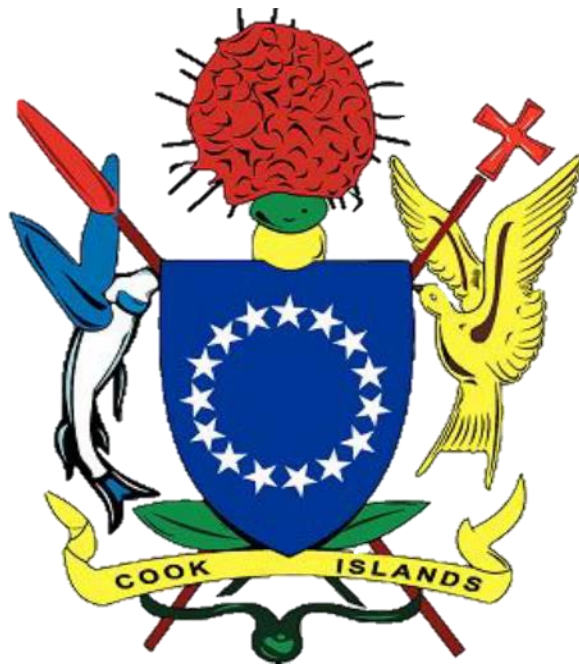

COOK ISLANDS GOVERNMENT
BUDGET ESTIMATES
2024/25

Appropriation Bill 2024



Hon. Mark Brown
Minister of Finance

May 2024



PARLIAMENT OF THE COOK ISLANDS

APPROPRIATION BILL 2024

EXPLANATORY NOTE

This note does not form part of the Bill but is intended to indicate its effect.

The Constitution of the Cook Islands provides in Article 70 (1) that “... all expenditure from the Cook Islands Government Account or from any other public fund or account, shall be in accordance with an Appropriation Act...”

Clause 1 provides that, on enactment, the Bill will be called the Appropriation Act 2024.

Clause 2 is the application provision, which specifies the financial year to which the Bill relates. In this case it is the financial year ending 30th June 2025.

Clause 3 authorises expenditure out of the Cook Islands Government Account of the amounts not exceeding those set out in the Schedules to the Bill, for the several votes specified therein.

Subsection 5 limits any expenditure which may be charged to the 2024/25 appropriation to actual expenditure incurred in the period 1 July 2024 to 30 June 2025.

Subsections 6-7 limits any expenditure which may be charged to the 2023/24 appropriation to actual expenditure incurred up to 30 June 2024.

Subsection 8 limits any expenditure which may be charged to appropriations from years prior to 2023/24 to actual expenditure incurred up to 30 June 2024.

Note: The Budget Estimates will be available with the Bill. The breakdown of items and amounts, to justify the figures in the Bill, are presented in the Estimates.

Appropriation Bill 2024

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Summary

An Act to appropriate certain sums of money out of the Cook Islands Government Account to the services of the year ending on the thirtieth day of June 2025 and to appropriate the supplies granted in this period.

MOST GRACIOUS SOVEREIGN: We, Your Majesty's most dutiful and loyal subjects, the Parliament of the Cook Islands, towards making good the supply which we have cheerfully granted to Your Majesty in this year, have resolved to grant Your Majesty the sum specified in this Act and humbly ask Your Majesty to assent to the sum. And the Parliament of the Cook Islands enacts as follows—

1 Title

This Act is the Appropriation Act 2024.

2 Application

This Act applies to the year ending on the thirtieth day of June 2025 (“the year”).

3 Grant and appropriation out of the Cook Islands Government Account

- (1) The Minister responsible for Finance may authorise the incurrence of expenses or expenditure and may issue and apply out of the Cook Islands Government Account, towards making good the supplies granted to His Majesty for the services of the year, any sums which in total do not exceed the sum of **\$328,317,886**.
- (2) Subject to subsection (3) the sums authorised to be supplied are appropriated for the services set out in the votes specified in the Schedules to this Act.
- (3) The votes identified in Schedule 4 to this Act as being funded through loans from financing partners or from grants by development partners are further limited to the lesser of the votes specified in those Schedules and the loan proceeds or grants received for the purpose of financing the expense or expenditure in relation to those votes.

