

# Nauru Bulletin

Issue 14-2017/162 18 August 2017

# August parliament sitting

#### Parliament tables two new bills and passes Supplementary Appropriation Bill #1 2017-18

The Parliament of Nauru convened a sitting on 1 August and a number of bills tabled and passed before the House including the presentation of the Nauru Public Service annual report that was last tabled in 2008.

After opening prayers His Excellency President Baron Waqa addressed the House on community safety and concerns.

In light of the upsurge in theft and abuse, President Waqa reiterated the importance of disciplining children and the part parental responsibility plays in raising good citizens.

Of note and the subject of some debate is the increase in robberies and how such behaviour is causing uneasiness and safety concerns in the community. President Waqa called on the community



to re-evaluate behaviours and attitudes causing undue anxiety.

The first of the Bills and amendments tabled for the approval of the House was the Supplementary Appropriation Bill #1 2017-18, presented by Finance Minister David Adeang for the provision of \$1.267 million in expenditure adjustments to the

budget.

Minister Adeang underscored that the original slight budget surplus of \$63,000 remain unchanged.

The shift in expenditure spending are allocated for a short term loan of \$500,000 to the new Eigigu Procurement company based in Brisbane to fund initial purchases; \$362,000 to provide for hospital inpatient meals at the RoN hospital; \$180,000 to provide or the fisheries advisor salary which was overlooked

in the preparation of the budget; an increase in capital expenditure of \$120,000 for Home Affairs to build a new office at the Safe House and to extend the office of the Youth Affairs division; and \$75,000 for three additional vehicles for the secretary for finance, customs office and the women's affairs office.

[Cont pg 3...]

## NUC receives pacific water awards

The annual Pacific Water and Waste water Association (PWWA) conference and awards ceremony got underway in Samoa under the auspices of the 10th Pacific Water Conference, last week 7-11 August.

Staff and board members from Nauru Utilities Corporation (NUC) attended the five day conference. The theme this year was 'Water supply in a Changing environment' which sets the focus on addressing the growing global water crisis that threatens the security, stability and environmental sustainability of all nations.

On the final day of the conference Nauru Utilities was awarded two of the seven awards which are the Best Cost Recovery and Best Technical Performance awards in a ceremony hosted by PWWA.

NUC Board Chairperson Jinnie Jeremiah and board member Leo Scotty received the awards on behalf of the company.

NUC CEO Abraham Simpson says the corporation is progressing well in its plans to improve power supply and its efforts are being acknowledged regionally.

"The improvements made at NUC are being recognised region wise," Mr Simpson said.

Nauru Utilities takes out two regional awards for Best Cost Recovery and Best Technical Performance

The CEO highlighted that the awards are an indication that NUC is continuing to meet its obligations as outlined in Nauru's national development plan.

"We aimed to be the best of the Pacific Islands and this shows we are well on our way to meeting this objective," Mr Simpson said.



The awards are based on the results of data collected through the benchmarking exercise which all member utility companies in the region voluntarily provide.

Utilities around the region are grouped in three categories based on Gross National Income (GNI) per capita. Nauru is in the third grouping with the Marshall Islands, Niue, Tokelau, Tuvalu, Kiribati, Cook Islands, and Samoa. The performance status of regional utilities companies and their country's development is taken in to consideration in the grouping of utilities and was approved by the PWWA board of directors in early April 2017•

### Nauru Tax reform program

[Contributed by Revenue Office]

Akey date for the Nauru Tax reform program has just passed. The first year of business taxes under the Business Tax Act (BTA) 2016 just recently ended on the 30th June 2017. Business operators who are subject to the business profits tax (BPT) are required to lodge their first annual return no later than 30th September 2017.

The BTA is one of the tax laws administered by the Nauru Revenue Office (NRO). The NRO has established two divisions, one to provide taxpayer services and the other to assist in ensuring compliance with the new laws. The Director of the Taxpayer Services division is Matelita Tatu and the Director of the Compliance division is Massie Detenamo (pictured).

Whilst both the divisions have distinct roles in administering the tax laws the current focus is to provide education to the community and to assist taxpayers in meeting their obligations. Any taxpayers that are unsure of their responsibilities or require assistance in filling out the annual tax return are encouraged to request assistance from the NRO. The office hours and contact details are listed below.

A guide to completing the annual BPT return is currently being prepared and will be available by the end of August 2017. In addition, Nauru's first public tax ruling was issued on the 3rd August 2017 to provide guidance on the depreciation rates that can be used for business assets.

The rate of BPT payable for the year ended 30 June 2018 has increased from 10% to 20%, for companies with annual gross revenue above \$15,000,000.

