2026-2027 NATIONAL BUDGET

GOVERNMENT OF TUVALU

PRESENTED BY

HON. PANAPASI NELESONE

DEPUTY PRIME MINISTER AND MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT

22 June 2026

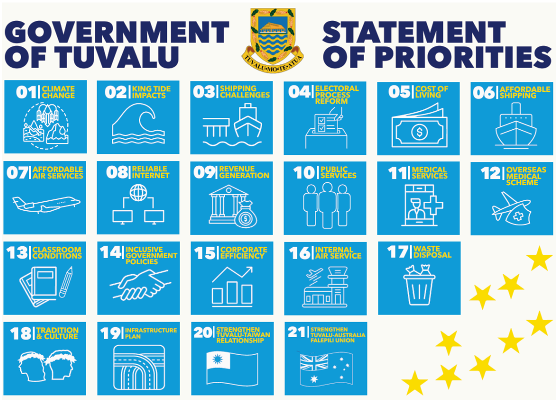
Theme: Sustaining our Economy, Securing our Future

Table of Contents

List of Tables

List of Graphs

21 PRIORITIES SUMMARY PROGRESS STATUS

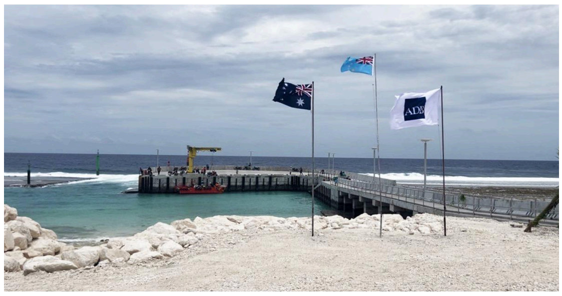


The Government continues to make steady and coordinated progress across its 21 national priorities, through strengthening resilience, improving service delivery, and advancing governance and infrastructure reforms.

In addressing climate change and king tides, the National Adaptation Plan 2025 was launched, which provides a long-term framework for resilience building. Major coastal protection and land reclamation works have been completed in Funafuti under TCAP 1A and T-TCAP, while the TCAP 1B has started work activities and is anticipated to be completed this year.

(Picture 1: T-TCAP opening ceremony)

Major maritime infrastructure and operational improvements have been delivered through the Outer Islands Maritime Infrastructure Project (OIMIP). The completion of the Niutao boat harbour and refurbishment of the Funafuti port has contributed to the safety, efficient cargo handling and service reliability. These improvements, supported by enhanced scheduling systems and shipping policy, have reduced shipping disruptions and enhanced connectivity across the country.



(Picture 2: Niutao new boat harbour)

Work is also underway to modernise electoral laws and systems ahead of the 2028 elections, supported by nationwide consultations and public awareness programmes, including diaspora engagement.

For cost of living, the Price Control Board is reviewing key drivers of rising prices such as fuel, shipping, imports, and housing. Policy responses under consideration include targeted subsidies, improved price monitoring, and better coordination with energy, transport, and housing reforms to enhance affordability while maintaining fiscal sustainability.

(Picture 3: New Reach Stacker arrived)

Efforts to secure affordable air services are ongoing to improve connectivity and reduce travel costs through partnerships with regional and international airlines. As part of these measures, there has been a 20% reduction in airfares for students and patients under the TOMRS scheme, improving access to essential travel for medical and educational purposes, alongside broader airfare structure reviews.

National internet connectivity has improved with the full operationalisation of the Tuvalu Vaka Cable and a 65% reduction in Starlink prices following the issuance of an operational licence, making services more affordable. In addition, 4G

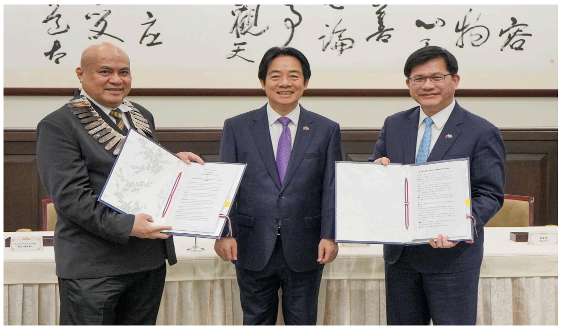
(Picture 4: Launching of Te Vaka Cable)

network rollout is being completed for Nanumaga and Nukulaelae, while Nui, Nukefetau and Niulakita are currently in the process of being rolled out.

For the social services, in the health sector, the Package of Essential Non-Communicable Disease Interventions has been rolled out nationwide, supported by ongoing training for community health workers and strengthened health administration capacity. Under TOMRS, a comprehensive evaluation has been completed and a new implementation strategy has been considered by the Cabinet to improve efficiency, governance, and financial sustainability in overseas medical referrals.

In education infrastructure, the Ministry is progressing classroom construction across outer islands, with Kaumaile Primary School in the finishing phase, while Funafala Primary School and Pre-School are in the initial stage with consultations ongoing to ensure climate-resilient and safe designs. In addition, plans for new classrooms in Niulakita are being prepared to be constructed after Funafala classrooms are completed.

In international partnerships, the signing of the Kaitasi Treaty with Taiwan demonstrated a new level of bilateral engagement, while the Falepili Union Treaty with Australia is operational, supporting security cooperation and migration pathways.



(Picture 5: Signing of the Kaitasi Partnership)

While progress across the 21 priorities is evident, implementation challenges remain due to geographic dispersion, resource constraints, and logistical limitations. Continued coordination with development partners remains essential to sustaining momentum and ensuring inclusive and resilient national development outcomes.

FOREWORD

In accordance with Section 169 of the Constitution of Tuvalu, I have the honour to present the National Budget for the fiscal year 2026–2027 under the theme "Sustaining our Economy, Securing our Future." This Budget is presented at a time of significant economic pressure driven by the ongoing fuel crisis as a result of the Middle-East conflict. It is a challenge that continues to affect households, businesses, and essential services across our nation.

As a small and vulnerable island economy, Tuvalu must respond decisively while maintaining responsible fiscal management. In preparing this Budget, the Government has given careful consideration to preserving fiscal sustainability while recognizing that the current economic conditions require targeted measures to sustain the economy and protect our people.

The 2026–2027 National Budget projects total expenditure of $155.8 million and a total revenue of $143.9 million, with an overall fiscal deficit of $11.9 million. This deficit strategy has been carefully planned and is largely financed through the General Account, supported by the stronger fiscal surplus achieved during the 2025-2026 financial year. Only a limited portion will require drawing from the Consolidated Investment Fund (CIF). This approach allows the Government to respond to immediate economic pressures while safeguarding long-term financial stability.

Among the priorities underpinning this Budget, the increased projected expenditure is aimed at cushioning the economy against the impacts of the fuel crisis. Accordingly, the Government will continue to support essential public services, including healthcare, education, transportation, and utilities, while strengthening social welfare support and targeted subsidies to ease the burden of rising living costs on households.

At the same time, this Budget focuses on creating more employment and economic opportunities through increased investments, support for more domestic activities, and initiatives that encourage local businesses including women and youth. Sustaining economic activity today is essential to securing a stronger and more resilient future for tomorrow.

The Budget also reflects the Government's commitment to responsible leadership during challenging times. It balances immediate support measures with the need to maintain fiscal discipline and national resilience. In this light, I extend sincere appreciation to our development partners for their continued support and partnership in supporting Tuvalu navigate these economic challenges.

As we move into the new financial year, let us do so with unity, determination, and confidence in our collective resilience. Together, we will sustain our economy, protect our people, and secure a stronger future for generations to come.

Panapasi Nelesone
Deputy Prime Minister and Minister of Finance and Economic Development

Part 1: FISCAL STRATEGY AND ECONOMIC OUTLOOK

1.0 BUDGET OVERVIEW

Amid ongoing pressures arising from the Middle East–induced fuel crisis, the 2026–2027 Budget reaffirms the Government's commitment to strategic investments that promote economic stability, strengthen critical infrastructure, and enhance the efficiency and effectiveness of public service delivery. The Budget also demonstrates strengthened collaboration with development partners in advancing sustainable national development objectives.

Building on the outcomes of the Te KETE Mid-Term Review, the 2026–2027 Budget places a strong emphasis on addressing the high cost of living and supporting initiatives that increase household incomes. Through targeted interventions and sustained investments, the Budget seeks to strengthen economic resilience, safeguard livelihoods, and improve the wellbeing of all Tuvaluans.

1.1 BUDGET AGGREGATE

The preparation of the 2026-2027 Budget is firmly anchored in the Government's commitment to preserve fiscal sustainability and macroeconomic stability. It articulates priorities aligned with the aspirations of Te KETE and the 21 national priorities, with a clear focus on delivering improved public services and undertaking targeted investments that generate tangible and sustainable benefits domestically.

Table 1: Budget Aggregates

CATEGORIES	2024-2025 Actual	2025-2026 Actual (Est)	2026-2027 Budget	2027-2028 Projection	2028-2029 Projection
Total Revenue	110,690,100	124,970,390	143,888,900	112,154,920	123,385,330
Total Expenditure	97,351,980	111,621,830	155,768,740	116,514,640	118,655,640
Fiscal Balance	13,338,120	13,348,560	-11,879,840	-4,359,720	4,729,690
General Account	12,485,162	14,754,172	0	0	1,729,690
Consolidated Investment Fund (CIF)	36,448,550	48,233,848	47,090,518	41,614,419	43,278,996
Consolidated Fund	**48,933,712**	**62,988,020**	**47,090,518**	**41,614,419**	**45,008,686**
Amount above/below MTSB	-6,613,814	2,482,486	-580,843	-6,376,942	-5,032,366
Minimum Taregt Saving Bal (MTSB)	43,062,364	45,751,362	47,671,362	47,991,362	48,311,362
TTF Maintained Value	269,139,774	285,946,010	297,946,010	299,946,010	301,946,010
Transfer to CIF		6,979,550			
Transfer to Special Funds	2,700,000	4,100,000	4,500,000	3,000,000	3,000,000

Total budget expenditure for the 2026–2027 fiscal year is projected at $155.7 million, representing a 40 percent increase over the estimated actual expenditure for 2025–2026. This significant increase is driven primarily by higher capital investment and one-off programme expenditures associated with major events scheduled during the fiscal year, including the Tuvalu Island Leaders Assembly (TILA) Meeting, Tuvalu Cultural Festival, Asia-Pacific Telecommunity Policy and Regulatory Forum, Miss Pacific Islands Pageant, and the Pacific Islands Law Officers' Network (PILON) Meeting.

In addition, the Budget provides for increased expenditure to address the impacts of rising global fuel prices and to support economic response measures. These investments are focused on strengthening critical infrastructure, enhancing resilience, and advancing development priorities in the outer islands and on Funafuti.

1.2 ECONOMIC OUTLOOK

1.2.1 Global Economic Outlook

The global economy is projected to maintain moderate but steady growth over the 2026–2027 period, with global output expected to expand by approximately 3.3 percent in 2026 and 3.2 percent in 2027, broadly consistent with the estimated growth recorded in 2025. According to the International Monetary Fund (IMF) in its 2026 World Economic Outlook Update, the resilience in global economic activity reflects a balance between persistent downside risks and improving growth drivers. While geopolitical tensions, trade policy uncertainty, and tighter global financial conditions continue to weigh on economic performance, increased investment in technology, particularly artificial intelligence (AI), alongside supportive fiscal and monetary policies in several major economies, is helping to sustain global demand and productivity growth.

During 2026, global fuel and energy prices experienced significant volatility following heightened conflict in the Middle East and disruptions to major oil supply routes, including the Strait of Hormuz. Rising oil and gas prices contributed to renewed inflationary pressures across many economies, increasing transportation and production costs and placing upward pressure on food and commodity prices worldwide. It is noted that higher energy prices have become a major downside risk to the global outlook, particularly for fuel-importing countries and small island developing states that remain highly dependent on imported petroleum products.

Inflationary pressures are expected to gradually ease over the medium term as supply chain disruptions improve and monetary conditions stabilize. However, inflation remains above target in several economies due to elevated energy costs and labor market pressures. In response, many central banks continue to carefully balance inflation control with supporting economic growth.

For small island developing states (SIDS) such as Tuvalu, the global outlook remains highly vulnerable to external developments, particularly fluctuations in fuel and food prices, global shipping costs, climate-related disasters, and slower growth among key development partners. Continued multilateral cooperation and international support will therefore remain critical to strengthening economic resilience, supporting climate adaptation efforts, and sustaining long-term development objectives.

1.2.2 Domestic Economic Overview

The domestic economy continues to recover steadily following the disruptions caused by the COVID-19 pandemic. Economic activity remains supported by robust public sector expenditure, externally financed infrastructure investments, climate adaptation initiatives, and ongoing assistance from development partners. While the economic outlook remains positive, Tuvalu continues to face structural challenges arising from its geographic isolation, narrow economic base, vulnerability to climate change, and increasing global economic uncertainty.

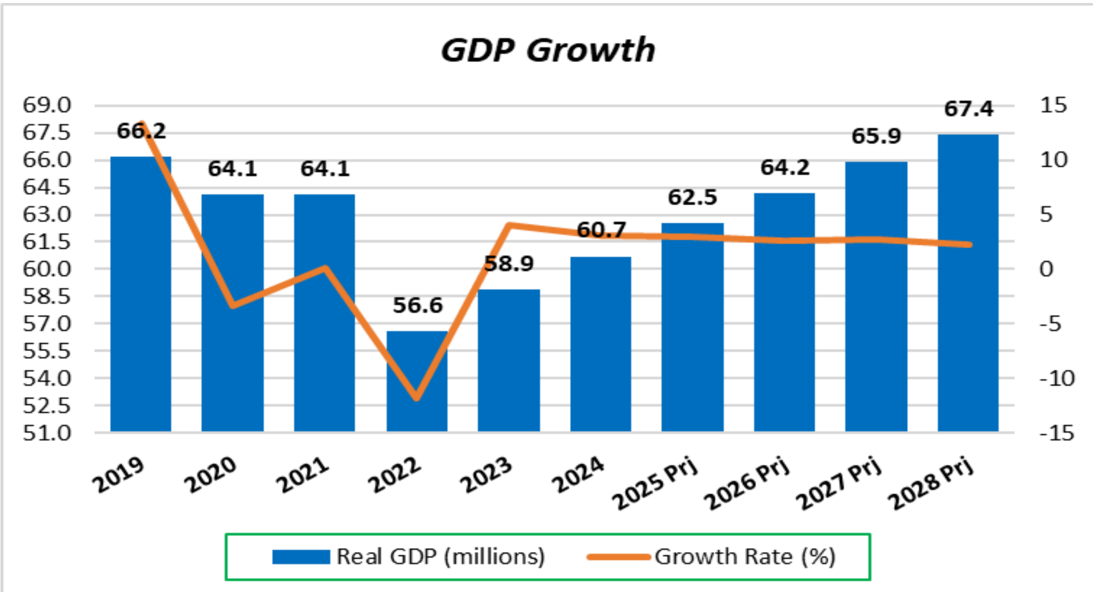
Infrastructure development remains a key driver of economic activity and a critical component of the country's long-term resilience strategy. Major investments, including the TCAP 1B, renewable energy projects, and other public infrastructure developments, are expected to continue through 2027. These investments are contributing to employment generation, improved connectivity and strengthened climate resilience.

Despite the ongoing economic recovery, significant downside risks remain. Tuvalu's high dependence on imports, particularly fuel, leaves the economy vulnerable to global supply disruptions and price volatility. These external shocks can adversely affect domestic economic activity, government revenues, and household welfare. In response, the Government continues to prioritise strategic public investment in critical infrastructure, safeguard financial stability, and implement policies that promote resilient, inclusive, and sustainable economic growth.

1.2.3 Gross Domestic Product

Real GDP and economic growth trends since 2019 illustrate the economic setback resulting from the COVID-19 pandemic, with a gradual recovery emerging from 2023 onwards.

Graph 1: Real GDP Growth



Source: Central Statistics Department and IMF Article IV 2025

As reflected in the graph above, real Gross Domestic Product (GDP) peaked at approximately A$66.2 million in 2019 before declining during the pandemic period, reaching around A$56.6 million by 2022. Recovery began in 2023 following the resumption of sector activities, recording a growth rate of 4.0 percent, followed by a further increase of

3.1 percent in 2024. Despite this improvement, GDP in 2024, estimated at A$60.7 million at constant 2016 prices, remained below the pre-pandemic level recorded in 2019.

The recovery in economic growth was largely driven by strong performances in the construction, tourism, and trade sectors. The construction sector expanded by 32 percent in 2024, supported by government-funded and donor-supported infrastructure projects, contributing approximately 2.0 percentage points to overall real GDP growth. Similarly, the Hotels and Restaurants sector recorded a substantial increase of 172 percent in 2024 due to the resumption of travel, public events, and hospitality-related activities following the reopening of borders after the pandemic. This sector contributed about 1.6 percentage points to GDP growth. Trade activity also increased by 19 percent in 2024, reflecting improvements in imports and commercial activities, although its overall contribution to GDP growth remained slightly negative due to broader structural factors.

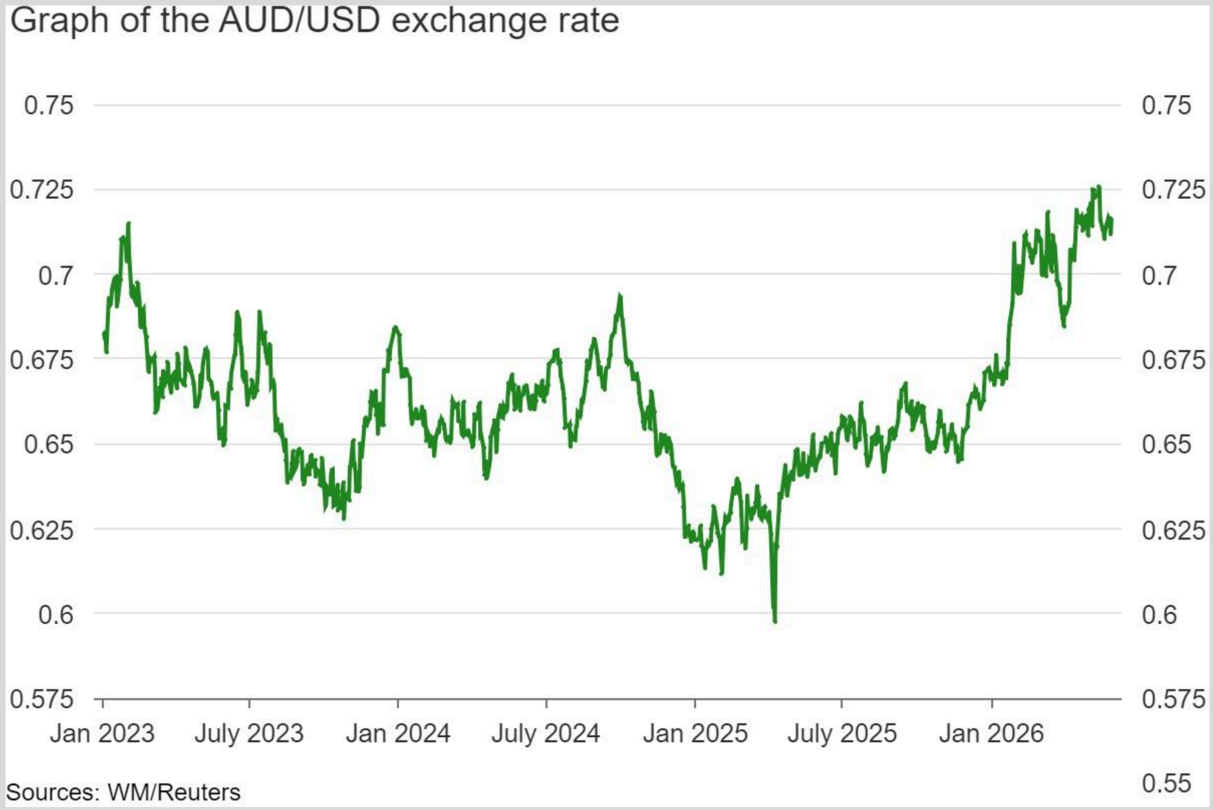
However, some sectors continued to constrain overall economic performance. Public administration and agriculture both recorded moderate declines in 2024. Reduced government consumption contributed negatively to GDP growth, while the agriculture and fisheries sector was affected by lower fishing activity and rising operational costs, particularly high fuel prices. The economic structure also remains heavily dependent on the public sector and external assistance, with government activities and state-owned enterprises accounting for nearly half of total GDP, while private sector activity remains limited. The services sector continued to dominate the economy in 2024, contributing approximately 74.6 percent of total output, with Public Administration remaining the largest component.

Overall, the graph demonstrates that while steady progress has been made in recovering from the economic impacts of COVID-19, GDP levels have not yet fully returned to their pre-pandemic peak. Based on the IMF projections for 2025-2028, economic growth is expected to moderate to 3.0 percent in 2026. Real GDP is projected to continue increasing steadily, supported by ongoing activity in construction, tourism, and other service-related industries. However, the anticipated slowdown reflects the gradual completion of large-scale infrastructure projects and persistent structural limitations such as limited private sector development and outward migration, as well as the country’s continued vulnerability to climate-related risks. In addition, external vulnerabilities, dependence on imports, limited domestic production capacity, and reliance on donor funding remain significant constraints to long-term economic growth and stability.

1.2.4 Exchange Rate

Recent analysis of exchange rate data published by the Reserve Bank of Australia highlights notable movements in the Australian dollar, which carry important implications for Tuvalu’s fiscal management.

Graph 2: AUD Exchange Rate



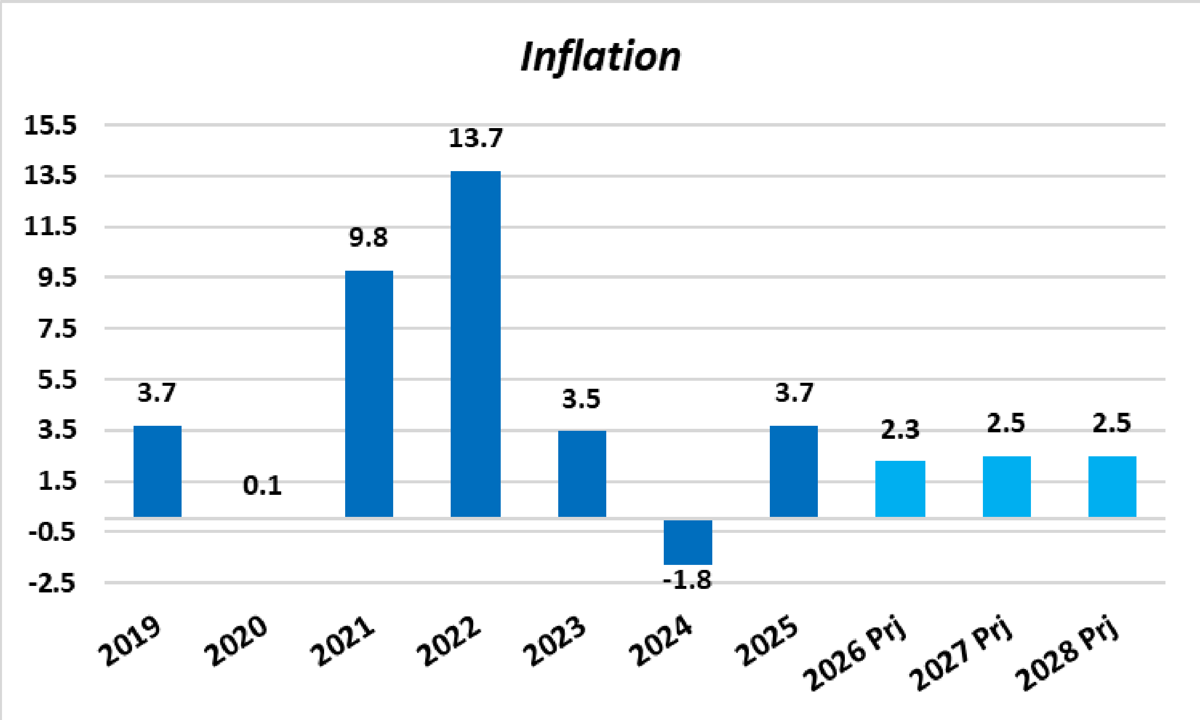
The trend of the Australian Dollar (AUD) against the United States Dollar (USD) indicates a gradual depreciation over the past three years. In 2024, the AUD averaged approximately USD 0.66, reflecting relative stability compared with previous years. In 2025, the currency weakened modestly to around USD 0.64–0.65, influenced by tighter global monetary conditions and softer demand for key commodity exports. By 2026, the exchange rate remained subdued, hovering near USD 0.64, reflecting the continued strength of the US dollar and ongoing uncertainties in the global trading environment.

For Tuvalu, the depreciation of the AUD has important economic and fiscal implications. As a highly import-dependent economy, a weaker AUD increases the local currency cost of goods and services priced in US dollars, contributing to higher import costs and inflationary pressures. Conversely, revenues denominated in US dollars generate higher returns when converted into Australian dollars. These exchange rate movements therefore have a significant influence on the national budget, affecting inflation, government expenditure, and revenue projections.

1.2.5 Inflation

Tuvalu’s inflation rate has experienced significant fluctuations over the period from 2019 to 2025, reflecting both global economic shocks and domestic price movements, while the projections for 2026 to 2028 are based on estimates from the IMF Article IV Consultation.

Graph 3: National Headline Inflation



Source: Central Statistics Department

As illustrated in the graph, inflation remained relatively low in 2019 and 2020, recording rates of 3.7 percent and 0.1 percent respectively, before rising sharply to 9.8 percent in 2021 and peaking at 13.7 percent in 2022. This sharp increase was largely driven by the impacts of the COVID-19 pandemic, which disrupted global supply chains, increased international shipping costs, and raised the prices of imported goods and food items. Inflation eased to 3.5 percent in 2023 as global commodity prices and supply conditions gradually stabilized. In 2024, inflation fell further into negative territory at -1.8 percent, this moderation was mainly driven by lower global food prices from the third quarter of 2024 onwards, the easing of supply chain and shipping constraints, and declines in international commodity prices, all of which helped reduce imported inflation pressures.

According to the latest Consumer Price Index data published, inflationary pressures increased again in 2025, with annual inflation reaching 3.7 percent in the third quarter and quarterly inflation rising by 0.9 percent. The increase was mainly driven by higher food prices, although slight declines in Alcohol and Tobacco and Miscellaneous categories helped moderate the overall increase. Given Tuvalu's high dependence on imported goods and the use of the Australian dollar as legal tender, domestic price movements are strongly shaped by external conditions. Inflation trends in key trading partners such as Australia and Fiji therefore play a significant role in influencing local price dynamics.

1.3 MEDIUM TERM FISCAL STRATEGY

The Medium-Term Fiscal Strategy has been developed in response to ongoing economic challenges, including rising fuel and food prices, as well as Tuvalu's continued reliance on externally sourced revenues such as fishing licence fees, dotTV revenues, distributions from the Tuvalu Trust Fund (TTF), and development partner support. The Strategy seeks to strengthen fiscal sustainability, maintain macroeconomic stability, and enhance resilience to external economic shocks.

