



GOVERNMENT OF KIRIBATI

SUPPLEMENTARY APPROPRIATION (NO.2) 2017

AS PRESENTED TO THE MANEABA NI MAUNGATABU 15 AUGUST 2017

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SUMMARY OF 2017 EXPENDITURE ESTIMATES AND SUPPLEMENTARY SOUGHT

Head	Title	Revised Budget 2017 (Incl. Supp No.1)	Supplementary Budget No.2 2017 now sought	Revised Budget 2017
02	Contributions to the Development Fund	21,457,905	39,647,525	61,105,429
03	Contributions to the RERF	-		-
09	Office of Te Beretitenti	1,995,288		1,995,288
10	Public Service Office	866,603		866,603
11	Judiciary	1,828,674		1,828,674
12	Police and Prisons	7,629,214		7,629,214
13	Public Service Commission	260,984	15,000	275,984
14	Ministry of Foreign Affairs and Immigration	2,644,177		2,644,177
15	Ministry of Internal Affairs	2,542,869		2,542,869
16	Ministry of Environment, Lands and Agricultural Development	3,320,194	45,602	3,365,796
17	Maneaba ni Maungatabu	3,259,356		3,259,356
18	Ministry of Commerce, Industry and Cooperatives	1,819,776		1,819,776
19	Kiribati National Audit Office	758,103		758,103
20	Office of the Attorney General	626,816		626,816
21	Ministry of Fisheries and Marine Resources Development	3,055,280		3,055,280
22	Ministry of Health and Medical Services	20,035,872		20,035,872
23	Ministry of Education	22,810,457	138,000	22,948,457
24	Ministry of Information, Communication, Transport and Tourism Development	4,467,595	113,600	4,581,195
25	Ministry of Finance and Economic Development	2,715,046		2,715,046
26	Ministry for Women, Youth and Social Affairs	1,516,074		1,516,074
27	Ministry of Public Works and Utilities	2,952,905	145,110	3,098,015
28	Ministry of Labour and Human Resource Development	4,865,753		4,865,753
29	Ministry of Line and Phoenix Island Development	3,769,542		3,769,542
37	Ministry of Justice	2,579,490	27,000	2,606,490
30	Debt Servicing	1,544,340		1,544,340
31	Subsidies, Grants and Other Commitments	53,317,960	5,530,000	58,847,960
	Total	172,640,272	45,661,837	218,302,109
	Less statutory expenditure		-	
	Total amount to be appropriated		45,661,837	

Head: 02 - Contributions to the Development Fund

Project code	Description	2017 Budget Approved	Supplementary now Sought	Notes
345 (new project)	Outer Island Infrastructure Program	-	30,000,000	<p>This pool of funding is to meet the Government commitment on the Outer Islands Infrastructure Program, with additional \$40 million in funding committed by the World Bank and Asian Development Bank.</p> <p>This program will include numerous activities on a range of islands, with a focus on transport infrastructure. The initial phase will focus on logistical, survey and design support, as well as critical needs.</p>
345 (new project)	Phase I of the Outer Islands Access and Passages	-	700,000	<p>This funding allows for the mobilisation of immediate support to those islands where passages are in urgent need of attention.</p> <p>The program of work may be expanded in future phases to compliment the Outer Island Infrastructure Program.</p>
2405H054	Air Kiribati Dash 8	4,000,000	1,700,000	<p>The increased cost is due to the value-for-money procurement process regarding the refurbished Dash 8 for AKL recommending the purchase of a newer aircraft.</p>

Head: 02 - Contributions to the Development Fund

Project code	Description	2017 Budget Approved	Supplementary now Sought	Notes
2204C056	Overseas referral	1,773,335.00	2,800,000	The improvement in detection rates has dramatically increased the number of critical cases requiring medical referral. This funding will ensure that those currently on the waiting list are able to receive timely medical care.
2901D097	LC Linnix insurance	-	181,679	To formally appropriate for the Contingency Warrant 06/17 that paid for the insurance costs on the Linnix landing craft
2602H061	Commonwealth Games participation	-	35,245	To formally appropriate for the Contingency Warrant 08/17 that was signed for the Kiribati team to attend the Youth Commonwealth Games
345 (new project)	PUB HV distribution network	-	1,000,000	Government of Kiribati co-payment for the high voltage distribution network upgrade with PUB (40% of total project costs). This project is in conjunction with the New Zealand Government.
1001E093	Housing Development Phase II	-	600,000	The Government of Kiribati co-payment on phase II of the Kiribati Housing Development Project with KHC and the New Zealand Government. This project will continue into 2018 and 2019, with a total cost to Government of \$2m across the three years.

Head: 02 - Contributions to the Development Fund

Project code	Description	2017 Budget Approved	Supplementary now Sought	Notes
345 (new project)	Climate change support program	-	150,000	To allow for the UNDP and Government of Kiribati team to travel to the outer islands when conducting their scoping mission for the Green Climate Fund coastal protection proposal in August/September
345 (new project)	Support for the Customs Single Window	-	26,000	The Government of Kiribati co-payment on the Customs ASYCUDA Support Mechanism for the Pacific, in conjunction with Oceania Customs Organisation and UNCTAD.
345 (new project)	Review of Public Service pay scales	-	500,000	There is a need to procure specialist services to review the pay scale and pay structures of the public service. This funding will allow the procurement process on this project to commence immediately.
2701G115	Support to the Nippon Causeway (local contribution)	246,167	1,000,000	This is to cover for additional support work from MPWU, including supplementary aggregates and materials.
2504A051	Support to the SOE Reform Program	-	500,000	To meet some short term costs associated with the SOE reform program, where such costs are not appropriate to be drawn from the Community Service Obligations (CSO).

