



Tuvalu

PUBLIC FINANCE ACT

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Tuvalu

PUBLIC FINANCE ACT

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PUBLIC FINANCE ACT

AN ACT TO MAKE PROVISION, ADDITIONAL TO THAT IN PART IX OF THE CONSTITUTION, FOR THE CONTROL, MANAGEMENT AND AUDIT OF THE PUBLIC FINANCES OF TUVALU AND FOR MATTERS CONNECTED THEREWITH AND INCIDENTAL THERETO¹

Commencement [1st October 1978]

PART I - PRELIMINARY

1 Short title and construction

- (1) This Act may be cited as the Public Finance Act.
- (2) This Act shall be subject to, read in conjunction with and construed as one with the provisions of Part IX of the Constitution.

2 Interpretation

In this Act unless the context otherwise requires —

“**accountable officer**” means any public officer, including an accounting officer, concerned in or responsible for the collection, receipt, custody, issue or payment of public moneys, stores, stamps, investments, securities or negotiable instruments whether the same are the property of the Government or on deposit with or entrusted to the Government or to any public officer in his official capacity either alone or jointly with any other public officer or any other person;

“**accounting officer**” means any public officer appointed under the provisions of this Act and charged with the duty of accounting for any service in respect of which moneys have been appropriated;

“**Appropriation Act**” means any Act to apply a sum out of the Consolidated Fund to the service of a financial year and includes a Supplementary Appropriation Act;

“**Consolidated Fund**” means the Consolidated Fund of Tuvalu established by section 171(1) of the Constitution;

“**Crown Agents**” means the Crown Agents for Overseas Governments and Administrations;

“**Expenditure Head**” or “**Head**” means the total sum applied to and appropriated for any purpose by an Appropriation Act or Supplementary Appropriation Act;

“**financial year**” means the period of 12 months ending on 30 June in any year;²

“**public moneys**” include —

- (a) all revenues or other moneys raised or received for the purpose of the Government of Tuvalu;
- (b) any other moneys or funds held, whether temporarily or otherwise, by any public officer in his official capacity either alone or jointly with any other person, whether a public officer or not;

“**public officer**” and “**public service**” have the meanings respectively assigned to those terms by section 2(1) of Schedule 1 to the Constitution;

“**public stores**” means all chattels of whatsoever nature the property of or in possession of or under the control of the government;

“**sitting**” means, in relation to Parliament, any period during which Parliament is sitting continuously without adjournment and includes any period during which Parliament is in committee;

“**statutory expenditure**” means expenditure charged on the Consolidated Fund by any written law (including this Act) other than an Appropriation Act;

“**Supplementary Appropriation Act**” means any Act the purpose of which is the appropriation of moneys in supplementation of the appropriation already made by an Appropriation Act.

PART II - POWERS AND DUTIES OF MINISTER

3 Supervision of finances

- (1) The Minister shall so supervise the finances of the Government as to ensure that a full account is made to Parliament and for such purposes shall, subject to the provisions of this Act, have the management of the Consolidated Fund and the supervision, control and direction of all matters relating to the financial affairs of the Government.

- (2) In the discharge of the duties imposed upon him by subsection (1) the Minister —
- (a) shall take all proper steps to ensure that any regulations made or directions and instructions given pursuant to the provisions of section 12 are brought to the notice of all persons directly affected thereby but subject as aforesaid and notwithstanding the provisions of section 25 of the Interpretation and General Provisions Act³ the Minister shall not be bound to cause such regulations to be published by exhibition or to be printed in the *Gazette*;
 - (b) shall be entitled to inspect all Government offices and shall be given access at all times thereto and shall be given all available information he may require with regard to the moneys and property specified in section 6 and to all documents and records in respect thereof so far as may be necessary for the purpose of compliance with subsection (1).
- (3) In the discharge of his duties in connection with the management and operation of the Government's accountancy organization and central treasury, the Minister shall —
- (a) ensure the maintenance of a system that brings promptly and properly to account all moneys received and paid by the Government;
 - (b) refuse payment on any voucher wrong or insufficient in content, or that contravenes any regulations, directions or instructions properly made or given under this or any other Act for the management of public moneys, or that is in his opinion in any other way unacceptable as a charge on the public moneys;
 - (c) investigate or cause to be investigated any defect in departmental control of revenue, expenditure, cash, stamps and other property of the Government that may be brought to his notice;
 - (d) ensure, so far as is practicable, that adequate provision is made for the safe custody of public moneys and stamps and for the control of Government property;
 - (e) require that the control, management and audit of public finances shall be conducted in accordance with generally accepted international accounting practices and take into consideration the requirement for good stewardship and developing practices with respect to the reporting of public finances.