30th June 2017 was also a key date for those lodging quarterly returns as small business taxpayers. Taxpayers with annual gross revenue for the year ended the 30th June 2017 that exceeds \$250,000 will need to register for the BPT.

Those that are still subject to the small business tax (SBT) are required to lodge their first Business Tax Quarterly Return for the year ended 30th June 2018, by 15th October 2017. The rate of SBT payable has increased from 1.5% to 2.5%, effective from the 1st July 2017, and this is the rate of tax payable in the first and subsequent returns.

The NRO is also conducting a number of record keeping reviews for small business so business owners are advised to ensure that proper records are kept and to contact the NRO for assistance if they are unsure of their obligations.

#### Key dates

- 1. 30th September 2017 Due date for lodgement of the Business Profits Tax Annual Return for the year ended 30 June 2017.
- 2. 15th October 2017 Due date for lodgement of the first return of the Business Tax Quarterly Return for the quarter beginning 1st July 1017 and ending on 30th September 2017. Note that the tax rate has increased to 2.5%
- 3. 15th October 2017 Due date for the first instalment of business profits tax for the quarter beginning 1st July 1017 and ending on 30th September 2017.

Contact details

Ph: 557-3238 / Email: nro.tax@naurugov.nr

Monday – Friday 9:00am – 5:00pm • NAURU BULLETIN

### **Emergency services hosts CAP training**

The Nauru National Emergency Services and the World Meteorology Organisation (WMO) held a two-day workshop on the common alert protocol (CAP) system designed for emergency services in alerting the public, on 10-11 August.

The workshop was facilitated and delivered by CAP consultant and former employee of WMO Eliot Christian on the benefits and advantages of implementing CAP.



Fire Chief Celso Dageago (standing) offers words of thanks at the conclusion of the CAP workshop

"CAP essentially takes an alert message and puts it into a form or format that describes the alert, the location, and severity. This information is easily converted or transferred to the radio or television news and other avenues.

"The main benefit of using CAP as distinct from the ways people have been disseminating emergency alerts is that you get to leverage the fact that many different players are interested in helping to disseminate the alert. For example Google or the Red Cross or other institutions like that or the weather company," Mr Christian said.

CAP is an international standard designed by WMO for emergency agencies for alerting and warning the public on all hazard events such as tsunami, flooding, cyclonic weather, drought and other hazards.

CAP is designed for all-media and all-hazards. Another feature of the system is cell broadcast which instantaneously disseminates messages in less than a minute to all mobile phones whether or not it has phone credit or unpaid bills. Whereas sending messages via phone texting takes several minutes to cover the mobile phone population of Nauru.

Mr Christian said the duration to fully implement CAP varies for countries. It took about ten years for the United States to fully implement CAP, whereas it took China two to three years to become the world's single largest CAP base system.

For Nauru, NES is the authorised body to assess a disaster warning and compose the message for dissemination to alerting authorities and further to the wider public.

Nauru currently uses several avenues of disseminating its emergency messages via phone texting, radio broadcast, television roll messaging and email notices through the Government Information Office. The Nauru Fire and Rescue Services sends two trucks mounted with sirens to opposite sides of the island to sound the alarm.

The future of CAP in Nauru will be looked at further in discussions with NES Secretary Roy Harris, the workshop participants and other stakeholders•

#### August parliament (continued)

...from pg 1

"The Government remains committed to its fiscal targets. No new revenue has been identified to fund these additional outlays, therefore they must be funded from saving elsewhere.

"To this end the Government has reduced the provision made for consultancy services by \$1.267 million to fund the requested expenditure. It has been able to identify these savings associated with changes in Government procurement arrangements," Minister Adeang said.

The Minister then presented the Nauru (RPC) Corporation Bill 2017 which essentially establishes a body corporate with a board and chief executive to provide a system of checks and balances that ensure a process of transparency and accountability of the procurement process throughout the RPC and temporary settlement space.

"In essence, all contracts that are entered into for the RPC and temporary settlement space are consistent with Government procurement laws," Minister Adeang said.

"The Bill is consistent with the spirit of partnership embodied in the Memorandum of Understanding between the Republic and the Commonwealth of Australia, relating to the transfer to and assessment of persons in Nauru."

The second bill tabled was an amendment to the Asylum Seekers (Regional Processing Centre) Act 2012, transferring responsibilities from the Secretary of Justice and Border Control to the administrative head of the Department of Multicultural Affairs.

The definitional provision of the Act "will allow the Secretary for Multicultural Affairs to provide or arrange for the provision of support for the regional processing centre and temporary settlement in the Republic."

