-	-
Expense Subtotal		7,473,365	10,286,360	6,868,115	-
Division : 6003 - National Measures					
Expense by Natural Account					
2015	Salary - Local	252,157	192,000	148,241	-
2050	Uniforms & Protective Clothing	-	10,000	-	-
2072	Meals and Drinks - Staff	28,755	50,000	19,091	-
2075	Travel - Business	1,000,200	110,000	46,670	-
2130	Printing & Stationery	5,479	10,000	-	-
2135	Stores	4,998	-	-	-
2275	Purchase of Petrol	15,000	41,500	28,758	-
2280	Purchase of Diesel	14,999	11,500	4,948	-
2330	Telephone / Internet	5,791	2,580	1,260	-
2350	Freight	327,967	205,000	96,419	-
2370	Membership Fees & Subscriptions	2,675	1,000	717	-
Expense Subtotal		1,658,020	633,580	344,668	-
Total Expense		10,168,020	11,312,440	7,503,173	-

The COVID-19 Task Force has been zeroed out for FY 2023-24 following the WHO announcement on May 4 2023 that COVID 19 "...no longer constitutes a public health emergency of international concern. This has allowed the Government to wind down the Covid Taskforce services with the view to completely withdraw funding for 2023-24 budget. A total of \$17.9 million in direct Treasury budget (excluding Donor support) was spent in implementing the strategy over the two years of the pandemic, and although COVID is still with us, the general health services in the country can provide the care and prevention services that may still be needed going forward.

61 HEALTH

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1330	Visa Check up	840	-	9,264	10,068
1475	Miscellaneous Revenue	1,058,620	769,644	75,942	82,188
1520	Food Handler Check up	4,040	4,272	6,538	6,948
1555	Spectacles, Drugs etc	220	216	1,820	1,980
1565	Medical Services	1,256	1,507	2,055	3,739
Total Revenue		1,064,976	775,639	95,619	104,923
Division : 6101 - Office of the Secretary					
Expense by Natural Account					
2015	Salary - Local	2,261,724	3,939,787	3,062,372	4,248,980
2020	Salary Expatriate	1,930,381	2,201,058	2,089,192	3,069,006
2025	Allowances - Staff Contract	1,207,883	56,000	12,104	326,000
2026	Directors Fees	1,400	6,000	-	6,000
2030	Salaries - Other Contracts	6,713	822,740	770,155	385,320
2035	Overtime - local	-	1,158	566,080	464,011
2040	Staff Training	37,522	130,000	66,477	350,000
2050	Uniforms & Protective Clothing	1,646	20,000	10,060	20,000
2055	Consultants fees	218,354	438,000	324,048	468,000
2070	Travel - Staff	51,239	285,000	269,942	200,000
2072	Meals and Drinks - Staff	9,040	-	-	-
2075	Travel - Business	20,754	170,000	76,416	50,000
2100	Entertainment	39,837	40,000	34,017	20,000
2130	Printing & Stationery	30,178	35,000	33,372	35,000
2135	Stores	4,803	5,000	4,344	5,000
2160	Land Rental	30,000	36,000	24,000	36,000
2185	R&M - Buildings	199,921	460,000	231,380	570,000
2190	R&M - Office Equipment	57,593	72,000	50,415	72,000
2205	R&M - Plant	-	50,000	-	-
2230	Publicity and Awareness	-	10,000	9,739	-
2315	Utilities	1,385,315	1,375,000	1,181,968	1,380,000
2330	Telephone / Internet	6,180	14,506	7,131	14,506
2471	Medical Consumable	150	-	-	-
2474	Clinical Educati on Supplies	-	20,000	-	20,000
2475	Overseas Medical Treatment	13,083,400	13,354,356	12,101,195	5,000,000
2495	Plant & Equipment Purchases	136,498	700,000	540,840	-
2496	Building and Structures	-	250,000	-	-
2575	Local Transport	221,430	72,000	71,950	-
Expense Subtotal		20,924,715	25,028,527	21,434,237	16,275,812
Division : 6102 - RON Hospital					
Expense by Natural Account					
2015	Salary - Local	718,145	-	23,388	-
2020	Salary Expatriate	539,729	-	21,831	-
2025	Allowances - Staff Contract	-	55,000	-	-
2040	Staff Training	-	-	-	-
2050	Uniforms & Protective Clothing	23,914	30,000	27,951	30,000
2055	Consultants fees	-	-	-	-
2072	Meals and Drinks - Staff	204,903	210,000	190,363	58,240
2130	Printing & Stationery	22,955	30,000	29,644	30,000
2135	Stores	4,911	10,000	2,200	10,000
2190	R&M - Office Equipment	10,000	-	-	-
2191	R&M Medical Equipment	43,573	100,000	91,873	100,000
2205	R&M - Plant	48,099	60,000	1,500	60,000
2467	Drugs and Medicines	1,051,655	1,100,000	1,084,049	1,100,000
2468	Dental Supplies	41,675	50,000	1,023	50,000
2469	Dialysis Supplies	-	350,000	201,214	350,000
2471	Medical Consumable	584,529	500,000	424,130	800,000
2472	Laboratory supplies	299,998	450,000	447,530	450,000
2473	Radiology Supplies	6,342	25,000	24,650	25,000
2474	Clinical Education Supplies	17,035	-	-	-
2480	Medical Equipment	198,669	791,950	605,623	400,000
2495	Plant & Equipment Purchases	997	100,000	75,939	-
2496	Building and Structures	464,727	132,658	132,658	-
2585	Rations	663,521	684,000	629,567	761,100
Expense Subtotal		4,945,377	4,568,608	4,015,137	4,224,340

Division : 6103 - Public Health					
Expense by Natural Account					
2015	Salary - Local	79,548	-	2,856	-
2020	Salary Expatriate	32,534	-	1,334	-
2050	Uniforms & Protective Clothing	3,000	3,000	1,632	3,000
2130	Printing & Stationery	4,978	5,000	2,137	5,000
2135	Stores	2,967	3,000	-	3,000
2185	R&M - Buildings	48,577	-	-	-
2461	Primary Health Care Services	126,672	195,000	149,303	259,000
2462	NCD Control & Health Promotion	41,228	43,600	27,218	43,600
2463	Environmental Health and Food safety	6,124	20,000	2,566	20,000
2464	Management Monitoring & Evaluation	29,612	-	-	-
2469	Dialysis Supplies	349,992	-	-	-
2495	Plant & Equipment Purchases	78,480	-	-	-
Expense Subtotal		803,712	269,600	187,046	333,600
Total Expense		26,689,893	29,866,735	25,637,311	20,833,752

The total budget for Health is lower in 2023-24 at \$20.8 million, compared to \$29.9 million in the current year, mainly reflecting reductions to Overseas Medical Referral, Salary local, Salary other contracts, Utilities and Plant and Equipment.