4 National Budget

The National Budget prepared in terms of section 169 of the Constitution shall be in such form as the Minister may determine or as Parliament may direct:

Provided that —

- (a) the estimates of statutory expenditure shall show the sums to be issued from the Consolidated Fund to meet the expenditure on such service and shall contain a reference to the law authorising expenditure on such service to be charged on the Consolidated Fund;
- (b) the estimates of each Expenditure Head shall —
 - (i) describe the ambit of the Head; and
 - (ii) show the sum required to be applied to such Head by appropriation from the Consolidated Fund; and
 - (iii) contain a reference to the accounting officer appointed in respect of such Head.

5 Power to make regulations

The Minister may make such regulations and may give such directions and instructions as may appear to him to be necessary and expedient for the proper carrying out of the intent and purposes of this Act and for the safety, economy and advantage of the public revenue and property.

6 Accounting and accountable officers to obey instructions

Every accounting officer and every accountable officer shall obey all regulations made and directions or instructions given by the Minister or under powers delegated by him in respect of the custody and handling of and the accounting for public moneys, public stores, stamps, investments, securities or negotiable instruments whether the property of the Government or on deposit with or entrusted to the Government or to any public officer in his official capacity either alone or jointly with any other public officer or any other person.

7 Saving in relation to trusts

Nothing in this Act shall extend to, abridge or alter the terms of any trust or shall be construed as authorising the Minister to make any regulations or to give any directions or instructions requiring any person to obey such regulations, directions or instructions in relation to moneys held on trust which contravene or are inconsistent with the terms of such trust.

PART III - THE CONSOLIDATED FUND

8 Repayments from Consolidated Fund

Without prejudice to any other expenditure which may be authorised by this or any other Act, expenditure by the Minister from the Consolidated Fund is hereby

authorised for the purpose of repaying any moneys received in error by the Consolidated Fund or for the purpose of paying such sums as may be required for drawbacks, rebates or discounts.

9 Revenues and other moneys to be paid into Consolidated Fund

- (1) Subject to sections 19 and 20 all revenues and other moneys raised or received for the purpose of the Government of Tuvalu shall be paid into the Consolidated Fund in accordance with the instructions of the Minister.
- (2) For the avoidance of doubt it is hereby declared that the reference to moneys raised or received for the purpose of the Government does not include moneys received on deposit.

10 Payments

- (1) The Minister shall from time to time authorise the issue from the Consolidated Fund of sums coming in the course of payment during the financial year for statutory expenditure.
- (2) On the coming into operation of any Appropriation Act or Supplementary Appropriation Act the Minister shall authorise by Warrant under his hand the issue and payment from the Consolidated Fund of such sums as may have been applied to the service of the financial year by such Appropriation Act.
- (3) Notwithstanding the issue of a Warrant, it shall be within the discretion of the Minister to limit or suspend at any time expenditure (not being statutory expenditure) with or without cancelling the Warrant if in his opinion financial exigencies or the public interest so require.

11 Consolidated Fund moneys to be kept with specified banks

All sums accounted for in the Consolidated Fund shall be kept with such bank or banks as the Minister shall from time to time determine:

Provided that this section shall not apply to moneys invested under the provisions of section 12.