1.3.1 Objectives

The objectives of the Medium-Term Fiscal Strategy are to:

- Strengthen fiscal planning and public financial management across government.
- Support medium-term fiscal sustainability through prudent fiscal management and expenditure discipline.
- Build and maintain adequate fiscal buffers to reduce borrowing pressures and safeguard debt sustainability.
- Enhance the Government’s capacity to respond effectively to economic shocks and unforeseen events.

1.3.2 Key Strategies

To achieve these objectives, the Government will:

- Maintain prudent management of the CIF to support economic stability and provide a buffer against external shocks and natural disasters. This includes reinvesting surplus resources during periods of strong economic performance and drawing on reserves during anticipated economic downturns.
- Align government expenditure with available fiscal resources, ensuring that operating expenditures remain sustainable while preserving adequate funding for capital investment.
- Strengthen fiscal monitoring, reporting, transparency, and accountability to improve decision-making and public confidence in fiscal management.
- Enhance revenue administration and expenditure controls to improve fiscal efficiency and effectiveness.

1.3.3 Priority Areas

The Government's fiscal priorities over the medium term include:

- Increasing investment in critical infrastructure across Funafuti and the outer islands, while ensuring the maintenance and sustainability of existing infrastructure assets throughout their intended lifecycle.
- Supporting health, education, and community resilience programmes to improve social outcomes and strengthen human capital development.
- Promoting climate resilience and disaster preparedness through targeted investments and adaptation measures.
- Diversifying revenue sources to strengthen long-term fiscal sustainability and reduce reliance on volatile external income streams.

1.3.4 Domestic Sustainability

Domestic sustainability remains a key pillar of long-term fiscal and economic strategy. It focuses on strengthening the country's capacity to finance essential public services and development priorities through improved domestic resource mobilisation and prudent expenditure management.

Key measures include:

- Strengthening domestic revenue collection, compliance, and tax administration.
- Promoting prudent fiscal and expenditure management to ensure value for money and efficient use of public resources.
- Supporting strategic investments in infrastructure and public services that contribute to sustainable economic growth and improved living standards.
- Enhancing the resilience of the domestic economy through reforms that support private sector development and broaden the economic base.

1.4 FISCAL RESPONSIBILITY RATIOS

Fiscal responsibility ratios are an integral component of the Medium-Term Fiscal Framework (MTFF), providing a mechanism to assess the sustainability and effectiveness of fiscal policy over a multi-year horizon. These ratios guide government decision-making on resource allocation and provide early signals on emerging fiscal pressures and sustainability risks. They also help establish prudent fiscal targets, expenditure ceilings, revenue objectives, and broader fiscal sustainability goals to ensure that public finances are managed responsibly and sustainably over the medium term.

Under the MTFF, fiscal responsibility ratios serve as key performance indicators for monitoring the alignment of government fiscal outcomes with national fiscal policy objectives. They measure critical aspects of fiscal management, including expenditure control, revenue mobilisation, fiscal balance, and overall fiscal sustainability. Examples include the ratio of staffing costs to domestic revenue, tax revenue to GDP, operational expenditure to GDP, and fiscal balance to GDP.

The MTFF supports the application of these ratios by:

- Establishing fiscal targets and performance benchmarks;
- Identifying sustainable expenditure and revenue levels;
- Promoting fiscal discipline, transparency, and accountability;
- Supporting informed fiscal planning and decision-making; and
- Ensuring the long-term sustainability and resilience of public finances.

Together, these fiscal responsibility ratios provide a framework for evaluating fiscal performance and maintaining sound public financial management in support of Tuvalu’s development objectives.

1.4.1 Fiscal Anchors

There are two key fiscal anchors that guide prudent fiscal management, particularly in relation to reserve adequacy. The first anchor limits public debt to below 30 percent of nominal GDP, ensuring that borrowing remains within manageable and sustainable levels. The second requires the CIF balance to be maintained above 16 percent of the maintained value of the Tuvalu Trust Fund (TTF), safeguarding a minimum liquidity buffer for fiscal stability.

Together, these anchors strengthen the government's fiscal framework by reducing vulnerability to external shocks, supporting disciplined budget management, and preserving financial buffers that are critical for a small and highly exposed economy.

1.4.2 Operational Anchors

Operational anchors are short- to medium-term fiscal indicators that guide annual budget planning and execution. They complement fiscal anchors by translating long-term sustainability objectives into practical limits on spending, revenue, and fiscal operations. Their primary purpose is to maintain budget discipline, safeguard fiscal space, and ensure that public resources are allocated efficiently within available means. Such operational anchors are as follows:

- Scholarships: Not to exceed 5% of domestic revenue
- Wages and salaries: Not to exceed 40% of domestic revenue
- TORMS: Not to exceed 6% of domestic revenue
- Taxation: To contribute at least 20% of GDP
- Fishing license: To remain above 50% of GDP
- Fiscal balance: Deficit not to exceed 10% of GDP
- Capital expenditure: To remain above 30% of GDP

Table 2: Fiscal and Operational Indicators

	Target	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-2028 Prj	2028-2029 Prj
Scholarship to Domestic Revenue	<5%	8.4%	9.2%	8.7%	7.4%	10.6%	8.7%	8.1%	10.4%	9.2%
Staffing to Domestic Revenue	<40%	34.0%	38.7%	45.4%	39.0%	48.8%	43.7%	40.4%	50.0%	44.0%
TORMS to Domestic Revenue	<6%	9.2%	10.2%	13.5%	18.1%	16.9%	13.7%	11.8%	15.2%	13.4%
Revenue										
Tax Revenue to GDP	>20%	15.3%	12.9%	15.9%	16.7%	18.4%	16.2%	11.7%	11.0%	10.6%
Fishing License to GDP		58.1%	48.2%	48.4%	61.9%	39.9%	34.2%	37.3%	35.1%	33.6%
Domestic Revenue to GDP		96.7%	84.7%	82.0%	96.9%	78.5%	73.9%	85.4%	62.3%	67.5%
Additional Fiscal Ratio										
Capital Expenditure to GDP	>30%	42.1%	20.3%	5.9%	6.7%	4.3%	9.0%	34.7%	8.3%	7.8%
Operating Expenditure to GDP	<60%	78.8%	91.8%	105.6%	123.9%	105.8%	95.5%	102.8%	86.2%	82.2%
Fiscal Balance to GDP	+/-10%	9.1%	-0.3%	-15.3%	15.3%	15.6%	12.8%	-9.5%	-3.6%	3.7%

1.5 FISCAL PRIORITIES

Fiscal priorities are guided by key policy decisions reflected in national planning documents and high-level government deliberations. These include the focus on strengthening economic resilience, improving connectivity, enhancing public service delivery, and supporting community development.

As reflected in the budget allocations, significant investments are aligned with the Government's Statement of Priorities and emerging priorities identified through the TE KETE Midterm Review. Collectively, these investments support the objectives of growing the economy and long-term fiscal sustainability.

1.5.1 STATEMENT OF PRIORITIES

The Government continues implementation of twenty-one national priorities, aimed at strengthening service delivery and enhancing resilience to climate change and external shocks. These priorities reflect the policy direction of the Government of the day and are aligned with the Te Kete, National Strategy for Sustainable Development 2021–2030, which provides the long-term development framework for Tuvalu.

The 21 priorities are implemented through line ministries and translated into activities within their Annual Work Plans. Key focus areas include climate resilience, water and food security, essential services such as health and education, and sustainable economic development. All priorities are integrated into the budget to ensure delivery within fiscal limits.

1.5.2 CABINET DECISIONS

The Cabinet, as the highest level of government decision-making, provides direction and authority for the Government's fiscal priorities. Through this process, key policies, programs, and expenditure priorities are reviewed and endorsed, ensuring that resource allocation aligns with the Government policies and national development frameworks such as Te Kete. This process also helps ensure that government spending remains controlled, affordable, and within available fiscal resources, while promoting coordination and coherence across line ministries.

1.5.3 CORPORATE PLANNING

Corporate planning ensures that national priorities are translated into ministry-level plans and budgets. Line ministries are required to align their Annual Work Plans with fiscal priorities and focus on delivering measurable results. Strengthening planning, monitoring, and coordination remains essential to improving implementation and service delivery.

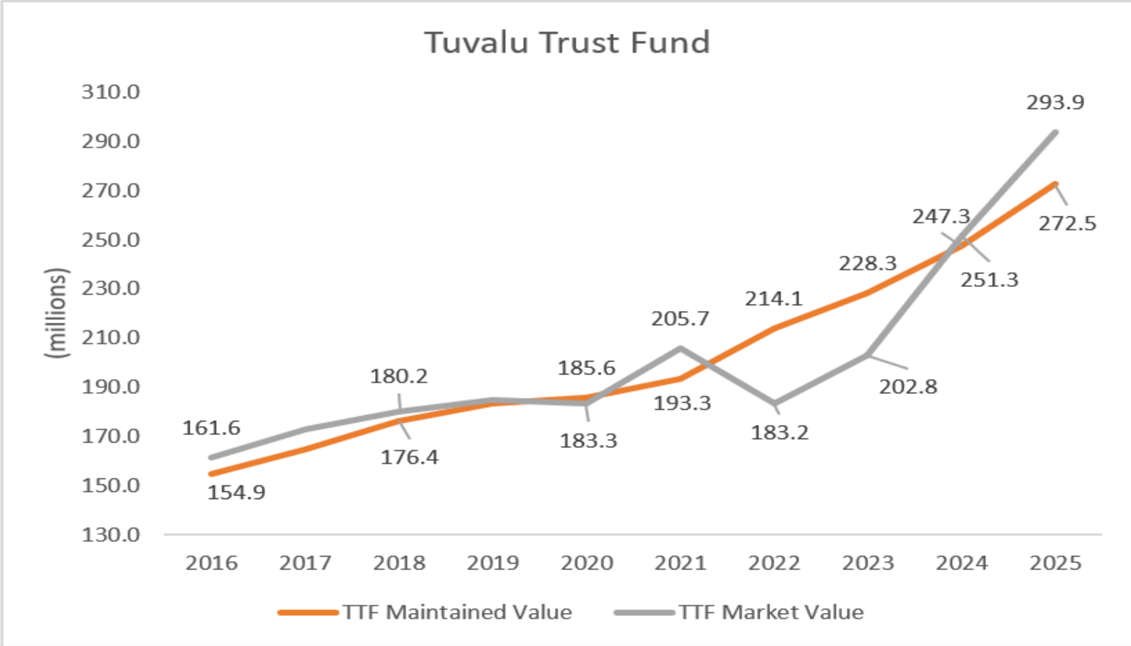
1.6 FINANCIAL INVESTMENT ASSETS

The Government maintains a long-standing sovereign financial asset that serves as a cornerstone of its long-term fiscal sustainability and financial independence. The fund plays a vital role in strengthening public finances by providing a stable and reliable source of revenue, helping to cushion the budget against revenue volatility. Its value has continued to grow over time through both capital appreciation and investment returns, reinforcing its contribution to national development.

Beyond its immediate fiscal benefits, the fund serves an important intergenerational purpose by preserving national wealth and creating a stronger economic foundation for future generations. Through prudent stewardship and disciplined fiscal management, it enables Tuvalu to balance current development priorities with long-term financial security.

1.6.1 Tuvalu Trust Fund (TTF)

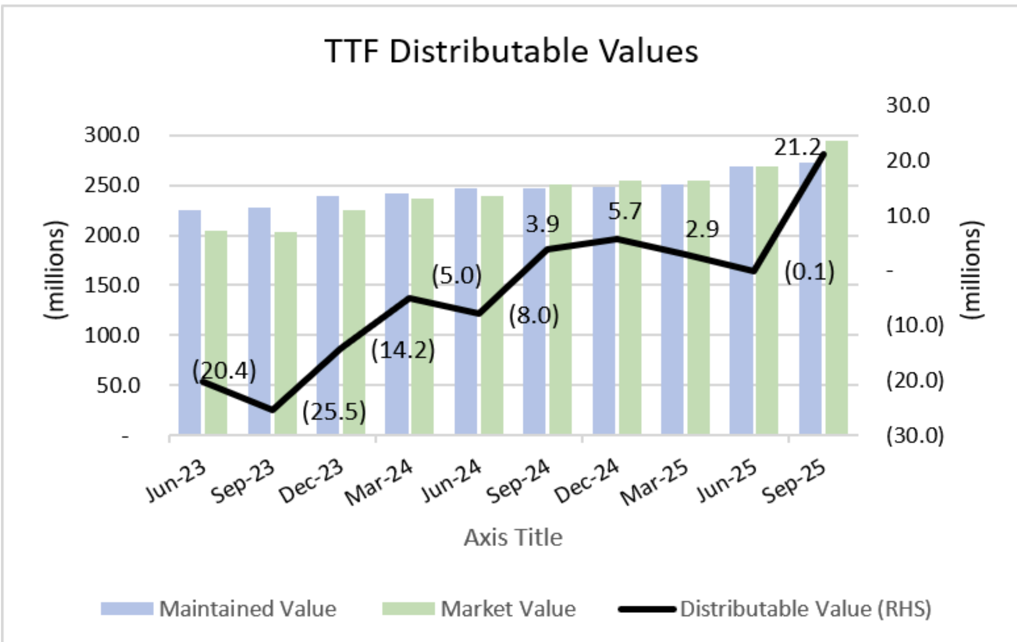
Graph 4 : Tuvalu Trust Fund



Source: TTF Secretariat

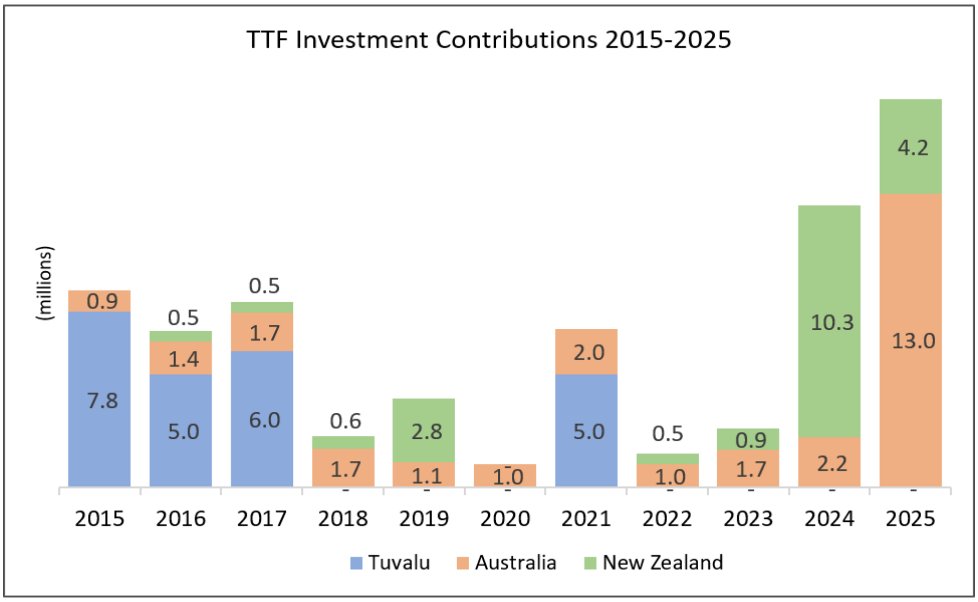
The Tuvalu Trust Fund (TTF) has demonstrated strong long-term growth over the last decade. The market value increased from $161.58 million in 2016 to $293.93 million in 2025/2026, representing an overall increase of approximately 81.9%. The largest increase occurred between 2024/2025 and 2025/2026, when the fund grew by approximately 17.0%, reflecting favourable investment returns and strong financial market performance.

Graph 5: Tuvalu Trust Fund Distributable Value



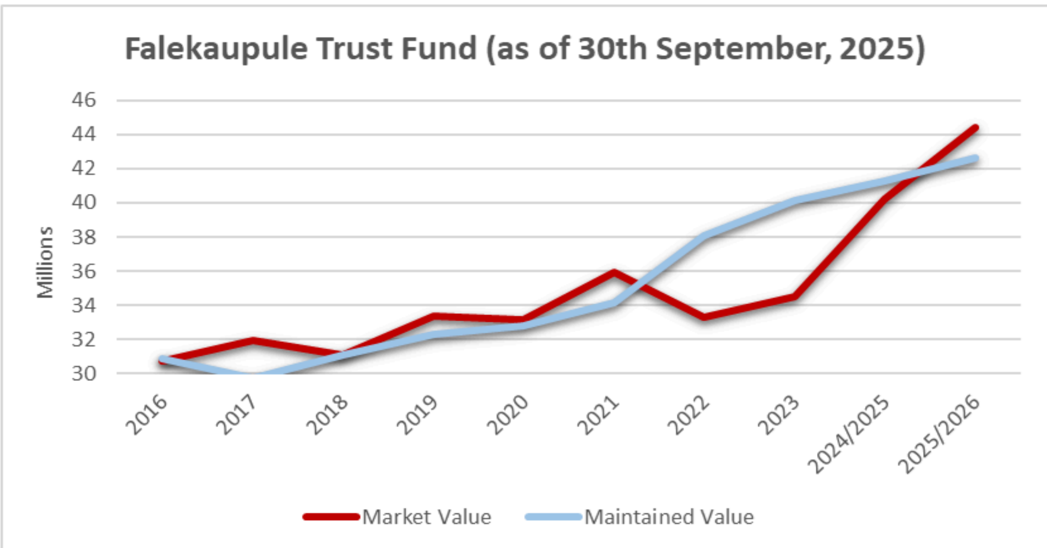
The maintained value also recorded substantial growth, increasing from $154.82 million in 2016 to $272.75 million in 2025/2026, representing a rise of approximately 76.2 percent. The maintained value reflects the inflation-adjusted capital base that must be preserved to protect the Fund's real value over time. This strong growth has been driven not only by inflation adjustments but also by significant capital contributions from development partners, particularly Australia and New Zealand. To further strengthen the Fund and safeguard its long-term sustainability, the Government has committed to reinvesting $10 million in the 2026/2027 Budget.

Graph 6: TTF Investment Contributions



1.6.2 Falekaupule Trust Fund

Graph 7 : Falekaupule Trust Fund



The Falekaupule Trust Fund (FTF) has shown a generally positive long-term growth trend between 2016 and 2025/2026, with its market value increasing from $30.7 million to $44.4 million, representing growth of approximately 44.7 percent over the period. During the early years, from 2016 to 2019, the fund experienced steady growth, rising from $30.7 million to $33.4 million.

However, the growth trajectory was not consistent throughout the period. The market value declined slightly in 2020 and again in 2022, falling from $35.9 million in 2021 to $33.3 million in 2022. These fluctuations likely reflect periods of weaker investment performance and global financial market uncertainty. Despite these setbacks, the fund remained relatively stable and avoided significant losses, demonstrating resilience during challenging economic conditions.

1.6.3 Tuvalu Survival Fund

The Tuvalu Survival Fund (TSF) serves as a dedicated contingency reserve established to strengthen the Government's capacity to respond to major economic shocks, natural disasters, public health emergencies, and other unforeseen events. The Fund provides a readily accessible source of financing to support emergency response and recovery efforts while minimizing disruptions to the implementation of the National Budget.

1.7 CONSOLIDATED FUND

The Government's liquidity position is supported by a well-structured system of reserve funds that provide cash buffers to meet short-term obligations and respond to unforeseen financial shocks. The two principal components are the Consolidated Investment Fund (CIF), which serves as the Government's primary liquidity reserve, and the General Account, which functions as the main transactional account for day-to-day operations. Both accounts form part of the Consolidated Fund in accordance with the Financial Instructions.

Table 3: Consolidated Fund

	2022	2023	2024/2025	2025/2026
Consolidate Investment Fund	37,886,573	41,066,639	36,875,620	47,205,256
General Account	-	-	12,485,162	14,754,172
Consolidated Fund	**37,886,573**	**41,066,639**	**49,360,782**	**61,959,428**

1.7.1 Consolidated Investment Fund (CIF)

Under the Financial Instructions, the Consolidated Investment Fund (CIF) is established as an offshore investment fund and serves several important functions. These include:

- Receiving distributions from the Tuvalu Trust Fund (TTF);
- Providing a financial buffer to support the National Budget during periods of revenue shortfalls or fiscal stress;
- Generating investment income through interest earnings; and
- Investing surplus cash balances transferred from the General Account to preserve and enhance Government financial resources.

1.7.2 General Account

The General Account serves as the Government's core operational account within the Treasury Single Account (TSA) framework. It is the primary account through which government revenues are received and expenditures are executed, supporting the day-to-day financing of government operations and service delivery.

1.8 FISCAL RISKS and FISCAL RISKS MANAGEMENT

1.8.1 Fiscal Risks

Tuvalu faces several key fiscal risks that could affect the sustainability of public finances:

- **Revenue Volatility:** Heavy reliance on fishing license fees, investment returns, and external grants exposes government revenue to fluctuations in tuna stocks, global market conditions, and financial market performance.
- **Climate Change and Natural Disasters:** Rising sea levels, storm surges, droughts, and other climate-related events can generate significant unplanned expenditure for emergency response, recovery, and infrastructure rehabilitation.
- **Dependence on External Assistance:** A substantial share of government expenditure is financed through development partner support, making the budget vulnerable to changes in donor priorities, funding levels, and disbursement schedules.
- **State-Owned Enterprise (SOE) Liabilities:** Financial difficulties within SOEs may require government intervention through subsidies, guarantees, or direct financial support, creating contingent fiscal liabilities.
- **Debt Sustainability Risks:** Although public debt remains low, the narrow domestic revenue base requires prudent debt management to ensure future debt servicing obligations remain affordable.

1.8.2 Fiscal Risks Management

The Government manages fiscal risks through a range of measures aimed at strengthening resilience and maintaining fiscal sustainability:

- **Strengthening Fiscal Buffers:** Maintaining adequate reserves in the Consolidated Investment Fund (CIF), and Tuvalu Survival Fund (TSF) to cushion against revenue volatility and unexpected shocks.
- **Enhancing Public Financial Management:** Improving revenue forecasting, cash management, budget planning, and medium-term fiscal frameworks to support effective resource allocation and fiscal discipline.
- **Building Climate and Disaster Resilience:** Expanding access to climate finance, maintaining contingency reserves, and developing disaster risk financing mechanisms to address climate-related and other emergencies.
- **Strengthening SOE Governance:** Enhancing oversight, financial reporting, and performance monitoring of State-Owned Enterprises to minimize contingent fiscal liabilities.

- **Maintaining Prudent Debt Management:** Limiting borrowing to concessional financing where necessary and ensuring debt remains consistent with the Government's repayment capacity and long-term fiscal sustainability objectives.

1.9 DEVELOPMENT PARTNERS

Development partners continue to play a vital role in supporting the Government's strategic priorities across a wide range of sectors. Through the provision of financial assistance, technical expertise, and capacity-building support, these partners contribute significantly toward addressing critical development challenges and facilitating the effective implementation of key national projects and programs. Given the Government's limited domestic resources, continued collaboration with development partners is essential to advancing national development objectives and ensuring the sustainability of initiatives aimed at strengthening Tuvalu's economic, social, and environmental resilience.

1.9.1 Tuvalu Development Fund

Tuvalu Development Fund serves as a dedicated mechanism for managing financial assistance provided by development partners that is specifically allocated to projects and programs, rather than direct budget support. The Fund enables external financing to be effectively coordinated and directed toward national development priorities in accordance with TE KETE and the Government's immediate strategic objectives.

1.9.2 Long-Term Coastal Adaptation

Long-term coastal adaptation remains the Government's flagship development initiative, aimed at strengthening community resilience and mitigating the increasingly severe impacts of sea-level rise, coastal erosion, and storm surges. As a low-lying atoll nation, Tuvalu continues to prioritize transformative adaptation measures to safeguard its people, infrastructure, and future development prospects.

Significant progress has been achieved through ongoing coastal protection and land reclamation projects, which have received strong support from development partners alike. These initiatives are enhancing the country's adaptive capacity while creating safer and more resilient spaces for future generations.The growing success and visibility of these projects have attracted increased interest and commitment from development partners, resulting in substantial financial and technical support for the expansion of coastal protection measures and additional land reclamation works.

1.9.3 Digital Connectivity

The Government continues to prioritise digital transformation as a key enabler of national development and public sector modernisation. Significant investments are provided under the 2026–2027 Budget to advance three major workstreams: the Future Now Project, the Digital Nation Project, and the establishment of a Digital Transformation Unit.

Together, these initiatives demonstrate the Government's long-term commitment to harnessing emerging digital technologies to improve public service delivery, strengthen connectivity, enhance government efficiency, and create new opportunities for economic and social development across Tuvalu.

1.9.4 Renewable Energy

The transition to 100 per cent renewable energy remains a key national priority. This commitment is reflected in the strengthened collaboration between the Government and development partners to design and implement solar energy projects across the country. Through substantial investments from the Asian Development Bank and the World Bank, several multi-million-dollar renewable energy initiatives are being advanced to support Tuvalu's goal of achieving 100 per cent renewable electricity generation.

These investments will enhance energy security, reduce dependence on imported fossil fuels, lower long-term energy costs, and contribute to Tuvalu's climate resilience and sustainable development objectives.

1.9.5 Maritime Connectivity

In early 2026, the Niutao Boat Harbour was officially commissioned and became operational. The project was financed through support from the ADB, with a significant contribution from Australia. This investment builds on the successful completion of the Nukulaelae Boat Harbour and the Nui boat harbour facilities, which were delivered under ADB-funded programmes in recent years.

The World Bank is expected to mobilise contractors during the third quarter of 2026 to commence civil works on the Nanumea Boat Harbour, with construction of the Nanumaga Boat Harbour to follow. In addition, design work has commenced for the proposed Nukufetau Boat Harbour, further advancing the Government's efforts to improve maritime connectivity, safety, and economic opportunities across the outer islands.

