

# **2024-2025 TUVALU DEVELOPMENT FUND ESTIMATES**



## **GOVERNMENT OF TUVALU**

Presenting on the 24th June 2024

by

Deputy Prime Minister and Minister of Finance and Economic Development

Honourable Panapasi Nelesone

## Table of Contents

Introduction		3
Warranted Tuvalu Development Fund as of October 2023		
	Table 1: TDF Warrant Funds by Ministry	4
	Table 2: TDF Warrant Funds by Natural Account	5
	Table 3: Warrant Funds received by each Ministry (Categorize by Natural Account)	6-7
Tuvalu Development Fund Cash Estimates		
	Table 4: Development Fund Cash Estimates by Ministry	8
	Table 5: Development Fund Cash Estimates by Ministry and Project	8
Tuvalu Development Fund Non-Cash Estimates		
	Table 6: Development Fund Non-Cash Estimates by Ministry	9
	Table 7: Development Fund Non-Cash Estimates by Ministry and Project	9
Conclusion		10

## **INTRODUCTION**

The compilation of the Tuvalu Development Fund (TDF) estimates is mandated under the Public Finance Act – SCHEDULE Section 19(3) – RULES FOR THE OPERATION OF THE DEVELOPMENT FUND. The Ministry of Finance and Economic Development compiled the Fund’s estimates for the financial year 2024-2025 in conjunction with line ministries ascertaining the level of financial support associated with pipeline programs agreed with each development partner.

The Tuvalu Development Fund Estimates for 2024-2025 reflects funding support anticipated to receive from Development Partners (DPs) either in the form of *cash* or *non-cash* for 2024/2025 and two forward years 2025/2026 and 2026/2027. These estimates are allocated to implementing line ministries, under which department and program is designated, to finance donor-approved projects and program activities aligned with the donor requirements. These estimates, however, are bound to change during the financial year if there are new and additional funds committed by development partners for an existing or a new project.

The definitions below are used to clarify the following terms:

- i. ***Approved project*** – refers to a new and ongoing project which has been approved by the government to be registered in the FMIS and where the financial support has been received from the development partner. Each project is uniquely assigned and registered in the FMIS and only expend program funding as required by the development partner.
- ii. ***Cash*** – refers to funds deposited directly into the Tuvalu Development Fund account for development projects. Essentially, these funds should be acquitted to the remitter.
- iii. ***Non-Cash*** – (referred to as in-kind contribution) relates to technical assistance, training equipment, and infrastructure projects which are met directly by development partners and where funds are not received by the Government. Best estimated figures are computed to reflect their value in the budget.

## **WARRANTED DEVELOPMENT FUNDS AS OF APRIL 2024**

As of April 30<sup>th</sup> 2024, a total of \$3.2 million from Development Partners was received through TDF by line ministries as agreed with the remitter to be allocated to an existing or new project. The Ministry of Health and Social Welfare was identified as the highest recipient of donors' support with an amount of \$1.6 million while the Ministry of Education, Youth and Sport received the least amount as follows on *Table 1* below.

**Table 1: TDF Warrant Funds by Ministry as at April 2024**

HEAD	MINISTRY	AMOUNT
B	Office of the Prime Minister	\$ 79,179
F	Ministry of Finance and Economic Development	\$ 408,596
G	Ministry of Public Works and Infrastructure Development	\$ 134,825
H	Ministry of Health and Social Welfare	\$ 1,671,818
I	Ministry of Natural Resources	\$ 817,368
J	Ministry of Home Affairs, Climate Change and Environment	\$ 114,341
M	Ministry of Education, Youth and Sports	\$ 9,630
	<b>GRAND TOTAL</b>	<b>\$ 3,235,758</b>

Figures shown in *Table 2* below reflect the total amount of TDF warrants as per Natural Accounts. In comparison, a significant portion (44% - \$1.4m) of total TDF receipts being warranted for Goods and Services programs, followed by staffing (26% - \$854,979) and Travel and Communication (10% - \$329,358). *Table 3* below further represents a summary of the categorization of each receipt by natural account for each ministry.