12 Investment of moneys

- (1) The Minister may authorise the investment of moneys forming part of the Consolidated Fund with a bank either at call or subject to notice not exceeding 12 months or with the Joint Consolidated Fund administered by the Crown Agents or in a manner authorised for the investment of property in the hands of trustees by any law for the time being in force in England.

- (2) All investments made under this section together with any interest received therefrom shall form part of the Consolidated Fund, and the issue of such moneys from the Consolidated Fund for the purpose of such investment shall be deemed to be statutory expenditure.

13 Advances

- (1) Subject to the provisions of this section, the Minister may authorise the disbursement of moneys forming part of the Consolidated Fund or of other public moneys for the purpose of making advances —
 - (a) on behalf of, and recoverable from, any other Government;
 - (b) to, or on account of, any Special Fund where such advances are recoverable before the close of the financial year in which such advances are made;
 - (c) to public officers for such purposes and on such terms and conditions as may be prescribed from time to time;
 - (d) to meet expenditure authorised by a Loan Act in anticipation of the receipt of any instalment of the loan authorised by such Act;
 - (e) in accordance with a specific agreement, to agents appointed by the Government to perform functions on its behalf;
 - (f) for such other purposes and subject to such terms and conditions as Parliament may from time to time approve.
- (2) The total of the sums issued and disbursed for the purpose of making advances shall not exceed in aggregate at any one time after deducting repayments an amount of \$750,000.⁴

14 Money issued but not spent to be paid to the Consolidated Fund

Every appropriation by Parliament of public moneys for the service of any financial year shall lapse and cease to have any effect at the close of that financial year, and any moneys issued from the Consolidated Fund but not spent shall be repaid to the Consolidated Fund.

15 Interim expenditure

- (1) If the Appropriation Act in respect of any financial year has not come into operation by the beginning of that financial year, Parliament by resolution may empower the Minister to authorise the issue of monies from the Consolidated Fund for the purpose of meeting expenditure necessary to carry on the public services at a level not exceeding the level of those services in the previous financial year, until the expiration of four months from the beginning of that financial year or the coming into operation of the Appropriation Act, whichever is the earlier.

- (2) Where at any time Parliament has been dissolved before any provision or any sufficient provision is made for the financing of the carrying on of the Government of Tuvalu, the Minister may issue a warrant for the payment out of the Consolidated Fund of such sums as he may consider necessary for the continuance of the public services from the date of dissolution until the expiry of a period of 3 months commencing with the date on which Parliament first meets after that dissolution, but a statement of the sums so authorised shall as soon as practicable be laid before Parliament and the aggregate sums shall be included, under the appropriate heads, in the next Appropriation Bill.
- (3) Where in respect of any financial year the Minister is satisfied that an urgent and unforeseen need has arisen to authorise for any purpose advances from the Consolidated Fund for expenditure in excess of the sum appropriated for that purpose by an Appropriation Act, or for a purpose for which no sum has been appropriated, he may, subject to the provisions of subsection (4) authorise such advances by warrant and shall include such amount in a Supplementary Appropriation Bill for appropriation at the meeting of Parliament next following the date on which the warrant was issued.
- (4)
 - (i) A warrant under subsection (3) may be issued only if:
 - (a) funds cannot be provided under section 17 of this Act; and
 - (b) the expenditure cannot be deferred without detriment to the public interest.
 - (ii) The total of sums authorised to be advanced in anticipation of the grant of an appropriation shall not exceed at any one time the sum of \$750,000.⁵
 - (iii) Upon the grant of an appropriation to meet the expenditure in respect of which an advance was made from the Consolidated Fund, the warrant authorising such advance shall cease to have effect and the advance shall be deemed to have been made for the purpose of the grant and shall be accounted for accordingly.