1.9.6 Sector Supports

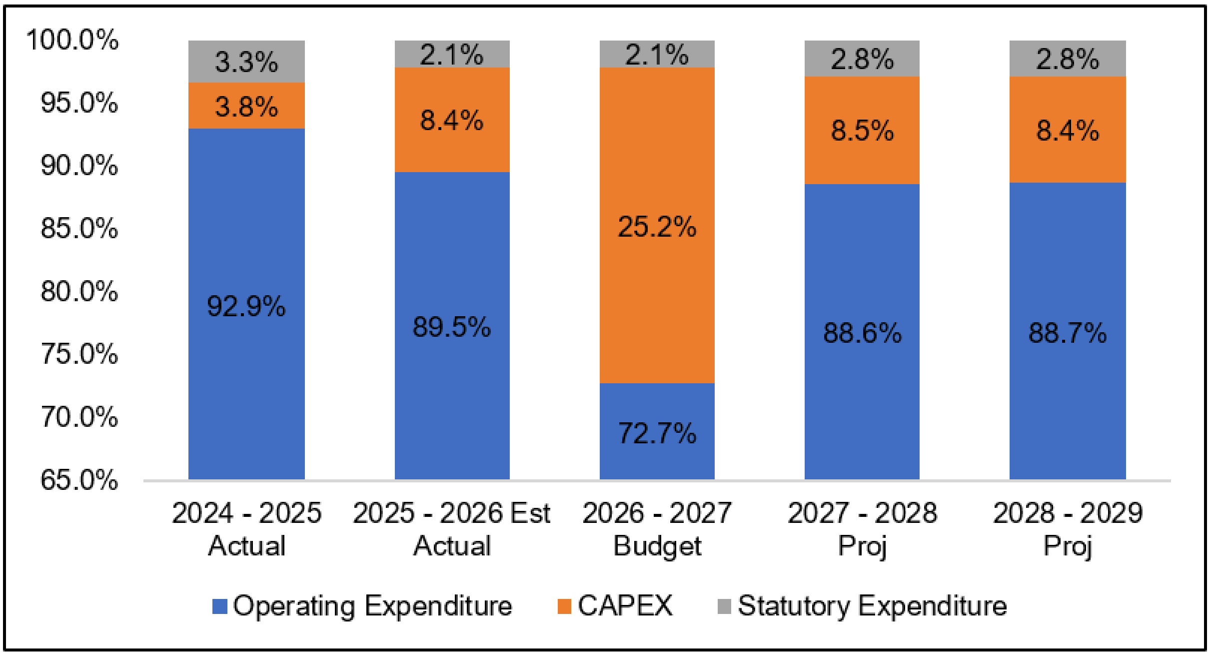
Sector support plays a vital role in advancing national development by channeling targeted financial and technical assistance into key areas such as Health, Education, Agriculture, and Infrastructure. New Zealand, Australia, Taiwan (ROC), UN agencies, and the European Union have contributed significantly to these efforts, providing essential funding, expertise and resources. This support aims to strengthen the capacity and effectiveness of public services, improve outcomes, and drive sustainable growth.

Part 2: APPROPRIATION AND PRIORITIES

2.1 APPROPRIATION ESTIMATES

Head	Ministry/Agency	Operating Expenditure	One off Expenditure	Capital Expenditure	Statutory Expenditure	2026-2027 Budget	2026-2027 Appropriation
A	Office of the Governor General	79,350	85,000	-	193,450	357,800	164,350
B	Office of the Prime Minister	11,842,720	1,974,000	6,600,000	328,170	20,744,890	20,416,720
C	Legal Affairs	1,359,190	40,000	70,000	57,910	1,527,100	1,469,190
D	Office of the Parliament	741,820	-	-	1,308,020	2,049,840	741,820
E	Office of the Auditor General	564,090	-	-	54,330	618,420	564,090
F	MFED	6,531,650	3,800,000	11,000,000	157,500	21,489,150	21,331,650
G	MPWIDW	6,178,590	-	2,570,000	161,680	8,910,270	8,748,590
H	MHSWD	21,979,420	330,750	-	154,220	22,464,390	22,310,170
I	MNRD	7,889,620	40,000	-	147,600	8,077,220	7,929,620
J	MCCE	2,376,730	80,000	-	160,250	2,616,980	2,456,730
K	Tuvalu Police Service	2,951,270	-	-	48,300	2,999,570	2,951,270
L	MTECI	16,883,960	3,206,090	14,582,850	160,780	34,833,680	34,672,900
M	MEHRD	15,401,650	155,000	4,481,820	158,760	20,197,230	20,038,470
N	Office of the Judiciary	876,010	130,000	-	-	1,006,010	1,006,010
O	MFALT	7,003,810	714,880	-	157,500	7,876,190	7,718,690
Total		**102,659,880**	**10,555,720**	**39,304,670**	**3,248,470**	**155,768,740**	**152,520,270**

2.2 Expenditure Shares



2.3 Comparative Expenditure Estimates by Heads

Head	Ministry/Agency	2024 - 2025 Actual	2025 - 2026 Est Actual	2026 - 2027 Budget	2027-28 Projection	2028-29 Projection
A	Office of the Governor General	200,840	198,270	357,800	278,250	283,810
B	Office of the Prime Minister	11,763,150	12,702,930	20,744,890	18,288,670	18,490,460
C	Legal Affairs	850,710	828,540	1,527,100	1,465,850	1,495,180
D	Office of the Parliament	1,838,530	1,433,280	2,049,840	2,090,840	2,132,650
E	Office of the Auditor General	438,600	436,370	618,420	630,800	643,420
F	MFED	8,333,720	11,860,100	21,489,150	6,634,360	6,741,940
G	MPWIDW	6,893,720	9,132,370	8,910,270	9,791,300	9,987,100
H	MHSWD	19,634,940	19,322,740	22,464,390	22,739,810	23,194,590
I	MNRD	3,355,440	7,542,250	8,077,220	7,910,400	8,068,610
J	MCCE	2,360,020	4,132,970	2,616,980	2,628,470	2,681,070
K	Tuvalu Police Service	2,850,650	3,066,400	2,999,570	3,059,600	3,120,740
L	MTECI	16,035,910	19,698,690	34,833,680	16,926,580	17,265,090
M	MEHRD	16,055,010	13,537,290	20,197,230	15,871,620	16,188,990
N	Office of the Judiciary	733,980	1,033,050	1,006,010	893,530	911,410
O	MFALT	6,013,620	6,696,580	7,876,190	7,304,560	7,450,580
Total		**97,358,840**	**111,621,830**	**155,768,740**	**116,514,640**	**118,655,640**

2.4 Comparative Expenditure Estimates to Total Expenditures

Head	Ministry/Agency	2024 - 2025 Actual	2025 - 2026 Est Actual	2026 - 2027 Budget	2027-28 Projection	2028-29 Projection
A	Office of the Governor General	0.2%	0.2%	0.2%	0.2%	0.2%
B	Office of the Prime Minister	12.1%	11.4%	13.3%	15.7%	15.6%
C	Legal Affairs	0.9%	0.7%	1.0%	1.3%	1.3%
D	Office of the Parliament	1.9%	1.3%	1.3%	1.8%	1.8%
E	Office of the Auditor General	0.5%	0.4%	0.4%	0.5%	0.5%
F	MFED	8.6%	10.6%	13.8%	5.7%	5.7%
G	MPWIDW	7.1%	8.2%	5.7%	8.4%	8.4%
H	MHSWD	20.2%	17.3%	14.4%	19.5%	19.5%
I	MNRD	3.4%	6.8%	5.2%	6.8%	6.8%
J	MHACCE	2.4%	3.7%	1.7%	2.3%	2.3%
K	Tuvalu Police Service	2.9%	2.7%	1.9%	2.6%	2.6%
L	MTECI	16.5%	17.6%	22.4%	14.5%	14.6%
M	MEHRD	16.5%	12.1%	13.0%	13.6%	13.6%
N	Office of the Judiciary	0.8%	0.9%	0.6%	0.8%	0.8%
O	MFALT	6.2%	6.0%	5.1%	6.3%	6.3%

2.5 Comparative Expenditure Estimates by Natural Accounts

NA	Description	GG	OPM	Legal Affairs	Parliament	Audit Office	MFED	MPWIDW	MHSD	MNRD	MCCE	TPS	MTECI	MEHRD	Judiciary	MFALT
	Operating Expenditure															
	Staffing															
2000	Salary – Local	15,910	3,147,760	735,810	109,610	376,590	1,558,730	2,134,740	3,253,390	1,085,580	1,324,220	1,755,760	2,118,960	4,391,980	284,880	1,355,790
2005	Salary – Ex/Ctr	-	70,390	-	52,970	-	23,520	-	617,330	-	212,100	-	2,101,980	413,120	150,000	639,850
2015	Salary - Casual	-	103,440	-	-	-	21,600	1,196,760	198,180	56,500	-	89,440	1,158,600	34,900	-	45,000
2020	Consultant Fees	-	40,000	42,000	-	-	-	-	-	40,000	50,000	-	15,360	-	50,000	-
2025	Allowances	500	66,830	17,380	5,000	5,940	93,570	278,100	477,490	21,880	55,420	445,330	573,890	93,210	37,000	95,160
2030	Provident Fund	510	314,760	75,580	10,960	37,660	159,680	542,310	360,570	96,450	132,420	175,570	294,800	463,910	28,490	161,130
2035	Relieving Fund	-	311,750	95,240	-	39,180	54,000	52,480	144,310	50,480	114,500	43,370	515,510	260,160	20,000	111,090
	Sub-Total	**16,920**	**4,054,930**	**966,010**	**178,540**	**459,370**	**1,911,100**	**4,204,390**	**5,051,270**	**1,350,890**	**1,888,660**	**2,509,470**	**6,779,100**	**5,657,280**	**570,370**	**2,408,020**
	Travel and Communications															
2100	Overseas Busine	85,480	295,910	87,540	50,000	25,000	90,990	71,000	659,600	50,000	43,570	50,000	215,390	453,000	45,000	520,730
2105	Local Business	200	36,560	60,090	3,600	21,760	14,470	37,070	66,760	47,820	44,600	15,750	84,690	81,530	5,000	188,270
2110	Leave Travel	700	22,450	22,460	3,000	8,110	35,150	17,530	50,000	15,720	12,310	22,720	64,100	99,210	45,000	96,910
2120	Telecom and Int	1,500	11,580	8,850	1,680	-	7,330	20,760	24,900	9,010	9,480	15,320	680,410	34,200	7,800	116,440
	Sub-Total	**87,880**	**366,500**	**178,940**	**58,280**	**54,870**	**147,940**	**146,360**	**801,260**	**122,550**	**109,960**	**103,790**	**1,044,590**	**667,940**	**102,800**	**922,350**
	Maintenance															
2200	R&M (Vessel)	-	-	-	-	-	-	-	-	-	-	46,620	1,413,430	-	-	-
2205	R&M (Motor Veh	1,000	4,990	800	3,000	1,500	3,300	126,920	14,600	9,000	8,000	12,400	47,870	6,400	6,000	46,010
2210	R&M (Plant)	-	-	-	-	-	-	8,190	-	2,000	35,000	-	2,300	1,000	-	-
2215	R&M (Off Equip)	-	20,070	4,800	2,000	500	5,460	21,400	83,730	4,700	6,000	4,780	123,150	7,710	1,000	11,170
2220	R&M (Buildings/	-	70,000	6,500	-	-	1,400	525,020	15,000	-	-	9,130	51,190	208,280	500	27,590
2225	Deferred Mainte	-	-	-	-	-	-	500,000	-	-	-	-	-	-	-	-
	Sub-Total	**1,000**	**95,060**	**12,100**	**5,000**	**2,000**	**10,160**	**1,181,530**	**113,330**	**15,700**	**49,000**	**72,930**	**1,637,940**	**223,390**	**7,500**	**84,770**
	Fuel & Oil															
2300	Petrol and oil	1,020	6,900	4,900	3,000	2,400	3,070	141,340	43,940	11,100	118,180	39,610	66,800	32,000	2,000	78,520
2305	Vessel Fuel	-	-	-	-	-	-	-	-	-	-	30,000	2,452,920	-	-	-
	Sub-Total	**1,020**	**6,900**	**4,900**	**3,000**	**2,400**	**3,070**	**141,340**	**43,940**	**11,100**	**118,180**	**69,610**	**2,519,720**	**32,000**	**2,000**	**78,520**
	Grants, Subsidies & Donations															
2400	Subsidy	-	-	-	-	-	-	-	-	-	-	-	3,590,000	88,170	-	3,070
2405	Cost of Service	-	-	-	-	-	486,660	-	-	-	-	-	-	-	-	-
2410	Grants	-	25,000	-	-	-	200,000	-	75,000	3,150,000	25,000	-	900,000	2,497,920	-	70,000
2415	Grants - Faleka	-	621,520	-	-	-	-	-	-	-	-	-	-	-	-	-
2420	Grants - Block	-	600,800	-	-	-	-	-	-	-	-	-	-	-	-	-
2430	Grants - VDS	-	2,240,000	-	-	-	-	-	-	-	-	-	-	-	-	-
2435	Financial Suppo	28,400	121,800	-	-	-	200,000	-	-	-	-	-	162,790	77,530	-	20,000
	Sub-Total	**28,400**	**3,609,120**	**-**	**-**	**-**	**886,660**	**-**	**75,000**	**3,150,000**	**25,000**	**-**	**4,652,790**	**2,663,620**	**-**	**93,070**

NA	Description	GG	OPM	Legal Affairs	Parliament	Audit Office	MFED	MPWIDW	MHSD	MNRD	MCCE	TPS	MTECI	MEHRD	Judiciary	MFALT
	Operating Expenditure															
	Training															
2625	Attachment Trai	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000
2630	Other Training	-	-	-	-	-	-	-	-	-	-	28,000	-	-	-	-
2635	Capacity Develo	-	60,000	25,000	5,000	-	-	-	50,020	-	16,800	-	35,000	-	-	7,330
	Sub-Total	**-**	**60,000**	**25,000**	**5,000**	**-**	**-**	**-**	**50,020**	**-**	**16,800**	**28,000**	**35,000**	**-**	**-**	**12,330**
	Goods & Services															
2705	Clothing Allowa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,650
2710	Housing Allowan	-	-	-	-	-	-	-	635,270	-	-	-	-	-	-	6,000
2715	Rent Subsidy	-	2,468,540	6,000	36,000	-	26,800	19,690	293,810	7,050	1,700	13,100	54,520	26,900	2,400	1,089,490
2720	Education Child	-	-	-	-	-	-	-	2,050	-	-	-	-	-	15,000	590,200
2725	Cost of Living	-	-	-	-	-	-	-	-	-	-	-	-	-	-	653,530
2730	Office Statione	990	8,570	9,280	3,000	2,500	7,150	11,680	26,450	4,500	7,230	13,080	19,930	28,900	2,000	17,970
2735	Office Expenses	1,540	40,730	97,960	400,000	8,300	21,250	16,620	189,560	9,600	19,400	22,430	804,440	109,820	18,400	124,130
2740	Supplies and Ge	600	20,200	-	-	-	-	265,600	1,260,710	6,370	36,700	1,300	143,850	46,540	-	55,660
2745	Plant and Equip	-	41,310	12,600	3,000	9,350	24,590	32,330	223,280	15,000	5,990	9,040	110,650	19,800	3,000	91,730
2750	Building and St	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,050
2755	Welfare Sch	-	-	-	-	-	-	-	2,627,120	-	-	-	-	-	-	-
2760	Compensation	-	50,000	-	-	-	-	-	-	-	100,000	-	-	-	-	-
2765	Entertainment	26,000	649,920	50,000	30,000	11,800	31,470	34,050	27,420	15,270	10,200	10,240	134,290	40,400	15,440	398,310
2770	Ration / Victua	-	-	-	-	-	-	-	105,480	12,000	-	68,540	415,220	600,000	-	-
2775	Vessel Slipping	-	-	-	-	-	-	-	-	-	-	-	1,000,000	-	-	-
2780	Uniform	-	-	3,000	-	-	6,000	-	10,670	1,000	-	16,160	26,050	-	1,380	-
2785	Utilities	-	5,830	6,100	-	-	1,753,200	3,200	90,460	3,200	3,200	-	3,280	1,490	-	128,170
2790	Drugs and Medic	-	-	-	-	-	-	-	8,244,410	5,000	-	-	-	-	-	-
2795	Insurance	-	-	-	-	-	100,000	-	5,120	-	-	-	51,000	-	-	206,420
2800	Overseas Contri	-	16,790	2,300	20,000	7,000	36,580	32,010	13,700	128,000	51,510	3,070	381,060	333,090	400	651,400
2805	Freight	-	-	-	-	-	-	-	-	1,020	-	-	-	-	-	-
2810	Non-Tax Allw	-	2,322,320	25,000	-	1,500	3,438,680	72,430	1,861,640	-	5,200	5,120	106,200	5,094,480	265,320	50,840
2815	Fumigation	-	-	-	-	-	-	-	-	-	-	-	130,700	-	-	-
2820	Bank Charges	-	-	-	-	-	48,000	-	-	-	-	-	-	-	-	13,080
2825	Forex (Gains/Lo	-	-	-	-	-	50,000	-	-	-	-	-	-	-	-	-
2830	Systems/Annual	-	-	-	-	5,000	1,117,000	15,360	-	-	8,000	5,390	3,840	-	-	-
2835	Land Leases	-	-	-	-	-	-	-	-	3,071,370	-	-	-	-	-	-
2840	Contingency	-	-	-	-	-	400,000	2,000	558,200	-	-	-	35,880	11,000	-	-
	Sub-Total	**29,130**	**5,624,210**	**212,240**	**492,000**	**45,450**	**7,060,720**	**504,970**	**16,175,350**	**3,279,380**	**249,130**	**167,470**	**3,420,910**	**6,312,420**	**323,340**	**4,119,630**
	Loan & Interest Payment															
2900	Domestic Loan R	-	-	-	-	-	162,000	-	-	-	-	-	-	-	-	-
2905	Domestic Loan R	-	-	-	-	-	150,000	-	-	-	-	-	-	-	-	-
	Sub-Total	**-**	**-**	**-**	**-**	**-**	**312,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Operating Exp	**164,350**	**13,816,720**	**1,399,190**	**741,820**	**564,090**	**10,331,650**	**6,178,590**	**22,310,170**	**7,929,620**	**2,456,730**	**2,951,270**	**20,090,050**	**15,556,650**	**1,006,010**	**7,718,690**
	Statutory	193,450	328,170	57,910	1,308,020	54,330	157,500	161,680	154,220	147,600	160,250	48,300	160,780	158,760	-	157,500
	Capital	-	6,600,000	70,000	-	-	11,000,000	2,570,000	-	-	-	-	14,582,850	4,481,820	-	-
	Total Non-Oper Exp	**193,450**	**6,928,170**	**127,910**	**1,308,020**	**54,330**	**11,157,500**	**2,731,680**	**154,220**	**147,600**	**160,250**	**48,300**	**14,743,630**	**4,640,580**	**-**	**157,500**
	Grant Total	**357,800**	**20,744,890**	**1,527,100**	**2,049,840**	**618,420**	**21,489,150**	**8,910,270**	**22,464,390**	**8,077,220**	**2,616,980**	**2,999,570**	**34,833,680**	**20,197,230**	**1,006,010**	**7,876,190**

2.6 Comparative Revenue Estimates by Head

Head	Ministry/Agency	2024 - 2025 Actual	2025 - 2026 Est Actual	2026 - 2027 Budget	2027-28 Projection	2028-29 Projection
A	Office of the Governor General	-	-	-	-	-
B	Office of the Prime Minister	243,970	7,400	8,000	8,190	8,400
C	Legal Affairs	61,830	49,440	65,290	66,830	68,510
D	Office of the Parliament	-	-	-	-	-
E	Office of the Auditor General	18,170	-	10,000	10,240	10,490
F	MFED	61,937,380	72,903,120	85,395,600	52,269,520	61,996,810
G	MPWIDW	476,360	281,620	336,700	344,700	353,350
H	MHSWD	16,690	42,500	41,000	41,970	43,030
I	MNRD	34,162,780	35,890,750	41,161,990	42,141,650	43,199,410
J	MHACCE	12,100	11,060	4,500	4,600	4,710
K	Tuvalu Police Service	65,160	109,870	147,800	151,320	155,110
L	MTECI	10,940,790	15,597,820	16,659,020	17,055,500	17,483,580
M	MEHRD	4,110	3,020	-	-	-
N	Office of the Judiciary	5,090	4,210	8,000	8,190	8,400
O	MFALT	2,745,670	69,580	51,000	52,210	53,530
Total		**110,690,100**	**124,970,390**	**143,888,900**	**112,154,920**	**123,385,330**

2.0.6 Comparative Revenue Estimates to Total Revenues

Head	Ministry/Agency	2024 - 2025 Actual	2025 - 2026 Est Actual	2026 - 2027 Budget	2027-28 Projection	2028-29 Projection
A	Office of the Governor General	-	-	-	-	-
B	Office of the Prime Minister	0.2%	-	-	-	-
C	Legal Affairs	-	-	-	-	-
D	Office of the Parliament	-	-	-	-	-
E	Office of the Auditor General	-	-	-	-	-
F	MFED	56.0%	58.3%	59.3%	46.6%	50.2%
G	MPWIDW	0.4%	0.2%	0.2%	0.3%	0.3%
H	MHSWD	-	-	-	-	-
I	MNRD	30.9%	28.7%	28.6%	37.6%	35.0%
J	MHACCE	-	-	-	-	-
K	Tuvalu Police Service	-	-	0.1%	0.1%	0.1%
L	MTECI	9.9%	12.5%	11.6%	15.2%	14.2%
M	MEHRD	-	-	-	-	-
N	Office of the Judiciary	-	-	-	-	-
O	MFALT	2.5%	-	-	-	-

Part 3: ALIGNING THE BUDGET TO NATIONAL DEVELOPMENT PRIORITIES

3.1 ALIGNING THE BUDGET TO NATIONAL DEVELOPMENT PRIORITIES

The Government of Tuvalu has progressed implementation of 21 strategic priorities achieving major milestones. These priorities are designed to align with TE KETE, the National Strategy for Sustainable Development 2021–2030, ensuring that all governmental planning and budgeting efforts are cohesive and targeted towards the nation's most pressing needs.

A key directive accompanying these priorities mandates that all line ministries must align their annual work plans and funding proposals with the specified priorities. This approach ensures that resource allocation is focused on areas of greatest impact and urgency. These priorities reflect the government's dedication to addressing critical issues and fostering a sustainable and prosperous future for Tuvalu. The key priorities outlined are:

- Climate Change, Environmental and Disaster Resilience - strengthening climate adaptation policies, initiating immediate actions on coastal protection and improving waste management particularly in densely populated areas.
- Infrastructure and Connectivity- Enhancing maritime transport safety, establishing sustainable air services development, ascertaining the status of internal air services and to expedite the completion of critical infrastructure.
- Social Services: Health and Education - Enhancing the quality and standards of healthcare services, assessment and reviewing of Tuvalu Overseas Medical Referral (TOMRS) Scheme to adopt cost-effective arrangements and manage financial implications on the budget, increasing funding for scholarship opportunities and improving classroom infrastructure, implementing measures to promote gender equality and support people with special needs.
- Governance and Institutional Reform - strengthening institutional legislation and related procedures, evaluating the status and operational efficiencies of statutory corporations, and enhancing cultural preservation.
- Economic Development and Cost of Living - reviewing taxation regimes, price control regulations, freight costs and prices of basic commodities to address the cost of living and also to develop sustainable and affordable shipping services within Tuvalu and from abroad to ensure reliable transportation for all commodities.
- International Relations and Strategic Partnerships - strengthening and enhancing its relationships with development partners through a series of strategic initiatives and agreements aimed at promoting sustainable development, resilience and mutual cooperation

3.2 BUDGET POLICY SETTINGS

Tuvalu's 2026-2027 budget policy settings are focused on sustaining the economy against ongoing global challenges while preserving fiscal sustainability and supporting inclusive and sustainable national development in line with Te KETE and Government's 21st priorities. As the Government enters the new financial year, emphasis will be on implementation-oriented on major projects and service delivery in every sector. In light of continuing global economic uncertainty, fluctuating commodity prices, rising climate-related risks, and Tuvalu's narrow domestic revenue base, efforts remain committed to maintaining prudent fiscal management through disciplined expenditure control, strengthened domestic revenue collection, and efficient allocation of public resources.

Key revenue and expenditure policies shaping the 202-2027 Budget includes:

Revenue Policy

- Responsible financial management that ensures government revenues are fully accounted for and contribute to maintaining macroeconomic stability and long-term fiscal sustainability;
- Strengthening domestic revenue mobilization through improved tax administration, enhanced compliance measures, and efficient revenue collection systems across all government revenue sources;
- Commitment to implement and collaborate with development partners on Policy Reform Matrix to ensure disbursement of budget support;
- Continued support for the fisheries sector through the sustainable management of foreign fishing vessel access arrangements in Tuvalu waters, with an estimated revenue of approximately $41.0 million projected from the sale of fishing days;
- Strengthening customs compliance and border control measures for imported goods and services to ensure the correct collection of duties, taxes, and other charges, with projected collections of approximately $15.9 million;
- Maximising returns from sovereign revenue sources, particularly dotTV royalties, upper airspace fees, and ship registry services, with approximately $13.1 anticipated to be generated from these sources over the medium term; and
- Enhancing revenue monitoring, reporting, and enforcement mechanisms to improve accountability, transparency, and efficiency in government revenue management.

Expenditure Policy

- Refocus management of the government project portfolio to improve execution rate and deliver positive impact to the public.
- Improving productivity and efficiency within the public service to ensure effective delivery of essential services to the public, with approximately $32.1 million allocated for personnel emoluments;

- Promoting prudent expenditure management, cost-sharing initiatives, and expenditure rationalization measures to contain operational costs and improve value for money across government operations;
- Continued investment in education and human capital development through scholarship programs and training opportunities, with approximately $7.6 million allocated for in-service scholarships, the Student Education Loan Fund (SELF), and pre-service scholarship programs;
- Ensuring equitable access to healthcare services for all Tuvaluans through continued support for domestic and overseas medical referral services, with approximately $11,1 million allocated for the Tuvalu Overseas Medical Referral Scheme (TOMRS);
- Providing continued support to the Tuvalu Electricity Corporation (TEC) through fuel subsidy assistance estimated at approximately $3.5 million to maintain affordable electricity services;
- Maintaining government investment in capital infrastructure and outer island development, with approximately $8.8 million allocated to improve public infrastructure, connectivity, and essential services;
- Strengthening expenditure controls and improving the management of leave travel, overseas business travel, utilities, and internet usage to achieve greater cost savings and fiscal efficiency; and
- Supporting climate resilience, sustainable development initiatives, and public service delivery programs that contribute to improving livelihoods and national resilience across Tuvalu.

