



2022 APPROPRIATION BILL 2022

(NO. 1 OF 2022)





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A

BILL

Entitled

AN ACT TO APPROPRIATE FOUR BILLION, THREE HUNDRED AND EIGHTY TWO MILLION, SIX HUNDRED AND SIXTY THREE THOUSAND AND ONE HUNDRED AND SEVENTY NINE DOLLARS TO THE SERVICE OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2022.

ENACTED BY THE NATIONAL PARLIAMENT OF SOLOMON ISLANDS.

2022 APPROPRIATION BILL 2022

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2022 APPROPRIATION BILL 2022

1 Short title

This Act may be cited as the *2022 Appropriation Act 2022*.

2 Commencement

This Act is taken to have commenced on 1 January 2022.

3 Authorisation of appropriation

- (1) The issue of an amount of \$4,382,663,179 from the Consolidated Fund is authorised, to be applied to the service of the financial year ending 31 December 2022.
- (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 2022.
- (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 7.57% of the Government's domestically sourced revenue earned in the financial year ending 31 December 2022, 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 amount authorised by advance warrants issued by the Minister for the financial year ending 31 December 2022 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 2022 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 (\$)
01	Solomon Islands Electoral Commission	20,484,984
02	Office of the Ombudsman	4,721,504
03	Ministry of Agriculture and Livestock Development	34,359,488
04	Office of the Auditor-General	9,013,203
05	Ministry of Education and Human Resources Development	1,076,297,654
06	Ministry of Finance and Treasury	139,757,860
07	Ministry of Foreign Affairs and External Trade	53,038,459
08	Office of the Governor-General	6,591,159
09	Ministry of Health and Medical Services	461,612,601
10	Ministry of Infrastructure Development	53,582,528
12	National Parliament of Solomon Islands	95,101,948
13	Ministry of Forestry and Research	23,675,487
14	Office of the Prime Minister and Cabinet	78,163,999
16	Ministry of Police, National Security and Correctional Services	285,131,490
17	Ministry of Provincial Government and Institutional Strengthening	103,716,875
18	Ministry of Lands, Housing and Survey	19,032,562
19	Ministry of National Planning and Development Coordination	5,917,723
20	Ministry of Culture and Tourism	25,675,334
21	Ministry of Commerce, Industries, Labour and Immigration	42,401,997
22	Ministry of Communication and Aviation	45,889,992
23	Ministry of Fisheries and Marine Resources	23,909,225
24	Ministry of Public Service	25,823,021
25	Ministry of Justice and Legal Affairs	39,399,774
26	Ministry of Home Affairs	14,602,542
27	Ministry of Traditional Governance, Peace and Ecclesiastical Affairs	26,220,512

28	Ministry of Mines, Energy and Rural Electrification	16,037,059
29	National Judiciary	23,658,418
30	Ministry of Women, Youth, Children and Family Affairs	10,351,696
31	Ministry of Rural Development	101,713,623
32	Ministry of Environment, Climate Change, Disaster Management and Meteorology	35,144,775
	TOTAL RECURRENT ESTIMATES	2,901,027,492

PART 2 - BUDGET SUPPORT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
03	Ministry of Agriculture and Livestock Development	24,258,500
05	Ministry of Education and Human Resources Development	103,400,000
06	Ministry of Finance and Treasury	190,387,445
07	Ministry of Foreign Affairs and External Trade	4,500,000
09	Ministry of Health and Medical Services	168,092,108
10	Ministry of Infrastructure Development	7,200,000
16	Ministry of Police, National Security and Correctional Services	35,898,315
23	Ministry of Fisheries and Marine Resources	32,000,000
24	Ministry of Public Service	510,575
26	Ministry of Home Affairs	760,403
28	Ministry of Mines, Energy and Rural Electrification	50,000
30	Ministry of Women, Youth, Children and Family Affairs	1,430,090
32	Ministry of Environment, Climate Change, Disaster Management and Meteorology	42,225,994
	TOTAL BUDGET SUPPORT ESTIMATES	610,713,430

PART 3 - DEVELOPMENT EXPENDITURE

Head	Ministry	Expenditure Authorised (\$)
03	Ministry of Agriculture and Livestock Development	25,000,000
05	Ministry of Education and Human Resources Development	60,400,000
06	Ministry of Finance and Treasury	30,000,000
09	Ministry of Health and Medical Services	40,000,000
10	Ministry of Infrastructure Development	109,200,000
12	National Parliament of Solomon Islands	2,700,000
13	Ministry of Forestry and Research	10,636,000
14	Office of the Prime Minister and Cabinet	107,125,487
16	Ministry of Police, National Security and Correctional Services	21,630,000
17	Ministry of Provincial Government and Institutional Strengthening	40,000,000
18	Ministry of Lands, Housing and Survey	10,000,000
19	Ministry of National Planning and Development Coordination	1,500,000
20	Ministry of Culture and Tourism	10,000,000
21	Ministry of Commerce, Industries, Labour and Immigration	33,663,770
22	Ministry of Communication and Aviation	30,357,000
23	Ministry of Fisheries and Marine Resources	15,000,000
24	Ministry of Public Service	2,750,000
25	Ministry of Justice and Legal Affairs	3,000,000
26	Ministry of Home Affairs	12,000,000
27	Ministry of Traditional Governance, Peace and Ecclesiastical Affairs	2,500,000
28	Ministry of Mines, Energy and Rural Electrification	30,000,000
29	National Judiciary	5,000,000
31	Ministry of Rural Development	261,000,000
32	Ministry of Environment, Climate Change, Disaster Management and Meteorology	7,460,000
	TOTAL DEVELOPMENT ESTIMATES	870,922,257

TOTAL APPROPRIATION FUNDING \$4,382,663,179

NOTE: In addition to the amount authorised by this Act, a further \$128,634,494 is forecast to be expended through statutory charges on the Consolidated Fund, including \$98,919,973 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

(Section 4)

GOVERNMENT BORROWING LIMITS

Column 1	Column 2	Column 3
Total borrowing limits	Permitted purposes	Sources
Face value of Treasury Bills on issue at the end of 2022 must not exceed the face value of Treasury Bills on issue at the beginning of 2022 by more than \$200,000,000	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)
\$500,000,000	Purposes specified in section 71(3) of the <i>Public Financial Management Act 2013</i> (specifically \$500,000,000 for high priority infrastructure and development initiatives)	Multilateral or bilateral development partners, domestic financial institutions

2022 APPROPRIATION BILL 2022

EXPLANATORY MEMORANDUM

OBJECT

The object of this Bill is to authorise expenditure of \$4,382,663,179 for the services of the Government for 2022.

CONTENT

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 101 of the Constitution for a General Warrant to be issued by the Minister for Finance and Treasury up to four billion, three hundred and eighty two million, six hundred and sixty three thousand and one hundred and seventy nine 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.

In addition, the 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 2022 are also included.



HON. HARRY DEGRUIT KUMA
MINISTER FOR FINANCE AND TREASURY