Minister for Nauru Port Authority Tawaki Kam tabled an amendment to the Shipping Registration Act 1968.

Based on the principle of open vessel registry, a foreign vessel is accorded Nauruan nationality when it is registered in Nauru. This allows the foreign vessel to travel internationally under the flag of Nauru and be bound by Nauru's relevant law.

Minister Kam told the House an open registry has been in the pipeline for some time.

"This amendment will ensure that foreign vessels that wish to register with the Registrar of Foreign Vessels must meet the required standards. This will boost Nauruan recognition at the international arena as a flag state and consequently contribute to government revenue," Minister Kam said.

The Bill will ensure that the same rules applicable to Nauruan vessels also apply to foreign vessels.

Minister Kam also tabled an amendment to the Nauru Fisheries Act 1997 that will ensure the proper management, development, protection and conservation of Nauru marine resources in a sustainable manner for Nauru's future as well as achieve greater economic growth through licensing, permits and vessel registrations.

"The proposed Bill will help increase government revenue and at the same time create more job opportunities for the citizens of Nauru through joint venture arrangements," Minister Kam said.



"These amendments will guarantee the effective implementation of fisheries strategies and management plans for the sustainable management and use of the fisheries and marine resources of our country."

The amendments also give powers to the CEO to strengthen Nauru's laws that govern and control its marine resources.

Finance Minister David Adeang tabled the Business Licenses Bill 2017 and repeals the Business Licenses Act 2011.

The new Act provides for addition types of businesses such as legal services and private medical services to be registered as businesses on Nauru.

The Bill also provides for short term business licenses for occasional or temporary business activity such as food stalls and allows for general or specific conditions to be included in the business licenses.

The new Act would also allow business owners to continue to operate while paying off their fines.

The Business License Act works with the Revenue Administration Act 2014 in that a business is required to have a tax identification number issued under the Revenue Administration Act 2014.

The Act also creates transitional and savings provisions related to licenses granted or applications made under the repealed Act. All business licenses granted and all applications submitted to the Registrar under the repealed Act remain valid.

A number of ministerial statements were presented including the Nauru Public Service Annual report for the period ending June 2016 tabled by President Baron Waqa as Minister for the Public Service.

It has been nine years since the last NPS report was tabled in parliament in 2008.

"An annual report is so much more than compliance. It's the indisputable display of the Government of Nauru's performance and accountability, the communication of an authentic and responsible employer's workplace culture, operational performance activities and achievements.

"In the end, this transparent accountability elicits the trust and confidence of the general public and important government stakeholders," President Waqa said.

The adjournment debate followed before the end of the sitting. Parliament will be called again at a time and date to be set by the Chair•

All Acts can be downloaded from www.naurugov.nr from the RONLAW link

# On the Discussion Desk Business Licenses Act 2017 Food Safety Act 2005

The Business Licences Act 2017 which repealed the former Business Licence Act of 2011 was the subject of the radio show Discussion Desk on 9 August.

Pleader and Legal officer from the Justice Department Victor Soriano spoke to program hosts George Joram and Rhona Bop on the latest information about the Act.



Legal officer Victor Soriano talks about the new Business Licences Act on the Discussion Desk

Mr Soriano informed that people looking to start a business should be aware of the applicable fees and their obligations under the Act in terms of registering a business and keeping a valid license. Mr Soriano outlined a list of penalties can be imposed for businesses that operate without a licence or operates with an expired licence.

Individuals wishing to start a business must be of 18 years and above to do so. First time business owners are required to pay \$100 for the business name and \$300 for the license. Existing businesses are only required to pay \$300 for licence renewal.

Mr Soriano informed that permanent business licenses will be valid for 12 months and needs to be renewed one month before the actual expiry date. There is an option to apply for an occasional or short term business license valid for one month. This license is for persons wishing to conduct a business in the short term such as roadside food vending and other related fundraising activities. An occasional license costs \$85 and can be applied for three times a year.

Mr Soriano emphasised that business owners who do not pay the renewal fee one month before the expiry date of their permanent business licenses are liable to pay a late fee.

The Act allows changes to the penalties applied for businesses operating on expired licenses. This includes the following, one month from the expiry of the license are liable to pay \$1000. Businesses operating two months from the expiry date of a license will incur a penalty of \$3000, and businesses operating three months or more from the expiry date of a licence will incur a penalty of \$10,000.

Businesses are obligated under the Act to visibly display their business license in the place of business making it accessible for inspection by authorised officers.

It was also explained that the person who has his or her name as the proprietor of the business is considered liable for any breaches to the Act.