3.3 MEDIUM TERM FISCAL FRAMEWORK 2025-2027

CATEGORIES	2024 - 2025 Actual	2025 - 2026 Est Actual	2026 - 2027 Budget	2027-28 Projection	2028-29 Projection
Taxation	15,743,540	16,903,720	12,896,800	13,203,720	13,535,130
Interest, Dividends & Rent	2,578,350	7,950,890	22,952,620	1,999,090	12,049,260
Fishing Licenses	34,140,490	35,823,290	41,039,990	42,016,740	43,071,370
Commercial Contracts	10,465,940	12,949,010	13,081,770	13,393,120	13,729,280
Other Income	4,179,860	3,679,930	3,922,620	4,015,950	4,116,740
TOTAL DOMESTIC REVENUE	**67,108,180**	**77,306,840**	**93,893,800**	**74,628,620**	**86,501,780**
Staffing	33,021,640	33,922,920	37,899,090	37,314,790	38,060,970
Travel & Communication	2,967,060	3,093,990	3,843,350	3,189,630	3,253,370
Maintenance	2,525,460	3,071,430	3,511,410	3,479,660	3,549,240
Fuel & Oil	3,474,600	3,941,870	3,026,250	3,084,720	3,146,430
Grants, Subsidies & Donations	10,916,870	15,733,160	15,183,660	14,209,010	14,461,200
Scholarship	7,111,880	6,710,700	7,636,010	7,788,710	7,944,490
Training	150,230	66,280	232,150	220,470	224,860
Medical Scheme	11,335,640	10,579,820	11,105,020	11,327,110	11,553,660
Goods & Services	18,971,400	22,649,250	30,466,660	22,412,890	22,861,030
Loan & Interest Payment	301,290	269,830	312,000	250,000	230,000
TOTAL OPERATING EXPENSE	**90,776,070**	**100,039,250**	**113,215,600**	**103,276,990**	**105,285,250**
Capital Expenditure	3,651,550	9,372,280	39,304,670	9,924,220	9,990,700
Statutory Expenditure	3,216,610	2,315,830	3,248,470	3,313,430	3,379,690
TOTAL NON-OPERAT. EXPENDITURE	**6,868,160**	**11,688,110**	**42,553,140**	**13,237,650**	**13,370,390**
DOMESTIC BUDGET BALANCE	**(30,536,050)**	**(34,420,520)**	**(61,874,940)**	**(41,886,020)**	**(32,153,860)**
General Budget Support	43,581,920	47,663,550	49,995,100	37,526,300	36,883,550
GRAND TOTAL REVENUE	110,690,100	124,970,390	143,888,900	112,154,920	123,385,330
GRAND TOTAL EXPENDITURE	97,644,230	111,727,360	155,768,740	116,514,640	118,655,640
FISCAL BUDGET BALANCE	**13,045,870**	**13,243,030**	**(11,879,840)**	**(4,359,720)**	**4,729,690**

CATEGORIES	2024 - 2025 Actual	2025 - 2026 Est Actual	2026 - 2027 Budget	2027-28 Projection	2028-29 Projection
Taxation	15,743,540	16,903,720	12,896,800	13,203,720	13,535,130
Interest, Dividends & Rent	2,578,350	7,950,890	22,952,620	1,999,090	12,049,260
Fishing Licenses	34,140,490	35,823,290	41,039,990	42,016,740	43,071,370
Commercial Contracts	10,465,940	12,949,010	13,081,770	13,393,120	13,729,280
Other Income	4,179,860	3,679,930	3,922,620	4,015,950	4,116,740
TOTAL DOMESTIC REVENUE	**67,108,180**	**77,306,840**	**93,893,800**	**74,628,620**	**86,501,780**
Staffing	32,729,390	33,817,390	37,899,090	37,314,790	38,060,970
Travel & Communication	2,967,060	3,093,990	3,843,350	3,189,630	3,253,370
Maintenance	2,525,460	3,071,430	3,511,410	3,479,660	3,549,240
Fuel & Oil	3,474,600	3,941,870	3,026,250	3,084,720	3,146,430
Grants, Subsidies & Donations	10,916,870	15,733,160	15,183,660	14,209,010	14,461,200
Scholarship	7,111,880	6,710,700	7,636,010	7,788,710	7,944,490
Training	150,230	66,280	232,150	220,470	224,860
Medical Scheme	11,335,640	10,579,820	11,105,020	11,327,110	11,553,660
Goods & Services	18,971,400	22,649,250	30,466,660	22,412,890	22,861,030
Loan & Interest Payment	301,290	269,830	312,000	250,000	230,000
TOTAL OPERATING EXPENSE	**90,483,820**	**99,933,720**	**113,215,600**	**103,276,990**	**105,285,250**
Capital Expenditure	3,651,550	9,372,280	39,304,670	9,924,220	9,990,700
Statutory Expenditure	3,216,610	2,315,830	3,248,470	3,313,430	3,379,690
TOTAL NON-OPERAT. EXPENDITURE	**6,868,160**	**11,688,110**	**42,553,140**	**13,237,650**	**13,370,390**
DOMESTIC BUDGET BALANCE	**(30,243,800)**	**(34,314,990)**	**(61,874,940)**	**(41,886,020)**	**(32,153,860)**
General Budget Support	43,581,920	47,663,550	49,995,100	37,526,300	36,883,550
GRAND TOTAL REVENUE	110,690,100	124,970,390	143,888,900	112,154,920	123,385,330
GRAND TOTAL EXPENDITURE	97,351,980	111,621,830	155,768,740	116,514,640	118,655,640
FISCAL BUDGET BALANCE	**13,338,120**	**13,348,560**	**(11,879,840)**	**(4,359,720)**	**4,729,690**

3.4 REVENUE

3.4.1 Taxation

Taxation revenue is conservatively projected at $12.9 million, compared to the estimated $16.9 million for the current financial year. The lower projection reflects uncertainties surrounding domestic economic activity and import volumes during the ongoing fuel crisis.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Income Tax	5,425,780	4,684,500	3,700,000	3,788,060	3,883,140
Company Tax	3,843,910	4,043,690	2,800,000	2,866,640	2,938,590
Tuvalu Consumption Tax	2,300,320	2,930,130	2,464,190	2,522,840	2,586,160
Presumptive Tax	34,600	25,140	90,000	92,140	94,450
Departure Tax	-	830	180,000	184,280	188,910
Import Duty	2,143,250	2,474,650	1,695,580	1,735,930	1,779,500
Import Levy	230,100	305,810	184,980	189,380	194,130
Excise	1,563,090	2,124,860	1,513,240	1,549,250	1,588,140
Service Levy	202,490	314,110	268,810	275,200	282,110
Taxation	**15,743,540**	**16,903,720**	**12,896,800**	**13,203,720**	**13,535,130**

3.4.2 Interest, Dividends and Rent

Interest, Dividend and Rent is projected to increase significantly by $15.0 million, mainly due to the declared distribution from the Tuvalu Trust Fund (TTF) of $21.1 million.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Interest Revenue	760	3,979,690	21,075,000	76,790	10,078,710
Dividends	2,100,000	3,702,980	1,500,000	1,535,700	1,574,250
Rentals	224,770	189,960	205,000	209,880	215,150
Hire	24,490	26,420	72,620	74,340	76,200
Lease Revenue	228,330	51,840	100,000	102,380	104,950
Interest, Dividends & Rent	**2,578,350**	**7,950,890**	**22,952,620**	**1,999,090**	**12,049,260**

3.4.3 Fishing Licences

Fishing licenses and vessel day sales are expected to increase by $5.0 million, supported by the anticipated completion of additional vessel reflagging arrangements.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Access Fees	1,201,050	2,008,190	1,071,430	1,096,930	1,124,460
Flagship Management Fees	1,449,660	713,220	2,285,710	2,340,110	2,398,850
Fis Lic – Long Line Vessels	219,110	130,260	285,710	292,510	299,860
V-Days – P/Seine – Bilateral	21,936,850	20,630,470	25,000,000	25,595,000	26,237,430
V-Days – P/Seine – US Treaty	691,540	12,164,140	6,571,430	6,727,830	6,896,700
V-Days – P/Seine – Traded	393,450	77,420	571,430	585,030	599,710
V-Days – P/Seine – FSMA	4,918,100	-	2,857,140	2,925,140	2,998,560
V-Days – P/Seine (Sub –reg pool)	2,227,360	-	1,440,000	1,474,270	1,511,280
Other Vessels (BU, FC, PL)	636,120	37,260	857,140	877,540	899,570
Transhipment	467,250	62,330	100,000	102,380	104,950
Fishing Licenses	**34,140,490**	**35,823,290**	**41,039,990**	**42,016,740**	**43,071,370**

3.4.4 Commercial Contracts

Commercial Contracts are projected to increase modestly. This estimate takes into account the Government's planned review of the existing contractual arrangements with GoDaddy.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Dot TV Marketing	10,465,940	9,916,580	10,881,770	11,140,760	11,420,390
Upper Air Space	-	240,900	200,000	204,760	209,900
Ship Registry	-	2,791,530	2,000,000	2,047,600	2,098,990
Commercial Contracts	**10,465,940**	**12,949,010**	**13,081,770**	**13,393,120**	**13,729,280**

3.4.5 Other Income

Other income is projected to collect $3.9 million , an increase of $242,690 compared to the estimated actual of the current financial year. This reflects revenue generated by the government through its service rendered to the public.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Service Fees	779,410	529,330	537,370	550,160	563,950
Registration	1,648,960	44,750	57,540	58,910	60,390
Sales	24,720	25,220	141,740	145,110	148,750
Stevedoring & Wharfage	164,720	309,350	300,000	307,140	314,850
Fares	579,790	581,000	735,000	752,500	771,370
Freights	190,990	232,020	385,000	394,160	404,050
Birth, Death and Marriage	3,400	2,310	2,000	2,050	2,100
Penalties and Fines	26,380	29,930	24,620	25,210	25,830
Licensing	15,850	11,500	18,150	18,560	19,050
Charter	79,150	1,170,680	1,140,000	1,167,130	1,196,430
Membership	120	-	-	-	-
Affidavit	470	60	200	200	210
Passport	261,810	173,900	250,000	255,950	262,370
Commission	96,380	109,310	140,000	143,330	146,930
Miscellaneous	307,710	460,570	191,000	195,540	200,460
Other Income	**4,179,860**	**3,679,930**	**3,922,620**	**4,015,950**	**4,116,740**

3.4.6 General Budget Support

General budget support is estimated at $50 million, representing an increase of $2.3 million from the current financial year. This includes anticipated support from the World Bank amounting to USD 15 million, which partly offsets the one-off budget support of $8.5 million received from Taiwan during the current financial year.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Grants – ROC (Taiwan)	18,130,100	26,327,160	17,838,000	17,478,000	16,705,200
Australia (CIF)	5,999,950	7,500,000	6,500,000	6,500,000	6,500,000
New Zealand (CIF)	8,702,980	3,720,000	3,359,600	3,352,800	3,237,600
Grants – World Bank	10,748,890	-	22,297,500	-	10,440,750
Grants - ADB	-	10,116,390	-	10,195,500	-
General Budget Support	**43,581,920**	**47,663,550**	**49,995,100**	**37,526,300**	**36,883,550**

3.5 EXPENDITURE

3.5.1 Staffing

Staffing expenditure is estimated at $37.8 million, representing an increase of $4.1 million compared to the current financial year. This increase reflects the approval of fourteen new positions, the integration of the Digital Nation Department and Domestic Air Service Unit into Government operations, and the filling of long-standing vacancies.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Salary – Local	21,050,080	22,334,890	23,649,710	24,143,040	24,625,910
Salary – Expatriate/Contract	2,000,560	2,413,800	4,194,640	2,859,430	2,916,640
Salary - Casuals	3,460,530	1,711,080	2,904,420	2,962,510	3,021,760
Consultant Fees	111,680	203,240	237,360	150,300	153,320
Allowances	2,073,640	2,519,920	2,266,700	2,296,690	2,342,570
Provident Fund	2,305,770	2,569,010	2,834,190	3,054,460	3,115,510
Relieving Fund	1,727,130	2,065,450	1,812,070	1,848,360	1,885,260
Staffing	**32,729,390**	**33,817,390**	**37,899,090**	**37,314,790**	**38,060,970**

3.5.2 Travel and Communication

Travel and communication expenditure is projected to increase by $0.7 million to $3.8 million in the next financial year, primarily reflecting the costs associated with hosting a number of high-level meetings and forums.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Overseas Business Travel	1,505,000	1,736,170	1,676,550	1,276,810	1,302,270
Local Business Travel	475,810	537,550	718,370	629,230	641,820
Leave Travel	244,840	246,190	515,370	515,760	526,020
Telecom and Internet	745,370	586,990	948,060	783,130	798,870
Travel & Communication	**2,971,020**	**3,106,900**	**3,858,350**	**3,204,930**	**3,268,980**

3.5.3 Maintenance

Maintenance expenditure is budgeted at $3.5 million, an increase of $437,890 from the 2025-2026 Estimated Actuals.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
R&M (Vessel)	707,810	1,448,940	1,460,050	1,489,250	1,519,050
R&M (Motor Vehicles)	262,360	195,980	291,790	297,640	303,570
R&M (Plant)	75,090	30,960	48,490	49,460	50,450
R&M (Office Equipments)	113,650	76,930	281,470	185,100	188,790
R&M (Buildings/Facilities)	830,230	780,090	914,610	932,910	951,570
Deferred Maintenance	532,360	525,620	500,000	510,000	520,200
Maintenance	**2,521,500**	**3,058,520**	**3,496,410**	**3,464,360**	**3,533,630**

3.5.4 Fuel and Oil

Fuel and oil expenditure is budgeted at $3.0 million. A review of the national shipping fleet is planned to improve operational efficiency and determine the optimal fleet size required to deliver reliable and cost-effective services.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Petrol and oil	610,870	646,940	543,330	552,140	563,210
Vessel Fuel	2,863,730	3,294,930	2,482,920	2,532,580	2,583,220
Fuel & Oil	**3,474,600**	**3,941,870**	**3,026,250**	**3,084,720**	**3,146,430**

3.5.5 Grant, Subsidy and Donations

Expenditure on grants, subsidies and donations is anticipated at $15.1 million. The recipient list of grants, subsidy, CSO and Financial Support is provided in Schedule 4.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Subsidy	3,931,860	4,527,060	3,681,240	3,754,860	3,829,970
Cost of Service Obligation (CSO)	193,250	241,350	486,660	496,390	506,320
Grants - General	3,806,130	6,949,330	6,942,920	6,692,260	6,826,100
Grants - Salary Kaupule	594,110	599,920	621,520	633,950	646,630
Grants - Block	307,340	600,800	600,800	612,820	625,070
Grants - VDS	1,600,000	1,600,000	2,240,000	1,600,000	1,600,000
Financial Support/Donation	484,180	1,214,700	610,520	418,730	427,110
Grants, Subsidies & Donations	**10,916,870**	**15,733,160**	**15,183,660**	**14,209,010**	**14,461,200**

3.5.6 Tuvalu Overseas Referral Medical Scheme

The budget provided for TORMS is anticipated at $11.1 million. This indicates the ability to strengthen the medical scheme policy in order for this program to be capped within the threshold target ratio.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Salary – Expatriate/Contract	168,240	304,740	86,620	88,350	90,120
Provident Fund	10,420	-	20,610	21,020	21,450
Overseas Business Travel	785,440	448,630	600,000	612,000	624,240
Local Business Travel	730	1,230	4,800	4,900	4,990
Telecom and Internet	680	240	1,200	1,220	1,250
Petrol and oil	10,140	106,260	11,450	11,680	11,910
Housing Allowance	812,790	408,330	635,270	647,970	660,930
Rental/Rent Subsidy	2,440	-	-	-	-
Office Expenses	55,110	90,300	150,000	153,000	156,060
Entertainment	1,100	-	-	-	-
Utilities	68,810	9,030	83,850	85,530	87,240
Drugs and Medicines	7,806,950	7,474,380	7,693,610	7,847,480	8,004,430
Non-Taxable Allowance	1,612,790	1,736,680	1,817,610	1,853,960	1,891,040
Medical Scheme	**11,335,640**	**10,579,820**	**11,105,020**	**11,327,110**	**11,553,660**

3.5.7 Scholarship

The total funding provided for Scholarship is budgeted at $7.6 million, an increase of $925,310 from the 2025-2026 Estimated Actuals.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Overseas Business Travel	346,360	352,400	466,660	475,990	485,510
Rental/Rent Subsidy	-	900	1,000	1,020	1,040
Office Expenses	5,030	1,860	5,800	5,910	6,030
Entertainment	770	1,260	14,700	14,990	15,290
Non-Taxable Allowance	6,759,720	6,354,280	7,147,850	7,290,800	7,436,620
Scholarship	**7,111,880**	**6,710,700**	**7,636,010**	**7,788,710**	**7,944,490**

3.5.8 Training

The budget allocated for the training program is $232,150. This reflects costs that are associated with capacity building and short-term training.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Attachment Traininig	-	-	5,000	5,100	5,200
Other Training Awards	13,790	29,130	28,000	28,560	29,130
Capacity Development	136,440	37,150	199,150	186,810	190,530
Training	**150,230**	**66,280**	**232,150**	**220,470**	**224,860**

3.5.9 Goods and Services

Expenditure on goods and services is budgeted at $30.5 million. The increase is primarily driven by additional allocations for key Government programmes and crisis response measures. Detailed explanation is provided in the table below.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Clothing Allowance	25,690	9,050	40,650	41,460	42,290
Housing Allowance	6,000	3,000	6,000	6,120	6,240
Rental/Rent Subsidy	1,816,320	1,825,500	4,045,000	2,636,180	2,688,860
Education Children Allowance	245,940	463,320	607,250	619,400	631,780
Cost of Living Adjustment –COLA	512,170	832,220	653,530	666,590	679,930
Office Stationery	152,320	92,200	163,230	165,990	169,340
Office Expenses	1,097,710	866,250	1,728,380	1,069,330	1,090,650
Supplies and Gears	1,615,710	1,073,250	1,837,530	1,785,810	1,821,500
Plant and Equipments	621,120	441,390	601,670	386,240	393,910
Building and Structures	396,870	43,440	2,050	2,090	2,130
Welfare Schemes	1,674,190	2,030,340	2,627,120	2,679,660	2,733,260
Compensation	38,830	76,780	150,000	153,000	156,060
Entertainment	445,520	1,391,180	1,510,110	559,800	570,970
Ration / Victualling	1,052,160	833,990	1,201,240	1,225,260	1,249,760
Vessel Slipping	19,800	-	1,000,000	-	-
Uniform	47,530	8,520	64,260	65,540	66,860
Utilities	1,872,400	1,289,880	1,914,280	1,952,530	1,991,610
Drugs and Medicines	327,000	481,500	555,800	566,910	578,250
Insurance	301,680	632,610	362,540	369,790	377,200
Overseas Contribution	1,486,920	1,392,800	1,676,910	1,482,600	1,512,240
Freight	50	190	1,020	1,040	1,070
Non-Taxable Allowance	765,450	985,950	4,283,270	1,123,210	1,145,690
Fumigation	40,000	-	130,700	63,160	64,430
Bank Charges	268,920	93,300	61,080	62,310	63,550
Forex (Gains/Losses)	-	-	50,000	51,000	52,020
Systems/Annual Subscriptions	722,750	2,068,670	1,154,590	565,670	576,990
Land Leases	2,729,850	2,873,770	3,071,370	3,132,800	3,195,450
Contingency	688,500	2,840,150	1,007,080	979,400	998,990
Goods & Services	**18,971,400**	**22,649,250**	**30,506,660**	**22,412,890**	**22,861,030**

3.5.10 Loan and Interest Payment

The budget provides for loan and Interest Payment capped at $312,000.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Domestic Loan Rep – Principal	156,970	150,740	162,000	150,000	140,000
Domestic Loan Rep – Interest	144,320	119,090	150,000	100,000	90,000
Loan & Interest Payment	**301,290**	**269,830**	**312,000**	**250,000**	**230,000**

3.5.11 Capital Expenditure

The total capital expenditure is budgeted at $39.3 million. This includes $10.0 million for Tuvalu Trust Fund reinvestment, $5.0 million for TEC generators, $1.2 million for the construction of the new office building for Nanumea Kaupule, $1.0 million for road maintenance, $2.2 million for construction of Motufoua Secondary School Dormitories and $1.9 million for the upgrading of the Tuvalu National Sport Ground.

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Salary – Expatriate/Contract	-	-	110,000	-	-
Salary - Casual	868,320	298,220	1,252,850	726,590	741,120
Consultant Fees	-	-	1,415,500	-	-
Allowances	-	-	1,346,700	-	-
Staffing	**868,320**	**298,220**	**4,125,050**	**726,590**	**741,120**
Overseas Business Travel	-	43,200	7,000	-	-
Local Business Travel	540	-	230,410	-	-
Leave Travel	-	-	3,470	-	-
Telecom and Internet	-	-	2,100	-	-
Travel & Communication	**540**	**43,200**	**242,980**	**-**	**-**
R&M (Buildings/Facilities)	112,370	130,770	1,000,000	1,000,000	1,020,000
Deferred Maintenance	470	-	-	-	-
Maintenance	**112,840**	**130,770**	**1,000,000**	**1,000,000**	**1,020,000**
Petrol and oil	-	-	49,290	-	-
Fuel & Oil	**-**	**-**	**49,290**	**-**	**-**
Grants - General	1,634,340	1,170,960	1,600,000	1,600,000	1,600,000
Financial Support/Donation	-	1,200,000	11,000,000	-	-
Grants - Development	-	857,310	5,000,000	5,000,000	5,000,000
Grants, Subsidies & Donations	**1,634,340**	**3,228,270**	**17,600,000**	**6,600,000**	**6,600,000**
Capacity Development	-	-	24,000	-	-
Training	**-**	**-**	**24,000**	**-**	**-**
Rental/Rent Subsidy	-	-	168,400	-	-
Office Expenses	-	-	86,400	-	-
Supplies and Gears	-	-	11,700	-	-
Plant and Equipments	87,660	396,180	11,182,630	507,630	517,780
Building and Structures	885,980	5,186,080	4,646,990	960,000	979,200
Entertainment	-	-	5,000	-	-
Utilities	-	-	4,800	-	-
Contingency	61,870	89,560	157,430	130,000	132,600
Goods & Services	**1,035,510**	**5,671,820**	**16,263,350**	**1,597,630**	**1,629,580**
Capital Expenditure	**3,651,550**	**9,372,280**	**39,304,670**	**9,924,220**	**9,990,700**

3.5.12 Statutory Expenditure

Statutory expenditures are spending charged on the Consolidated Fund by any written law other than the Appropriation Act. These expenditures are clearly described under the Prescription of Salaries (Amendment) (No. 2) Act 2020.

The expenditure is estimated at **$3.2 million.**

CATEGORIES	2024-2025 Actual	2025-2026 Est Actual	2026-2027 Budget	2027-28 Projection	2028-29 Projection
Salary – Expatriate/Contract	322,720	343,400	321,900	328,340	334,930
Salary – Ministers & MP's	850,970	473,520	859,120	876,300	893,810
Salary - Local	98,100	123,620	111,600	113,840	116,120
Provident Fund	95,450	108,620	97,040	98,980	100,960
Allowances	870	-	1,500	1,530	1,560
Gratuity	24,000	21,600	24,570	25,060	25,560
Staffing	**1,392,110**	**1,070,760**	**1,415,730**	**1,444,050**	**1,472,940**
Overseas Business Travel	1,143,480	609,440	604,510	616,580	628,900
Local Business Travel	146,650	95,760	166,100	169,430	172,830
Telecom and Internet	65,760	37,270	74,730	76,190	77,770
Travel & Communication	**1,355,890**	**742,470**	**845,340**	**862,200**	**879,500**
Petrol and oil	43,160	41,690	47,960	48,940	49,930
Fuel & Oil	**43,160**	**41,690**	**47,960**	**48,940**	**49,930**
Statutory Allowances	4,420	28,600	100,720	102,720	104,750
Clothing Allowances	11,570	10,340	32,520	33,210	33,820
Housing Allowances	46,800	30,880	38,400	39,170	39,950
Rental/Rent Subsidy	12,000	-	12,000	12,240	12,480
Office Expenses	1,390	1,390	2,050	2,090	2,130
Plant and Equipments	91,420	47,630	400,740	408,760	416,930
Entertainment	100,700	250,140	123,260	125,730	128,220
Utilities	100,230	73,460	116,820	119,140	121,550
Drugs and Medicines	14,810	8,570	73,360	74,820	76,320
Non-Taxable Allowance	42,110	9,900	39,570	40,360	41,170
Goods & Services	**425,450**	**460,910**	**939,440**	**958,240**	**977,320**
Statutory Expenditure	**3,216,610**	**2,315,830**	**3,248,470**	**3,313,430**	**3,379,690**

3.6 CASH FLOW PLANNING

The cashflow planning is provided in thousands (000's) and projects the inflow and outflow of transactions for the financial year 2026-2027.

Natural Account	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	2026-2027 Budget
RECEIPT													
Taxation	1,070	614	1,619	876	1,117	696	639	425	1,407	1,003	2,233	1,197	12,897
Interest, Dividends & Rent	131	47	-	57	40	670	302	21,368	28	29	39	243	22,953
Fishing Licenses	3,522	479	185	63	214	11,252	9,249	1,797	576	581	5,768	7,355	41,040
Commercial Contracts	-	3,244	-	2,945	-	-	3,326	-	-	-	-	3,568	13,082
External Assistance and Grants	-	-	8,536	-	-	-	-	22,298	-	9,302	-	9,860	49,995
Other Income	91	754	117	585	185	171	527	126	204	124	356	683	3,923
TOTAL RECEIPT	**$4,814**	**$5,137**	**$10,457**	**$4,525**	**$1,557**	**$12,789**	**$14,043**	**$46,013**	**$2,214**	**$11,039**	**$8,396**	**$22,906**	**$143,889**
PAYMENT													
Staffing	2,835	2,921	2,869	2,808	2,834	4,358	2,712	2,864	3,027	2,875	2,976	4,822	37,899
Travel & Communication	202	136	75	281	253	352	346	151	381	295	410	978	3,858
Maintenance	316	423	184	307	203	139	173	151	244	252	227	880	3,496
Fuel & Oil	23	337	255	12	294	176	391	27	405	205	765	135	3,026
Grants, Subsidies & Donations	519	1,956	914	1,350	1,378	1,183	822	888	1,121	1,569	1,070	2,174	14,944
Scholarship	538	720	236	243	714	267	538	452	526	2,159	434	809	7,636
Training	21	-	2	-	15	152	6	11	4	-	3	17	232
Medical Scheme	683	943	869	784	265	1,465	237	755	524	1,947	1,236	1,398	11,105
Goods & Services	2,974	5,449	1,495	1,580	1,202	1,727	3,484	1,662	2,204	2,487	1,829	4,395	30,489
Loan & Interest Payment	-	149	-	-	-	-	-	-	181	-	-	-	330
Capital Payment	1,822	2,496	1,563	521	550	1,103	1,053	2,533	6,658	3,800	2,557	13,447	38,105
Statutory Allocation	415	215	234	233	274	233	207	319	175	208	297	437	3,248
TOTAL PAYMENT	**$10,349**	**$15,744**	**$8,696**	**$8,118**	**$7,982**	**$11,156**	**$9,969**	**$9,812**	**$15,450**	**$15,797**	**$11,805**	**$29,493**	**$154,369**
Surplus/(Deficit)	**-$5,535**	**-$10,607**	**$1,761**	**-$3,593**	**-$6,425**	**$1,633**	**$4,074**	**$36,202**	**-$13,235**	**-$4,758**	**-$3,409**	**-$6,588**	**-$10,480**

3.6.1 CASHFLOW MANAGEMENT

Managing cash flow requires strategic timing of revenues and expenditures to ensure sufficient liquidity throughout the financial year. This process is supported by accurate forecasting and regular monitoring, which enable timely adjustments and minimize the risk of service disruptions or payment delays. One effective approach to manage cash flow is to smooth out revenues by ensuring that funds from development partners are received on time. This can be achieved by actively fulfilling budget support requirements, such as completing necessary reforms or submitting acquittal reports.

On the expenditure side, the government can negotiate to delay non-essential payments to suppliers or contractors, and stagger larger capital projects to better align with anticipated cash inflows. The table below illustrates the anticipated cash flow trend for the financial year 2026-2027, highlighting the months when total payments exceed domestic revenues and when development partner grants are disbursed.