16 Accounting officers

- (1) An accounting officer shall be appointed in respect of each Expenditure Head for any financial year to control and account for the expenditure of moneys applied to that Head by any Appropriation Act.
- (2) An accounting officer shall be personally accountable for all public moneys received, collected or disbursed and for all public stores received, held or disposed of by or on account of the department or service for which the Head for which he is the accounting officer is provided.
- (3) An accounting officer may, and shall if so required by the Minister, define in writing the extent to which the powers and duties conferred or imposed upon him may be exercised or performed on his behalf by any public officer under

his control and give such directions as may be necessary to secure the proper exercise or performance of such powers and duties.

17 Reallocations within Heads

- (1) If in the opinion of the Minister the exigencies of the public service render it necessary or expedient to vary the sum assigned to any purpose within any Expenditure Head shown in the estimates of expenditure for any financial year, or to make provision for a new purpose within such Head, he may direct by means of a Virement Warrant under his hand that there shall be applied in aid of any purpose for which the sum assigned may be deficient or in aid of any new purpose a further sum out of any surplus arising on any sum assigned to any other purpose within the same Head:

Provided that —

- (i) the sum appropriated to any Head by the Appropriation Act and by any Supplementary Appropriation Act is not thereby exceeded; and
 - (ii) any new purpose to which any sum is assigned shall be within the ambit of the Head.
- (2) Any Virement Warrant issued under subsection (1) shall be laid before Parliament at its sitting next following the date on which such Virement Warrant was signed.

18 Restrictions on borrowing

- (1) The Government shall not borrow money except in accordance with the provisions of a written law.
- (2) The powers conferred by any general or specific Loans Act or by an Appropriation Act to borrow money by means of advances from a bank or from the Crown Agents may be exercised by means of a fluctuating overdraft.
- (3) Except as otherwise provided by or under any other law for the time being in force, any money borrowed by the Government shall be paid into and form part of the Consolidated Fund or such other public fund as the Minister may in each case designate and shall be available in any manner in which the Consolidated Fund or such other public fund, as the case may be, is available.
- (4) An account set up by an advance made in accordance with a specific agreement under section 13(1)(e) may be overdrawn in accordance with that agreement but shall be reimbursed as soon as possible.
- (5) Except as otherwise provided by or under any other law for the time being in force the principal money and all interest and other charges on any money borrowed by the Government, and the interest upon any imprest account overdrawn under sub-section (4), shall be charged upon and paid out of the

Consolidated Fund or such other public fund as the Minister may in each case designate without further appropriation than this Act.

PART IV - OTHER PUBLIC FUNDS

19 Development Fund

- (1) There is hereby established a capital fund to be known as the Development Fund, which shall not form part of the Consolidated Fund and which shall not be a Special Fund within the meaning of section 20 of this Act.
- (2) The Development Fund shall consist of the following moneys —
 - (a) such moneys as may be appropriated for the purpose by Parliament;
 - (b) moneys received from any other government and any body or person as grants to the Government of Tuvalu for development purposes;
 - (c) moneys received from the proceeds of loans raised for the purpose by or on behalf of the Government;
 - (d) moneys received by way of interest or dividend on any investment or loan of any moneys belonging to the Development Fund;
 - (e) moneys earned by or received in reimbursement of any project financed wholly or in part from the Development Fund:

Provided that the moneys referred to in paragraph (b), (d) or (e) may with the prior approval of Parliament in any case be paid into the Consolidated Fund or such other public fund as the Minister may in each case designate.

- (3) The Development Fund shall be operated in accordance with the Rules set out in the Schedule to this Act.
- (4) The Minister may by order amend the Rules set out in the Schedule but shall cause a copy of any order so made to be laid before Parliament at its sitting next following the date on which the order comes into operation.
- (5) Subject to the provisions of this section any moneys forming part of the Development Fund which are not required for immediate use for development purposes may be invested in like manner to that permitted by section 12(1) of this Act in respect of the Consolidated Fund.