Head: 02 - Contributions to the Development Fund

Project code	Description	2017 Budget Approved	Supplementary now Sought	Notes
345 (new project)	Survey equipment	-	260,000	Survey equipment will be purchased for the Lands Division of MELAD in order to improve the effectiveness of land survey operations.
345 (new project)	KSSL expatriate General Manager/CEO	-	194,600	In support of the Government's commitment to support KSSL, this funding will allow for the recruitment of an international CEO for KSSL for a period of one year, with KSSL to bear the cost after that time. A local counterpart is also to be recruited as an understudy with a view to localizing the position.
TOTAL			39,647,525	

Head: 13 - Public Service Commission

Sub Head (Output)	Expenditure Type	2017 Budget Approved	Supplementary now Sought	Notes
1301 (204)	Allowances	14,532	15,000	<p>Allowances for Public Service Commissioners have been exhausted due to an increased volume of requests for screening tests and interviews by Ministries.</p> <p>In order for vacancies to be filled in the second half of the year, allowances will need additional funding.</p>
TOTAL			15,000	

Head: 16 - Ministry of Environment, Lands, and Agricultural Development

Sub Head (Output)	Expenditure Type	2017 Budget Approved	Supplementary now Sought	Notes
1604 (249)	Agricultural Supplies	70,000	11,000	To ensure the purchase of adequate levels of animal feed until the end of year
1603 (248)	Compensation for trees	3,200	34,602	To meet the expense of additional claims of compensation for trees in relation to the Kiribati Road Rehabilitation Project.
TOTAL			45,602	

Head: 23 - Ministry of Education

Sub Head (Output)	Expenditure Type	2017 Budget Approved	Supplementary now Sought	Notes
2305 (242)	Food and Rations	130,000	138,000	Increased student numbers at Meleang Tabai Secondary School and increased costs of provisions has meant that additional funding for food and rations is required to ensure that this service can be provided until the end of 2017.
TOTAL			138,000	

Head: 24 - Ministry of Information, Communication, Transport, and Tourism Development

Sub Head (Output)	Expenditure Type	2017 Budget Approved	Supplementary now Sought	Notes
2406 (250)	Local Service (Postal Grant)	42,920	13,900	This funding is to cater for those Outer Islands who failed to provide their 2016 postal returns in a timely manner. Those returns have since been lodged and require funding from the 2017 year.
2409 (227)	External travel	15,630	29,700	To cater for travel to the Tourism Ministers' Meeting in Vanuatu.
2401 (232)	Electricity and Gas	56,000	70,000	The introduction of a server and database system, as well as supporting activities at the airport (such as power for construction tools and the universal use of security scanners) have dramatically increased the electricity costs for the Ministry. This funding will ensure that the Ministry can pay its bills until the end of the year.
TOTAL			113,600	

Head: 27 - Ministry of Public Works and Utilities

Sub Head (Output)	Expenditure Type	2017 Budget Approved	Supplementary now Sought	Notes
2701 (245)	Uniforms	-	40,000	Purchase of uniforms, safety gear, and safety equipment for all technical staff
2701 (215)	Transport to work	21,350	43,110	<p>The purchase of MCD equipment and vehicles has greatly increased the number of Ministry's plant and equipment. The associated increase in usage has dramatically increased fuel costs to the Ministry.</p> <p>Moving forward, all Ministries and projects will be required to pay for the operational costs of heavy vehicle usage, including fuel.</p>
2701 (250)	Local services	14,950	62,000	This is to cover for the increased security costs faced by the Ministry in storing heavy plant and equipment in the outer islands.
TOTAL			145,110	

Head: 37 - Ministry of Justice

Sub Head (Output)	Expenditure Type	2017 Budget Approved	Supplementary now Sought	Notes
3701(231)	Telecommunications	25,000	10,000	Communications costs have been higher than expected for the new Ministry, and this funding ensures the adequate budget provisioning until the end of 2017.
3702(216)	Internal Travel	11,600	10,000	Internal travel for Tarawa-based Customs Officers to travel to Kiritimati Island to install the PC Trade Customs database and train Kiritimati Island-based staff.
3703(216)	Internal Travel	8,002	7,000	To cater for internal travel by Prisons staff to escort prisoners from outer islands to Tarawa/Kiritimati
TOTAL			27,000	

Head: 31 - Subsidies, Grants and Other Commitments

Output Number	Title	2017 Budget Approved	Supplementary now Sought	Notes
289	Government Buildings and Maintenance	1,000,000	30,000	To cater for the ongoing need for technical expertise and support for Outer Islands water infrastructure and related issues. This is intended to be ongoing support from MPWU and PUB for the outer islands for the remainder of 2017.
329	Copra Price Subsidy	25,100,000	5,500,000	Average copra payments have been \$2.7m a month in 2017. When including the funds already with the Outer Islands, at least an additional \$5.5m will be needed to support continued payments until the end of 2017.
TOTAL			5,530,000	