**Table 2: TDF Warrant Funds by Natural Account**

NA CODE	CATEGORIES	2024 TDF Warranted Funds
<b>Staffing</b>		
2005	Salary - Expatriate/Contract	\$ 513,675
2015	Salary - Casual	\$ 7,520
2020	Consultant Fees	\$ 190,213
2025	Allowance	\$ 98,850
2030	Provident Fund	\$ 44,721
<b>Sub Total</b>		<b>\$ 854,979</b>
<b>Travel and Communication</b>		
2100	Overseas Business Travel	\$ 173,752
2105	Local Business Travel	\$ 110,452
2120	Telecom and Internet	\$ 45,154
<b>Sub Total</b>		<b>\$ 329,358</b>
<b>Maintenance</b>		
2205	R&M (Motor Vehicle)	\$ 90
2220	R&M (Building Facilities)	\$ 30,000
<b>Sub Total</b>		<b>\$ 30,090</b>
<b>Fuel and Oil</b>		
2300	Petrol and Oil	\$ 105,161
<b>Sub Total</b>		<b>\$ 105,161</b>
<b>Grant, Subsidies and Donations</b>		
2410	Grant General	\$ 257,000
<b>Sub Total</b>		<b>\$ 257,000</b>
<b>Scholarship and Training</b>		
2625	Attachment Training	\$ 100,000
2635	Capacity Development	\$ 135,238
<b>Sub Total</b>		<b>\$ 235,238</b>
<b>Good and Services</b>		
2705	Clothing Allowance	\$ 5,449
2710	Housing Allowance	\$ 22,264
2715	Rental/Rent Subsidy	\$ 193,707
2730	Office Stationery	\$ 31,130
2735	Office Expenses	\$ 164,340
2740	Supplies and Gears	\$ 101,500
2745	Plant and Equipment	\$ 48,800
2760	Compensation	\$ 74,491
2765	Entertainment	\$ 141,411
2810	Non-Taxable Allowance	\$ 622,028
2840	Contingency	\$ 18,811
<b>Sub Total</b>		<b>\$ 1,423,931</b>
<b>GRAND TOTAL</b>		<b>\$ 3,235,758</b>

**Table 3: Warrant Funds received by each Ministry (categorize by Natural Account)**

Head B		
CATEGORIES		WARRANT FUNDS
Travel and Communication	\$	50,000
Goods and Services	\$	29,179
<b>GRAND TOTAL</b>	<b>\$</b>	<b>79,179</b>

Head F		
CATEGORIES		WARRANT FUNDS
Staffing	\$	167,290
Travel and Communication	\$	33,000
Maintenance	\$	30,000
Fuel and Oil	\$	11,691
Goods and Services	\$	166,615
<b>GRAND TOTAL</b>	<b>\$</b>	<b>408,596</b>

Head G		
CATEGORIES		WARRANT FUNDS
Staffing	\$	106,350
Travel and Communication	\$	4,475
Goods and Services	\$	24,000
<b>GRAND TOTAL</b>	<b>\$</b>	<b>134,825</b>

Head H		
CATEGORIES		WARRANT FUNDS
Staffing	\$	461,180
Travel and Communication	\$	154,299
Maintenance	\$	90
Fuel and Oil	\$	91,470
Grants, Subsidies and Donations	\$	210,000
Scholarship and Training	\$	100,000
Goods and Services	\$	654,779
<b>GRAND TOTAL</b>	<b>\$</b>	<b>1,671,818</b>

Head I		
CATEGORIES		WARRANT FUNDS
Staffing	\$	112,192
Travel and Communication	\$	87,184
Grants, Subsidies and Donations	\$	47,000
Scholarship and Training	\$	20,898
Goods and Services	\$	550,094
<b>GRAND TOTAL</b>	<b>\$</b>	<b>817,368</b>

Head J		
CATEGORIES		WARRANT FUNDS
Scholarship and Training	\$	114,341
<b>GRAND TOTAL</b>	<b>\$</b>	<b>114,341</b>

Head M		
CATEGORIES		WARRANT FUNDS
Staffing	\$	7,966
Travel and Communication	\$	400
Goods and Services	\$	1,264
<b>GRAND TOTAL</b>	<b>\$</b>	<b>9,630</b>

## TUVALU DEVELOPMENT FUND CASH ESTIMATES

Tables below reflect cash estimates for new and ongoing projects for the years 2024-2025 and projections to 2027. A total of **\$3.6 million** expected to channel through the TDF account in 2024 - 2025 fund assistance, with the highest recipient being the Ministry of Public Works and Infrastructure Development (\$1.8 million) for disaster operation and drought operation, followed by the Ministry of Transport, Energy, Communication and Innovation (\$0.9m) mainly for the Aviation project, and the Ministry of Natural Resources (\$0.6m) mainly for fisheries operations and observers.

**Table 4: Development Fund Cash Estimates by Ministry**

Head	Ministry	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
E	Office of the Auditor General	\$ 16,097	\$ -	\$ -
G	Ministry of Public Works and Infrastructure Development	\$ 1,858,609	\$ -	\$ -
I	Ministry of Natural Resources	\$ 604,905	\$ -	\$ -
J	Ministry of Home Affairs, Climate Change and Environment	\$ 193,500	\$ 88,073	\$ 85,136
L	Ministry of Transport, Energy, Communication and Innovation	\$ 952,000	\$ 1,722,000	\$ 3,402,000
	<b>GRAND TOTAL</b>	<b>\$ 3,625,111</b>	<b>\$ 1,810,073</b>	<b>\$ 3,487,136</b>

**Table 5: Development Fund Cash Estimates by Ministry and Project**

Office of the Auditor General				
Donor	Project Title	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
SAUDI ARABIA	IT Support	\$ 16,097	\$ -	\$ -
	<b>GRAND TOTAL</b>	<b>\$ 16,097</b>	<b>\$ -</b>	<b>\$ -</b>