20 Special Funds

- (1) The Minister may from time to time by order establish Special Funds which shall not form part of the Consolidated Fund. Any such fund may consist of sub-heads and shall be governed by the provisions of this section and the moneys of such a fund may only be expended for the purposes for which it was established.⁶

- (2) There shall be paid into any Special Fund all revenue of the Government exclusively relating to or derived from the subject-matter of such a fund together with any moneys appropriated for that purpose by Parliament.
- (3) The Minister shall, subject to the provisions of this section, have the management of any Special Fund established under this section and for such purposes may —
 - (a) authorise the investment of moneys standing to the credit of any Special Fund;
 - (b) by order direct that any Special Fund or any sub-head under a Special Fund be wound up;⁷
 - (c) make regulations for the control and operation of any Special Fund.
- (4) Where the Minister directs that any Special Fund shall be wound up, thereupon, after all liabilities of such Fund have been paid, the Fund shall be closed accordingly and the balance of moneys standing to the credit of such Fund shall be paid into the Consolidated Fund.

PART V - DEPOSITS

21 Deposits

Any moneys, not being moneys raised or received for the purposes of the Government, which may be deposited with the Government (such moneys being hereinafter called “deposits”) shall not form part of the Consolidated Fund and except as provided in this Act shall not be applied in any way for the purposes of the Government.

22 Investment of deposits

- (1) The Minister may authorise the investment of deposits in like manner to that provided by section 12(1) in respect of the Consolidated Fund.
- (2) Any interest or dividend received in respect of deposits invested in accordance with subsection (1) shall be paid into the Consolidated Fund.

23 Deposits may be used to finance advances

Subject to the provisions of this section, the Minister may authorise the use of deposits for the purpose of making advances for all or any of the purposes specified in section 13(1):

Provided that deposits shall not be so used where the advance in question is repayable or recoverable as the case may be after the close of the financial year in which such advance is made.

24 Unclaimed deposits

Any deposit which is unclaimed for 5 years shall be paid into the Consolidated Fund for the public purposes of the Government:

Provided that if any person entitled thereto shall subsequently prove to the satisfaction of the Minister his claim to any such deposit the Minister shall thereupon refund to such person his deposit.

PART VI - THE AUDITOR-GENERAL**25 Duty in respect of accounts**

In exercising his powers of audit and examination of accounts, the Auditor-General shall satisfy himself —

- (a) that all reasonable precautions have been taken to safeguard the collection and custody of revenue and that the Acts, directions and instructions relating thereto have been duly observed;
- (b) that all moneys which have been appropriated and disbursed have been applied to the purposes for which they were appropriated, and that the expenditure conforms to the authority which governs it;
- (c) that all public moneys other than those which have been appropriated have been dealt with in accordance with proper authority;
- (d) that all reasonable precautions have been taken to safeguard the receipt, custody, issue and proper use of cash, stamps, securities and stores and that the regulations, directions and instructions relating thereto have been duly observed;
- (e) that adequate regulations, directions or instructions exist for the guidance of accounting officers and accountable officers; and
- (f) that expenditure has been incurred with due regard to economy and the avoidance of waste.

Notwithstanding the provisions of this section the Auditor-General shall not be required to examine, inquire into or audit the accounts of any trust or other fund or account not provided for in section 31 unless the officer administering such fund or account has been directed by the Minister as provided in subsection (2)(b) of that section, to prepare, sign and transmit to the Auditor-General an account of such fund or account.

26 Powers of Auditor-General

- (1) In the exercise of his duties to audit, inquire into and examine accounts the Auditor-General may —

- (a) call upon any officer for any explanation and information which he may require in order to enable him to discharge his duties;
 - (b) authorise any person publicly carrying on the profession of accountant or any public officer to conduct on his behalf any inquiry, examination or audit and such person or officer shall report thereon to the Auditor-General;
 - (c) without the payment of any fee cause search to be made in and extracts to be taken from any book, document or record pertaining to matters of finance or accounts in any public office;
 - (d) lay before the Attorney-General a case in writing as to any question regarding the interpretation of any Act or regulation concerning the powers of the Auditor-General or the discharge of his duties, and the Attorney-General shall give a written opinion upon such question.
- (2) In the exercise of his duties the Auditor-General or any person duly authorised by him in writing shall have access to all records, books, vouchers, and documents pertaining to matters of finance and accounts, and to all cash, stamps, securities, stores or other Government property of any kind whatsoever in the possession of any public officer.
 - (3) Anything which, under the authority of this Act and any other law for the time being in force, is directed to be done by the Auditor-General other than the certifying of and reporting on accounts, may be done by any person duly authorised by him in writing.⁸