Part 4: EXPENDITURE BY HEAD AND BY DEPARTMENT

4.1 EXPENDITURE MEASURES BY HEAD

4.1.1 Head A: Office of the Governor General

Accounting officer: Personal Assistant to His Excellency. The Governor General

Mandate: *Effectively support national affairs led by the Head of State in line with the Office's constitutional functions to perform on behalf of the sovereign both in domestic and abroad.*

The office of the Government General is allocated a total expenditure of **$357,800.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	17,510	19,380	16,920	17,260	17,600
Travel & Communication	20,610	28,800	22,880	23,340	23,800
Maintenance	690	-	1,000	1,020	1,040
Fuel & Oil	1,000	-	1,020	1,040	1,070
Grants, Subsidies & Donations	-	-	28,400	28,960	29,550
Goods & Services	4,510	21,180	9,130	9,310	9,490
Recurrent Expenses	**44,320**	**69,360**	**79,350**	**80,930**	**82,550**
One-Off	-	-	85,000	-	-
Statutory	156,520	128,910	193,450	197,320	201,260
Non-Recurrent Expenditure	**156,520**	**128,910**	**278,450**	**197,320**	**201,260**
Grand Total	**200,840**	**198,270**	**357,800**	**278,250**	**283,810**

Summary of significant expenditure items.

- Total of $28,000 allocated for Governor General gifts to official guests
- The total of $85,000 allocated for:
    - Farewell and welcoming ceremonies of the Governor General and the new Governor General.
    - Attendance of His Excellency the Governor-General and Delegation at the 2026 Glasgow Commonwealth Games and Support for USP Chancellorship Official Engagements.

4.1.2 Head B: Office of the Prime Minister

Accounting Officer: Secretary to the Office of the Prime Minister

Mandate: *The Office of the Prime Minister provides strategic leadership to advance national well-being through policy advocacy, governance oversight, and public sector performance. The Ministry oversees law enforcement and national security and unifies cross-government action to uphold accountability, resilience and sovereignty.*

The Office of the Prime Minister is allocated a total expenditure budget of **$20,744,890.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	3,252,960	3,900,370	4,054,930	4,095,200	4,177,120
Travel & Communication	377,120	328,350	225,990	230,510	235,120
Maintenance	71,730	47,170	95,060	96,950	98,900
Fuel & Oil	79,750	5,180	6,900	7,030	7,190
Grants, Subsidies & Donations	2,613,890	2,874,830	3,609,120	2,996,510	3,024,430
Medical Treatment Scheme	-	-	-	-	-
Scholarships	2,176,300	1,906,380	2,418,500	2,466,860	2,516,200
Trainings	109,690	18,050	60,000	61,200	62,420
Goods & Services	1,048,430	1,311,830	1,372,220	1,399,670	1,427,660
Recurrent Expenses	**9,729,870**	**10,392,160**	**11,842,720**	**11,353,930**	**11,549,040**
One-Off	-	-	1,974,000	-	-
Capital	1,634,340	2,028,270	6,600,000	6,600,000	6,600,000
Statutory	387,120	282,500	328,170	334,740	341,420
Non-Recurrent Expenditure	**2,021,460**	**2,310,770**	**8,902,170**	**6,934,740**	**6,941,420**
Grand Total	**11,751,330**	**12,702,930**	**20,744,890**	**18,288,670**	**18,490,460**

Summary of significant expenditure items

- An amount of $2.2 million to cover the allowances of in-service students.
- A total of $1.3 million has been allocated for civil servant housing allowances.

- $280,000 allocated fo the Culture Festival

- $300,000 allocated for the Tuvalu Island Leaders Assembly Meeting
- Community Sustainable Funding Assistance (COSFA), Vessel Day Scheme, General Grant Development of Kaupule & General Grant Block;
    - $5.0 million for the COSFA,
    - $2.2 million for VDS
    - $1.6 million is allocated for the General Grant Development to support Island Development
    - $600,800 is allocated for the Block Grants

Targeted Outcomes for 2026-2027

- Improved provision of administrative and policy support from headquarters, Cabinet, and DCC.
- Strengthened administration of the honours and awards system.
- Enhanced capacity in electoral processes and procedures.
- Advancement of human resources management
- Strengthening integrity throughout the public service
- Tuvalu Public Service Reform
- National Security Policy
- National Ocean Policy

Commitment to Climate Change

Tuvalu is strengthening national readiness and amplifying its leadership in global climate diplomacy, ensuring effective preparation for the Pre-COP Leaders' Meeting in Tuvalu (5-6 October 2026) and championing small island states and Pacific priorities at COP31 in Turkiye.

4.1.3 Head C: Office of the Attorney General

Accounting Officer: Attorney General

Mandate: *The Legal Affairs consist of the Office of Attorney General, the office of the People's Lawyer, and the office of the Ombudsman and the Human Rights Institution that are mandated to provide legal services to the people and the Government of Tuvalu. The Constitution of Tuvalu, People's Lawyer Act, the Leadership Code, and the National Human Rights Act Govern the mandates of the Legal Affairs.*

The Legal Affairs is allocated a total expenditure amount of **$1,527,100**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	580,800	651,590	966,010	1,005,740	1,025,860
Travel & Communication	99,870	84,150	178,940	182,520	186,160
Maintenance	5,550	1,533	12,100	12,350	12,600
Fuel & Oil	80	450	2,900	2,950	3,020
Trainings	-	-	25,000	25,500	26,010
Goods & Services	108,380	41,610	174,240	149,880	152,870
Recurrent Expenses	**794,680**	**779,333**	**1,359,190**	**1,378,940**	**1,406,520**
One-Off	-	-	40,000	-	-
Capital	-	-	70,000	-	-
Statutory	52,530	47,520	57,910	59,060	60,260
Non-Recurrent Expenditure	**52,530**	**47,520**	**167,910**	**59,060**	**60,260**
Grand Total	**847,210**	**826,853**	**1,527,100**	**1,438,000**	**1,466,780**

Summary of significant expenditure items:

- An increased allocation of $94,740 has been provided for lawyers' consultations in the outer islands.
- An allocation of $70,000 has been provided for the expansion of office space and the Law Library.
- Funding of $40,000 has been allocated for the annual meeting of the Pacific Islands Law Officers' Network

Targeted Outcomes for 2026-2027

- Ensure updated and accessible laws of Tuvalu and civil registry records (births, deaths, marriages) for the public.
- Establish the office of the Director of Public Prosecution, address gaps in criminal legislation, and improve intellectual property laws.

- Train legal staff, police, and Falekaupule members; expand knowledge in legal areas, including intellectual property.
- Enhance legal representation, especially in outer islands, with well-trained prosecutors and better court assistance and judgements.
- Improve administrative services and implement a reliable database system for efficient case management, records and public service delivery.

Commitment to Climate Change

The Legal Affairs continue to offer technical support to the Department of Climate Change given the most profound impacts on a variety of laws of Tuvalu, particularly the Bill of Rights, including the right to life, self-determination, development, food, health, sanitation.

4.1.4 Head D: Office of the Parliament

Accounting Officer: Clerk to Parliament

Mandate: *The Parliament Office is mandated with delivering high-quality, effective, and timely support services to the Parliament of Tuvalu.*

The Office of the Parliament has been allocated a total budget of **$2,049,840**.

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	145,490	152,020	178,540	182,110	185,750
Travel & Communication	29,400	274,730	58,280	59,440	60,640
Maintenance	1,610	1,975	5,000	5,100	5,200
Fuel & Oil	2,790	1,955	3,000	3,060	3,120
Trainings	800	-	5,000	5,100	5,200
Goods & Services	444,900	281,270	492,000	481,440	491,060
Recurrent Expenses	**624,990**	**711,950**	**741,820**	**736,250**	**750,970**
Statutory	1,192,640	702,870	1,308,020	1,334,190	1,360,870
Non-Recurrent Expenditure	**1,192,640**	**702,870**	**1,308,020**	**1,334,190**	**1,360,870**
Grand Total	**1,817,630**	**1,414,820**	**2,049,840**	**2,070,440**	**2,111,840**

Summary of significant expenditure items

- An additional allocation of $210,730 has been designated to guarantee that Tuvalu Media effectively provides complete live coverage of Parliament sessions.

Targeted Outcomes for 2026-2027

- Further progress and implement the new approved Member of Parliament's entitlements that were consulted with the public.
- Ensure full coverage of the Parliamentary sessions during the financial year is effectively and efficiently delivered.

Commitment to Climate Change

The Parliament Office, represented by the Speaker and Members of Parliament participating in conferences and seminars organized by the commonwealth Parliamentary Association (CPA), Inter- Parliamentary Union (IPU), Asia- pacific Parliamentary Union (APPU), and other international organizations, actively promotes advocacy on climate change issues.

4.1.5 Head E: Office of the Auditor General

Accounting Officer: Auditor General

Mandate: *The Office of the Auditor-General is responsible for auditing public accounts, financial reports of public sector entities, and any other accounts or reports that the Auditor-General is required or authorized by law to audit. The conduct of Performance Audits, Compliance Audits, and Inquiries into public sector entities as well as any other audit-related services requested by Parliament, the Public Accounts Committee, or the Executive, is carried out at the discretion of the Auditor-General.*

The Office of the Auditor General has been allocated a total budget of **$618,420** for operations.

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	286,970	270,260	459,370	468,550	477,930
Travel & Communication	55,310	64,570	54,870	55,970	57,090
Maintenance	4,640	-	2,000	2,040	2,080
Fuel & Oil	250	-	2,400	2,450	2,500
Goods & Services	12,850	43,496	45,450	32,600	33,250
Recurrent Expenses	**360,020**	**378,326**	**564,090**	**561,610**	**572,850**
Statutory	53,740	44,230	54,330	55,420	56,530
Non-Recurrent Expenditure	**53,740**	**44,230**	**54,330**	**55,420**	**56,530**
Grand Total	**413,760**	**422,556**	**618,420**	**617,030**	**629,380**

Summary of significant expenditure items

- An increased amount of $459,370 has been allocated to staff, mainly due to salary and personnel-related costs.

Targeted Outcomes for 2026-2027

- Capacity & Capability enhanced

- Strengthened engagement with external stakeholders
- Internal Governance Enhanced
- Transparency and Accountability in the public sector is strengthened

Commitment to Climate Change

The Office of the Auditor-General contributes to climate change awareness through its commitment to conducting annual Performance Audits of Climate Change–Tagged Programs.

The first Performance Audit Report on Climate Change Adaptation Action based on sea level rise was published in 2025 as part of the Regional Cooperative Performance Audit. These audits promote and enhance accountability, transparency, and integrity in the use of climate change funding within the public sector.

Service Delivery/Output

- Strengthen stakeholder engagement, transparency, and public awareness through regular consultations, media outreach, publication of audit reports, and collaboration with Parliament and key stakeholders.
- Enhance the quality, timeliness, and effectiveness of audit services by ensuring all financial statements and audit reports are completed, reviewed, published, and submitted within required timeframes, including follow-up and performance audits.
- Build institutional and staff capacity through continuous professional development, certification programs, in-house training, staff qualification improvements, and international partnership support.
- Improve governance, internal policies, and quality assurance systems by establishing key policies, conducting internal awareness workshops, and implementing strong audit quality control and review mechanisms.
- Promote a productive and motivated workforce by improving staff satisfaction, training effectiveness, and increasing the overall number of audits completed annually.

4.1.6 Head F: Ministry of Finance and Economic Development

Accounting Officer: Secretary of Finance and Economic Development

Mandate: *Effectively manage prudent fiscal management and produce sound financial, economic and climate resilient advice to achieve a vibrant and resilient economy.*

The Office Ministry of Finance and Economic Development has been allocated a total budget of **$21,489,150.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	1,532,210	1,792,080	1,911,100	1,949,310	1,988,290
Travel & Communication	171,990	115,560	147,940	150,910	153,890
Maintenance	5,700	1,925	10,160	10,370	10,570
Fuel & Oil	2,910	1,440	3,070	3,130	3,190
Grants, Subsidies & Donations	193,250	401,123	686,660	598,390	610,360
Goods & Services	1,945,040	2,977,581	3,460,720	1,991,530	2,031,310
Loan & Interest Payment	301,290	269,839	312,000	336,600	343,332
Recurrent Expenses	**4,152,390**	**5,559,548**	**6,531,650**	**5,040,240**	**5,140,942**
One-Off	-	-	3,800,000	-	-
Capital	-	10,000	11,000,000	-	-
Statutory	155,880	123,010	157,500	160,650	163,860
Non-Recurrent Expenditure	**155,880**	**133,010**	**14,957,500**	**160,650**	**163,860**
Grand Total	**4,308,270**	**5,692,558**	**21,489,150**	**5,200,890**	**5,304,802**

Summary of Significant Expenditure Items:

- An increase in the allocation of capital expenditure by $11 million for:
  - $1,000,000 for financial support to Development Bank of Tuvalu (DBT)
  - $10,000,000 for f inancial support to TTF Reinvestment
  - $200,000 is allocated for Tuvalu Broadcasting Corporation
- The one-off expenditure is allocated $3.8million for:
  - $600,000 for Procurement System/Annual subscription
  - $200,000 for Cost of Living
  - $3,000,000 for Economic Response Plan

Targeted Outcomes for 2026-2027

- Ensure macro-economic growth and stability for a sustainable economy.
- Strengthen financial system, internal control, reporting and processes to promote efficiency.

Commitment to Climate Change

The Ministry is engaged in an ongoing Government for Resilience (Gov4Res) project under UNDP that will focus on integrating risk informed development and the development of the Climate Budget Tagging to integrate change related activities into the budget process and reporting.

Service Delivery/Outputs

- Improve the government financial management information system
- Improve management of public funds and prudent macroeconomic management
- Improve access to global climate change finance and ODA programs and projects.

4.1.7 Head G: Ministry of Public Works and Infrastructure Development

Accounting Officer: Secretary of Public Works and Infrastructure Development and Water

Mandate: *The Ministry of Public Works, Infrastructure Development, and Water oversees the enhancement of economic infrastructure and support services, ensuring access to safe water supplies and sanitation services, delivering accurate weather forecasts, and implementing disaster prevention measures. The Ministry's various departments are committed to enhancing service delivery through their respective programs.*

The Ministry of Public Works and Infrastructure Development is allocated with a total expenditure budget of **$8,910,270 million.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	3,855,430	3,073,630	4,204,390	4,288,520	4,374,250
Travel & Communication	99,300	93,670	146,360	149,290	152,260
Maintenance	1,194,190	644,071	1,181,530	1,205,140	1,229,250
Fuel & Oil	125,010	112,120	141,340	144,170	147,050
Goods & Services	336,080	383,540	504,970	390,820	398,660
Recurrent Expenses	**5,610,010**	**4,307,031**	**6,178,590**	**6,177,940**	**6,301,470**
Capital	1,034,500	1,768,251	2,570,000	3,324,220	3,390,700
Statutory	128,490	130,850	161,680	164,910	168,220
Non-Recurrent Expenditure	**1,162,990**	**1,899,101**	**2,731,680**	**3,489,130**	**3,558,920**
Grand Total	**6,773,000**	**6,206,132**	**8,910,270**	**9,667,070**	**9,860,390**

Summary of Significant Expenditure Items:

- $1.2 million is allocated for the construction of the new office building for the Kaupule of Nanumea.
- $1.0 million for road maintenance.

Targeted Outcomes for 2026-2027

- Construct new civil servant residences and continue maintenance works on government houses and public roads.
- Continue to raise awareness on reducing vulnerabilities and disaster risks through mitigation measures and preparedness.
- Responding promptly to disasters, including reallocation of affected families and clearing of public roads during hazardous times (strong wind, high tides).
- A strong National Meteorological Service with legislation, relevant policy, and protocols for data sharing and usage is available and implemented to guide the use and sharing of weather and climate services data, including historical data.
- Capacity for climate change monitoring is available in the met services; obsolete equipment is replaced and other equipment-maintained capacity to service the needs of end users.
- Improved public awareness of weather and climate information.
- Inter-island communications are improved to receive warnings and send observations.

Commitment to Climate Change

- Strengthening national commitment to climate change adaptation and resilience through sustainable infrastructure development and environmental management.
- Supporting climate-resilient infrastructure projects that reduce vulnerability to climate-related risks and disasters.
- Promoting disaster preparedness and response mechanisms to enhance community resilience against the impacts of climate change.
- Integrating climate change priorities into national infrastructure planning and development strategies.
- Enhancing environmental sustainability through the rehabilitation and maintenance of resilient public assets and utilities.
- Supporting communities through improved access to reliable infrastructure, water systems, and transport services that can withstand climate impacts.
- Building institutional and technical capacity to address climate change adaptation, disaster risk reduction, and sustainable development challenges.
- Contributing to national and international climate goals through coordinated planning, implementation, and monitoring of climate-responsive initiatives.

Service Delivery/Outputs

- Development and maintenance of public infrastructure, including roads, government facilities, and water supply systems.
- Delivery of climate-resilient infrastructure initiatives to promote sustainable national development.
- Strengthening disaster risk management through early warning systems, emergency response, and post-disaster recovery activities.
- Rehabilitation and improvement of existing infrastructure to comply with safety and environmental requirements.
- Provision of reliable public utilities and transport services to support communities and key economic sectors.
- Coordination of national infrastructure planning in line with development priorities and climate adaptation objectives.
- Provision of technical assistance and capacity building for local infrastructure and disaster management personnel.
- Oversight, monitoring, and maintenance of public assets to ensure long-term efficiency, durability, and resilience.

4.1.8 Head H: Ministry of Health and Social Welfare

Accounting Officer: Secretary of Health and Social Welfare

***Mandate**: The Ministry of Health and Social Welfare (MOHSW) provides strategic leadership in delivering high-quality healthcare and social welfare services. Its mandate is to advance national health and social objectives as outlined in TE KETE: The National Sustainable Development Strategy and the government's 21 priority areas, ensuring a healthier and more equitable society.*

The Ministry of Health and Social Welfare has allocated a budget amount of **$22,464,390.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	4,158,660	4,361,710	4,794,040	5,053,480	5,154,540
Travel & Communication	131,240	184,680	195,260	199,170	203,150
Maintenance	41,690	48,590	113,330	115,600	117,900
Fuel & Oil	22,150	27,210	32,490	33,130	33,800
Grants, Subsidies & Donations	75,000	50,000	75,000	76,500	78,030
Medical Treatment Scheme	11,335,850	10,579,820	11,105,020	11,327,110	11,553,660
Trainings	5,450	2,190	34,020	34,700	35,390
Goods & Services	3,685,840	3,936,760	5,630,260	5,742,820	5,857,680
Recurrent Expenses	**19,455,880**	**19,190,960**	**21,979,420**	**22,582,510**	**23,034,150**
One-Off	-	-	330,750	-	-
Statutory	179,060	131,780	154,220	157,300	160,440
Non-Recurrent Expenditure	**179,060**	**131,780**	**484,970**	**157,300**	**160,440**
Grand Total	**19,634,940**	**19,322,740**	**22,464,390**	**22,739,810**	**23,194,590**

Summary of Significant Expenditure Items:

- An additional allocation amount of $64,740 is allocated

Targeted Outcomes for 2026-2027

- Strengthen healthcare system resilience and adaptability, ensuring equitable, sustainable, and high-quality medical services across Tuvalu.
- Streamlined governance and financial stability of the Tuvalu Overseas Referral Medical Scheme (TORMS).
- Improved response services for mental health, child protection, and social welfare, particularly for vulnerable groups, including persons with disabilities.

Commitment to Climate Change

- The Ministry of Health and Social Welfare is dedicated to building resilient and sustainable health systems through strategic partnerships and multi-sectoral collaboration. With WHO support, Tuvalu benefits from the GEF LDC project, enhancing national capacity to mitigate climate-related health risks. The Health Department leads awareness efforts on disaster preparedness, mitigation, and climate-resilient health infrastructure, while the Social Welfare Department ensures that adaptation initiatives prioritize vulnerable groups, promoting resilience in the face of climate challenges.

Service Delivery/Outputs

- Healthcare Quality and Standards: Reviewing and improving healthcare infrastructure, workforce capacity, and service delivery mechanisms to enhance nationwide medical services.
- Overseas Medical Referral Scheme: Conduct a comprehensive review to improve the well-being of vulnerable populations.
- Ensure an efficient and well-resourced healthcare workforce capable of improving preventive measures and delivering high-quality curative healthcare services, particularly for NCDs, communicable diseases, and maternal-child health conditions.

4.1.9 Head I: Ministry of Natural Resources Development

Accounting Officer: Secretary of Natural Resources Development

Mandate: *The Ministry of Natural Resources Development is deeply committed to ensuring the sustainable development of the nation's fisheries, lands, and agriculture sectors through diligent stewardship and collaborative efforts. With a focus on integrity, innovation, and community engagement, the ministry strives to safeguard Tuvalu's natural heritage while promoting the well-being and prosperity of all its citizens. By implementing sound management practices and fostering resilience, the ministry aims to create a thriving future that balances environmental sustainability, economic growth, and social equity for generations to come*

The Ministry of Natural Resources and Development has allocated a budget amount of **$8,077,220**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	2,344,050	1,187,710	1,310,890	1,337,110	1,363,830
Travel & Communication	151,630	34,050	122,550	124,980	127,510
Maintenance	59,680	8,400	15,700	16,010	16,330
Fuel & Oil	75,530	12,680	11,100	11,320	11,550
Grants, Subsidies & Donations	200,000	2,790,860	3,150,000	2,925,470	2,983,980
Trainings	17,850	9,020	-	-	-
Goods & Services	358,140	3,398,830	3,279,380	3,344,960	3,411,850
Recurrent Expenses	**3,206,880**	**7,441,550**	**7,889,620**	**7,759,850**	**7,915,050**
One-Off	-	-	40,000	-	-
Statutory	148,560	100,700	147,600	150,550	153,560
Non-Recurrent Expenditure	**148,560**	**100,700**	**187,600**	**150,550**	**153,560**
Grand Total	**3,355,440**	**7,542,250**	**8,077,220**	**7,910,400**	**8,068,610**

Summary of Significant Expenditure Items

- $2.9 million is allocated for the Tuvalu Fisheries Authority

Targeted Outcomes for 2025-2026

- Strengthening of Oceanic Section: Increase resources and manpower to improve management of oceanic resources, maximize fisheries revenues, and support informed decision-making through data analysis.
- Fishing License Value Enhancement: Implement strategic measures to boost the value of fishing licenses in Tuvalu waters, aiming for sustainable fisheries practices and economic growth.
- Agricultural and Geospatial Initiatives: Promote import substitution of local agricultural products, develop agricultural commercial activities, and establish an integrated geospatial framework for sustainable transformation and land management

Commitment to Climate Change

- The Ministry has ratified the World Heritage Convention in May 2023 in order to seek recognition of its natural and cultural heritage. This will be followed by developing a concept note application to submit to the World Heritage Committee to consider Tuvalu's inventory list that outlines its natural and cultural sites that require it to be protected from climate change and natural disasters. The culture department who led this program will reach out to all Falekaupule to seek approval of the identified inventory lists and will submit to the Rising Nations Initiative (RNI) secretariat, who will assist and work in collaboration with the Government to develop the application and submit it to the committee in February, 2024.

Service Delivery/Outputs

- Increased resources improve capacity for sustainable oceanic resource management, leading to enhanced fisheries revenues via better data analysis.
- Strategic measures boost the value of fishing licenses in Tuvalu waters, promoting sustainable practices and economic growth.
- Increased coconut production and collaboration bolster food security and livelihoods, while a Farmer Association supports agricultural development and resilience, contributing to sustainable agriculture and improved living standards

4.1.10 Head J: Ministry of Climate Change and Environment

Accounting Officer: Secretary of Climate Change and Environment

Mandate: *The Ministry of Climate Change and Environment is mandated waste management is crucial for maintaining environmental sustainability and public health. Providing climate-resilient advice and implementing adaptation measures to mitigate the adverse effects of climate change on Tuvalu's economy while ensuring the protection of Tuvalu's fragile ecosystem and scarce resources.*

The ministry has allocated a total expenditure of **$2,616,980.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	908,840	1,451,590	1,808,660	1,844,833	1,881,730
Travel & Communication	1,402,510	1,427,250	109,960	112,159	114,402
Maintenance	220,930	275,660	49,000	49,980	50,980
Fuel & Oil	721,680	751,400	118,180	120,544	122,954
Grants, Subsidies & Donations	307,340	600,800	25,000	25,500	26,010
Trainings	62,430	28,270	16,800	17,136	17,479
Goods & Services	1,807,220	1,628,590	249,130	254,113	259,195
Recurrent Expenses	**5,430,950**	**6,163,560**	**2,376,730**	**2,424,265**	**2,472,750**
One-Off	-	-	80,000	-	-
Capital	416,140	246,450	-	-	-
Statutory	184,190	169,460	160,250	163,460	166,720
Non-Recurrent Expenditure	**600,330**	**415,910**	**240,250**	**163,460**	**166,720**
Grand Total	**6,031,280**	**6,579,470**	**2,616,980**	**2,587,725**	**2,639,470**

Summary of Significant Expenditure Items

- Under reassignment of two large expenditure departments under the Office of the Prime Minister.

Targeted Outcomes for 2026-2027

- Ensure the resilience of the country on the impacts of sea surges and sea level rise;
- Preserve our traditions, cultures, traditional knowledges and language;
- Ensure close working relation between the Government, Kaupule and Falekaupule;
- Ensure the sustainable developments of outer islands;
- Elevate waste management strategy in terms of collection and disposal;
- Promote economic circularity on waste management;
- Ensure sound environmental management on developments

Commitment to Climate Change

- The department of culture is now currently working to submit a full list of Tuvalu's cultural heritage sites to be recognized and preserved under the UNESCO 1972 convention.
- Promote economic circularity through the collection of organic waste to be shredded for subsistence farming. This will reduce actions relative to open burning of organic waste and thus the release of emission to the atmosphere. This also extends to other types of waste such as PET bottles and aluminum cans that are exported to Malaysia, thus reduce the number of Waste burning at the northern-end dumpsite;
- Discussions are ongoing on the reclamation of coastal areas from the Princess Market Hospital to the Wharf, including a coastal protection starting from the Pacific Energy to the residence of Paueli at Tealapae;
- The department of Home Affairs is currently working in close collaboration with the LoCAL project to deliver climate relative projects in the outer islands such as pulaka pits cements.

