



# **2020 APPROPRIATION BILL 2019**

**(NO. 5 OF 2019)**





# **2020 APPROPRIATION BILL 2019**

(NO. 5 OF 2019)

A

BILL

Entitled

**AN ACT TO APPROPRIATE THREE BILLION, EIGHT HUNDRED AND SEVENTEEN MILLION, ONE HUNDRED AND FIFTY FIVE THOUSAND AND SEVEN HUNDRED AND TWO DOLLARS TO THE SERVICE OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2020.**

**ENACTED BY THE NATIONAL PARLIAMENT OF SOLOMON ISLANDS.**

## 2020 APPROPRIATION BILL 2019

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## 2020 APPROPRIATION BILL 2019

### 1 **Short title**

This Act may be cited as the *2020 Appropriation Act 2019*.

### 2 **Commencement**

This Act commences on 1 January 2020.

### 3 **Authorisation of appropriation**

- (1) The issue of an amount of \$3,817,155,702 from the Consolidated Fund is authorised, to be applied to the service of the financial year ending 31 December 2020.
- (2) The amount specified in subsection (1) is appropriated for the supply of the heads specified in Schedule 1 in the amount specified for each head.

### 4 **Government borrowing limits**

- (1) This section applies for the purposes of section 66(2) of the *Public Financial Management Act 2013* for the financial year ending 31 December 2020.
- (2) The Government may borrow or agree to borrow amounts not exceeding in total the borrowing limits specified in Schedule 2, column 1, for the purposes specified opposite in column 2, from the sources specified opposite in column 3.

### 5 **Debt service account**

For section 69(2) of the *Public Financial Management Act 2013*, the Minister must set aside 1.201% of the Government's domestically sourced revenue earned in the financial year ending 31 December 2020, to be transferred into the debt service account for the purpose of discharging statutory debt.

## **6 Advance warrants**

For section 60(2) of the *Public Financial Management Act 2013*, the total amounts authorised by advance warrants issued by the Minister for the financial year ending 31 December 2020 must not at any one time, after deducting repayments and monies on deposit, exceed \$150,000,000.

## **7 Contingency warrants**

The total sums authorised by contingency warrants issued by the Minister under section 58 of the *Public Financial Management Act 2013* for the financial year ending 31 December 2020 must not exceed \$20,000,000 and may only be used for the recurrent and development heads of expenditure specified in Schedule 1, Parts 1 and 3.

# SCHEDULE 1

(Section 3)

## PART 1 - RECURRENT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
268	Solomon Islands Electoral Commission	8,342,798
269	Office of the Ombudsman	5,079,912
270	Ministry of Agriculture and Livestock Development	32,407,085
271	Office of the Auditor-General	7,760,249
272	Ministry of Education and Human Resources Development	1,201,230,400
273	Ministry of Finance and Treasury	143,134,064
274	Ministry of Foreign Affairs and External Trade	64,172,134
275	Office of the Governor General	7,329,733
276	Ministry of Health and Medical Services	448,969,416
277	Ministry of Infrastructure Development	54,631,642
279	National Parliament of Solomon Islands	98,327,447
280	Ministry of Forestry and Research	23,339,226
281	Office of the Prime Minister and Cabinet	108,866,371
283	Ministry of Police, National Security and Correctional Services	288,971,110
284	Ministry of Provincial Government and Institutional Strengthening	113,281,486
285	Ministry of Lands, Housing and Survey	18,213,667
286	Ministry of National Planning and Development Coordination	6,305,983
287	Ministry of Culture and Tourism	25,557,124
288	Ministry of Commerce, Industries, Labour and Immigration	40,555,109
289	Ministry of Communication and Aviation	45,795,721
290	Ministry of Fisheries and Marine Resources	21,491,930
291	Ministry of Public Service	28,230,339
292	Ministry of Justice and Legal Affairs	33,074,076
293	Ministry of Home Affairs	16,975,354

294	Ministry of Traditional Governance, Peace and Ecclesiastical Affairs	30,400,366
295	Ministry of Mines, Energy and Rural Electrification	15,523,726
296	National Judiciary	29,721,559
297	Ministry of Women, Youth, Children and Family Affairs	11,287,418
298	Ministry of Rural Development	18,554,058
299	Ministry of Environment, Climate Change, Disaster Management and Meteorology	31,358,556
	<b>TOTAL RECURRENT ESTIMATES</b>	<b>2,978,888,059</b>