Key Health expenditure measures in 2023-24 include:

- \$7.7 million for local and expatriate salaries and allowances
- \$5 million for OMR
- \$2.9 million for drugs, medicine, and essential medical and clinical supplies
- \$0.3 million for Primary Health Care services

62 SPORT

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 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	211,298	254,201	239,512	223,468
2026	Directors Fees	-	-	-	40,000
2030	Salaries - Other Contracts	4,285	10,000	5,520	10,000
2035	Overtime - local	-	-	-	5,000
2040	Staff Training	4,576	6,730	6,730	10,000
2050	Uniforms & Protective Clothing	3,750	3,000	1,270	2,000
2055	Consultants fees	16,500	10,000	10,000	85,000
2075	Travel - Business	290,418	211,718	147,253	150,000
2100	Entertainment	4,845	4,987	4,987	17,000
2105	Official Celebrations	28,956	20,000	17,555	20,000
2130	Printing & Stationery	2,990	3,000	1,704	12,900
2135	Stores	2,000	-	-	-
2185	R&M - Buildings	32,054	20,000	18,930	50,000
2230	Publicity and Awareness	-	40,000	14,126	-
2370	Membership Fees & Subscriptions	6,987	7,030	7,030	8,000
2495	Plant & Equipment Purchases	80,261	20,000	7,907	20,000
2496	Building and Structures	69,458	-	-	-
2575	Local Transport	15,000	10,470	9,110	35,000
2617	Donations - local	1,306,021	1,093,555	1,016,903	-
2621	Grants to Sports Federations	-	-	-	1,580,000
Expense Subtotal		2,079,400	1,714,691	1,508,537	2,268,368
Total Expense		2,079,400	1,714,691	1,508,537	2,268,368

The total budget for Sport is higher in FY 2023-24, mainly reflecting increased investment in various sporting federations (previously accounted as Local Donations), consultancy fees, and local transport more than offset reductions to travel business. The reclassification of grants provided to sporting federations from the Donations subhead is to avoid misconception around the nature of the expenditure. It is more appropriate to record the expenditure as Grants to Federations than to call it Local Donations.

63 DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	175,490	251,906	222,562	402,063
2030	Salaries - Other Contracts	97,018	139,776	126,203	139,776
2040	Staff Training	3,510	7,000	2,024	10,000
2050	Uniforms & Protective Clothing	-	4,500	2,488	3,600
2055	Consultants fees	660,992	91,596	19,580	311,666
2075	Travel - Business	-	157,548	149,439	60,000
2100	Entertainment	3,500	12,500	12,280	7,800
2130	Printing & Stationery	2,406	3,000	2,906	5,000
2135	Stores	2,707	4,710	4,452	2,716
2165	Office Rental	72,000	-	-	-
2185	R&M - Buildings	-	25,000	8,103	22,100
2220	Nauru Community Housing	-	-	-	7,000,000
2221	Smart Housing	-	-	-	3,617,207
2315	Utilities	-	13,308	7,636	17,091
2330	Telephone / Internet	70,522	23,950	16,616	20,760
2495	Plant & Equipment Purchases	36,444	74,824	70,060	44,700
2496	Building and Structures	589,223	742,500	736,640	-
2575	Local Transport	83,920	45,494	41,140	56,800
2580	Public Works	572,938	187,600	176,225	310,000
2617	Donations - local	1,969,964	2,540,461	2,449,466	-
Expense Subtotal		4,340,633	4,325,672	4,047,818	12,031,279
Total Expense		4,340,633	4,325,672	4,047,818	12,031,279

The total budget for Infrastructure Development is higher in FY 2023-24 reflecting, the transfer of the Nauru Community Housing line to the infrastructure department (formerly with Ministerial), and increase in Smart Housing (formerly recorded as Donations – local) to \$3.6 million from \$2.4 million in the current year budget.

The relabelling of the Smart Housing project is to ensure that there is appropriate reflection of the nature of the expenditure involved, and to help avoid misunderstanding:

Key measures for Department of Infrastructure includes:

- \$7 million for the Nauru Community Housing
- \$3.6 million toward the Smart Housing project, of which \$1 million is for the new container homes 6m and 12m configurations
- \$0.3 million for an Asset Management Specialist to formulate a framework for the management of government infrastructure assets
- \$0.3 million for public works for ongoing road maintenance including drainage works, repainting of road lines, zebra crossing and footpath repairs

71 FOREIGN AFFAIRS

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	619,383	871,169	640,667	783,168
2030	Salaries - Other Contracts	-	200	200	-
2035	Overtime - local	5,738	10,000	9,862	10,000
2040	Staff Training	9,811	10,000	8,760	174,601
2041	Prep & Orientation of Seasonal Workers	9,350	10,000	-	10,000
2055	Consultants fees	6,300	-	-	10,000
2070	Travel - Staff	193,925	189,030	188,951	61,500
2075	Travel - Business	92,593	362,352	358,980	250,000
2100	Entertainment	34,782	16,198	16,132	8,000
2105	Official Celebrations	9,087	8,500	5,962	10,000
2110	Protocol	6,495	60,500	56,823	84,000
2130	Printing & Stationery	11,178	9,731	7,698	7,731
2135	Stores	4,319	5,980	4,399	5,980
2155	House Rental	42,165	-	-	-
2190	R&M - Office Equipment	-	1,000	-	1,500
2275	Purchase of Petrol	-	2,600	120	-
2330	Telephone / Internet	33,680	39,000	34,368	55,536
2370	Membership Fees & Subscriptions	151,160	250,422	249,551	211,975
2460	Medical Expenses	6,000	-	-	-
2495	Plant & Equipment Purchases	61,380	-	-	28,500
2560	Educational Expenses - Special	-	-	-	-
2600	Postage	1,973	2,000	1,206	1,500
Expense Subtotal		1,299,320	1,848,681	1,583,680	1,713,990
Total Expense		1,299,320	1,848,681	1,583,680	1,713,990

The total budget for Foreign Affairs is slightly lower in FY 2023-24. Services are expected to be maintained at current level. There have been slight reductions to travel staff and travel business, membership fees and salary local more than offset increases to Telephone and Internet, Protocol and Staff training.

Funding arrangements for the Micronesia Presidency Meeting Secretariat (MPMS) has ended following conclusion of Nauru's Secretariat term. Another Micronesia country will assume the Secretariat Office from the new financial year.

An allocation has been provided to support capacity building and upskilling program for Foreign Affairs Officers to undertake work attachment in the New York UN mission, continuing from current year funding.