Service Delivery/Outputs

- Capacity building on Kaupule on the new budget templates and other financial processes that may require to be addressed;
- Meeting of the Tuvalu Island Leaders Assembly on October in Vaitupu
- National Festival of Arts and Culture or Te Fakaapo: Fakaasiga Tu, Iloga, Poto mo Faifaiga faka Tuvalu;
- Preservation of two cultural heritage sites in each island;
- Standardizing an official Tuvalu Dictionary for any reference to the Tuvalu language;
- Exporting of used PET bottles to a third-country party under the Government of Tuvalu and Coca-Cola partnership
- Teu Fongafale Strategy implementation
- Negotiation of the Plastic Pollution Treaty;

Service Delivery/Outputs

4.1.11 Head K: Tuvalu Police Services

Accounting Officer: Commissioner of Police

Mandate: *To maintain law and order throughout Tuvalu communities to effectively reduce crime and enforce the nation's laws, regulations, and policies.*

The Tuvalu Police Services is allocated a total expenditure of $2,999,570

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	2,450,730	2,747,280	2,509,470	2,559,680	2,610,840
Travel & Communication	80,780	80,200	103,790	105,880	107,990
Maintenance	62,740	14,860	72,930	74,400	75,890
Fuel & Oil	36,910	59,420	69,610	71,000	72,410
Trainings	13,790	29,130	28,000	28,560	29,130
Goods & Services	181,080	86,810	167,470	170,810	174,220
Loan & Interest Payment	**-**	**-**	**-**	**-**	**-**
Recurrent Expenses	**2,826,030**	**3,017,700**	**2,951,270**	**3,010,330**	**3,070,480**
Statutory	24,620	48,700	48,300	49,270	50,260
Non-Recurrent Expenditure	**24,620**	**48,700**	**48,300**	**49,270**	**50,260**
Grand Total	**2,850,650**	**3,066,400**	**2,999,570**	**3,059,600**	**3,120,740**

Summary of Significant Expenditure Items

- A total of $2.5 million has been allocated for staffing, reflecting a significant increase in allowances, including shift, abnormal, and overtime allowances.
- $103,790 was allocated for overseas trips and Nasova training for staff
- A total of $167,470 was allocated for goods and services, reflecting an increase in the budget for rations to support police operations and the Mataili EEZ patrol.

Targeted Outcomes for 2026-2027

- Improve quality, accessibility, efficiency, and effectiveness of legal services for the general public.
- Maintain political stability and effective judicial system, through the necessary constitutional reform.

Commitment to Climate Change:

Tuvalu Police Service promotes climate change as a major threat to the nation's statehood and supports that Tuvalu is at the forefront of the effects of climate change. Given that Tuvalu Police's primary role is the enforcement of laws, TPS supports the government's initiatives to mitigate the effects of climate change by enforcing all laws and policies regulated by the government.

Service Delivery/Outputs:

- The establishment of new police headquarters is a major project of the TPS.
- TPS intends to increase rehabilitation and parole programs.
- Improve Fire and Rescue Unit (FRU) to respond to fire emergencies and distress calls immediately.
- Increase aviation firefighting services for the airport.
- Create and improve proper facilities for storing resources and equipment.
- Equipping the TPS with the necessary facilities and resources to provide quality accessibility to legal services by the general public.
- Political stability and an effective judicial system are implemented through necessary constitutional reform.

4.1.12 Head L: Ministry of Transport, Energy, Communication and Innovation

Accounting Officer: Secretary of Transport, Energy, Communication and Innovation

Mandate: *The Ministry of Transport, Energy, Communication and Innovation is to be an efficient, transparent and responsive administrative service that supports the delivering of safe, sustainable transport, reliable energy, modern communications, responsible tourism, efficient immigration services and innovative solutions for the development of Tuvalu.*

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	5,068,100	5,512,200	6,052,820	5,714,840	5,829,140
Travel & Communication	705,770	596,140	687,940	701,680	715,690
Maintenance	785,170	1,503,910	1,537,940	1,568,710	1,600,090
Fuel & Oil	2,885,750	3,335,710	2,519,720	2,570,130	2,621,510
Grants, Subsidies & Donations	5,105,210	6,655,420	4,652,790	4,745,850	4,840,770
Trainings	-	-	35,000	35,700	36,410
Goods & Services	1,360,690	1,810,480	1,397,750	1,425,690	1,454,220
Loan & Interest Payment	**-**	**-**	**-**	**-**	**-**
Recurrent Expenses	**15,910,690**	**19,413,860**	**16,883,960**	**16,762,600**	**17,097,830**
One-Off	-	-	3,206,090	-	-
Capital	-	151,120	14,582,850	-	-
Statutory	125,220	133,710	160,780	163,980	167,260
Non-Recurrent Expenditure	**125,220**	**284,830**	**17,949,720**	**163,980**	**167,260**
Grand Total	**16,035,910**	**19,698,690**	**34,833,680**	**16,926,580**	**17,265,090**

Summary of Significant Expenditure Items

- An additional $450,000 has been provided for the salary contract of the MV Manusina.
- $400,000 is allocated for the Tuvalu Broadcasting Corporation.
- $35,000 has been allocated for ship crew members to undertake vessel license validation training
- A one-off allocation of $3,206,090 has been provided, with the major expenditure items including:
    - $480,300 for DotTV marketing;
    - $300,000 for the Digital Transformation Unit;
    - $796,910 for the Digital Nation initiative; and
    - $1,000,000 for the slipping and maintenance of the Manufolau vessel.
- An amount of $14,582,850 has been allocated for capital expenditure, with the major allocations including:
    - $3,420,650 for domestic air services;
    - $5,000,000 for the procurement of a new barge; and
    - $6,415,500 for the procurement of a new generator, grid upgrade and consultant fees for the Tuvalu Electricity Corporation

Targeted Outcomes for 2026-2027

- Improved management of domestic shipping networks, port services and infrastructure to secure reliable connectivity between Funafuti and the Outer Islands.
- Regulations and upgrades of aviation infrastructure to meet ICAO standards while building Tuvalu's domestic air service.
- Ensure energy security for Tuvalu while directing Tuvalu's strategic shift towards 100% renewable energy.
- Manage and ensure secure, affordable and universal internet access while managing commercial telecommunications infrastructure and sovereign revenue streams through DotTV.

- Implement Tuvalu's Tourism Sector Plan and Tuvalu's Sustainable Tourism Policy Framework to foster eco-tourism and protect local ecosystems.
- Protection of Tuvalu's border through efficient immigration services.

Commitment to Climate Change

To build a sustainable, resilient and digitally connected Tuvalu with an overarching purpose is to modernize national infrastructure to address the impacts of Climate Change while safeguarding Tuvalu's sovereignty.

Service Delivery/Outputs

- Seafarers contract reforms and the implementation of the Maritime Sector Plan. Construction of a new wharf on Funafuti and expansion of ports.
- Bringing the Funafuti Airport to ICAO compliance and operation of the Nanumea and Vaitupu runways.
- Energy Bill is passed. The TEC grid is improved, and synchronization with the solar systems is addressed.
- 4G services for all islands and more subscribers to the fiber cable network.
- The Fatama Policy initiative and app implemented.
- Data sovereignty issues for Tuvalu's border is addressed with Tuvalu having full access

4.1.13 Head M: Ministry of Education, Youth and Sports

Accounting Officer: Secretary of Education and Human Resources Development

Mandate: *The Ministry of Education and Human Resources Development's mandate is to provide quality education, encourage youth development and support sports development for all.*

The Ministry of Education and Human Resource Development is allocated a total expenditure budget of **$20,197,230.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	5,303,060	5,762,390	5,657,280	5,770,400	5,885,790
Travel & Communication	373,660	559,475	667,940	655,810	668,918
Maintenance	66,900	79,696	223,390	227,860	232,400
Fuel & Oil	26,190	446,062	32,000	32,640	33,290
Grants, Subsidies & Donations	2,583,170	475,158	2,663,620	2,716,900	2,771,230
Scholarships	5,035,620	3,687,093	5,217,510	4,804,320	5,179,479
Goods & Services	920,290	- 2,900,599	939,910	- 4,133,836	- 4,216,529
Recurrent Expenses	**14,308,890**	**8,109,275**	**15,401,650**	**10,074,094**	**10,554,578**
One-Off	70,000	54,019	155,000	-	-
Capital	938,820	378,022	4,481,820	-	-
Statutory	277,200	143,230	158,760	161,930	165,170
Non-Recurrent Expenditure	**1,286,020**	**575,271**	**4,795,580**	**161,930**	**165,170**
Grand Total	**15,594,910**	**8,684,546**	**20,197,230**	**10,236,024**	**10,719,748**

Summary of Significant Expenditure Items

- An amount of $2.6 million has been allocated for grants to all pre-schools, primary, and secondary schools.
- An additional $1.5 million has been allocated for scholarships under the Student Education Loan Fund (SELF) and pre-service scholarship programs.
- A further $4.4 million has been allocated for development projects, including:
  - $260,076 for the construction of Lotoalofa Primary School in Niulakita Island;
  - $2.2 million for the construction of a dormitory at Motufoua Secondary School; and
  - $1.9 million for the upgrade of the National Sports Ground.

Commitment to Climate Change

- Promoting climate change awareness, environmental sustainability, and resilience through youth and sports programmes.
- Encouraging youth participation in climate action, environmental conservation, and community-based sustainability initiatives.
- Integrating climate change adaptation and disaster preparedness into youth development and sporting activities.
- Supporting the development of safe, inclusive, and climate-resilient recreational and sporting facilities.
- Strengthening youth leadership, partnerships, and capacity building to support national climate and sustainable development goals.

Service Delivery/Outputs

- Delivery of quality education services through schools, training institutions, and learning programmes.
- Construction and maintenance of new classrooms, school buildings, and educational facilities.

- Development and implementation of education policies, curriculum, and teacher training programmes.
- Provision of scholarships opportunities and leadership training programmes for teachers.
- Promotion of safe, inclusive, and climate-resilient learning environments to support national development goals.
- Delivery of youth development programmes and community engagement activities.
- Organisation and support of national sporting events, competitions, and recreational activities.
- Provision and maintenance of youth, recreational, and sporting facilities and services.
- Implementation of awareness programmes on health, wellbeing, climate change, and social development issues.
- Capacity building and partnership support for youth groups, sports associations, and community organisations.

4.1.14 Head N: Office of the Judiciary

Accounting Officer: Senior Magistrate

Mandate: *The Department of Judiciary is mandated to establish and maintain an effective judicial service under the Constitution, Acts and Regulations of Parliament, Te Kete and the 21 Priorities of the current Administration.*

The office of the Judiciary is allocated a total expenditure budget of **$1,006,010.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	485,450	720,800	520,370	530,770	541,390
Travel & Communication	21,140	19,450	102,800	104,860	106,960
Maintenance	5,270	1,758	7,500	7,650	7,800
Fuel & Oil	1,110	670	2,000	2,040	2,080
Goods & Services	14,860	28,960	243,340	38,950	39,730
Recurrent Expenses	**527,830**	**773,391**	**876,010**	**684,270**	**697,960**
One-Off	-	-	130,000	-	-
Capital	43,350	-	-	-	-
Statutory	13,610	-	-	-	-
Non-Recurrent Expenditure	**56,960**	**-**	**130,000**	**-**	**-**
Grand Total	**584,790**	**773,391**	**1,006,010**	**684,270**	**697,960**

Summary of Significant Expenditure Item:

- The allocation of $130,000 is provided as One-Off Expenditures for:
  - The Case Management System - $50,000
  - The Training for Lay Magistrates and Court Offices - $80,000

Targeted Outcomes

The Judiciary of Tuvalu is committed to delivering a responsive and efficient justice system that meets the needs of its people, particularly as the impacts of climate change intensifies. In collaboration with other public service providers, it aims to strengthen legal frameworks, build institutional capacity, and ensure access to timely and effective dispute resolution. Through this coordinated approach, the judiciary supports national efforts towards climate resilience, environmental protection, and sustainable development.

Commitment to Climate Change

- Supporting the integration of climate change and environmental considerations within legal and judicial processes where relevant.
- Promoting access to justice and the rule of law in matters relating to environmental protection and climate resilience.
- Strengthening institutional resilience and continuity of judicial services during climate-related disasters and emergencies.

Service Delivery/Outputs

- Delivery of independent, fair, and timely judicial and legal services.
- Hearing and resolution of civil, criminal, and constitutional matters in accordance with the law.
- Administration and management of court operations, records, and judicial proceedings.
- Provision of legal interpretation, dispute resolution, and enforcement of judicial decisions.
- Strengthening access to justice through efficient court services, public legal awareness, and institutional capacity building.

4.1.15 Head O: Ministry of Foreign Affairs, Labour and Trade

Accounting Officer: Secretary of Foreign Affairs, Labour and Trade

Mandate: *The Ministry of Foreign Affairs, Labour and Trade works to enhance Tuvalu's international relations and economic development through diplomacy, labour mobility, trade regulation, investment promotion, consumer protection, and engagement on global issues such as climate change and security, with the goal of building a sustainable and prosperous economy for all Tuvaluans.*

The Ministry of Foreign Affairs, Labour and Trade has allocated a budget amount of **$7,876,190.**

CATEGORIES	2024/25 Actual	2025/26 Actual (Est)	2026/27 Budget	2027/28 Prj	2028/29 Prj
Staffing	1,614,600	1,999,840	2,408,020	2,456,190	2,505,290
Travel & Communication	591,480	825,430	667,940	674,980	688,480
Maintenance	156,630	72,801	84,770	86,480	88,220
Fuel & Oil	75,650	356,218	78,520	80,090	81,690
Grants, Subsidies & Donations	51,350	40,825	93,070	94,930	96,840
Trainings	1,650	7,920	12,330	12,570	12,820
Goods & Services	2,770,160	2,566,780	3,659,160	3,256,790	3,321,870
Recurrent Expenses	**5,261,520**	**5,869,813**	**7,003,810**	**6,662,030**	**6,795,210**
One-Off	15,110	148,704	714,880	-	-
Capital	-	6,854	-	-	-
Statutory	137,230	128,360	157,500	160,650	163,860
Non-Recurrent Expenditure	**152,340**	**283,918**	**872,380**	**160,650**	**163,860**
Grand Total	**5,413,860**	**6,153,731**	**7,876,190**	**6,822,680**	**6,959,070**

Summary of Significant Expenditure Items

- An allocation of $3 million has been provided for Goods and Services, mainly to cover overseas mission staff privileges and the operational expenses of Tuvalu's missions abroad.
- A one-off allocation of $714,880 has been provided for the following purposes: 25% overseas contribution payments, upgrading furnishings on Charles Street, development of the Trade Policy Framework, government co-financing support for Tau-maketi in Funafuti and the outer islands, support to private sector organizations, and repatriation of missions.

Targeted Outcomes for 2026-2027

● Enhanced international stature and influence of Tuvalu on global platforms.
● Strengthened economic resilience and sustainable growth through diversified trade and robust foreign and domestic investments.
● Improved labour market conditions, including increased job opportunities and better worker protections.
● Stable consumer prices and protection against unfair market practices, fostering a fair-trading environment.

Commitment to Climate Change

To integrate climate change initiatives effectively, the Ministry of Foreign Affairs, Labour and Trade is actively incorporating environmental considerations across all its departments. The Department of Foreign Affairs leads this effort by advocating for climate change mitigation and adaptation strategies in international arenas, securing global partnerships for environmental projects, and ensuring that climate change is a priority in all diplomatic engagements. In the realms of trade and business, we are promoting the adoption of sustainable practices and green technologies, encouraging industries and investors to prioritise eco-friendly trade and investments. The Department of Labour is developing programs to train the workforce in skills needed for the green economy, ensuring job readiness for sustainable industries. Furthermore, the Price Control Unit is tasked with incentivizing the market to support environmentally sustainable goods and services, ensuring that our economic activities align with our environmental goals. Through these comprehensive strategies, we are 63 not only addressing the immediate impacts of climate change but are also making a significant contribution to global environmental sustainability efforts.

Service Delivery/Outputs

- Foreign Affairs: Effective management of bilateral and multilateral relations, successful negotiation of climate commitments, and proactive engagement with the diaspora.
- Labour: Efficient administration of labour laws, enhanced labour mobility, and successful integration of workforce development programs.
- Trade: Streamlined processes for trade in goods and services, including efficient handling of imports and exports and e-commerce facilitation.
- Business: Facilitation of private sector growth through targeted support and investment attraction, both foreign and domestic.
- Price Control: Regular monitoring and adjustment of price controls to prevent inflation and ensure affordability of essential goods and services

Part 5: EXPENDITURE BY HEAD AND BY DEPARTMENT

5.1 DETAILED EXPENDITURE BY HEAD

5.1.1 Head A: Office of the Governor General

NA	Description	Governor General
	Operating Expenditure	
	Staffing	
2000	Salary – Local	15,910
2025	Allowances	500
2030	Provident Fund	510
	Sub-Total	**16,920**
	Travel and Communications	
2100	Overseas Busine	85,480
2105	Local Business	200
2110	Leave Travel	700
2120	Telecom and Int	1,500
	Sub-Total	**87,880**
	Maintenance	
2205	R&M (Motor Veh	1,000
	Sub-Total	**1,000**
	Fuel & Oil	
2300	Petrol and oil	1,020
	Sub-Total	**1,020**
	Grants, Subsidies & Donations	
2435	Financial Suppo	28,400
	Sub-Total	**28,400**
	Goods & Services	
2730	Office Statione	990
2735	Office Expenses	1,540
2740	Supplies and Ge	600
2765	Entertainment	26,000
	Sub-Total	**29,130**
	Total Operating Exp	**164,350**
	Statutory	193,450
	Capital	-
	Total Non-Oper Exp	**193,450**
	Grant Total	**357,800**

5.1.2 Head B: Office of the Prime Minister

NA	Description	HQ	DCC Secretariat	HRM	In-service Scholarship	Public Service Commission	Gender Affairs	Home Affairs	Culture
	Operating Expenditure								
	Staffing								
2000	Salary – Local	388,350	162,750	839,300	-	109,920	80,680	1,463,430	103,330
2005	Salary – Ex/Ctr	-	-	8,890	-	-	-	40,000	21,500
2015	Salary - Casual	33,440	-	-	-	-	-	70,000	-
2020	Consultant Fees	-	-	-	-	-	-	-	-
2025	Allowances	20,500	-	26,690	-	2,080	3,560	12,000	2,000
2030	Provident Fund	38,830	16,270	83,930	-	10,990	8,070	146,340	10,330
2035	Relieving Fund	253,140	-	-	-	-	28,610	30,000	-
	Sub-Total	**734,260**	**179,020**	**958,810**	**-**	**122,990**	**120,920**	**1,761,770**	**137,160**
	Travel and Communications								
2100	Overseas Busine	122,850	-	17,050	126,510	11,000	15,000	-	3,500
2105	Local Business	2,050	-	510	-	-	-	20,000	14,000
2110	Leave Travel	4,350	-	7,000	-	2,500	3,000	5,000	600
2120	Telecom and Int	7,800	-	-	-	3,540	240	-	-
	Sub-Total	**137,050**	**-**	**24,560**	**126,510**	**17,040**	**18,240**	**25,000**	**18,100**
	Maintenance								
2205	R&M (Motor Veh	3,790	-	200	-	500	500	-	-
2215	R&M (Off Equip)	310	-	1,760	-	500	500	1,000	16,000
2220	R&M (Buildings/	70,000	-	-	-	-	-	-	-
	Sub-Total	**74,100**	**-**	**1,960**	**-**	**1,000**	**1,000**	**1,000**	**16,000**
	Fuel & Oil								
2300	Petrol and oil	5,000	-	200	-	500	200	1,000	-
	Sub-Total	**5,000**	**-**	**200**	**-**	**500**	**200**	**1,000**	**-**
	Grants, Subsidies & Donations								
2410	Grants	-	-	-	-	-	25,000	-	-
2415	Grants - Falekaupule	-	-	-	-	-	-	621,520	-
2420	Grants - Block	-	-	-	-	-	-	600,800	-
2430	Grants - VDS	-	-	-	-	-	-	2,200,000	-
2435	Financial Suppo	65,800	-	-	-	-	-	-	36,000
	Sub-Total	**65,800**	**-**	**-**	**-**	**-**	**25,000**	**3,422,320**	**36,000**

NA	Description	HQ	DCC Secretariat	HRM	In-service Scholarship	Public Service Commission	Gender Affairs	Home Affairs	Culture
	Operating Expenditure								
2635	Capacity Development	-	-	-	-	-	-	60,000	-
	Sub-Total	**-**	**-**	**-**	**-**	**-**	**-**	**60,000**	**-**
	Goods & Services								
2715	Rent Subsidy	2,466,140	-	-	-	-	2,400	-	-
2730	Office Statione	1,020	-	520	-	1,000	3,230	2,000	800
2735	Office Expenses	16,100	3,070	2,710	800	11,000	2,050	5,000	-
2740	Supplies and Ge	20,200	-	-	-	-	-	-	-
2745	Plant and Equip	30,710	-	1,100	-	5,000	-	2,500	2,000
2760	Compensation	-	-	-	-	-	50,000	-	-
2765	Entertainment	20,620	8,120	-	14,700	3,480	3,000	300,000	340,000
2785	Utilities	5,830	-	-	-	-	-	-	-
2800	Overseas Contri	16,790	-	-	-	-	-	-	-
2810	Non-Tax Allw	-	-	-	2,276,490	31,230	3,000	-	11,600
	Sub-Total	**2,577,410**	**11,190**	**4,330**	**2,291,990**	**51,710**	**63,680**	**309,500**	**354,400**
	Total Operating Exp	**3,593,620**	**190,210**	**989,860**	**2,418,500**	**193,240**	**229,040**	**5,580,590**	**561,660**
	Statutory	262,280	-	65,890	-	-	-	-	-
	Capital	-	-	-	-	-	-	6,600,000	-
	Total Non-Oper Exp	**262,280**	**-**	**65,890**	**-**	**-**	**-**	**6,600,000**	**-**
	Grant Total	**3,855,900**	**190,210**	**1,055,750**	**2,418,500**	**193,240**	**229,040**	**12,180,590**	**561,660**

5.1.3 Head C: Office of the Attorney General

NA	Description	Office Attorney General	People's Lawyer	Ombudsman
	Operating Expenditure			
	Staffing			
2000	Salary – Local	348,730	206,460	180,620
2020	Consultant Fees	42,000	-	-
2025	Allowances	11,260	5,100	1,020
2030	Provident Fund	34,870	20,650	20,060
2035	Relieving Fund	50,570	44,670	-
	Sub-Total	**487,430**	**276,880**	**201,700**
	Travel and Communications			
2100	Overseas Busine	35,470	46,070	6,000
2105	Local Business	22,300	35,790	2,000
2110	Leave Travel	9,600	11,510	1,350
2120	Telecom and Int	4,650	2,700	1,500
	Sub-Total	**72,020**	**96,070**	**10,850**
	Maintenance			
2205	R&M (Motor Veh	400	400	-
2215	R&M (Off Equip)	1,900	1,900	1,000
2220	R&M (Buildings/	-	5,500	1,000
	Sub-Total	**2,300**	**7,800**	**2,000**
	Fuel & Oil			
2300	Petrol and oil	3,200	500	1,200
2305	Vessel Fuel	-	-	-
	Sub-Total	**3,200**	**500**	**1,200**
	Training			
2635	Capacity Develo	7,500	12,500	5,000
	Sub-Total	**7,500**	**12,500**	**5,000**
	Goods & Services			
2715	Rent Subsidy	-	-	6,000
2730	Office Statione	7,960	820	500
2735	Office Expenses	91,380	6,080	500
2745	Plant and Equip	-	7,600	5,000
2765	Entertainment	42,000	2,000	6,000
2780	Uniform	-	3,000	-
2785	Utilities	-	-	6,100
2800	Overseas Contri	2,300	-	-
2810	Non-Tax Allw	20,000	-	5,000
	Sub-Total	**163,640**	**19,500**	**29,100**
	Total Operating Exp	**736,090**	**413,250**	**249,850**
	Statutory	57,910	-	-
	Capital	-	70,000	-
	Total Non-Oper Exp	**57,910**	**70,000**	**-**
	Grant Total	**794,000**	**483,250**	**249,850**

5.1.4 Head D: Office of the Parliament

NA	Description	Parliament
	Operating Expenditure	
	Staffing	
2000	Salary – Local	109,610
2005	Salary – Ex/Ctr	52,970
2025	Allowances	5,000
2030	Provident Fund	10,960
	Sub-Total	**178,540**
	Travel and Communications	
2100	Overseas Busine	50,000
2105	Local Business	3,600
2110	Leave Travel	3,000
2120	Telecom and Int	1,680
	Sub-Total	**58,280**
	Maintenance	
2205	R&M (Motor Veh	3,000
2215	R&M (Off Equip)	2,000
	Sub-Total	**5,000**
	Fuel & Oil	
2300	Petrol and oil	3,000
	Sub-Total	**3,000**
	Training	
2635	Capacity Develo	5,000
	Sub-Total	**5,000**
	Goods & Services	
2715	Rent Subsidy	36,000
2730	Office Statione	3,000
2735	Office Expenses	400,000
2745	Plant and Equip	3,000
2765	Entertainment	30,000
2800	Overseas Contri	20,000
	Sub-Total	**492,000**
	Total Operating Exp	**741,820**
	Statutory	1,308,020
	Capital	-
	Total Non-Oper Exp	**1,308,020**
	Grant Total	**2,049,840**

5.1.5 Head E: Office of the Auditor General

NA	Description	Audit Office
	Operating Expenditure	
	Staffing	
2000	Salary – Local	376,590
2025	Allowances	5,940
2030	Provident Fund	37,660
2035	Relieving Fund	39,180
	Sub-Total	**459,370**
	Travel and Communications	
2100	Overseas Busine	25,000
2105	Local Business	21,760
2110	Leave Travel	8,110
	Sub-Total	**54,870**
	Maintenance	
2205	R&M (Motor Veh	1,500
2215	R&M (Off Equip)	500
	Sub-Total	**2,000**
	Fuel & Oil	
2300	Petrol and oil	2,400
	Sub-Total	**2,400**
	Goods & Services	
2730	Office Statione	2,500
2735	Office Expenses	8,300
2745	Plant and Equip	9,350
2765	Entertainment	11,800
2800	Overseas Contri	7,000
2810	Non-Tax Allw	1,500
2830	Systems/Annual	5,000
	Sub-Total	**45,450**
	Total Operating Exp	**564,090**
	Statutory	54,330
	Capital	-
	Total Non-Oper Exp	**54,330**
	Grant Total	**618,420**

5.1.6 Head F: Ministry of Finance and Economic Development

NA	Description	HQ	FIU	CPU	Internal Audit	PBACD	Statistics	Customs	Treasury	Inland Revenue	PERMU
	Operating Expenditure										
	Staffing										
2000	Salary – Local	199,490	-	86,600	15,820	321,560	127,740	153,020	386,230	189,070	79,200
2005	Salary – Ex/Ctr	-	19,020	-	-	-	-	-	4,500	-	-
2015	Salary - Casual	-	-	-	-	-	17,300	1,800	-	2,500	-
2025	Allowances	6,000	-	2,000	-	2,090	1,920	40,000	6,000	35,000	560
2030	Provident Fund	19,950	1,900	8,660	1,580	32,150	12,770	15,300	40,540	18,910	7,920
2035	Relieving Fund	50,000	-	-	-	-	-	-	-	4,000	-
	Sub-Total	**275,440**	**20,920**	**97,260**	**17,400**	**355,800**	**159,730**	**210,120**	**437,270**	**249,480**	**87,680**
	Travel and Communications										
2100	Overseas Busine	60,000	5,100	1,800	1,000	3,690	2,400	5,000	4,000	6,000	2,000
2105	Local Business	1,800	-	400	-	4,000	3,260	-	2,000	2,000	1,010
2110	Leave Travel	2,000	1,780	4,070	-	5,000	4,270	2,000	10,000	3,010	3,020
2120	Telecom and Int	3,600	-	-	800	-	240	1,050	-	1,640	-
	Sub-Total	**67,400**	**6,880**	**6,270**	**1,800**	**12,690**	**10,170**	**8,050**	**16,000**	**12,650**	**6,030**
	Maintenance										
2205	R&M (Motor Veh	2,000	-	-	-	-	-	800	-	500	-
2215	R&M (Off Equip)	-	-	-	-	-	2,460	500	1,500	1,000	-
2220	R&M (Buildings/	-	-	-	-	-	-	1,400	-	-	-
	Sub-Total	**2,000**	**-**	**-**	**-**	**-**	**2,460**	**2,700**	**1,500**	**1,500**	**-**
	Fuel & Oil										
2300	Petrol and oil	1,000	-	-	-	-	120	800	150	1,000	-
	Sub-Total	**1,000**	**-**	**-**	**-**	**-**	**120**	**800**	**150**	**1,000**	**-**
	Grants, Subsidies & Donations										
2405	Cost of Service	486,660	-	-	-	-	-	-	-	-	-
2410	Grants	200,000	-	-	-	-	-	-	-	-	-
2435	Financial Suppo	200,000	-	-	-	-	-	-	-	-	-
	Sub-Total	**886,660**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