27 Discretion with regard to vouchers etc.

- (1) Notwithstanding the provisions of sections 25 and 26, in the examination of any account it shall be lawful for the Auditor-General, in cases where it shall appear to him to be reasonable and expedient for the public service and after satisfying himself that the vouchers have been examined and certified as correct by an accounting officer, to admit and allow without further examination the sums so certified in support of the charges to which they relate.
- (2) In his examination of any account the Auditor-General may, in cases where the accuracy and propriety of the payment is not in doubt, admit and allow any voucher supporting such payment notwithstanding that such voucher is defective in some particular.
- (3) In the event that any voucher —
 - (a) has been lost or inadvertently destroyed; or
 - (b) is not admitted and allowed by the Auditor-General under subsection (2),the Minister may, if upon due inquiries he is satisfied as to the accuracy and propriety of the payment and as to the circumstances of such defect, loss or destruction, authorise the payment to stand charged in the accounts and the

Auditor-General shall accept such voucher or dispense with its production as the case may be.

28 Limit on duties of Auditor-General

- (1) The Auditor-General shall not be required to undertake any examination of accounts partaking of the nature of a pre-audit which involves the acceptance by him of responsibility which would preclude him from full criticism of any accounting transaction after such transaction has been duly recorded.
- (2) The Auditor-General shall not be required to undertake any duties outside those pertaining to his office if in his opinion such duties are incompatible with the responsibilities and duties of that office.

29 (repealed)⁹

30 Acting Auditor-General

Every person appointed to act as the Auditor-General, during the period he is so acting, shall have and may exercise all the powers and authority of, and shall perform the duties imposed upon, the Auditor-General by the Constitution, this Act or any other law for the time being in force.¹⁰

PART VII - THE AUDIT AND EXAMINATION OF PUBLIC ACCOUNTS

31 Annual Accounts¹¹

- (1) The Minister shall, within six months or such longer period of time appointed by Parliament after the end of each financial year, transmit to the Auditor General clear and comprehensible annual financial statements.
- (2) The financial statements under subsection (1) shall be prepared in a format consistent with the internationally recognized public sector reporting standards.

32 Report on accounts

- (1) On receipt of the accounts prescribed by section 31 the Auditor-General shall cause them to be examined and audited and shall, within a period of 9 months (or such longer period as Parliament may appoint) after the end of the financial year to which the accounts relate, certify in respect of each account the result of the examination and audit and shall within the aforesaid period prepare and

sign and transmit to Parliament a report upon the examination and audit of all such accounts, together with copies of the accounts, certified as aforesaid.

- (2) The Auditor-General may, and if so required by Parliament shall, transmit to Parliament, a report on any Heads in excess and any shortfalls of revenue collected against heads of revenue.
- (3) The Auditor-General may at any time if he considers it desirable, transmit a special report to Parliament. Such special report may be made on any matter incidental to his powers and duties under the Constitution, this Act or any law for the time being in force.¹²

33 Powers of Parliament

- (1) Every report of the Auditor-General laid before or presented to Parliament under this or any other section shall be dealt with by Parliament in the manner prescribed by its rules of procedure.
- (2) In this and the preceding section any reference to Parliament may be construed so as to include a reference to the Public Accounts Committee.

34 Irregularities

If at any time it appears to the Auditor-General that any irregularities have occurred in the receipt, custody, issue or expenditure of public moneys or in the receipt, custody, issue, sale transfer or delivery of any stamps, securities, stores or other Government property, or in the accounting for the same, he shall immediately bring the matter to the notice of the accounting officer concerned and the Minister.