72 BRISBANE

<i>Natural Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	82,554	47,821	500	47,821
2020	Salary Expatriate	357,366	505,310	334,703	565,423
2030	Salaries - Other Contracts	35,880	-	-	37,400
2035	Overtime - local	-	32,368	32,367	-
2040	Staff Training	4,694	3,000	-	2,800
2070	Travel - Staff	15,808	16,600	1,980	4,200
2075	Travel - Business	-	3,865	123	3,865
2100	Entertainment	7,867	7,500	6,700	7,500
2105	Official Celebrations	3,500	3,750	3,000	6,000
2110	Protocol	-	82,175	13,917	40,396
2130	Printing & Stationery	1,141	3,000	2,077	3,000
2135	Stores	1,609	4,000	3,904	4,000
2155	House Rental	58,852	44,200	-	44,200
2165	Office Rental	140,521	166,200	132,007	166,200
2185	R&M - Buildings	-	4,560	1,438	4,560
2190	R&M - Office Equipment	6,288	16,880	1,434	16,880
2195	R&M - Office Premises	251	-	-	-
2200	R&M - Motor Vehicles	17,922	11,250	10,216	12,750
2275	Purchase of Petrol	15,810	25,168	3,343	25,168
2280	Purchase of Diesel	4,189	6,000	4,230	6,000
2315	Utilities	4,838	10,600	1,448	10,800
2330	Telephone / Internet	40,066	42,600	25,312	42,400
2370	Membership Fees & Subscriptions	9,282	14,732	13,974	14,732
2495	Plant & Equipment Purchases	9,937	5,000	379	67,120
2560	Educational Expenses - Special	2,000	8,000	-	4,000
2565	Insurance	13,742	29,184	9,943	12,500
2575	Local Transport	12,127	22,196	4,060	4,571
2600	Postage	535	900	35	900
Expense Subtotal		846,777	1,116,859	607,089	1,155,186
Total Expense		846,777	1,116,859	607,089	1,155,186

The total 2023-23 budget for Brisbane is around the same level as this year with services expected to continue business as usual.

73 SUVA

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	129,858	168,308	72,201	190,021
2020	Salary Expatriate	61,965	70,130	40,025	70,130
2030	Salaries - Other Contracts	-	-	-	34,409
2050	Uniforms & Protective Clothing	-	2,825	199	2,825
2070	Travel - Staff	- 636	-	29,056	-
2075	Travel - Business	12,082	-	10,113	36,994
2100	Entertainment	2,452	24,130	10,141	11,300
2105	Official Celebrations	4,918	11,653	7,307	11,653
2130	Printing & Stationery	5,514	5,765	488	5,765
2135	Stores	718	5,848	1,016	2,151
2155	House Rental	101,021	123,500	57,130	149,488
2165	Office Rental	34,706	23,757	6,169	-
2185	R&M - Buildings	79,978	2,000	917	-
2190	R&M - Office Equipment	4,625	8,690	3,195	8,690
2200	R&M - Motor Vehicles	8,647	10,000	14,057	11,159
2275	Purchase of Petrol	8,804	19,286	6,556	30,088
2280	Purchase of Diesel	20,957	30,491	24,042	30,810
2315	Utilities	17,768	21,000	3,839	29,098
2330	Telephone / Internet	10,543	15,000	6,199	21,644
2460	Medical Expenses	3,120	14,143	6,882	16,809
2495	Plant & Equipment Purchases	5,062	-	1,660	66,635
2496	Building and Structures	-	97,836	71,384	14,125
2560	Educational Expenses - Special	16,883	23,107	3,611	28,498
2565	Insurance	2,701	15,933	7,320	18,758
2570	Bank Charges	2,879	864	324	855
2600	Postage	434	2,791	1,879	763
2618	Donations - overseas	342	7,143	1,860	7,063
2690	Foreign exchange gains/losses	-	3,000	-	3,000
Expense Subtotal		535,341	707,200	387,569	802,731
Total Expense		535,341	707,200	387,569	802,731

The total budget for Suva is higher in FY 2023-24, mainly reflecting increased allocation for personnel costs related to the new third secretary and health attaché, covering petrol, utilities, telephone and internet, medical expenses, and education expenses special, travel business and house rental.

The new High Commission office in Nasese has been completed and has been commissioned last year. Consequently, the office does not need to pay office rent anymore hence the reduction in but there has been an increase in other building services such as utilities, security, cleaning, and pest control (salary other contracts) and insurance.

\$66 thousand is provided to Suva to invest in a new Communication IT system aimed at improving efficiency and effectiveness of overall mission operations and service delivery. The successful completion of the project will ensure that the Office is able to leverage on the advanced IT features of newer technologies.

74 NEW YORK

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	257,192	340,167	266,585	377,194
2020	Salary Expatriate	198,035	240,949	197,738	229,108
2025	Allowances - Staff Contract	35,648	30,270	29,243	32,019
2035	Overtime - local	1,719	8,255	3,568	17,518
2040	Staff Training	769	-	-	-
2055	Consultants fees	33,798	13,759	3,110	172,263
2070	Travel - Staff	95,736	84,608	76,872	-
2075	Travel - Business	66,081	171,136	129,383	241,927
2100	Entertainment	25,692	26,416	18,106	10,511
2105	Official Celebrations	-	-	-	10,000
2130	Printing & Stationery	7,738	17,695	17,536	18,394
2135	Stores	-	-	-	3,504
2155	House Rental	276,624	364,054	331,909	316,204
2165	Office Rental	200,963	269,361	212,849	262,774
2190	R&M - Office Equipment	-	1,582	-	1,679
2200	R&M - Motor Vehicles	9,668	4,898	2,219	7,387
2205	R&M - Plant	6,543	15,870	11,306	10,511
2275	Purchase of Petrol	4,415	15,921	2,939	19,813
2315	Utilities	21,929	34,672	25,149	45,547
2330	Telephone / Internet	61,001	99,326	56,699	99,854
2370	Membership Fees & Subscriptions	36,640	76,852	63,053	78,571
2460	Medical Expenses	18,149	44,027	10,964	35,036
2495	Plant & Equipment Purchases	6,142	8,255	4,282	21,898
2560	Educational Expenses - Special	37,905	55,034	52,780	46,715
2565	Insurance	215,553	323,024	267,354	291,942
2570	Bank Charges	19,811	24,765	8,822	26,277
2600	Postage	639	826	585	5,255
2610	Survey Supplies	-	5,162	-	-
2620	Lease & Charter Payments	45,290	53,191	41,102	59,416
2690	Foreign exchange gains/losses	-	27,517	-	29,197
Expense Subtotal		1,683,682	2,357,590	1,834,153	2,470,514
Total Expense		1,683,682	2,357,590	1,834,153	2,470,514

The expenditure for New York is slightly higher in FY 2023-24 reflecting general increase in inflation. Travel staff has been zeroed out because it is still unclear whether there will be personnel reshuffle in the new financial year. The Office will continue to undertake work related to the International Seabed Authority and deep-sea mining especially around finalization of the mining code and operationalization of the Nauru Seabed Minerals Act 2015. This work will be supported by the Department of Justice Legal Advisor who has been seconded to New York, funded by Nauru Ocean Resources Inc (NORI).

