



REPUBLIC OF NAURU

SUPPLEMENTARY ESTIMATES OF EXPENDITURE 2024-25

23 December 2024

CIRCULATED BY

**HIS EXCELLENCY THE HONOURABLE DAVID ADEANG, MP
PRESIDENT AND MINISTER FOR FINANCE AND SUSTAINABLE
DEVELOPMENT**

SUPPLEMENTARY APPROPRIATION No.2 2024-25

OVERVIEW

Supplementary Appropriation Bill (No.2) 2024-25 recognise identified savings and reallocate these funds against new government expenditures.

The Supplementary recognises a reallocation of \$15 million savings to fund new expenditures, totalling \$15 million, leaving a small surplus balance of \$0.2 million for the year.

This Bill reflects updated expenditure estimates to:

- Recognise expenditure savings
- Account for new spending decisions made since the Supplementary Appropriation Budget No 1 was passed in November

Table 1: Budget Aggregates (\$)

	2024-25 Original Budget	2024-25 Supp App 1	2024-25 Supp App 2	2024-25 Revised YTD
Revenue	311,285,197	13,654,112	0	324,939,309
Expenditure	348,734,244	13,581,900	-7,474	362,308,670
Balance	-37,449,047	72,212	7,474	-37,369,361
Less Reserve Reappropriation	37,600,000	37,600,000	37,600,000	37,600,000
Net Budget Surplus/Deficit	150,953	37,672,212	37,607,474	230,639

REVENUES

There are no revenue changes in this supplementary.

EXPENDITURES

Expenditure Decreases:

16 - Finance Other	
	2024-25 Supplementary 2
2650 - Trust Fund	(15,000,000)
Total impact on budget	(15,000,000)

Australia is covering the Government of Nauru's remaining 75% contributions to the Intergenerational Trust Fund, for which \$15 million was allocated in the government budget. Consequently, expenditure reductions of \$15 million from the NTF are recognized as savings.

Expenditure Increases

The following expenditure is appropriated.

01 - Presidency	
	2024-25 Supplementary 2
0000 - General Division	
2075 - Travel Business	1,945,000
0102 - Centralised Activities Division	
2075 - Travel Business	1,000,000
Total impact on budget	2,945,000

\$2.9 million is allocated to the Presidency Department to cover ongoing travel expenses, including both Presidency BAU (Business as Usual) and departmental centralized travel.

02 - Ministerial	
	2024-25 Supplementary 2
2075 - Travel Business	945,000
Total impact on budget	945,000

\$0.9 million is allocated to Ministerial Department to cover ongoing travel for the rest of the financial year.

11 - Finance Secretariat	
1101 Treasury Division	
	2024-25 Supplementary 2
2055 - Consultant Fees	74,210
Total impact on budget	74,210

\$74 thousand is provided to Finance Secretariat for new consultancy fees.

16 - Finance Other	
	2024-25 Supplementary 2
2650 - Trust Fund	2,130,000
2421 - Ex Gratia - Age and Disable	886,200
2422 - Ex Gratia SoEs	1,136,120
2423 - Ex Gratia Nauru Public Service	1,118,586
Total impact on budget	5,270,906

\$5.3 million is allocated to Finance Other:

- \$2.1 million to the Trust Fund comprising of 10.1% of new budget support revenue from the Government of Australia
- \$3.1 million for ex-gratia payment, the third one for this financial year, scheduled to be disbursed in January, 2025

18 - NRPCC	
2024-25 Supplementary 2	
2055 - Consultancy Fees	20,000
2100 - Entertainment	21,000
Total impact on budget	41,000

\$41 thousand is allocated to the NRPCC to cover new, unforeseen expenses, not anticipated at the start of the financial year.

21 - DEMA	
2024-25 Supplementary 2	
2030 - Salary - other contracts	85,000
Total impact on budget	85,000

\$85 thousand is allocated to DEMA to initiate the safe consolidation and disposal of waste material containing legacy asbestos.

41 - Police	
2024-25 Supplementary 2	
2035 - Overtime - Local	36,824
2130 - Printing and Stationery	10,000
2072 - Meals and drinks staff	15,000
2190 - R&M Office Equipment	23,330
Total impact on budget	85,154

\$85 thousand is provided to Nauru Police Force to cover operational costs during the festive season.

45 - Border Control	
2024-25 Supplementary 2	
4501 - Immigration	
2130 - Printing and Stationery	25,000
4502 - Passport	
2130 - Printing and Stationery	52,500
Total impact on budget	77,500

\$78 thousand is provided to Border control for the re-stocking of immigration departure cards and diplomatic passports.

61 - Health	
	2024-25 Supplementary 2
2475 - Overseas Medical Referral	2,865,969
Total impact on budget	2,865,969

\$2.9 million is provided to Health to fund ongoing OMR operations.