Ministry of Public Works, Infrastructure Development				
Donor	Project Title	2024/2025 Estimates	2025/2026 Estimates	2026/2027 Estimates
ADB	Disaster Resilience Program	\$ 1,846,402	\$ -	\$ -
ROC	Drought Operation	\$ 1,791	\$ -	\$ -
MFAT	Drought Operation	\$ 10,415	\$ -	\$ -
	<b>GRAND TOTAL</b>	<b>\$ 1,858,609</b>	<b>\$ -</b>	<b>\$ -</b>

Ministry of Natural Resources				
Donor	Project Title	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
FFA	Fisheries Observer Fees	\$ 424,978	\$ -	\$ -
	Project Development Fund	\$ 105,405	\$ -	\$ -
	<b>GRAND TOTAL</b>	<b>\$ 530,383</b>	<b>\$ -</b>	<b>\$ -</b>



Ministry of Home Affairs, Climate Change and Environment				
Donor	Project Title	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
UNDP	Local performance based climate resilient grant	\$ 127,500	\$ -	\$ -
INDIA	Renovation of the Funafuti Kaupule office	\$ 42,500	\$ -	\$ -
	Renovation of the Nui Kaupule office	\$ 22,500	\$ -	\$ -
	Support for international Yoga day	\$ 1,000	\$ -	\$ -
UNEP	Ozone Depletion Substance	\$ -	\$ 88,073	\$ 85,136
	<b>GRAND TOTAL</b>	<b>\$ 193,500</b>	<b>\$ 88,073</b>	<b>\$ 85,136</b>

Ministry of Transport, Energy, Communication and Innovation				
Donor	Project Title	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
WB	Tuvalu Safe and Resilient Aviation Project	\$ 952,000	\$ 1,722,000	\$ 3,402,000
	<b>GRAND TOTAL</b>	<b>\$ 952,000</b>	<b>\$ 1,722,000</b>	<b>\$ 3,402,000</b>

## **TUVALU DEVELOPMENT FUND NON-CASH ESTIMATES**

The Ministry of Natural Resources expects non-cash support from its partners. Whereas the Ministry of Health and Social Welfare expects non-cash assistance from UNDP and UNICEF mainly on vaccines, and awareness programs for health-related activities. The details show in table 6 and 7 of non-cash assistance for 2024 – 2025 financial year.

**Table 6: Development Fund Non-Cash Estimates by Ministry**

Head	Ministry	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
H	Ministry of Health and Social Welfare	\$ 2,811,545	\$ 3,123,319	\$ 3,123,319
I	Ministry of Natural Resources	\$ 12,654,500	\$ -	\$ -
	<b>GRAND TOTAL</b>	<b>\$ 15,466,045</b>	<b>\$ 3,123,319</b>	<b>\$ 3,123,319</b>

**Table 7: Development Fund Non-Cash Estimate by Ministry and Project**

Ministry of Health and Social Welfare				
Donor	Project Title	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
UNDP	Global Fund	\$ 33,447	\$ 49,682	\$ 49,682
UNICEF	Tuvalu New Vaccines - Immunisation	\$ 2,431,720	\$ 2,727,259	\$ 2,727,259
	Child Protection Officer	\$ 128,878	\$ 128,878	\$ 128,878
	Child Protection Programme	\$ 117,500	\$ 117,500	\$ 117,500
	Risk Communication and Community Engagement RCCE	\$ 100,000	\$ 100,000	\$ 100,000
	<b>GRAND TOTAL</b>	<b>\$ 2,811,545</b>	<b>\$ 3,123,319</b>	<b>\$ 3,123,319</b>
Ministry of Natural Resources				
Donor	Project Title	2024-2025 Estimates	2025-2026 Estimates	2026-2027 Estimates
NZ	Tuvalu Fisheries Support Programme Phase 2	\$ 154,500	\$ -	\$ -
WB	PROPER	\$ 9,121,622	\$ -	\$ -
ROK	KOFCC	\$ 3,378,378	\$ -	\$ -
	<b>GRAND TOTAL</b>	<b>\$ 12,654,500</b>	<b>\$ -</b>	<b>\$ -</b>

## **CONCLUSION**

As of April 30<sup>th</sup> 2024, a total of \$3.2 million in 2024 first half – year warrants in development funds were issued to ministries for the successful implementation and deliverance of 27 new and ongoing project activities. The Ministry of Health and Social Welfare remarkably received \$1.6 million (including 295,539 allocated for vaccination operation) followed by the Ministry of Natural Resources (\$817,368) and the Ministry of Finance and Economic Development (\$408,596).

Thus, it is projected (under five ministries) that \$3.6 million in cash assistance will be received in 2024 - 2025 financial year estimates, \$1.8 million in 2025 - 2026 and \$3.4 million in 2026 - 2027. The Ministry of Public Works and Infrastructure Development recorded the highest 2024 - 2025 financial year estimates, (\$1.8 million) from the Asian Development Bank mainly on disaster resilience program, followed by the Ministry of Transport, Energy, Communication and Innovation (\$952,000) for the Tuvalu Safe and Resilient Aviation Project supported by World Bank. Projection figures for 2025 to 2027 financial years may change if additional or new commitments from development partners are made known to line ministries in the coming years.