75 TAIWAN

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	117,947	120,862	120,369	148,458
2020	Salary Expatriate	115,615	115,077	114,990	132,227
2025	Allowances - Staff Contract	12,360	10,400	10,400	15,600
2030	Salaries - Other Contracts	4,290	6,747	1,821	7,555
2050	Uniforms & Protective Clothing	329	3,500	463	3,500
2075	Travel - Business	48,707	126,228	50,241	70,417
2100	Entertainment	7,886	12,427	11,296	12,060
2105	Official Celebrations	10,254	22,700	16,367	21,700
2130	Printing & Stationery	407	2,400	1,097	2,400
2135	Stores	1,249	2,682	1,217	3,184
2155	House Rental	76,394	56,092	55,590	93,035
2165	Office Rental	38,667	36,824	36,389	35,864
2190	R&M - Office Equipment	2,458	4,681	1,817	3,087
2200	R&M - Motor Vehicles	3,226	6,142	5,266	5,961
2275	Purchase of Petrol	2,042	4,200	1,655	4,200
2315	Utilities	21,889	26,400	23,561	33,240
2330	Telephone / Internet	13,054	14,600	11,989	17,007
2350	Freight	-	52,360	-	-
2370	Membership Fees & Subscriptions	1,096	1,232	896	1,340
2460	Medical Expenses	7,852	19,393	13,154	24,896
2495	Plant & Equipment Purchases	9,796	10,000	6,125	-
2560	Educational Expenses - Special	7,584	40,500	26,982	100,000
2565	Insurance	17,318	23,422	16,079	25,393
2570	Bank Charges	486	1,000	273	1,000
2575	Local Transport	19,083	23,237	17,632	24,757
2600	Postage	27,268	350	139	350
2690	Foreign exchange gains/losses	-	5	1,000	241
Expense Subtotal		567,253	744,456	546,048	788,231
Total Expense		567,253	744,456	546,048	788,231

The total 2023-24 budget for Taiwan is around the same level as the current year. There has been increased provision mainly in salary local, salary expatriate, medical expenses, educational expenses special, local transport, house rental and utilities slightly offset by reductions to freight, travel business, and plant and equipment purchases.

76 GENEVA

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	73,788	98,994	78,328	98,994
2020	Salary Expatriate	80,332	127,298	87,915	127,298
2050	Uniforms & Protective Clothing	5,179	5,000	4,923	5,000
2070	Travel - Staff	2,114	3,800	3,755	3,800
2075	Travel - Business	9,875	33,673	7,738	33,673
2100	Entertainment	4,046	10,000	9,397	10,000
2105	Official Celebrations	1,079	6,795	6,609	6,795
2130	Printing & Stationery	817	4,228	1,575	4,228
2135	Stores	4,379	4,530	4,231	4,530
2155	House Rental	36,240	117,000	116,495	117,000
2165	Office Rental	23,715	27,180	10,333	27,180
2190	R&M - Office Equipment	1,775	7,550	779	7,550
2200	R&M - Motor Vehicles	3,727	15,100	11,368	15,100
2275	Purchase of Petrol	2,185	9,048	7,571	9,048
2315	Utilities	1,307	13,590	2,024	13,590
2330	Telephone / Internet	33,889	34,800	34,754	34,800
2370	Membership Fees & Subscriptions	-	302	302	302
2495	Plant & Equipment Purchases	3,605	7,550	7,485	7,550
2560	Educational Expenses - Special	11,628	32,745	32,169	32,745
2565	Insurance	12,229	53,000	18,475	53,000
2570	Bank Charges	1,199	500	409	500
2600	Postage	174	3,500	57	3,500
Expense Subtotal		313,281	616,183	446,693	616,183
Total Expense		313,281	616,183	446,693	616,183

The total budget for Geneva is set at the same level as the current year.

77 INDIA

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	39,988	104,294	63,634	155,341
2020	Salary Expatriate	-	30,000	10,647	55,400
2030	Salaries - Other Contracts	-	57,600	17,803	130,395
2035	Overtime - local	-	7,800	2,476	10,000
2050	Uniforms & Protective Clothing	-	-	-	5,100
2055	Consultants fees	-	115,755	67,121	176,355
2070	Travel - Staff	15,298	35,000	19,586	28,000
2075	Travel - Business	-	136,677	135,461	136,677
2100	Entertainment	-	33,610	15,349	47,000
2105	Official Celebrations	-	7,300	5,559	35,000
2130	Printing & Stationery	-	8,400	5,397	8,770
2135	Stores	-	12,400	3,768	8,000
2155	House Rental	-	104,600	114,028	283,200
2165	Office Rental	-	124,300	60,577	126,000
2185	R&M - Buildings	38	8,000	2,596	8,000
2200	R&M - Motor Vehicles	-	1,400	-	6,000
2275	Purchase of Petrol	-	3,250	-	15,600
2315	Utilities	-	12,000	901	18,600
2330	Telephone / Internet	-	33,000	13,797	23,712
2495	Plant & Equipment Purchases	67,835	420,100	226,902	108,000
2560	Educational Expenses - Special	-	4,000	4,000	8,000
2565	Insurance	-	23,400	15,200	62,000
2570	Bank Charges	-	5,450	208	1,200
2600	Postage	920	6,370	2,671	5,000
2620	Lease & Charter Payments	7,897	-	-	-
2690	Foreign exchange gains/losses	73,125	820	89	5,000
Expense Subtotal		205,102	1,295,526	787,772	1,466,350
Total Expense		205,102	1,295,526	787,772	1,466,350

The total budget for India is higher in FY 2023-24, reflecting increased provision to cover for a new Counsellor including mainly personnel costs such as salary local, house rental, and insurance. The plant and equipment purchase includes \$50,000 for the purchase of a new vehicle for the Counsellor.

Salaries Other contracts have been increased to reflect revised rates for the security firm and additional provision for legal fees in the Consultancy subhead.