62 - Sports	
	2024-25 Supplementary 2
2496 - Building and Structure	2,085,925
Total impact on budget	2,085,925

\$2.1 million is allocated to the Sports Department to cover the road and access works related to the new Micronesian Games and Field Stadium. The fund will be utilised to pay for outstanding charges for work already done as well as for additional work identified following the engineering team`s recent site visit.

72 - Foreign Affairs Brisbane	
	2024-25 Supplementary 2
2155 - House Rental	170,000
Total impact on budget	170,000

\$170 thousand is provided to Brisbane Consulate to cover the rent of the new state residence in Brisbane.

83 - Media	
	2024-25 Supplementary 2
2035 - Overtime - Local	20,000
2072 - Meals and drinks staff	2,000
Total impact on budget	22,000

\$22 thousand is provided to Media to cover outstanding overtime and staff refreshments incurred during weekend operations.

88- National Heritage	
00555 MPIP Project	
	2024-25 Supplementary 2
2496 - Building and Structure	70,355
Total impact on budget	70,355

\$70 thousand is provided to National Heritage to settle outstanding bills from the Miss Pacific Island Pageant that Nauru hosted last year.

Salary Increases

\$0.3 million is provided to fund a pay increase for the Speaker and Minister assisting the President, three Deputy Ministers, all Opposition members, and selected Heads of Departments. The rate of increment is as follows:

- Speaker and Minister assisting the President – 3%
- Deputy Ministers – 5%
- Members of Parliament (MPs) – 82%
- Heads of Departments (HoDs) – Salary to be upgraded to a flat \$60,000 for those currently earning below \$60,000. No changes for HoDs earning above \$60,000

Head 02 Ministerial	
2024-25 Supplementary 2	
2005 - Salaries and Allowances MPs	4,029
Total impact on budget	4,029

\$4 thousand is allocated to cover for a pay increase for the Minister Assisting President and Deputy Ministers

Head 16 Finance Other	
2024-25 Supplementary 2	
2614 - Grants to EBUs	119,398
Total impact on budget	119,398

\$0.1 million is allocated to Head 16 to cover for a pay increase for the Speaker of Parliament and Members of Parliament (MPs).

Head of Departments (HoDs)	
2024-25 Supplementary 2	
02 - Ministerial	
2015 - Salary Local	5,736
0302 - Chief Secretary Office - Administration	
2015 - Salary Local	4,716
0303 - Chief Secretary Office BDM Office	
2015 - Salary Local	12,500
08 - National Emergency Services	
2015 - Salary Local	14,099
22 - DCCNR	
2015 - Salary Local	4,672
41 - Nauru Police Force	
2015 - Salary Local	4,716
51 - Education	
2015 - Salary Local	4,716
62 - Sports	
2015 - Salary Local	14,099
63 - Infrastructure	
2015 - Salary Local	4,672
71 - DFAT	
2015 - Salary Local	4,716
81 - Internal Affairs	
2015 - Salary Local	14,099
82 - WASDA	
2015 - Salary Local	14,099
83 - Media	
2015 - Salary Local	4,716
84 - Lands and Survey	
2015 - Salary Local	4,716
87 - People Living with Disability	
2015 - Salary Local	14,099
95 - ICT	
2015 - Salary Local	4,716
Total impact on budget	131,080

\$0.1 million is provided to various departments to regularize the salaries of their respective Heads of Departments, up to \$60,000

Housekeeping Measures

In addition to the measures mentioned above, this Supplementary Appropriation Bill provides an opportunity to address housekeeping matters to ensure that past funding (whether spent or unspent) is accurately reflected in the appropriate budget

categories. Since these changes involve only shifts between budgetary heads there will no impact on the overall budget bottom line.

Decreases

16 - Finance Other	
	2024-25 Supplementary 2
2496 - Building and Structure	(1,650,000)
2545 - Debt Repayments Other	(1,400,000)
Total impact on budget	(3,050,000)

Increases

63 - Infrastructure	
	2024-25 Supplementary 2
2222 - Smart Housing	1,650,000
Total impact on budget	1,650,000

12- Public Debt	
	2024-25 Supplementary 2
2545 - Debt Repayments Other	1,400,000
Total impact on budget	1,400,000

\$1.7 million related to the construction of permanent dwellings for the Port – Relocation Project is being reduced from Head 16 where it has been recorded as part of GoN Port in kind-contributions (consistent with past years treatment). Following a recent government decision, this is to be added to Department of Infrastructure, aligned to the Department of Infrastructure housing mandate.

\$1.4 million for the November re-payment of the Nauru Airlines Replacement program loan is currently reflected under Head 16 as it was funded (via ISHT) from the Fiscal Cash Buffer. However, it needs to be accurately reflected under Head 12 – Public Debt. Actuals will be posted following the update to the budget changes.