NA	Description	HQ	FIU	CPU	Internal Audit	PBACD	Statistics	Customs	Treasury	Inland Revenue	PERMU
	Operating Expenditure										
	Goods & Services										
2715	Rent Subsidy	20,000	-	-	-	2,000	1,500	2,000	-	1,000	300
2730	Office Statione	800	100	800	-	1,750	400	800	1,000	1,000	500
2735	Office Expenses	5,000	1,500	2,500	-	1,020	1,000	1,300	5,000	2,430	1,500
2745	Plant and Equip	2,000	2,000	3,290	4,000	1,000	1,500	-	5,800	4,000	1,000
2765	Entertainment	20,000	1,150	2,000	-	4,000	2,000	500	-	-	1,820
2780	Uniform	-	-	-	-	-	-	6,000	-	-	-
2785	Utilities	1,753,200	-	-	-	-	-	-	-	-	-
2795	Insurance	100,000	-	-	-	-	-	-	-	-	-
2800	Overseas Contri	20,000	-	-	-	-	1,500	10,080	-	5,000	-
2810	Non-Tax Allw	3,429,680	-	-	-	-	-	2,000	-	7,000	-
2820	Bank Charges	-	-	-	-	-	-	-	48,000	-	-
2825	Forex (Gains/Lo	-	-	-	-	-	-	-	50,000	-	-
2830	Systems/Annual	600,000	-	3,000	-	-	-	-	514,000	-	-
2840	Contingency	400,000	-	-	-	-	-	-	-	-	-
	Sub-Total	**6,350,680**	**4,750**	**11,590**	**4,000**	**9,770**	**7,900**	**22,680**	**623,800**	**20,430**	**5,120**
	Loan & Interest Payment										
2900	Domestic Loan R	162,000	-	-	-	-	-	-	-	-	-
2905	Domestic Loan R	150,000	-	-	-	-	-	-	-	-	-
	Sub-Total	**312,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Operating Exp	**7,895,180**	**32,550**	**115,120**	**23,200**	**378,260**	**180,380**	**244,350**	**1,078,720**	**285,060**	**98,830**
	Statutory	157,500	-	-	-	-	-	-	-	-	-
	Capital	11,000,000	-	-	-	-	-	-	-	-	-
	Total Non-Oper Exp	**11,157,500**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Grant Total	**19,052,680**	**32,550**	**115,120**	**23,200**	**378,260**	**180,380**	**244,350**	**1,078,720**	**285,060**	**98,830**

5.1.7 Head G: Ministry of Public Works and Infrastructure Development

NA	Description	HQ	Public Works	Meteorology	Disaster
	Operating Expenditure				
	Staffing				
2000	Salary – Local	169,840	1,520,900	365,260	78,740
2015	Salary - Casual	302,950	851,410	19,630	22,770
2025	Allowances	7,500	248,370	19,230	3,000
2030	Provident Fund	16,980	152,200	365,260	7,870
2035	Relieving Fund	-	30,710	21,770	-
	Sub-Total	**497,270**	**2,803,590**	**791,150**	**112,380**
	Travel and Communications				
2100	Overseas Busine	20,000	32,710	12,290	6,000
2105	Local Business	6,000	11,260	11,310	8,500
2110	Leave Travel	4,250	6,960	3,320	3,000
2120	Telecom and Int	3,600	6,600	6,000	4,560
	Sub-Total	**33,850**	**57,530**	**32,920**	**22,060**
	Maintenance				
2205	R&M (Motor Veh	-	122,860	2,000	2,060
2210	R&M (Plant)	-	8,190	-	-
2215	R&M (Off Equip)	1,000	17,400	3,000	-
2220	R&M (Buildings/	56,310	460,710	5,000	3,000
2225	Deferred Mainte	-	500,000	-	-
	Sub-Total	**57,310**	**1,109,160**	**10,000**	**5,060**
	Fuel & Oil				
2300	Petrol and oil	500	133,090	3,750	4,000
	Sub-Total	**500**	**133,090**	**3,750**	**4,000**
	Goods & Services				
2715	Rent Subsidy	3,500	8,190	2,100	5,900
2730	Office Statione	500	3,680	4,500	3,000
2735	Office Expenses	5,500	7,620	2,000	1,500
2740	Supplies and Ge	1,500	262,600	500	1,000
2745	Plant and Equip	-	18,430	3,900	10,000
2765	Entertainment	5,000	11,550	1,500	16,000
2785	Utilities	3,200	-	-	-
2800	Overseas Contri	10,000	-	22,010	-
2810	Non-Tax Allw	-	69,430	-	3,000
2830	Systems/Annual	-	15,360	-	-
2840	Contingency	-	-	-	2,000
	Sub-Total	**29,200**	**396,860**	**36,510**	**42,400**
	Total Operating Exp	**618,130**	**4,500,230**	**874,330**	**185,900**
	Statutory	161,680	-	-	-
	Capital	-	2,570,000	-	-
	Total Non-Oper Exp	**161,680**	**2,570,000**	**-**	**-**
	Grant Total	**779,810**	**7,070,230**	**874,330**	**185,900**

5.1.8 Head H: Ministry of Health and Social Welfare

NA	Description	HQ	TOMRS	Health Administration	Curative Health	Preventative Health	Social Welfare
	Operating Expenditure						
	Staffing						
2000	Salary – Local	144,290	-	352,360	2,158,810	521,040	76,890
2005	Salary – Ex/Ctr	-	86,620	-	530,710	-	-
2015	Salary - Casual	-	-	70,000	-	128,180	-
2025	Allowances	3,260	-	30,710	400,860	41,120	1,540
2030	Provident Fund	14,430	20,610	35,240	376,250	66,710	7,690
2035	Relieving Fund	-	-	30,000	114,310	-	-
	Sub-Total	**161,980**	**107,230**	**518,310**	**3,580,940**	**757,050**	**86,120**
	Travel and Communications						
2100	Overseas Busine	30,000	600,000	13,820	13,280	-	2,500
2105	Local Business	50,460	4,800	-	-	7,500	4,000
2110	Leave Travel	50,000	-	-	-	-	-
2120	Telecom and Int	3,600	1,200	20,000	-	100	-
	Sub-Total	**134,060**	**606,000**	**33,820**	**13,280**	**7,600**	**6,500**
	Maintenance						
2205	R&M (Motor Veh	1,600	-	10,000	-	3,000	-
2215	R&M (Off Equip)	510	-	6,400	70,900	5,920	-
2220	R&M (Buildings/	-	-	15,000	-	-	-
	Sub-Total	**2,110**	**-**	**31,400**	**70,900**	**8,920**	**-**
	Fuel & Oil						
2300	Petrol and oil	3,600	11,450	15,000	2,310	11,020	560
	Sub-Total	**3,600**	**11,450**	**15,000**	**2,310**	**11,020**	**560**
	Grants, Subsidies & Donations						
2410	Grants	50,000	-	-	-	-	25,000
	Sub-Total	**50,000**	**-**	**-**	**-**	**-**	**25,000**

		HQ	TOMRS	Health Administration	Curative Health	Preventative Health	Social Welfare
	Operating Expenditure						
	Training						
2635	Capacity Develo	-	-	5,000	31,120	10,600	3,300
	Sub-Total	**-**	**-**	**5,000**	**31,120**	**10,600**	**3,300**
	Goods & Services						
2710	Housing Allowan	-	635,270	-	-	-	-
2715	Rent Subsidy	2,500	-	276,000	12,290	2,300	720
2720	Education Child	-	-	-	2,050	-	-
2730	Office Statione	4,100	-	13,700	1,020	7,430	200
2735	Office Expenses	3,000	150,000	8,760	2,290	24,010	1,500
2740	Supplies and Ge	-	-	10,800	1,189,210	60,700	-
2745	Plant and Equip	9,000	-	-	204,930	9,350	-
2755	Welfare Sch	-	-	-	-	-	2,627,120
2765	Entertainment	4,000	-	5,000	3,000	11,420	4,000
2770	Ration / Victua	-	-	-	105,480	-	-
2780	Uniform	-	-	-	10,670	-	-
2785	Utilities	3,280	83,850	-	3,330	-	-
2790	Drugs and Medic	-	7,693,610	-	550,800	-	-
2795	Insurance	-	-	-	5,120	-	-
2800	Overseas Contri	13,700	-	-	-	-	-
2810	Non-Tax Allw	-	1,817,610	-	4,100	36,860	3,070
2840	Contingency	-	-	465,000	91,200	2,000	-
	Sub-Total	**39,580**	**10,380,340**	**779,260**	**2,185,490**	**154,070**	**2,636,610**
	Total Operating Exp	**391,330**	**11,105,020**	**1,382,790**	**5,884,040**	**949,260**	**2,758,090**
	Statutory	154,220	-	-	-	-	-
	Capital	-	-	-	-	-	-
	Total Non-Oper Exp	**154,220**	**-**	**-**	**-**	**-**	**-**
	Grant Total	**545,550**	**11,105,020**	**1,382,790**	**5,884,040**	**949,260**	**2,758,090**

5.1.9 Head I: Ministry of Natural Resources Development

NA	Description	HQ	Lands	Agriculture
	Operating Expenditure			
	Staffing			
2000	Salary – Local	99,220	276,500	709,860
2015	Salary - Casual	-	-	56,500
2020	Consultant Fees	-	40,000	-
2025	Allowances	12,380	2,000	7,500
2030	Provident Fund	9,920	27,310	59,220
2035	Relieving Fund	30,000	-	20,480
	Sub-Total	**151,520**	**345,810**	**853,560**
	Travel and Communications			
2100	Overseas Busine	30,000	15,000	5,000
2105	Local Business	2,700	40,000	5,120
2110	Leave Travel	2,550	6,000	7,170
2120	Telecom and Int	3,600	700	4,710
	Sub-Total	**38,850**	**61,700**	**22,000**
	Maintenance			
2205	R&M (Motor Veh	2,000	5,000	2,000
2210	R&M (Plant)	-	-	2,000
2215	R&M (Off Equip)	1,000	1,700	2,000
	Sub-Total	**3,000**	**6,700**	**6,000**
	Fuel & Oil			
2300	Petrol and oil	3,000	3,000	5,100
	Sub-Total	**3,000**	**3,000**	**5,100**
	Grants, Subsidies & Donations			
2410	Grants	3,150,000	-	-
	Sub-Total	**3,150,000**	**-**	**-**
	Training			
2635	Capacity Develo	-	-	-
	Sub-Total	**-**	**-**	**-**
	Goods & Services			
2715	Rent Subsidy	-	7,050	-
2730	Office Statione	1,000	1,500	2,000
2735	Office Expenses	2,000	3,600	4,000
2740	Supplies and Ge	-	3,370	3,000
2745	Plant and Equip	-	6,000	9,000
2765	Entertainment	1,230	9,040	5,000
2770	Ration / Victua	-	-	12,000
2780	Uniform	-	-	1,000
2785	Utilities	3,200	-	-
2790	Drugs and Medic	-	-	5,000
2800	Overseas Contri	120,000	3,000	5,000
2805	Freight	-	-	1,020
2835	Land Leases	3,071,370	-	-
	Sub-Total	**3,198,800**	**33,560**	**47,020**
	Total Operating Exp	**6,545,170**	**450,770**	**933,680**
	Statutory	147,600	-	-
	Capital	-	-	-
	Total Non-Oper Exp	**147,600**	**-**	**-**
	Grant Total	**6,692,770**	**450,770**	**933,680**

5.1.10 Head J: Ministry of Home Affairs, Climate Change and Environment

NA	Description	HQ	Climate Change	Environment	Waste Management
	Operating Expenditure				
	Staffing				
2000	Salary – Local	98,620	174,600	144,910	906,090
2005	Salary – Ex/Ctr	80,000	45,000	-	87,100
2015	Salary - Casual	-	-	-	-
2020	Consultant Fees	50,000	-	-	-
2025	Allowances	1,500	1,000	3,120	49,800
2030	Provident Fund	9,860	17,460	14,490	90,610
2035	Relieving Fund	80,000	-	5,000	29,500
	Sub-Total	**319,980**	**238,060**	**167,520**	**1,163,100**
	Travel and Communications				
2100	Overseas Busine	20,000	7,370	5,000	11,200
2105	Local Business	5,600	4,000	12,000	23,000
2110	Leave Travel	3,000	3,900	3,910	1,500
2120	Telecom and Int	3,600	4,140	-	1,740
	Sub-Total	**32,200**	**19,410**	**20,910**	**37,440**
	Maintenance				
2205	R&M (Motor Veh	3,000	-	-	5,000
2210	R&M (Plant)	-	-	-	35,000
2215	R&M (Off Equip)	1,500	2,000	-	2,500
	Sub-Total	**4,500**	**2,000**	**-**	**42,500**
	Fuel & Oil				
2300	Petrol and oil	500	500	180	117,000
	Sub-Total	**500**	**500**	**180**	**117,000**
	Grants, Subsidies & Donations				
2410	Grants	25,000	-	-	-
2435	Financial Suppo	-	-	-	-
	Sub-Total	**25,000**	**-**	**-**	**-**

NA	Description	HQ	Climate Change	Environment	Waste Management
	Operating Expenditure				
2635	Capacity Develo	-	-	1,800	15,000
	Sub-Total	**-**	**-**	**1,800**	**15,000**
	Goods & Services				
2715	Rent Subsidy	-	1,000	700	-
2730	Office Statione	1,200	2,040	3,000	990
2735	Office Expenses	3,500	5,000	1,000	9,900
2740	Supplies and Ge	-	1,700	-	35,000
2745	Plant and Equip	2,000	-	3,990	-
2760	Compensation	-	-	-	100,000
2765	Entertainment	-	2,000	3,000	5,200
2785	Utilities	3,200	-	-	-
2800	Overseas Contri	-	3,600	47,910	-
2810	Non-Tax Allw	4,000	1,200	-	-
2830	Systems/Annual	-	8,000	-	-
	Sub-Total	**13,900**	**24,540**	**59,600**	**151,090**
	Total Operating Exp	**396,080**	**284,510**	**250,010**	**1,526,130**
	Statutory	160,250	-	-	-
	Capital	-	-	-	-
	Total Non-Oper Exp	**160,250**	**-**	**-**	**-**
	Grant Total	**556,330**	**284,510**	**250,010**	**1,526,130**

5.1.11 Head K: Tuvalu Police Services

NA	Description	Tuvalu Police Service
	Operating Expenditure	
	Staffing	
2000	Salary – Local	1,755,760
2015	Salary - Casual	89,440
2025	Allowances	445,330
2030	Provident Fund	175,570
2035	Relieving Fund	43,370
	Sub-Total	**2,509,470**
	Travel and Communications	
2100	Overseas Busine	50,000
2105	Local Business	15,750
2110	Leave Travel	22,720
2120	Telecom and Int	15,320
	Sub-Total	**103,790**
	Maintenance	
2200	R&M (Vessel)	46,620
2205	R&M (Motor Veh	12,400
2215	R&M (Off Equip)	4,780
2220	R&M (Buildings/	9,130
	Sub-Total	**72,930**
	Fuel & Oil	
2300	Petrol and oil	39,610
2305	Vessel Fuel	30,000
	Sub-Total	**69,610**
	Training	
2630	Other Training	28,000
	Sub-Total	**28,000**
	Goods & Services	
2715	Rent Subsidy	13,100
2730	Office Statione	13,080
2735	Office Expenses	22,430
2740	Supplies and Ge	1,300
2745	Plant and Equip	9,040
2765	Entertainment	10,240
2770	Ration / Victua	68,540
2780	Uniform	16,160
2800	Overseas Contri	3,070
2810	Non-Tax Allw	5,120
2830	Systems/Annual	5,390
	Sub-Total	**167,470**
	Total Operating Exp	**2,951,270**
	Statutory	48,300
	Capital	-
	Total Non-Oper Exp	**48,300**
	Grant Total	**2,999,570**

5.1.12 Head L: Ministry of Transport, Energy, Communication and Innovation

NA	Description	HQ	Digital Nation	Marine	Aviation	Energy	Tourism	ICT	Immigration
	Operating Expenditure								
	Staffing								
2000	Salary – Local	146,760	-	1,159,590	187,260	168,370	125,460	190,830	140,690
2005	Salary – Ex/Ctr	490,000	221,280	1,248,970	-	141,730	-	-	-
2015	Salary - Casual	-	-	1,034,200	95,910	28,490	-	-	-
2020	Consultant Fees	-	-	-	15,360	-	-	-	-
2025	Allowances	8,190	15,000	513,480	20,390	7,400	3,070	3,800	2,560
2030	Provident Fund	14,680	-	198,850	18,720	16,840	12,550	19,090	14,070
2035	Relieving Fund	33,670	-	428,220	34,170	15,450	-	4,000	-
	Sub-Total	**693,300**	**236,280**	**4,583,310**	**371,810**	**378,280**	**141,080**	**217,720**	**157,320**
	Travel and Communications								
2100	Overseas Busine	30,000	34,970	34,100	18,780	12,720	74,820	10,000	-
2105	Local Business	3,070	36,000	2,350	3,070	20,920	8,000	11,280	-
2110	Leave Travel	11,240	9,720	20,000	4,620	6,000	4,520	5,000	3,000
2120	Telecom and Int	4,710	2,100	4,670	5,100	4,560	4,000	655,270	-
	Sub-Total	**49,020**	**82,790**	**61,120**	**31,570**	**44,200**	**91,340**	**681,550**	**3,000**
	Maintenance								
2200	R&M (Vessel)	-	-	1,413,430	-	-	-	-	-
2205	R&M (Motor Veh	6,140	-	30,710	5,120	5,000	-	500	400
2210	R&M (Plant)	-	-	-	2,300	-	-	-	-
2215	R&M (Off Equip)	1,430	-	10,240	2,050	4,000	-	105,430	-
2220	R&M (Buildings/	-	-	30,710	20,480	-	-	-	-
	Sub-Total	**7,570**	**-**	**1,485,090**	**29,950**	**9,000**	**-**	**105,930**	**400**
	Fuel & Oil								
2300	Petrol and oil	2,400	-	41,100	18,500	4,000	-	300	500
2305	Vessel Fuel	-	-	2,452,920	-	-	-	-	-
	Sub-Total	**2,400**	**-**	**2,494,020**	**18,500**	**4,000**	**-**	**300**	**500**
	Grants, Subsidies & Donations								
2400	Subsidy	3,590,000	-	-	-	-	-	-	-
2410	Grants	900,000	-	-	-	-	-	-	-
2435	Financial Suppo	-	-	-	-	-	-	162,790	-
	Sub-Total	**4,490,000**	**-**	**-**	**-**	**-**	**-**	**162,790**	**-**

		HQ	Digital Nation	Marine	Aviation	Energy	Tourism	ICT	Immigration
	Operating Expenditure								
	Training								
2635	Capacity Develo	-	-	-	-	30,000	5,000	-	-
	Sub-Total	**-**	**-**	**-**	**-**	**30,000**	**5,000**	**-**	**-**
	Goods & Services								
2715	Rent Subsidy	-	34,000	-	-	-	5,000	15,520	-
2730	Office Statione	2,000	-	8,590	3,060	4,000	-	280	2,000
2735	Office Expenses	284,300	371,340	20,410	3,580	4,000	112,210	8,600	-
2740	Supplies and Ge	-	-	131,310	1,540	11,000	-	-	-
2745	Plant and Equip	-	50,000	53,150	-	-	-	5,500	2,000
2765	Entertainment	12,000	22,500	-	1,540	9,400	18,000	70,850	-
2770	Ration / Victua	-	-	415,220	-	-	-	-	-
2775	Vessel Slipping	-	-	1,000,000	-	-	-	-	-
2780	Uniform	-	-	24,050	-	-	-	-	2,000
2785	Utilities	3,280	-	-	-	-	-	-	-
2795	Insurance	-	-	51,000	-	-	-	-	-
2800	Overseas Contri	-	-	201,450	100,000	410	16,900	60,000	2,300
2810	Non-Tax Allw	-	-	-	-	106,200	-	-	-
2815	Fumigation	-	-	130,700	-	-	-	-	-
2830	Systems/Annual	-	-	-	-	-	3,840	-	-
2840	Contingency	10,000	-	-	-	-	10,880	15,000	-
	Sub-Total	**311,580**	**477,840**	**2,035,880**	**109,720**	**135,010**	**166,830**	**175,750**	**8,300**
	Total Operating Exp	**5,553,870**	**796,910**	**10,659,420**	**561,550**	**600,490**	**404,250**	**1,344,040**	**169,520**
	Statutory	160,780	-	-	-	-	-	-	-
	Capital	14,582,850	-	-	-	-	-	-	-
	Total Non-Oper Exp	**14,743,630**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Grant Total	**20,297,500**	**796,910**	**10,659,420**	**561,550**	**600,490**	**404,250**	**1,344,040**	**169,520**

5.1.13 Head M: Ministry of Education and Human Resources Development

NA	Description	HQ	Education Administration	Primary	Secondary	Library	Sports	Pre-Service Scholarships	Youth	ECCE
	Operating Expenditure									
	Staffing									
2000	Salary – Local	173,000	401,980	2,332,270	1,251,480	78,880	38,840	42,300	31,280	41,950
2005	Salary – Ex/Ctr	-	170,120	-	243,000	-	-	-	-	-
2015	Salary - Casual	-	1,220	4,200	6,000	6,270	17,210	-	-	-
2025	Allowances	2,050	10,170	18,040	50,360	2,400	3,000	3,500	1,230	2,460
2030	Provident Fund	17,300	40,600	233,230	149,450	7,890	3,880	4,230	3,130	4,200
2035	Relieving Fund	13,630	15,730	153,570	2,250	-	11,150	25,770	2,800	35,260
	Sub-Total	**205,980**	**639,820**	**2,741,310**	**1,702,540**	**95,440**	**74,080**	**75,800**	**38,440**	**83,870**
	Travel and Communications									
2100	Overseas Busine	40,000	6,620	1,800	1,840	6,400	12,380	359,860	24,100	-
2105	Local Business	5,510	61,460	1,720	4,100	3,220	3,840	-	1,680	-
2110	Leave Travel	7,610	9,910	40,950	32,300	3,250	1,300	2,350	1,540	-
2120	Telecom and Int	3,600	2,100	18,600	7,700	2,100	100	-	-	-
	Sub-Total	**56,720**	**80,090**	**63,070**	**45,940**	**14,970**	**17,620**	**362,210**	**27,320**	**-**
	Maintenance									
2205	R&M (Motor Veh	6,000	100	-	300	-	-	-	-	-
2210	R&M (Plant)	-	-	-	1,000	-	-	-	-	-
2215	R&M (Off Equip)	1,000	500	-	4,000	1,000	210	1,000	-	-
2220	R&M (Buildings/	-	2,930	-	140,000	-	65,350	-	-	-
	Sub-Total	**7,000**	**3,530**	**-**	**145,300**	**1,000**	**65,560**	**1,000**	**-**	**-**
	Fuel & Oil									
2300	Petrol and oil	21,000	-	-	8,000	-	3,000	-	-	-
	Sub-Total	**21,000**	**-**	**-**	**8,000**	**-**	**3,000**	**-**	**-**	**-**
	Grants, Subsidies & Donations									
2400	Subsidy	88,170	-	-	-	-	-	-	-	-
2410	Grants	996,600	24,000	70,790	-	-	25,000	-	25,000	1,356,530
2435	Financial Suppo	25,000	-	-	-	-	-	-	-	52,530
	Sub-Total	**1,109,770**	**24,000**	**70,790**	**-**	**-**	**25,000**	**-**	**25,000**	**1,409,060**

NA	Description	HQ	Education Administration	Primary	Secondary	Library	Sports	Pre-Service Scholarships	Youth	ECCE
	Operating Expenditure									
	Goods & Services									
2715	Rent Subsidy	7,200	1,800	-	12,000	-	1,100	1,000	3,800	-
2730	Office Statione	700	8,980	-	13,500	2,180	100	2,420	1,020	-
2735	Office Expenses	3,000	86,710	-	10,000	2,190	-	6,000	1,920	-
2740	Supplies and Ge	-	1,500	-	40,000	3,000	1,020	-	1,020	-
2745	Plant and Equip	-	1,000	10,000	5,000	3,000	-	-	800	-
2765	Entertainment	2,000	19,000	-	-	1,740	2,880	4,900	9,880	-
2770	Ration / Victua	-	-	-	600,000	-	-	-	-	-
2785	Utilities	1,490	-	-	-	-	-	-	-	-
2800	Overseas Contri	330,720	-	-	-	2,370	-	-	-	-
2810	Non-Tax Allw	7,840	208,280	-	-	1,000	-	4,874,360	3,000	-
2840	Contingency	-	11,000	-	-	-	-	-	-	-
	Sub-Total	**352,950**	**338,270**	**10,000**	**680,500**	**15,480**	**5,100**	**4,888,680**	**21,440**	**-**
	Total Operating Exp	**1,753,420**	**1,085,710**	**2,885,170**	**2,582,280**	**126,890**	**190,360**	**5,327,690**	**112,200**	**1,492,930**
	Statutory	158,760	-	-	-	-	-	-	-	-
	Capital	-	-	260,080	2,283,760	-	1,937,980	-	-	-
	Total Non-Oper Exp	**158,760**	**-**	**260,080**	**2,283,760**	**-**	**1,937,980**	**-**	**-**	**-**
	Grant Total	**1,912,180**	**1,085,710**	**3,145,250**	**4,866,040**	**126,890**	**2,128,340**	**5,327,690**	**112,200**	**1,492,930**