78 CANBERRA

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	126,378	181,763	134,691	241,254
2020	Salary Expatriate	91,447	155,559	100,219	171,093
2025	Allowances - Staff Contract	1,560	17,680	15,360	18,456
2040	Staff Training	-	-	-	-
2050	Uniforms & Protective Clothing	1,527	5,000	1,426	5,000
2055	Consultants fees	-	50,000	9,703	50,000
2070	Travel - Staff	-	14,024	14,023	16,500
2075	Travel - Business	32,871	41,000	39,559	29,500
2100	Entertainment	5,292	15,000	11,121	10,000
2105	Official Celebrations	82,346	4,000	3,895	5,000
2110	Protocol	2,900	3,000	2,999	5,000
2130	Printing & Stationery	610	2,000	1,985	2,000
2135	Stores	143	2,000	1,357	2,000
2155	House Rental	61,318	132,682	103,574	249,600
2165	Office Rental	108,818	114,000	78,694	126,000
2185	R&M - Buildings	3,360	2,000	403	2,000
2190	R&M - Office Equipment	-	2,500	527	2,500
2200	R&M - Motor Vehicles	2,358	16,368	11,915	20,460
2275	Purchase of Petrol	14,344	25,601	18,320	35,516
2315	Utilities	5,401	19,200	5,209	23,400
2330	Telephone / Internet	12,811	23,764	18,000	27,180
2370	Membership Fees & Subscriptions	-	3,324	1,848	4,052
2460	Medical Expenses	8,586	10,000	7,674	13,000
2495	Plant & Equipment Purchases	16,127	51,494	25,799	60,000
2496	Building and Structures	-	910,000	23,950	1,200,000
2560	Educational Expenses - Special	27,763	40,000	18,571	50,000
2565	Insurance	9,124	35,395	25,138	48,347
2570	Bank Charges	127	2,000	185	2,000
2600	Postage	569	2,000	1,640	2,000
Expense Subtotal		615,780	1,881,354	677,785	2,421,858
Total Expense		615,780	1,881,354	677,785	2,421,858

The total budget for Canberra is higher in FY 2023-24. This mainly reflects increased costs for salaries to include super contributions, salary expatriate, house rental and office rental reflecting CPI increase and Building and Structure relating to building costs for the new chancery.

\$0.9 million was allocated in FY 2022-23 for acquisition of the land and the sale and purchase has been settled. \$1.2 million is the estimated cost to complete the project to the agreed plan, expected to be fully delivered in the new financial year.

81 INTERNAL AFFAIRS

Division : 8101 - Office of the Secretariat					
Expense by Natural Account					
2015	Salary - Local	544,693	178,280	498,698	121,873
2020	Salary Expatriate	16,079	-	5,385	-
2030	Salaries - Other Contracts	17,139	103,830	71,202	104,095
2035	Overtime - local	7,952	8,000	8,000	8,000
2040	Staff Training	5,000	5,000	5,000	5,000
2050	Uniforms & Protective Clothing	3,680	-	-	8,000
2075	Travel - Business	204,134	153,800	139,730	50,000
2100	Entertainment	18,900	14,234	4,000	5,000
2105	Official Celebrations	112,981	94,490	94,490	98,750
2130	Printing & Stationery	-	15,000	14,999	-
2135	Stores	28,500	38,000	2,888	1,500
2185	R&M - Buildings	27,053	60,000	59,598	49,241
2230	Publicity and Awareness	-	-	-	18,000
2275	Purchase of Petrol	-	2,000	-	2,000
2370	Membership Fees & Subscriptions	-	-	-	400
2495	Plant & Equipment Purchases	64,454	101,465	56,643	17,700
2575	Local Transport	-	-	-	7,280
Expense Subtotal		1,050,564	774,099	948,401	496,839
Division : 8102 - Culture & Language Bureau					
Expense by Natural Account					
2015	Salary - Local	1,176	260,776	-	283,100
2030	Salaries - Other Contracts	-	36,920	4,114	51,520
2035	Overtime - local	-	1,000	474	2,000
2040	Staff Training	1,000	460	460	1,800
2075	Travel - Business	1,200	-	-	-
2100	Entertainment	5,000	5,052	5,000	10,000
2105	Official Celebrations	7,984	26,500	25,500	16,500
2130	Printing & Stationery	-	16,400	5,818	-
2135	Stores	999	4,758	4,758	12,230
2185	R&M - Buildings	3,183	3,185	2,535	33,241
2200	R&M - Motor Vehicles	780	5,000	4,325	6,896
2205	R&M - Plant	-	1,600	-	3,000
2230	Publicity and Awareness	-	14,200	12,000	15,000
Expense Subtotal		21,321	375,851	64,983	435,287
Division : 8104 - Family & Community Services					
Expense by Natural Account					
2015	Salary - Local	9,090	53,927	-	72,299
2105	Official Celebrations	-	12,000	12,000	5,000
2130	Printing & Stationery	-	1,000	1,000	1,200
2135	Stores	483	314	314	600
2230	Publicity and Awareness	-	-	-	5,000
2495	Plant & Equipment Purchases	-	-	-	2,000
Expense Subtotal		9,573	67,241	13,314	86,099
Division : 8105 - Clean & Green					
Expense by Natural Account					
2015	Salary - Local	3,584	31,344	7,219	40,548
2030	Salaries - Other Contracts	3,121,516	3,122,000	2,880,000	3,120,000
2100	Entertainment	5,000	5,000	5,000	5,000
2105	Official Celebrations	15,000	15,000	14,580	20,000
2130	Printing & Stationery	-	454	455	500
2135	Stores	-	200	200	200
2205	R&M - Plant	-	500	-	2,000
2230	Publicity and Awareness	-	-	-	5,000
2495	Plant & Equipment Purchases	-	14,600	12,393	1,000
Expense Subtotal		3,145,099	3,188,498	2,919,846	3,194,248
Total Expense		4,226,458	4,406,289	3,958,777	4,212,473

The total 2023-24 budget for Internal Affairs is slightly lesser, mainly reflecting mainly reductions for travel business, printing and stationery and salary local (Secretariat Division), Plant and Equipment Purchases (Secretariat Division) more than offset increases to salary local (Other divisions).