- (4) Notwithstanding Section 37 of the Ministry of Finance and Economic Management Act 1995-96, the appropriations made under this Act will lapse on 30 June 2025.
- (5) Payments that may be charged against any appropriation made by this Act after 30 June 2025 are limited to—
 - (a) self-balancing journal entries to correct posting errors during the year ended 30 June 2025; or
 - (b) expenses incurred or payments due during the year ended 30 June 2025 for which a valid invoice was submitted before 30 June 2025, but for which a payment or payments to extinguish that liability in relation to that invoice had not been made by 30 June 2025.
- (6) The appropriations made in the Appropriation Amendment Act 2023 will lapse on 30 June 2024.
- (7) Payments that may be charged after 30 June 2024 against any appropriation that lapses under the provisions of subsection (6) are limited to—
 - (a) self-balancing journal entries to correct posting errors during the year ended 30 June 2024; or
 - (b) expenses incurred or payments due during the year ended 30 June 2024 for which a valid invoice was submitted before 30 June 2024, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2024.
- (8) Where in the period ended 30 June 2024, the Financial Secretary appointed under section 4 of the Ministry of Finance and Economic Management Act 1995-96 had directed that an unexpended appropriation from an Appropriation Act for a previous year be available for expenditure in the year ended 30 June 2024, those appropriations will also lapse on 30 June 2024.
- (9) Payments that may be charged after 30 June 2024 against any appropriation that lapses under the provisions of subsection (8) are limited to—
 - (a) self-balancing journal entries to correct posting errors during the year ended 30 June 2024; or
 - (b) expenses incurred or payments due during the year ended 30 June 2024 for which a valid invoice was submitted before 30 June 2024, but for which a payment or payments to extinguish the liability in relation to that invoice had not been made by 30 June 2024.

Schedule 1
Agency Budget Appropriations

Agency	Personnel	Operating	Administered Payments	Depreciation	Gross Current Appropriation	Trading Revenue	Net Current Appropriation
Agriculture	1,095,572	314,509	0	75,000	1,485,081	190,535	1,294,546
Audit (PERCA)	996,953	112,451	0	23,250	1,132,654	156,300	976,354
Business Trade and Investment Board	390,000	242,267	0	12,789	645,056	27,400	617,656
Cook Islands Investment Corporation	1,286,000	1,024,000	2,120,000	51,000	4,481,000	753,831	3,727,169
Corrective Services	1,545,607	229,131	0	29,549	1,804,287	100,000	1,704,287
Crown Law	867,500	187,501	180,000	15,789	1,250,790	0	1,250,790
Cultural Development	867,171	128,000	615,000	89,500	1,699,671	170,000	1,529,671
Education	12,834,677	2,425,820	4,866,602	615,000	20,742,099	0	20,742,099
Environment	1,081,782	301,001	760,000	42,789	2,185,572	35,000	2,150,572
Finance and Economic Management	6,232,086	779,242	23,168,949	574,000	30,754,277	478,920	30,275,357
Financial Services Development Authority	242,800	267,900	0	15,789	526,489	0	526,489
Foreign Affairs	3,075,452	1,019,103	15,000	45,000	4,154,555	503,421	3,651,134
Head Of State	180,274	22,299	36,000	14,000	252,573	0	252,573
Health	13,133,557	3,598,951	3,536,870	1,781,000	22,050,378	350,000	21,700,378
Infrastructure Cook Islands	3,347,648	424,129	2,773,650	345,000	6,890,427	300,000	6,590,427
Internal Affairs	1,417,376	312,000	4,877,251	12,000	6,618,627	0	6,618,627
<i>of which: Welfare Payments - Allowances</i>			2,243,336				
Justice	2,033,976	425,001	698,000	23,000	3,179,977	425,000	2,754,977
Marine Resources	1,435,455	380,061	150,000	160,000	2,125,516	20,000	2,105,516
Ombudsman	233,000	65,001	0	6,000	304,001	0	304,001
Parliamentary Services	658,343	80,000	120,000	72,720	931,063	0	931,063
Police	4,097,546	371,104	265,000	1,555,333	6,288,983	154,783	6,134,200
Prime Minister's Office	1,632,551	447,178	1,983,000	47,494	4,110,223	0	4,110,223
Public Service Commission	439,874	294,636	2,063,170	17,789	2,815,469	0	2,815,469
Cook Islands Seabed Minerals Authority	697,101	459,056	200,000	20,134	1,376,291	240,000	1,136,291
Tourism Corporation	2,231,274	1,508,726	5,476,495	52,000	9,268,495	20,000	9,248,495
Transport	1,023,500	150,221	0	25,609	1,199,330	49,721	1,149,609
Total Ministries, Crown & Statutory Agencies	63,077,075	15,569,288	53,904,987	5,721,534	138,272,884	3,974,911	134,297,973
Ministerial Support							
Prime Minister	406,069	121,289	0	12,642	540,000	0	540,000
Deputy Prime Minister	298,690	70,611	0	22,378	391,679	0	391,679
Ministerial Support 1	181,000	115,838	0	23,951	320,789	0	320,789
Ministerial Support 2	164,000	132,000	0	24,789	320,789	0	320,789
Ministerial Support 3	217,500	85,000	0	18,289	320,789	0	320,789
Ministerial Support 4	188,901	109,509	0	22,379	320,789	0	320,789
Leader Of Opposition	163,712	131,462	0	25,615	320,789	0	320,789
Total Ministerial Support Offices	1,619,872	765,709	0	150,043	2,535,624	0	2,535,624