Mr Soriano reiterated the importance of the Act that is to manage businesses so they operate effectively and legitimately under Nauru law. Mr Soriano also encouraged business owners to be vigilant and to keep their business licences up to date• The Food Safety Act 2005 was recently discussed on the weekly radio program Discussion Desk highlighting issues of import on 16 August.

Food inspector at the Naoero Public Health Centre Mr Vincent Scotty highlighted the importance of having a Food Safety Act. Mr Scotty informed that the Act was drafted by the World Health Organisation and Department of Health, and passed by the Nauru Parliament in 2005.



Discussion Desk speaks with food inspector Vincent Scotty on the important features of the Food Safety Act 2005

The purpose of the Food Safety Act is to protect consumers by ensuring the production, processing and distribution of food is safe for consumption.

The Act mandates the establishment of the Food Safety advisory board which meets every six months to discuss and address food related issues in Nauru. Mr Scotty outlined that the board comprises seven members from the ministries of health, fisheries, justice, quarantine, finance, and consumer and private business. The board reports directly to the Minister for Health.

Mr Scotty emphasised registration is free but the Act requires that all food businesses register with the department of health or be liable to a fine. In addition, all food operators are required to undergo food handlers training which is offered by the health department.

Food business operators are required to undergo health checks before being approved to open the business highlighting the importance in controlling the spread of disease and other foodborne ailments. Health screenings are also required every 12 months and cost \$80. They can be done at RON hospital.

The Act prescribes a number of safety measures such as the requirement of food handlers to keep cooking areas clean and practice good hygiene.

It is an offence under the Act to remove expiry date or use by labels from food products. Mr Scotty informed that such incidences can be reported to the Public Health.

Food inspectors are authorised under the Act to investigate food complaints as well as enter a premises without a warrant to conduct a search for banned food products.

The Act also states that food past its best before date can only be sold one week after the date, after which must be removed for destruction.

Imported food products must be labelled in the English language and anything to the contrary will be destroyed by incineration or other methods.

Mr Scotty urges awareness about the Act and food handlers to practice good hygiene when operating a food business•

# Introducing the Government Information Office

Get to know your government departments.

A new office will feature in this space each publication.

The Nauru Government Information Office (GIO) was established in May 2008 and is a section of the Office of the President.

The GIO prepares and distributes media releases for the Nauru government and publishes a fortnightly newsletter called the Nauru Bulletin which contains news and information on government ministries and its instrumentalities. The Nauru Bulletin is circulated via email to approximately 1000 base subscribers.

The office comprises two staff, its director Joanna Olsson and information officer George Joram.



#### Nauru embarks on NSDS review

[Contributed by PAD]

The National Sustainable Development Strategy (NSDS) helps government keep future generation in mind, and develop plans that consider, economic, social and environmental concerns. Nauru's current NSDS 2005-2025 was last reviewed in 2009. Recognising critical national and regional development progress, the Ministry of Finance and Sustainable Development will commence the public consultation on the review and NSDS.

The public and key stakeholders are invited to the launching of the commencement of the consultation will be held on 23rd August 2017.

The public consultation will be led by the NSDS Technical Working Group (TWG), a multi-sectoral group established by the Ministry.

The consultation is coordinated by the Ministry of Finance's Planning and Aid Division, as a member of the TWG.

PUBLIC ACCESS: the Public, and key stakeholders are invited to cover the launching session on Wednesday 23 August from 10:00am-1:00pm, at the Centennial Hall, Aiwo.

NSDS TWG Communication Contact Group:

Clarissa Jeremiah, Clarissa.nrc@gmail.com, 557 3201 Stella Duburiya, sduburiya@gmail.com, 557 9249 Gwein Jose, Gwein.Jose@hotmail.com, 557 2990 John Limen, John.Limen@naurugov.nr, 557 9211

Tune in to the

# Discussion Desk

To hear about policy that matter to you Wednesdays 9.30am on FM105.1

or download the App radionauru.nr:8000/live

### - August events -

Events leading up to Nauru's 50th Independence Day celebrations

Friday 18 August: Miss Nauru Eita Dabug Beauty Pageant 2017

Saturday 19-26 August: An Karamwen Dei-Naoero Traditional Sports

Friday 25 August: Solo song Competition

The Nauru Bulletin is a fortnightly publication of the Government of the Republic of Nauru.

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NAURU BULLETIN

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Republic of Nauru

Office contact:
Government Information Office
Government Offices
Yaren District, Republic of Nauru

director.information@naurugov.nr Mobile: +674 5573009 www.naurugov.nr