- \$3.1 million has been provided for continuation of the Clean and Green Community clean-up project payments,
- \$0.1 million to support National Aroeni Day events. This day is organized for all tribes of and provide a good platform for locals to share and showcase their traditional knowledge and skills, culture, and ancient stories.
- \$0.05 million has been allocated to support revival and retention of traditional canoe skills and craftsmanship
- \$0.06 million has been allocated for Bingo operations covering only the regulation and oversight aspect and does not include prizes which Government used to fund in the past.
- \$0.03 million has been allocated for the renovations of the Culture Office

82 WOMEN'S AND SOCIAL DEVELOPMENT AFFAIRS

Natural_Account	Description	2021-22 Prior Year Actual	2022-23 Revised Budget	2022-23 Actual + Commitment	2023-24 Proposed Budget
Revenue by Natural Account					
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	154,070	100,078	168,613	156,800
2035	Overtime - local	11,660	13,900	13,528	13,900
2050	Uniforms & Protective Clothing	-	5,530	5,530	-
2070	Travel - Staff	-	4,785	4,769	8,000
2075	Travel - Business	-	44,400	44,169	200,306
2100	Entertainment	75,410	2,500	2,500	61,700
2105	Official Celebrations	56,000	209,468	208,653	134,100
2130	Printing & Stationery	24,930	12,720	8,195	30,510
2135	Stores	6,259	2,800	1,995	9,000
2185	R&M - Buildings	12,000	5,000	4,759	-
2190	R&M - Office Equipment	-	6,000	1,719	6,000
2230	Publicity and Awareness	-	2,950	-	-
2330	Telephone / Internet	-	700	300	3,000
2495	Plant & Equipment Purchases	64,251	4,100	3,908	5,000
2630	Safe House	17,305	96,660	66,928	95,280
Expense Subtotal		421,885	511,591	535,564	723,596
Division : 8201 - Secretariat					
Expense by Natural Account					
2015	Salary - Local	13,384	84,638	19,667	69,239
2020	Salary Expatriate	141,802	140,000	117,886	140,000
2035	Overtime - local	9,800	10,000	2,336	10,000
2075	Travel - Business	-	64,173	50,296	-
2100	Entertainment	-	-	-	10,000
2105	Official Celebrations	5,000	18,642	18,642	20,000
2130	Printing & Stationery	541	6,930	6,930	10,000
2135	Stores	2,004	2,800	1,121	9,000
2185	R&M - Buildings	12,000	-	-	-
2190	R&M - Office Equipment	-	6,000	-	6,000
2330	Telephone / Internet	-	4,920	100	300
2495	Plant & Equipment Purchases	9,483	4,100	2,718	-
Expense Subtotal		194,015	342,203	219,695	274,539
Division : 8202 - Child Protection					
Expense by Natural Account					
2015	Salary - Local	136,311	138,552	111,724	152,695
2030	Salaries - Other Contracts	15,000	8,000	-	-
2035	Overtime - local	24,998	25,000	24,304	25,000
2075	Travel - Business	-	-	-	101,000
2100	Entertainment	15,700	57,500	57,400	15,000
2105	Official Celebrations	43,600	62,000	61,360	62,000
2130	Printing & Stationery	30,845	31,625	26,223	30,425
2135	Stores	7,531	12,500	9,026	13,500
2200	R&M - Motor Vehicles	-	-	-	-
2205	R&M - Plant	500	500	-	500
2230	Publicity and Awareness	-	-	-	87,100
2495	Plant & Equipment Purchases	27,986	6,711	2,218	6,711
2496	Building and Structures	19,935	35,000	-	-
2630	Safe House	73,976	86,470	77,396	86,470
Expense Subtotal		396,382	463,858	369,652	580,401
Division : 8203 - Gender Mainstreaming Unit (GMU)					
Expense by Natural Account					
2015	Salary - Local	48,801	50,722	39,378	65,463
2035	Overtime - local	-	5,000	5,000	5,000
2100	Entertainment	3,000	20,000	20,000	20,000
2105	Official Celebrations	-	11,000	7,000	11,000
2130	Printing & Stationery	1,867	4,025	4,025	4,625
2135	Stores	303	304	286	524
2185	R&M - Buildings	5,000	-	-	-
2200	R&M - Motor Vehicles	-	-	-	-
2495	Plant & Equipment Purchases	5,785	8,265	6,745	5,960
Expense Subtotal		64,755	99,316	82,434	112,572
Total Expense		1,077,038	1,416,967	1,207,345	1,691,108

The total budget for Women's Affairs is higher in FY 2023-24, and mainly reflects increases to salary local and travel business, more than offset reductions to official celebrations.

- \$0.2 million for the Safe House running costs,
- \$0.06 million has been allocated for the zero to three parental training and
- \$0.06 million for the Building Families Life program

83 MEDIA

Natural Account	Description	2021-22 Prior Year Actual	2022-23 Revised Budget	2022-23 Actual + Commitment	2023-24 Proposed Budget
Revenue by Natural Account					
1540	Advertising Revenue	17,270	19,500	3,253	3,456
Total Revenue		17,270	19,500	3,253	3,456
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	522,938	583,145	510,910	520,463
2030	Salaries - Other Contracts	1,505	-	-	-
2035	Overtime - local	33,555	34,000	30,280	26,000
2040	Staff Training	3,883	7,648	7,619	5,000
2050	Uniforms & Protective Clothing	9,075	5,673	5,673	11,662
2055	Consultants fees	-	-	-	43,990
2075	Travel - Business	8,000	35,645	31,145	140,000
2100	Entertainment	1,974	2,000	2,000	2,000
2105	Official Celebrations	13,883	11,500	11,494	7,500
2130	Printing & Stationery	10,958	6,810	5,874	11,638
2135	Stores	7,410	8,716	8,458	6,000
2190	R&M - Office Equipment	3,414	7,964	7,964	18,356
2330	Telephone / Internet	1,700	2,120	1,936	16,040
2370	Membership Fees & Subscriptions	-	5,050	4,859	3,800
2372	Nauru Radio Supplies	6,600	5,567	5,567	5,000
2373	Media TV Supplies	12,266	205,250	200,559	46,660
2375	ICT Supplies	-	-	-	-
2495	Plant & Equipment Purchases	58,566	76,262	72,584	250,000
2496	Building and Structures	4,394	75,061	34,412	-
2600	Postage	-	-	-	500
Expense Subtotal		700,120	1,072,411	941,333	1,114,609
Total Expense		700,120	1,072,411	941,333	1,114,609

The total budget for Media is higher in FY 2023-24, mainly reflecting increased provision for travel business and plant and equipment purchases, more than offset reductions to Building and Structure, Media TV supplies, and salary local.

- \$0.3 million has been provided to Media to conduct hands-on broadcast training for staff, covering service fees for the media consultant/trainer. As part of the team's on the job training, the allocation includes a provision for travel to the Micronesian and South Pacific Games.