5.1.14 Head N: Office of the Judiciary

NA	Description	Judiciary
	Operating Expenditure	
	Staffing	
2000	Salary – Local	284,880
2005	Salary – Ex/Ctr	150,000
2020	Consultant Fees	50,000
2025	Allowances	37,000
2030	Provident Fund	28,490
2035	Relieving Fund	20,000
	Sub-Total	**570,370**
	Travel and Communications	
2100	Overseas Busine	45,000
2105	Local Business	5,000
2110	Leave Travel	45,000
2120	Telecom and Int	7,800
	Sub-Total	**102,800**
	Maintenance	
2205	R&M (Motor Veh	6,000
2215	R&M (Off Equip)	1,000
2220	R&M (Buildings/	500
	Sub-Total	**7,500**
	Fuel & Oil	
2300	Petrol and oil	2,000
	Sub-Total	**2,000**
	Goods & Services	
2715	Rent Subsidy	2,400
2720	Education Child	15,000
2730	Office Statione	2,000
2735	Office Expenses	18,400
2745	Plant and Equip	3,000
2765	Entertainment	15,440
2780	Uniform	1,380
2800	Overseas Contri	400
2810	Non-Tax Allw	265,320
	Sub-Total	**323,340**
	Total Operating Exp	**1,006,010**
	Statutory	-
	Capital	-
	Total Non-Oper Exp	**-**
	Grant Total	**1,006,010**

5.1.15 Head O: Ministry of Foreign Affairs, Labour and Trade

NA	Description	HQ	Business	Price Control	Labour	Trade	Foreign Affairs	Suva Mission	NY Mission	UAE Mission	Wellington Mission	Taipei Mission	Canberra Mission
	Operating Expenditure												
	Staffing												
2000	Salary – Local	147,030	57,070	54,140	88,660	91,030	348,580	134,570	148,960	63,920	94,500	63,730	63,600
2005	Salary – Ex/Ctr	-	33,000	-	-	-	-	82,820	172,720	-	156,420	74,890	120,000
2015	Salary - Casual	-	-	-	-	-	-	43,000	-	-	-	-	2,000
2025	Allowances	6,940	1,000	2,190	3,000	2,050	2,000	23,500	11,110	16,370	10,000	6,000	11,000
2030	Provident Fund	14,700	5,710	5,410	8,870	9,100	34,860	21,740	32,170	6,390	9,450	6,370	6,360
2035	Relieving Fund	29,950	15,000	-	17,300	-	46,840	-	-	-	2,000	-	-
	Sub-Total	**198,620**	**111,780**	**61,740**	**117,830**	**102,180**	**432,280**	**305,630**	**364,960**	**86,680**	**272,370**	**150,990**	**202,960**
	Travel and Communications												
2100	Overseas Busine	285,550	4,500	6,000	10,000	4,100	84,000	42,000	20,240	36,000	5,000	18,000	5,340
2105	Local Business	8,190	6,320	4,000	2,700	11,600	1,500	15,000	20,320	-	50,000	17,000	51,640
2110	Leave Travel	6,160	1,800	2,050	4,700	3,380	5,000	10,000	25,980	-	4,600	23,000	10,240
2120	Telecom and Int	3,690	-	1,390	200	2,050	350	33,000	23,100	14,030	14,400	9,900	14,330
	Sub-Total	**303,590**	**12,620**	**13,440**	**17,600**	**21,130**	**90,850**	**100,000**	**89,640**	**50,030**	**74,000**	**67,900**	**81,550**
	Maintenance												
2205	R&M (Motor Veh	2,050	1,000	-	-	1,020	-	5,120	20,000	11,770	-	2,050	3,000
2215	R&M (Off Equip)	1,840	500	1,020	-	510	-	5,000	-	300	-	-	2,000
2220	R&M (Buildings/	-	-	-	-	-	-	25,590	-	-	-	2,000	-
	Sub-Total	**3,890**	**1,500**	**1,020**	**-**	**1,530**	**-**	**35,710**	**20,000**	**12,070**	**-**	**4,050**	**5,000**
	Fuel & Oil												
2300	Petrol and oil	5,060	3,000	470	200	2,050	-	13,000	8,100	7,170	18,040	3,000	18,430
	Sub-Total	**5,060**	**3,000**	**470**	**200**	**2,050**	**-**	**13,000**	**8,100**	**7,170**	**18,040**	**3,000**	**18,430**
	Grants, Subsidies & Donations												
2400	Subsidy	-	-	-	-	3,070	-	-	-	-	-	-	-
2410	Grants	45,000	-	-	25,000	-	-	-	-	-	-	-	-
2435	Financial Suppo	-	-	-	-	-	-	20,000	-	-	-	-	-
	Sub-Total	**45,000**	**-**	**-**	**25,000**	**3,070**	**-**	**20,000**	**-**	**-**	**-**	**-**	**-**

NA	Description	HQ	Business	Price Control	Labour	Trade	Foreign Affairs	Suva Mission	NY Mission	UAE Mission	Wellington Mission	Taipei Mission	Canberra Mission
	Operating Expenditure												
	Training												
2625	Attachment Trai	-	5,000	-	-	-	-	-	-	-	-	-	-
2635	Capacity Develo	-	2,000	2,050	-	3,280	-	-	-	-	-	-	-
	Sub-Total	**-**	**7,000**	**2,050**	**-**	**3,280**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Goods & Services												
2705	Clothing Allowa	-	-	-	-	-	-	7,700	8,200	3,000	5,850	9,600	6,300
2710	Housing Allowan	-	6,000	-	-	-	-	-	-	-	-	-	-
2715	Rent Subsidy	650	6,820	2,300	1,000	13,100	1,000	90,000	308,620	148,000	211,000	65,000	242,000
2720	Education Child	-	-	-	-	-	-	150,000	78,000	74,800	150,300	117,000	20,100
2725	Cost of Living	-	-	-	-	-	-	104,000	173,780	88,830	102,740	93,970	90,210
2730	Office Statione	1,120	5,200	1,550	400	2,000	2,700	3,000	-	-	-	-	2,000
2735	Office Expenses	3,030	4,000	2,000	40,000	13,400	3,550	10,000	4,910	13,000	10,000	10,000	10,240
2740	Supplies and Ge	-	-	-	-	4,100	27,730	6,500	-	1,000	7,000	4,500	4,830
2745	Plant and Equip	5,120	2,000	-	-	-	3,000	58,000	4,730	3,000	7,000	4,050	4,830
2750	Building and St	-	-	-	-	-	-	-	-	-	-	-	2,050
2765	Entertainment	-	165,500	10,000	7,000	28,430	79,500	12,800	15,000	10,000	15,000	20,480	34,600
2785	Utilities	1,440	-	-	-	-	-	54,700	11,930	3,200	26,000	12,900	18,000
2795	Insurance	-	-	-	-	-	-	58,180	67,680	16,900	14,000	25,260	24,400
2800	Overseas Contri	540,370	-	-	6,800	-	-	-	89,230	15,000	-	-	-
2810	Non-Tax Allw	-	-	10,140	7,200	32,000	-	-	-	1,500	-	-	-
2820	Bank Charges	-	-	-	-	-	-	6,000	6,080	-	-	-	1,000
	Sub-Total	**551,730**	**189,520**	**25,990**	**62,400**	**93,030**	**117,480**	**560,880**	**768,160**	**378,230**	**548,890**	**362,760**	**460,560**
	Total Operating Exp	**1,107,890**	**325,420**	**104,710**	**223,030**	**226,270**	**640,610**	**1,035,220**	**1,250,860**	**534,180**	**913,300**	**588,700**	**768,500**
	Statutory	157,500	-	-	-	-	-	-	-	-	-	-	-
	Capital	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Oper Exp	**157,500**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Grant Total	**1,265,390**	**325,420**	**104,710**	**223,030**	**226,270**	**640,610**	**1,035,220**	**1,250,860**	**534,180**	**913,300**	**588,700**	**768,500**

Part 6: CARRY FORWARD ESTIMATES

6.1.0 Infrastructure Special Funds

The Infrastructure Special Fund Regulation, established under the Public Finance Act, enables appropriated funds for infrastructure projects to be carried forward for up to two years from the original year of appropriation before lapsing.

As at 31 May, the table below shows infrastructure projects with unexpended balances of approximately **$11.1 million** carried forward from previous financial years under the Infrastructure Special Fund Regulation. These balances are subject to change by the end of June. The balances under Heads G, J and L mainly comprise last year and current-year appropriations to be carried forward to 2026–2027.

Head	Projects	Opening Balance	Actual (31 May)	Roll Over Balance
G	Civil Servant Housing C & D - Grade	753,251	628,060	125,191
	Court House Building	255,162	215,711	39,451
	PWD Warehouse	115,406	92,743	22,663
	MSS Domitories	500,000	390,014	109,986
	Mega Housing	1,000,000	-	1,000,000
	Vaitupu Island Clinic - Maintenance	500,000	-	500,000
Sub Total		**3,123,819**	**1,326,528**	**1,797,291**
J	Nanumea - General Grant	200,000	-	200,000
	Nanumaga - General Grant	243,086	136,914	106,172
	Niutao - General Grant	200,000	59,700	140,300
	Nui - General Grant	300,000	188,162	111,838
	Vaitupu - General Grant	245,920	147,382	98,538
	Nukufetau - General Grant	300,000	200,000	100,000
	Funafuti - General Grant	294,470	29,812	264,658
	Nukulaelae - General Grant	200,000	6,952	193,048
	Nanumea - COSFA	1,474,682	592,063	882,619
	Nanumaga - COSFA	943,188	459,077	484,111
	Niutao - COSFA	1,268,629	432,638	835,991
	Nui - COSFA	1,866,030	251,419	1,614,611
	Vaitupu - COSFA	1,439,901	1,024,004	415,897
	Nukufetau - COSFA	1,961,620	1,643,303	318,317
	Funafuti - COSFA	2,347,673	1,155,483	1,192,190
	Nukulaelae - COSFA	1,218,800	197,855	1,020,945
Sub Total		**14,503,999**	**6,524,764**	**7,979,235**
L	TEC - Generator	1,287,436	-	1,287,436
		1,287,436	**-**	**1,287,436**
Grand Total		**18,915,254**	**7,851,292**	**11,063,962**

Part 7: PUBLIC DEBT AND PUBLIC GUARANTEED DEBT

7.1 Stock of Debt

The stock of debt refers to the total amount of debt owed by the Government at a specified point in time. Tuvalu's external debt was held by two main creditors, the Asian Development Bank and the International Cooperation and Development Fund. Both loans were being progressively repaid and in the financial year 2025/2026, the ICDF has been fully repaid, leaving the ADB as the only remaining external creditor.

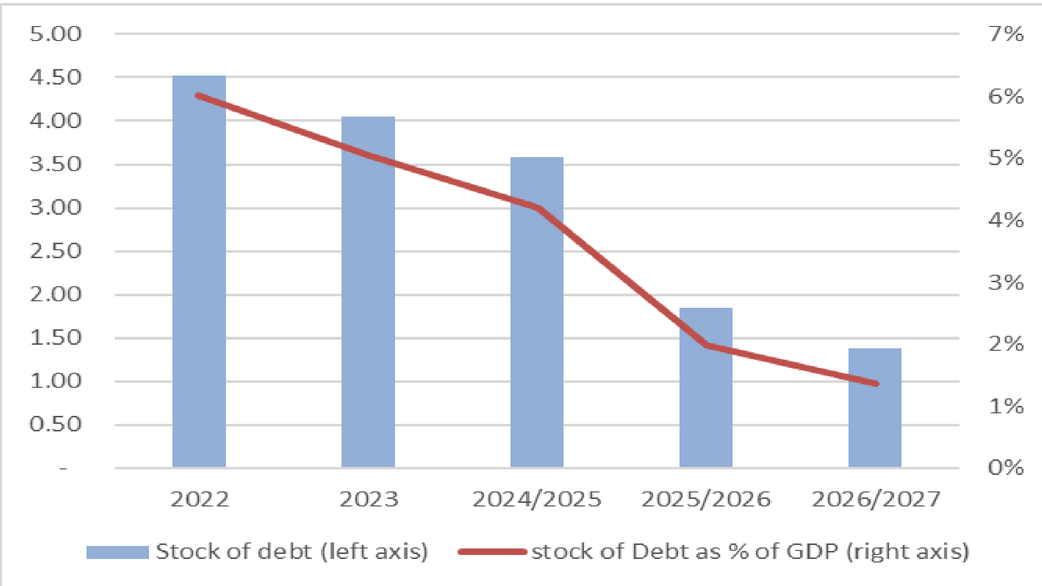
Table 7.1 below, shows the evolution of external debt during the last five years (financial years). The data is shown by both creditors, indicating the percentage distribution. Between fiscal years 2022 and 2026/2027, the ADB's external debt has shown a consistent downward trend, declining from AUD 2.69 million to AUD 1.38 million. This reduction represents a 48% decrease over the five-year period.

Table 7.1: Evolution of External debt, by creditor 2022 to 2026/27

Evolution of Central Government Stock of External Debt 2020/2021 -2024/2025 , by creditor					
In AUD million	2022	2023	2024/2025	2025/2026	2026/2027
ADB	2.69	2.51	2.32	1.85	1.38
As percentage of total debt	60%	62%	65%	100%	100%
ICDF	1.83	1.54	1.26	0	0
As percentage of total debt	40%	38%	35%	0%	0%
Total	**4.52**	**4.05**	**3.58**	**1.85**	**1.38**

The stock of external debt in terms of GDP shows a downward trend, from 5.1% in 2024/2025 to almost 2.7% in 2025/2026 and anticipated to go right down to 1.8% in 2026/2027. This decline in the debt-to-GDP is due to the experienced growth in GDP over the years as well as the steady decline in outstanding debt.

Graph 7: Evolution of external debt to GDP



The currency composition of external debt in 2025/26 remains 100 percent in Special Drawing Rights (SDR), reflecting the Government's single external creditor, the Asian Development Bank (ADB).

7.2 Debt Service

Over the period 2022 to 2026/27, total debt service continued to decline as the Government has not contracted any new debt since 2019. Debt service payments remained broadly stable by creditor, with repayments to the Asian Development Bank (ADB) averaging approximately AUD $0.23 million annually. Debt service to the International Cooperation and Development Fund (ICDF) averaged around AUD 0.28 million per year until 2025/26, after which the loan was fully repaid, reducing ICDF-related debt service to zero.

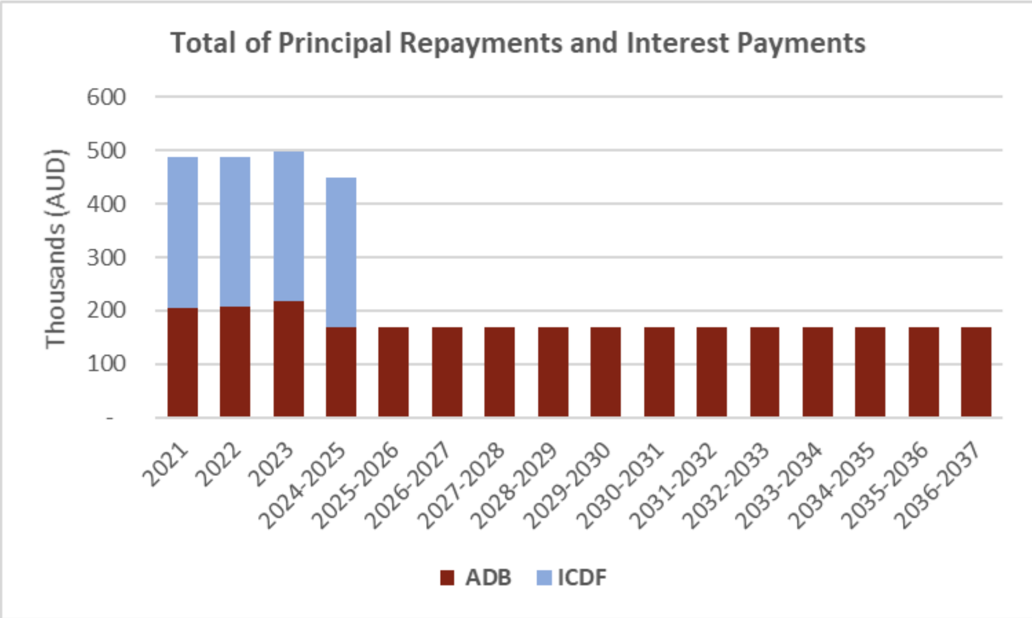
Debt service as a share of government revenue remained low and declined marginally from 0.71 percent to 0.68 percent over the period, indicating that debt obligations continue to impose a minimal fiscal burden. Debt service as a share of exports increased from 11.5 percent in 2022 to 15.6 percent in 2024/25 before falling sharply to 6.0 percent in 2025/26. The decline reflects strong growth in service export earnings, which has strengthened external debt-servicing capacity and reduced vulnerability to external shocks.

Table 4: Evolution of debt service 2022 to 2026/27, by creditor

Total Debt Service (in AUD millions)	2022	2023	2024/2025	2025/2026	2026/2027
Interest	0.04	0.04	0.04	0.04	0.03
Amortization	0.47	0.47	0.47	0.47	0.47
Total	0.51	0.51	0.51	0.50	0.50
By creditor					
ADB	0.23	0.23	0.22	0.22	0.22
ICDF	0.28	0.28	0.28	0.00	0.00
Total	0.51	0.51	0.51	0.22	0.22
Memo Items:					
Total debt service in % of Revenues	0.71%	0.73%	0.67%	0.79%	0.68%
Toral debt service in % exports	11.50%	13.78%	15.61%	6.02%	3.28%

The amortisation schedule for the period 2025/2026 to 2037/2038 reflects a structured and gradually declining repayment profile. In the initial four years (2025/2026 to 2028/2029), annual repayments are projected at AUD 0.47 million, representing the peak of the debt servicing period. During the 2025/2026 financial year, the ICDF loan was fully cleared, and therefore no further amortisation is recorded for ICDF in the subsequent years. This is followed by a reduction in total repayments to AUD 0.32 million in 2029/2030, after which payments stabilize at approximately AUD 0.18 million annually for the remainder of the period. In the final year, 2037/2038, the repayment amount further declines to AUD 0.092 million, marking the completion of the amortisation cycle. This gradual downward trend reflects the Government's continued practice of not contracting new external loans. Graph 7.2.2 below illustrates Tuvalu's existing amortisation profile through to the end of the current repayment schedule.

Graph 8: Amortization profile



7.3 Risk Indicators

The government debt portfolio reflects a low-cost structure, with a weighted average interest rate of just 0.89%, indicating very favorable borrowing terms. The average time to maturity (ATM) stands at 4.5 years, suggesting a moderate medium-term debt profile that helps reduce rollover risk. ATM for Tuvalu shows the residual maturity profile of the three existing loans. Any new borrowing on concessional terms will result in a substantial increase of the ATM. Additionally, only 13.7% of the debt is maturing within one year, which supports short-term liquidity and minimizes refinancing pressure.

From an interest risk perspective, the debt composition is highly stable, with 100% of the debt at fixed interest rates. This eliminates exposure to interest rate fluctuations and enhances predictability in debt servicing. However, the entire debt stock is denominated in foreign currency (FX debt at 100%), which introduces vulnerability to exchange rate movements. While the fixed-rate structure mitigates interest rate risk, the full exposure to foreign currency risk underscores the importance of maintaining adequate foreign reserves and monitoring exchange rate trends closely. Table 7.3 below shows the main cost and risk indicators for the central government's debt portfolio.

Table 7.3: Cost and Risk indicators for Tuvalu at end 2025/2026

Cost and Risk Indicators		Central Government Debt
Cost of debt	Weighted Av. IR (percent)	0.890
Refinancing risk	ATM (years)	4.5
	Debt maturing in 1yr (percent of total)	13.7
Interest rate risk	Fixed rate debt incl T-bills (percent of total)	100.0
FX risk	FX debt (percent of total debt)	100.0

Part 8 : SCHEDULES

Schedule 1: List of Capital Expenditures

Head	Ministry	Description	2026-2027 Estimates
B	OPM	General Grant	1,600,000
		COSFA	5,000,000
		Sub-Total	**6,600,000**
C	Legal Affairs	Expansion of Office Space & Law Library	70,000
		Sub-Total	**70,000**
F	MFED	Financial Support - DBT	1,000,000
		Financial Support - TTF Reinvestment	10,000,000
		Sub-Total	**11,000,000**
G	MPWIWD	5 Ton Dump Trucks and 10 Ton Backhoe	200,000
		Heavy Duty RIP Saw Bench	29,000
		Heavy Duty Surface Planner	21,000
		Heavy Duty Foldable Stack Rock/Shelving Double Deep/Comb Forklifts	120,000
		Road Rehabiliation	1,000,000
		Construction of the Nanumea new office building	1,200,000
		Sub-Total	**2,570,000**
L	MTECI	Domestic Air Service	3,067,350
		Procurement of a new Barge	5,100,000
		TEC New Generators and Consultants	6,415,500
		Sub-Total	**14,582,850**
M	MEHRD	Construction of 4 additional classrooms for Lotoalofa Primary School	260,080
		MSS Domitories	2,283,760
		Upgrading of National Sports Ground	1,937,980
		Sub-Total	**4,481,820**
Grand Total			**39,304,670**

Schedule 2: List of One-Off Expenditure

Head	Ministry	Description	2026-2027 Estimates
A	GG	Farewell and Welcome Ceremonies for the Outgoing and Incoming Governor-General	20,000
		Governor General and Delegation participation at the 2026 Glasgow Commonwealth Games	65,000
		Sub-Total	**85,000**
B	OPM	Housing Allowance	1,380,000
		Festival	334,000
		TILA	300,000
		Sub-Total	**2,014,000**
C	Legal Affairs	PILON Annual Meeting	40,000
		Sub-Total	**40,000**
F	MFED	System/Annual Subscription	600,000
		Cost of Living Implementation Activities	200,000
		Economic Response Plan	3,000,000
		Sub-Total	**3,800,000**
H	MOHSW	Recruitment and Salary Support for Contract Medical Officers and Nurses	150,000
		Supplies and Gears	86,750
		Infection Prevention and Control community and stakeholder's awareness program	10,000
		Establishment of National Eye Care Services for Tuvalu through procurement of essential Ophthalmic Equipment, Surgical sets and Consumables.	78,000
		Advanced Cardiovascular Life Support (ACLS)	6,000
		Sub-Total	**330,750**
I	MNRD	Native Lands Act Legislation Drafting - Consultant Fee	40,000
		Sub-Total	**40,000**
J	MCCE	Salary Contract - Fogafale	80,000
		Sub-Total	**80,000**

Head	Ministry	Description	2026-2027 Estimates
L	MTECI	Air Compressor	40,000
		Manufolau - Fumigation	68,770
		Manufolau - Slipping	1,000,000
		Hosting of the 19th Asia-Pacific Telecommunity Policy and Regulation Forum for the Pacific (PRFP-19)	101,370
		One-Off Settlement of Government Internet Service Payment	178,120
		Tuvalu Government Building Network Upgrade	100,000
		Digital Transformation Unit	300,000
		Energy Bill	20,920
		Miss Pacific Island Pagent	119,700
		Digital Nation	796,910
		DoT TV Legal and Marketing Support	480,300
		Sub-Total	**3,206,090**
M	MEHRD	Installation of Floodlights at MSS Sport Ground	5,000
		National Curriculum Review and Development	150,000
		Sub-Total	**155,000**
N	Judiciary	Case Management System	50,000
		Training for Lay Magistrates and Court Offices	80,000
		Sub-Total	**130,000**
O	MFALT	Payment of 25% of Oustanding Government Contribution to Local Office Costs	223,400
		Upgrading of furninshings for Charles Apartment	50,000
		Trade Policy Framework	63,600
		Government Co-Financing Suport for Tau Maketi in Funafuti and Outer Islands	118,800
		Support to Private Sector Organizations	9,080
		Mission - Repatriation	250,000
		Sub-Total	**714,880**
Grand Total			**10,555,720**

Schedule 3: Pipeline projects

Head	Ministry	Description	2026-2027 Estimates
F	MFED	Vehicle - Inland Revenue Department	60,000
G	MPWIWD	Nui Road Scalling	5,500,000
		Road Rehabilitation	5,000,000
		MET Office Fencing	25,906
J	MCCE	New Office for Environment Department	470,000
L	MTECI	Moeiteava - Work Boat	50,000
M	MEHRD	Installation of Sports Ground Fence and Floodlights at Tuvalu National Sports Ground	80,000
		Multipurpose Court for TASNOC	3,500,000
		National Gym Facility	1,400,000
N	JUDICIARY	Court House Build Nanumaga & Vaitupu	200,000
Grand Total			**16,285,906**

Schedule 4: Grants, Subsidies and Donation

Natural Account	Head	Description	2026-2027 Estimates
Grant - General	B	Tuvalu National Council of Women	25,000
	F	Tuvalu Broadcasting Corporation	200,000
	H	Tuvalu Family Health Association	25,000
		Tuvalu Red Cross Society	25,000
		Fusialofa	25,000
	I	Tuvalu Fisheries Authority	2,900,000
		National Fishing Corporation of Tuvalu	200,000
		Fishermen of Funafuti Association	50,000
	J	Tuvalu Assocition of Non-Government Organisations	25,000
	L	Tuvalu Maritime Training Institute	300,000
		Tuvalu Broadcasting Corporation	400,000
		Tuvalu Telecommunications Corporation	200,000
	M	Fetuvalu Secondary School	628,521
		Seventh Day Adventist Primary School	368,070
		Primary School	94,795
		Tuvalu Association of Sports and National Olympic	25,000
		Tuvalu National Youth Council	25,000
		Early Childhood Care and Education Teachers	1,356,534
	O	Tuvalu National Private Sector Organization	45,000
		Tuvalu Overseas Seamen's Union	25,000
Grant - VDS	B	Outer - Islands - Vessel Day Scheme	2,240,000
Grant - Block		Outer - Islands - Blocks	600,800
Grants - Salary Kaupule		Outer - Islands - Falekaupule	621,520
Subsidy	L	Tuvalu Electricity Corporation	3,500,000
		Tuvalu Maritime Training Institute	90,000
	M	Fetuvalu Secondary School	67,330
		Seventh Day Adventist Primary School	20,840
	O	Poultry Farming	3,070
Financial Support/Donations	A	Governor General Gifts to official guests	28,400
	B	Tuvalu Independence Day	65,800
		Handicraft Training - Culture	36,000
	F	Cost of Living	200,000
	J	Dog Operation	20,000
	L	Information Communication and Technology Services	162,790
	M	Youth Day	25,000
		Early Childhood Care and Education	52,530
	O	Tuvalu Independence Day in Fiji	20,000
Cost of Service Obligation	F	National Bank of Tuvalu	165,000
		Development Bank of Tuvalu	189,000
		Tuvalu Post Limited	132,660
Grand Total			**15,183,660**

Schedule 5: Grants to Island Communities

Island	COSFA	VDS	General Grant	Block Grant	Grant Salary Falekaupule	TOTAL
Nanumea	583,160	280,000	200,000	86,801	77,690	1,227,651
Nanumaga	522,890	280,000	200,000	75,082	77,690	1,155,662
Niutao	604,080	280,000	200,000	95,622	77,690	1,257,392
Nui	553,130	280,000	200,000	72,663	77,690	1,183,483
Vaitupu	822,500	280,000	200,000	93,208	77,690	1,473,398
Nukufetau	587,780	280,000	200,000	76,477	77,690	1,221,947
Funafuti	962,430	280,000	200,000	42,730	77,690	1,562,850
Nukulaelae	364,030	280,000	200,000	58,217	77,690	979,937
Grand Total	**5,000,000**	**2,240,000**	**1,600,000**	**600,800**	**621,518**	**10,062,318**