Agency	Personnel	Operating	Administered Payments	Depreciation	Gross Current Appropriation	Trading Revenue	Net Current Appropriation
Outer Islands							
Aitutaki	1,276,398	367,547	0	480,000	2,123,945	67,828	2,056,117
Atiu	982,600	458,918	0	430,000	1,871,518	224,318	1,647,200
Mangaia	1,041,247	611,848	0	210,000	1,863,095	301,000	1,562,095
Manihiki	810,317	159,165	0	460,000	1,429,482	119,000	1,310,482
Mauke	866,196	237,194	0	380,000	1,483,390	113,853	1,369,537
Mitiaro	804,028	88,527	0	93,000	985,555	60,900	924,655
Palmerston	292,496	71,851	0	80,000	444,347	20,500	423,847
Penrhyn	724,888	180,836	0	180,000	1,085,724	74,000	1,011,724
Pukapuka-Nassau	1,130,521	155,503	0	215,000	1,501,024	73,695	1,427,329
Rakahanga	466,762	67,761	0	82,000	616,523	52,000	564,523
Total Outer Islands	8,395,453	2,399,150	0	2,610,000	13,404,603	1,107,094	12,297,509
Gross Total	73,092,400	18,734,147	53,904,987	8,481,577	154,213,111	5,082,005	149,131,106

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Schedule 2 PAYMENTS ON BEHALF OF THE CROWN (POBOCs)