84 LANDS AND SURVEY

<i>Natural Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1495	Service Fees	1,720	-	-	-
1500	Sale of Maps	18,470	18,348	14,680	15,840
Total Revenue		20,190	18,348	14,680	15,840
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	303,207	480,451	382,890	474,632
2020	Salary Expatriate	24,583	74,065	60,835	87,000
2035	Overtime - local	7,678	8,400	8,398	8,400
2050	Uniforms & Protective Clothing	4,888	3,000	2,985	3,000
2070	Travel - Staff	247	8,412	8,412	4,000
2105	Official Celebrations	2,995	2,000	2,000	2,000
2130	Printing & Stationery	14,984	4,000	3,841	4,000
2135	Stores	3,999	4,000	3,991	4,000
2160	Land Rental	4,870,917	5,372,428	5,285,544	5,845,548
2185	R&M - Buildings	30,981	1,000	989	1,000
2230	Publicity and Awareness	6,450	4,500	4,360	4,500
2495	Plant & Equipment Purchases	45,086	5,800	5,772	34,014
2575	Local Transport	163,060	64,500	45,400	36,500
2610	Survey Supplies	4,018	1,500	1,500	1,500
Expense Subtotal		5,483,093	6,034,056	5,816,917	6,510,094
Total Expense		5,483,093	6,034,056	5,816,917	6,510,094

The total budget for Lands and Survey is higher in FY 2023-24, this mainly reflects increases in salary expatriate, plant and equipment purchases and land rental more than offsetting reductions in local transport, and salary local.

Government has finalized the agreement for a new land lease at top side for a new track and field for the upcoming Micronesian Games. Funding for the land lease for the RPC 2 Camp and Ewa/Ijuw lodge is now part of the land rental provision for Lands and survey to reflect that these sites have been gifted back to the Government.

85 LANDS COMMITTEE

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1495	Service Fees	14,720	16,500	2,030	2,000
Total Revenue		14,720	16,500	2,030	2,000
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	161,192	168,381	162,520	168,295
2025	Allowances - Staff Contract	124,840	155,177	115,653	160,525
2040	Staff Training	-	-	-	3,200
2100	Entertainment	1,000	2,000	1,998	2,000
2130	Printing & Stationery	3,915	5,987	5,368	5,987
2135	Stores	2,054	2,143	2,142	2,143
2185	R&M - Buildings	74,579	5,800	5,353	5,000
2230	Publicity and Awareness	-	1,900	1,900	4,500
2370	Membership Fees & Subscriptions	-	2,000	-	2,000
2495	Plant & Equipment Purchases	34,088	8,694	8,394	8,694
Expense Subtotal		401,669	352,082	303,328	362,344
Total Expense		401,669	352,082	303,328	362,344

The total budget for the Lands Committee is around the same level as in the current year. Except for an increase to the Allowances Staff contract, all other subheads remain the same.

86 DEPARTMENT OF LAND MANAGEMENT

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	168,812	111,104	101,054	80,272
2075	Travel - Business	-	15,000	5,032	15,000
2105	Official Celebrations	900	1,000	1,000	1,000
2130	Printing & Stationery	1,204	2,000	1,943	2,000
2135	Stores	1,092	6,104	4,795	1,104
2185	R&M - Buildings	943	1,000	989	1,000
Expense Subtotal		172,952	136,208	114,812	100,376
Total Expense		172,952	136,208	114,812	100,376

The total budget for the Department of Land Management is lower in FY 2023-24, and reflects reduction to salary local and stores, the rest of the lines remain the same as current.

87 PEOPLE LIVING WITH A DISABILITY

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	92,872	98,016	90,580	114,753
2020	Salary Expatriate	-	-	-	40,000
2035	Overtime - local	1,476	4,800	1,732	4,000
2040	Staff Training	730	1,350	600	1,350
2050	Uniforms & Protective Clothing	800	945	700	945
2055	Consultants fees	2,424	2,600	2,200	7,000
2070	Travel - Staff	-	-	-	3,000
2075	Travel - Business	-	-	-	5,100
2100	Entertainment	14,920	6,691	6,689	-
2105	Official Celebrations	10,980	11,000	11,000	14,000
2130	Printing & Stationery	1,288	1,424	1,023	1,424
2135	Stores	1,306	1,310	1,310	1,310
2185	R&M - Buildings	2,828	2,000	1,650	6,000
2190	R&M - Office Equipment	225	500	496	500
2220	Nauru Community Housing	30,649	349,309	348,484	500,000
2315	Utilities	-	7,200	446	7,200
2330	Telephone / Internet	-	-	-	100
2495	Plant & Equipment Purchases	3,588	8,500	7,815	6,000
Expense Subtotal		164,087	495,645	474,725	712,682
Total Expense		164,087	495,645	474,725	712,682

The total budget for the Disability Department is higher in 2023-23, and this mainly reflects an increased provision for Salary local, Nauru Community Housing and Salary Expatriate.

- Nauru Community Housing has been increased to \$0.5 million to accommodate the increasing demand for wheelchair ramps and home modifications to ensure disability friendly homes.
- \$0.04 million has been allocated to the Salary Expatriate for a new legal counsel to assist in establishing legal frameworks for the department's function and mandate.

91 TRANSPORT

<i>Natural_Account</i>	<i>Description</i>	2021-22 Prior Year Actual	2022-23 Revised Budget	2022-23 Actual + Commitment	2023-24 Proposed Budget
Revenue by Natural Account					
1300	Registration Fees-Motor Cars	155,428	171,744	115,309	125,112
1305	Registration Fees-Motorcycles	48,164	49,884	49,752	54,072
1310	Vehicle/Insurance Fees	552,110	589,392	514,744	558,576
1360	D.C.A.-Pax Levy	-	921,600	348,025	379,656
1365	D.C.A.-Departure Taxes	-	873,246	303,300	330,864
1370	D.C.A.-Air Navigation Fees	112,882	492,420	245,539	147,816
1375	D.C.A.-Landing Fees	11,756	552,195	404,244	440,988
1380	D.C.A.-Rental Fees	50,375	73,800	140,947	137,772
1475	Miscellaneous Revenue	114,671	114,833	99,560	108,300
1480	Bus Services	5,000	10,099	3,925	4,184
Total Revenue		1,050,386	3,849,213	2,225,345	2,287,340
Division : 9101 - Secretariat					
Expense by Natural Account					
2015	Salary - Local	112,797	227,500	95,354	282,364
2020	Salary Expatriate	21,475	89,000	33,600	70,000
2026	Directors Fees	800	1,700	1,200	4,800
2030	Salaries - Other Contracts	2,160	-	-	-
2050	Uniforms & Protective Clothing	-	350	349	1,000
2055	Consultants fees	-	-	-	-
2070	Travel - Staff	10,000	13,000	12,087	14,750
2075	Travel - Business	-	21,000	20,999	36,025
2100	Entertainment	668	550	539	2,400
2105	Official Celebrations	-	300	280	7,000
2130	Printing & Stationery	13,228	16,400	14,660	14,000
2135	Stores	55,409	43,111	42,910	20,000
2165	Office Rental	-	6,900	4,600	12,000
2185	R&M - Buildings	-	-	-	15,000
2230	Publicity and Awareness	-	1,200	1,117	2,000
2315	Utilities	-	-	-	12,000
2330	Telephone / Internet	-	3,000	2,923	7,200
2370	Membership Fees & Subscriptions	9,826	10,000	9,960	7,000
2495	Plant & Equipment Purchases	-	65,943	65,576	8,500
2575	Local Transport	-	16,800	16,700	-
Expense Subtotal		226,363	516,754	322,855	516,039
Division : 9102 - DCA					
Expense by Natural Account					
2015	Salary - Local	835,692	862,198	898,808	862,865
2030	Salaries - Other Contracts	102,839	112,828	92,023	143,828
2035	Overtime - local	140,403	201,600	186,289	156,000
2040	Staff Training	-	32,223	32,223	50,000
2050	Uniforms & Protective Clothing	3,351	25,637	12,699	10,000
2055	Consultants fees	31,051	1,650	1,650	109,000
2070	Travel - Staff	-	9,269	9,269	-
2100	Entertainment	2,999	3,729	3,729	3,000
2105	Official Celebrations	1,155	5,003	6,402	2,000
2130	Printing & Stationery	6,539	6,392	6,392	6,540
2135	Stores	17,401	15,000	14,154	2,000
2185	R&M - Buildings	51,354	105,657	45,657	60,000
2205	R&M - Plant	1,160	2,070	671	2,070
2210	R&M - Aerodrome	59,982	65,000	38,254	60,000
2315	Utilities	282,441	344,000	277,819	387,000
2330	Telephone / Internet	-	109	109	2,520
2370	Membership Fees & Subscriptions	97,083	14,748	-	91,673
2495	Plant & Equipment Purchases	111,885	101,116	23,336	17,140
2496	Building and Structures	-	58,286	58,286	-
Expense Subtotal		1,745,335	1,966,514	1,707,769	1,965,636