Table 2: 2024-25 Supplementary Appropriation No.2 – Revenues

Description	2024-25 Original Budget	Supp Approp 1	Supp Approp 2	2024-25 Revised Budget
03 - Chief Secretary Office	54,252			54,252
09 - Electoral Commission	815,340			815,340
11 - Finance Secretariat	0			0
12 - Finance -Public Debt	0			0
15 - Nauru Revenue Office	29,439,142			29,439,142
16 - Finance - Other Payments	24,539,110	13,654,112		38,193,222
17 - Nauru Customs Office (NCO)	17,897,773			17,897,773
18 - Nauru Regional Processing Centre (NRPCC) Corporation	0			0
21 - Environment Management & Agriculture (DEMA)	0			0
31 - Fisheries	50,530,000			50,530,000
41 - Police	96,372			96,372
42 - Multi Cultural Affairs	181,000,012			181,000,012
43 - Justice - Secretariat	501,495			501,495
44 - Judiciary	47,928			47,928
45 - Border Control	2,675,384			2,675,384
46 - Correctional Services	10,509			10,509
50 - TVET	0			0
51 - Education	0			0
60 - COVID-19 task force	0			0
61 - Health	59,112			59,112
62 - Sports	0			0
81 - Internal Affairs	80,000			80,000
83 - Media Bureau	9408			9408
84 - Lands & Survey	8,112			8,112
85 - Lands Committee	2000			2000
91 - Transport Secretariat	3,484,248			3,484,248
93 - Maritime Transport	0			0
95 - ICT	35,000			35,000
	311,285,197	13,654,112	0	324,939,309

Table 3: 2024-25 Supplementary Appropriation No.2 – Expenditures

Description	2024-25 Original Budget	Supp Approp 1	Supp Approp 2	2024-25 Revised Budget
01 - Presidency and State House (including GIO)	10,199,552	3,920,000	2,945,000	17,064,552
02 - Ministerial	20,140,565	2,900,000	954,765	23,995,330
03 - Chief Secretary Office	25,238,229		17,216	25,255,445
05 - Audit	414,462			414,462
08 - National Emergency Services	2,956,112	140,651	14,099	3,110,862
09 - Electoral Commission	418,444	104,006		522,450
11 - Finance Secretariat	4,684,961		74,210	4,759,171
12 - Finance -Public Debt	-		-	-
13 - Bureau of Statistics	235,220	40,174		275,394
15 - Nauru Revenue Office	614,751			614,751
16 - Finance - Other Payments	114,284,642	4,957,751	5,390,304	124,632,696
17 - Nauru Customs Office (NCO)	803,679			803,679
18 - Nauru Regional Processing Centre (NRPCC)	936,227	152,905	41,000	1,130,132
21 - Environment Management & Agriculture (DEMA)	1,065,769	364,000	85,000	1,514,769
22 - Climate Change & Resilience	664,602		4,672	669,274
31 - Fisheries	3,162,933			3,162,933
41 - Police	6,881,465		89,870	6,971,335
42 - Multi Cultural Affairs	59,901,640	5,100,000		65,001,640
43 - Justice - Secretariat	3,408,657			3,408,657
44 - Judiciary	1,954,599			1,954,599
45 - Border Control	1,108,692		77,500	1,186,192
46 - Correctional Services	1,307,566			1,307,566
50 - TVET	1,927,683			1,927,683
51 - Education	23,184,433		4,716	23,189,149
52 - Youth Affairs	316,367			316,367
59 - Public Health	6,460,961			6,460,961
61 - Health	15,800,540	4,180,000	2,865,969	22,846,509
62 - Sports	1,252,963	920,000	2,100,024	4,272,987
63 - Infrastructure Development	4,016,473		4,672	4,021,145
71 - Foreign Affairs - Secretariat	1,456,815	55,500	4,716	1,517,031
72 - Foreign Affairs - Brisbane	1,538,229	50,500	170,000	1,758,729
73 - Foreign Affairs - Suva	760,381	42,672		803,053
74 - Foreign Affairs - New York	2,604,367			2,604,367
76 - Foreign Affairs- Geneva	1,218,947	228,994		1,447,941
77 - High Commission India	846,835			846,835
78 - High Commission Canberra	3,901,609			3,901,609
79 - Embassy of Nauru Beijing	874,900	431,000		1,305,900
81 - Internal Affairs	3,507,984		14,099	3,522,083
82 - Women and Social Development Affairs (WASDA)	1,027,490		14,099	1,041,589
83 - Media Bureau	752,540	59,414	26,716	838,670
84 - Lands & Survey	6,988,107		4,716	6,992,823
85 - Lands Committee	436,926			436,926
86 - Land Management	133,495			133,495
87 - People Living with Disability (PLD)	684,983		14,099	699,082
88 - National Heritage	1,910,735	134,334	70,355	2,115,424
91 - Transport	3,761,531			3,761,531
95 - ICT	2,817,553		4,716	2,822,269
97 - Telecom	168,635			168,635
	348,734,249	13,581,900	14,992,526	377,308,675