## PART 2 - BUDGET SUPPORT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
372	Ministry of Education and Human Resources Development	73,748,040
373	Ministry of Finance and Treasury	14,504,992
374	Ministry of Foreign Affairs and External Trade	2,301,625
376	Ministry of Health and Medical Services	116,005,546
390	Ministry of Fisheries and Marine Resources	3,820,000
399	Ministry of Environment, Climate Change, Disaster Management and Meteorology	732,734
	<b>TOTAL BUDGET SUPPORT ESTIMATES</b>	<b>211,112,937</b>

## PART 3 - DEVELOPMENT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
470	Ministry of Agriculture and Livestock Development	23,375,000
472	Ministry of Education and Human Resources Development	28,500,000
473	Ministry of Finance and Treasury	10,000,000
476	Ministry of Health and Medical Services	30,741,900
477	Ministry of Infrastructure Development	87,900,000
480	Ministry of Forestry and Research	15,665,000
481	Office of the Prime Minister and Cabinet	71,000,000



483	Ministry of Police, National Security and Correctional Services	5,979,300
484	Ministry of Provincial Government and Institutional Strengthening	31,500,000
485	Ministry of Lands, Housing and Survey	4,000,000
487	Ministry of Culture and Tourism	6,325,000
488	Ministry of Commerce, Industries, Labour and Immigration	14,300,000
489	Ministry of Communication and Aviation	24,807,706
490	Ministry of Fisheries and Marine Resources	10,300,000
492	Ministry of Justice and Legal Affairs	1,000,000
495	Ministry of Mines, Energy and Rural Electrification	10,800,800
497	Ministry of Women, Youth, Children and Family Affairs	3,000,000
498	Ministry of Rural Development	240,000,000
499	Ministry of Environment, Climate Change, Disaster Management and Meteorology	7,960,000
	<b>TOTAL SIG FUNDED DEVELOPMENT ESTIMATES</b>	<b>627,154,706</b>

**TOTAL APPROPRIATION FUNDING \$3,817,155,702**

**NOTE:** In addition to the amount authorised by this Act, a further \$103,818,187 is forecast to be expended through statutory charges on the Consolidated Fund, including \$82,741,647 to be expended on National Debt Repayments. These Statutory Appropriations are explained in the Financial Policy Objectives and Strategies Statement (Budget Paper 1) and the Recurrent Estimates Document (Budget Paper 2) and are appropriated by existing legislation or the Constitution.

## SCHEDULE 2

(Sections 4 and 7)

### GOVERNMENT BORROWING LIMITS

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Total borrowing limits</b>	<b>Permitted purposes</b>	<b>Sources</b>
Face value of Treasury Bills on issue at the end of 2020 must not exceed the face value of Treasury Bills on issue at the beginning of 2020 by more than \$100,000,000	Purposes specified in section 71(4) of the <i>Public Financial Management Act 2013</i> (exceptional circumstances such as a major economic shock or natural disaster)	Treasury Bills issued under <i>Government Loans and Securities Act</i> (Cap. 119)
\$300,000,000	Purposes specified in section 71(3) of the <i>Public Financial Management Act 2013</i> (specifically \$300,000,000 for high priority infrastructure and development initiatives).	Multilateral or bilateral development partners, domestic financial institutions

## 2020 APPROPRIATION BILL 2019

### OBJECT AND REASONS

The object of this Bill is to authorise expenditure of \$3,817,155,702 for the services of the Government for 2020.

This Bill sets annual limits on new Government borrowing, for the purpose of section 66 (2) of the *Public Financial Management Act 2013*. There are 2 categories of permitted borrowing:

- borrowing by way of Treasury Bills to deal with exceptional circumstances
- borrowing from development partners or domestic financial institutions for the purpose of high priority infrastructure and development initiatives

The Bill specifies a borrowing limit for each category of permitted borrowing.

Provisions relating to the issue by the Minister for Finance and Treasury of advance warrants and contingency warrants during 2020 are also included.

The Bill should be read in conjunction with the Budget Papers provided to Parliament, including Budget Paper 1: Financial Policy Objectives and Strategies Statement.

The Bill provides authority under section 56 of the *Public Financial Management Act 2013* for a General Warrant to be issued by the Minister for Finance and Treasury up to three billion, eight hundred and seventeen million, one hundred and fifty five thousand and seven hundred and two dollars to the Permanent Secretary of Finance and Treasury. This further allows the issue of Accounting Warrants by the Permanent Secretary in accordance with section 57 of the *Public Financial Management Act 2013*. The accounting warrants to be issued are outlined in Budget Paper 2: Recurrent Budget Estimates and Budget Paper 3: Development Budget Estimates.

HON. HARRY KUMA  
MINISTER FOR FINANCE AND TREASURY

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