Division : 9103 - Land Transport					
Expense by Natural Account					
2015	Salary - Local	334,246	445,143	295,328	429,132
2020	Salary Expatriate	-	-	14,719	-
2030	Salaries - Other Contracts	54,000	56,150	49,680	56,150
2035	Overtime - local	41,682	44,430	38,388	28,167
2050	Uniforms & Protective Clothing	3,345	4,700	1,532	4,700
2100	Entertainment	-	2,149	276	600
2105	Official Celebrations	785	800	-	800
2130	Printing & Stationery	1,177	5,530	1,794	5,530
2135	Stores	938	1,440	1,156	1,440
2185	R&M - Buildings	118,688	16,588	-	-
2190	R&M - Office Equipment	1,229	1,800	-	1,800
2200	R&M - Motor Vehicles	-	-	-	100,000
2315	Utilities	8,815	17,000	4,460	17,000
2495	Plant & Equipment Purchases	3,332	37,000	37,000	98,500
Expense Subtotal		568,237	632,730	444,334	743,818
Total Expense		2,539,935	3,115,998	2,474,958	3,225,493

The total budget for Transport is higher in FY 2023-24 reflecting increases to salaries, utilities, plant and equipment purchases, and R&M Motor vehicle more than offset reductions to overtime, stores, and salary expatriate.

The 2023-24 budget includes:

- \$0.2 million in new salary funding to enable the department to absorb the Eigu Transport Services Vehicle Inspection unit, following a government decision for the Department of Transport to take over this function.
- \$0.1 million has been allocated for R&M Motor vehicles to enable the department to cover for service and maintenance of its specialised fleets.

95 ICT

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
1015	Income from Investments & Dividends-Others	-	-	-	-
1475	Miscellaneous Revenue	10,635	4,000	8,645	9,540
Total Revenue		10,635	4,000	8,645	9,540
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	358,303	467,033	389,494	459,952
2020	Salary Expatriate	35,834	110,000	13,565	90,000
2035	Overtime - local	6,799	8,298	4,545	8,298
2040	Staff Training	-	26,000	25,287	22,625
2050	Uniforms & Protective Clothing	7,718	7,775	-	7,775
2055	Consultants fees	5,280	4,800	4,800	39,000
2072	Meals and Drinks - Staff	-	1,820	1,794	1,820
2075	Travel - Business	-	50,200	40,174	50,000
2100	Entertainment	10,319	15,850	14,774	8,800
2130	Printing & Stationery	9,245	5,250	-	5,250
2135	Stores	5,220	3,340	3,307	1,940
2185	R&M - Buildings	47,119	-	-	-
2190	R&M - Office Equipment	9,096	5,310	5,305	7,500
2195	R&M - Office Premises	3,030	2,840	2,832	3,100
2315	Utilities	14,871	-	-	-
2330	Telephone / Internet	2,047,713	1,747,260	1,736,903	1,747,260
2370	Membership Fees & Subscriptions	43,867	50,000	30,238	50,000
2375	ICT Supplies	51,951	27,246	23,143	34,786
2495	Plant & Equipment Purchases	79,390	28,667	28,632	39,690
Expense Subtotal		2,735,753	2,561,689	2,324,792	2,577,796
Total Expense		2,735,753	2,561,689	2,324,792	2,577,796

The total 2023-23 budget for ICT is around the same level as the current year assuming business as usual. \$0.05 million has been provided to ICT to progress the migration of the current PABX system to VOIP. It is envisaged that the transition to VOIP will enable communication to all existing sites with added benefits of flexible and scalable connectivity and low maintenance costs.

97 TELECOM

<i>Natural_Account</i>	<i>Description</i>	<i>2021-22 Prior Year Actual</i>	<i>2022-23 Revised Budget</i>	<i>2022-23 Actual + Commitment</i>	<i>2023-24 Proposed Budget</i>
Revenue by Natural Account					
		-	-	-	-
Total Revenue		-	-	-	-
Division : 0000 - General					
Expense by Natural Account					
2015	Salary - Local	18,256	34,596	19,486	60,842
2026	Directors Fees	-	200	-	7,200
2040	Staff Training	-	30,000	-	-
2055	Consultants fees	42,107	30,000	14,500	-
2075	Travel - Business	-	7,000	5,955	-
2130	Printing & Stationery	-	500	-	500
2135	Stores	-	1,300	-	300
2185	R&M - Buildings	-	7,394	-	1,000
2195	R&M - Office Premises	-	1,000	-	1,000
2330	Telephone / Internet	-	-	-	-
2495	Plant & Equipment Purchases	-	20,000	-	-
Expense Subtotal		60,364	131,990	39,941	70,842
Total Expense		60,364	131,990	39,941	70,842

The total budget for Telecom is lower in FY 2023-24, mainly reflecting reduced provision for staff training, consultancy fees, and plant and equipment purchases more than offset increase to salary local.