Administering Ministry	POBOC	2023/24 Supplementary Estimate	2024/25 Budget Estimate
Compensation of Employees			
Finance & Economic Management	Parliamentary Superannuation	180,000	180,000
Audit	PERC Salaries and Administration Costs	57,500	57,500
Parliamentary Services	Civil List - Personnel	2,901,961	2,871,961
Cultural Development	House of Ariki (CI)	336,690	336,690
Compensation of Employees POBOCs		3,476,151	3,446,151
Use of Goods and Services			
Audit	Audit Fees	103,000	103,000
Marine Resources	Longline License application fees	0	11,840
Marine Resources	Fishing Licenses application fees	0	12,600
Marine Resources	Palau Agreement Purse Seine fishing days scheme	0	150,000
Marine Resources	SIOFA and SPRFMO fisheries cost recovery	0	117,000
Prime Minister's Office	Local Government Election	0	50,000
Parliamentary Services	Civil List - Constituency Visits	170,200	170,200
Parliamentary Services	Parliamentary Sitting Expenses	272,282	200,000
Parliamentary Services	KR Travel and Allowances (local and overseas)	109,000	109,000
Parliamentary Services	MP Travel and Allowances (local and overseas)	717,083	450,000
Foreign Affairs	International Maritime Organization - Maritime Cook Islands	63,461	63,461
Transport	Maritime Radio Coverage	297,862	120,000
Use of Goods and Services POBOCs		1,732,888	1,557,101
Subsidies			
Cook Islands Investment Corporation	Airport Authority subsidy	1,500,000	1,000,000
Cook Islands Investment Corporation	Bank of the Cook Islands - social assistance subsidy	128,000	128,000
Cook Islands Investment Corporation	Ports Authority - subsidy	110,099	110,099
Cook Islands Investment Corporation	Te Aponga Uira - social assistance subsidy	0	0
Cook Islands Investment Corporation	Te Mana Uira o Araura - subsidy	0	0
Cook Islands Investment Corporation	To Tatou Vai (CI)	3,000,000	3,000,000
Subsidies POBOCs		4,738,099	4,238,099
Social Assistance			
Internal Affairs	Welfare Payments	21,412,805	21,862,666
Social Assistance POBOCs		21,412,805	21,862,666
Other Expense			
Finance & Economic Management	Pacific Catastrophe Risk Insurance	160,000	160,000
Finance & Economic Management	CIG Insurance	40,000	40,000
Finance & Economic Management	BEPS Subscription	45,000	45,000
Finance & Economic Management	Competition and Regulatory Authority	566,246	600,000
Foreign Affairs	International Subscriptions	890,000	1,040,000
Other Expenses POBOCs		1,701,246	1,885,000
Grand Total		33,061,189	32,989,017

Schedule 3 Cook Islands Capital Spending

	2023/24 Supplementary Estimate	2024/25 Budget Estimate
Cook Islands Government Capital programs	30,013,369	19,074,407
Total Capital spending	30,013,369	19,074,407

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Schedule 4 Official Development Assistance¹

	2023/24 Supplementary Estimate	2024/25 Budget Estimate
Operating or recurrent expenditure	39,084,870	40,737,269
Capital Project Expenditure	55,779,404	49,303,303
Total Official Development Assistance	94,864,274	90,040,572

Schedule 5a Other Expenses and Financing Transactions

	2023/24 Supplementary Estimate	2024/25 Budget Estimate
Contingency Funds - Operating	100,000	100,000
Contingency Funds - Other Expenses	0	0
Crown Infrastructure Depreciation	4,603,000	4,603,000
Provisional for Doubtful Debts	0	0
Transfer to Emergency Response Trust Fund	50,000	50,000
Advanced Subsidiaries - Avaroa Cable Ltd	0	0
Transfer to Reserve Trust Fund	0	0
Depreciation Contingency Fund	2,174,000	2,174,000
Total Other Expenses	6,927,000	6,927,000

Schedule 5b Loan Repayment Fund Appropriations

	2023/24 Supplementary Estimate	2024/25 Budget Estimate
Contribution to LRF - Principal	13,123,389	15,071,508
Contribution to LRF - Interest	8,959,928	10,002,271
Total Contribution to LRF	22,083,317	25,073,779

Summary

	2023/24 Supplementary Estimate	2024/25 Budget Estimate
Schedule 1 - Ministry Outputs (Gross Operating)	160,345,758	154,213,111
Schedule 2 - POBOCs	33,061,189	32,989,017
Schedule 3 - CIG Capital Expenditure	30,013,369	19,074,407
Schedule 4 - Official Development Assistance	94,864,274	90,040,572
Schedule 5a - Other Expenses and Financing Transactions	6,927,000	6,927,000
Schedule 5b - Loan Reserve Fund Appropriations	22,083,317	25,073,779
TOTAL APPROPRIATION	347,294,907	328,317,886

This Act is administered by the Ministry of Finance and Economic Management.
Printed under the authority of the Cook Islands Parliament—2024

¹ Excluding Budget Support and Core Sector Support appropriated through agencies in Schedule 1.