PART VIII - EXAMINATION AND AUDIT OF ACCOUNTS OF STATUTORY BODIES

35 Accounts of statutory bodies¹³

- (1) Unless other provision is made by or under an Act of Parliament in respect of the audit and examination of them, the Auditor-General shall audit and examine, and report to Parliament on the accounts, finances and property of —
 - (a) each branch, department, agency and instrumentality of the Government; and
 - (b) each body set up by an Act of the Parliament, or by executive or administrative act of the Government for governmental or official purposes.
- (2) Notwithstanding that other provision for examination or audit is made as referred to in subsection (1), the Auditor-General may, if he thinks it proper to

do so, examine and audit, and report to Parliament on, any accounts, finances or property of an organization referred to in that subsection so far as they or it relate to, or consist of or are derived from, public money or property of Tuvalu.

- (3) In the exercise of the duty imposed and power conferred upon him by this section, the Auditor-General shall have in relation to an organization referred to in subsection (1) and its members, officers and employees, the same powers and discretion as are conferred upon him by sections 25 and 26 in relation to public officers, public moneys, stamps, securities, stores or other Government property.

36 (repealed)¹⁴

37 Audit fees to be charged

Any corporation and any statutory board, body or commission the accounts of which are audited by the Auditor-General under the provisions of section 35 shall in respect of such audit pay such fee as may, with the concurrence of the Minister, be determined by the Auditor-General:

Provided that the Minister may, in any case in which it shall appear to him to be in the public interest that no audit fee shall be paid, direct the Auditor-General to waive the payment of such fee.

PART IX - ABANDONMENT OF CLAIMS, ETC., AND WRITE-OFF OF PUBLIC MONEYS AND STORES

38 Abandonment of claims and write-off of public moneys and stores

- (1) Parliament may, by resolution, authorise the Minister to the extent specified in such resolution to abandon and remit any claim by or on behalf of the Government or any service thereof and to write-off losses of public moneys, stores or other moveable property belonging to the Government or provided for the public service.
- (2) Such resolution may be in general terms and of continuing application and may be made retrospective to any date.
- (3) The Minister may by writing under his hand delegate to any public officer any of the powers which he is authorised to exercise by resolution of Parliament under this section.

39 Disposal of serviceable stores or property

The Minister may authorise the gift of serviceable Government stores or property not required for Government purposes to institutions or organizations in Tuvalu established solely or principally for educational, scientific, cultural or charitable purposes:

Provided that where the value of such stores or property exceeds \$1,000 the prior approval of Parliament shall be required.

SCHEDULE

(Section 19(3))

RULES FOR THE OPERATION OF THE DEVELOPMENT FUND

1.
 - (1) No moneys shall be issued from the Development Fund (hereinafter called “the Fund”) for the purpose of meeting any expenditure except in accordance with a Development Warrant under the hand of the Minister.
 - (2) Subject to rules 3, 4, 5 and 6 no Development Warrant shall be issued unless the expenditure in question has been authorised by Parliament by resolution.
2.
 - (1) The Minister shall cause to be prepared in each financial year estimates of the revenue and expenditure of the Fund for the next following year.
 - (2) The proposals for all expenditure contained in the estimates shall be submitted to Parliament before the end of the financial year to which they relate, together with a statement showing the estimated balance of the Fund at the commencement of the next financial year and the anticipated revenue accruing to and total expenditure from the Fund during the next financial year.
3.
 - (1) If Parliament has not yet authorised for any financial year the expenditure of sums necessary to finance the continued construction and provision of development works for which provision was made from the Fund in the previous financial year the Minister may by warrant authorise the issue from the Fund of such sums as are necessary to finance the continued construction and provision of such works to enable such works to be carried out for a period of 4 months or until the expenditure of sums necessary to finance the continued construction and provision of such works has been approved by Parliament whichever is the shorter period.
 - (2) Notwithstanding paragraph (1) no sum may be issued under this rule in respect of any subhead where such sum would be in excess of 20 per cent of the estimate of the total cost for such sub-head as it appears in the development estimates or supplementary development estimates approved by Parliament.
4.
 - (1) When in any financial year the development estimates or supplementary development estimates for that year include an estimate of total cost for any subhead, over any period, which is in excess of the total sum appropriated for that sub-head for the current year the Minister may by warrant authorise the

