REPUBLIC OF NAOERO

SUPPLY BILL 2026

EXPLANATORY MEMORANDUM

The *Supply Bill 2026* is a Bill for the *Supply Act 2026.*

This memorandum provides an explanation of the Bill and is intended to indicate its general effect.

EXPLANATION OF CLAUSES

Clause 1 provides that, once enacted, the short title of the Bill will be the *Supply Act 2026*.

Clause 2 provides that the Act commences 1 July 2026.

Clause 3 provides for the expiry of the Act. This clause provides for two possible dates upon which the Act will expire, whichever occurs earlier:

- first, the Act will expire no later than 30 September 2026, which is three months after the commencement of the financial year; or
- second, the Act will expire upon the commencement of the substantive law that appropriates funds for the 2026–2027 financial year (the annual *Appropriation Act*).

The Bill is designed to expire because it is proposed specifically for the purpose of Article 61(1) of the Constitution. Article 61(1) stipulates that if an appropriation law for an upcoming financial year has not received the Speaker's certificate on or before the 21st day before the commencement of that financial year, *"the Cabinet may recommend to the Parliament a proposed law authorising the withdrawal of moneys from the Treasury Fund"*. The constitutional purpose of this mechanism is to meet the expenditure necessary to maintain the essential services of the Republic until the main budget is passed.

The constitutional deadline by which the Speaker must certify the *Appropriation Act 2026–2027* falls on 10 June 2026. Because this date is expected to lapse before the 2026–2027 budget preparations are finalised, the Speaker will be unable to certify the annual appropriation law within

the timeline prescribed by the *Constitution*. Consequently, the Cabinet is tabling this Supply Bill before Parliament to legally authorise the withdrawal of funds from the Treasury Fund to ensure government continuity after the new financial year begins. This strict expiration timeline fulfills the requirements set forth under Article 61(1) of the Constitution.

Clause 4 provides authorization for the withdrawal of funds from the Treasury Fund. It establishes that a total sum not exceeding **$91,786,171** may be withdrawn. This clause further mandates that any funds withdrawn must be expended strictly as authorised in the third column of the Schedule to the Bill.

The Schedule provides for detail in which the money withdrawn must be expended. The third column sets the ceiling amount of moneys, allocated for the expenditure of each description under the first column.