expenditure of any sum which, when added to the expenditure incurred on the corresponding sub-head in previous years and to the expenditure already authorised for the same sub-head for the current year, does not cause to be exceeded the latest estimate of total cost for that sub-head included in the development estimates or supplementary development estimates approved by Parliament for that year.

- (2) When at the commencement of any financial year the provision included for any sub-head in the development estimates or supplementary development estimates of the immediately preceding financial year has been only partially expended the Minister may by warrant authorise the expenditure of the unspent balance of such provision under a corresponding sub-head in the current financial year:

Provided that the amount so authorised shall not when added to the expenditure incurred in previous years and to the provision already made in the current year, exceed the latest overall estimate of total cost for the sub-head included in any development estimates or supplementary development estimates approved by Parliament.

- (3) No warrant under this rule shall authorise the issue of an amount which if it were expended at once would exceed the balance of the Fund remaining after all other expenditure authorised for the year has been provided for.
5. The Minister may by warrant authorise the issue from the Fund of such sum as may be necessary for expenditure under any sub-head of a special character which is not provided for in the expenditure already authorised by Parliament for that year and which cannot or cannot without serious injury to the public interest be postponed until adequate provision can be made by Parliament:

Provided that no such warrant shall authorise the issue of an amount which if it were expended at once would exceed the balance of the Fund remaining after all other expenditure authorised for that year has been provided for.

6.

- (1) The Minister may in any year by warrant authorise the issue from the Fund of such additional sum as may be necessary for expenditure under any sub-head which has been authorised by Parliament for that year and the issue of which cannot without serious injury to the public interest be postponed until adequate provision can be made by Parliament:

Provided that no such warrant shall authorise the issue of a sum in excess of 20 per cent of the latest estimate of total cost for that sub-head as included in any development estimate except under the provisions of rule 5.

- (2) No warrant under this rule shall authorise the issue of an amount which if it were expended at once would exceed the balance of the fund remaining after all other expenditure authorised for the year has been provided for.

7. The Minister shall at the sitting of Parliament next following the issue of any warrant under rule 4, 5 or 6 present a supplementary estimate covering the expenditure to Parliament for its approval.

ENDNOTES

¹ 1990 Revised Edition; Acts 5 of 1978, 1 of 1986, 3 of 1989 and 9 of 1990

Amended by Act 19 of 1991, commencement 1 December 1992 by GN 5/1992

Amended by Act 1 of 2001, commencement 5 May 2001 by LN 5/2001

Amended by Act 4 of 2009, commencement 6 July 2009

Amended by Act 6 of 2018, commencement 28 November 2018

Amended by Act 1 of 2019, commencement 17 April 2019

Amended by Act 11 of 2023, commencement 22 December 2023

Cross references to the repealed 1986 Constitution, have been changed to references to the new Constitution, in accord with Schedule 5 clause 2 of the 2023 Constitution

² Amended by Act 11 of 2023

³ Cap. 1.04

⁴ Amended by Act 4 of 2009

⁵ Amended by Act 1 of 2001

⁶ Amended by Act 6 of 2018

⁷ Amended by Act 6 of 2018

⁸ Inserted by Act 19 of 1991

⁹ Repealed by Act 19 of 1991

¹⁰ Substituted by Act 19 of 1991

¹¹ Substituted by Act 1 of 2019

¹² Inserted by Act 19 of 1991

¹³ Substituted by Act 19 of 1991

¹⁴ Repealed by Act 19 of 1991