



I assent,

GEORGE TUPOU V,

6th January, 2009.

## **AN ACT**

### **TO AUTHORISE THE ESTABLISHMENT, FUNDING AND OPERATION OF AN EMERGENCY FUND**

[28 October, 2008]

BE IT ENACTED by the King and the Legislative Assembly of Tonga in the Legislature of the Kingdom as follows:

1. (1) This Act may be cited as the Emergency Fund Act 2008

**Short title**

2. In this Act, unless the contrary intention requires –

**Interpretations**

“emergency” means an event, actual or imminent, which endangers or threatens to endanger life, property or the environment and which requires a significant and coordinated response;

“event” means any of the following –

- (a) a cyclone, earthquake, storm, storm surge, tornado, tsunami, volcanic eruption or other natural happening;
- (b) an explosion or fire, a chemical, fuel or oil spill, or a gas leak;
- (c) an infestation, plague or epidemic;
- (d) a public health emergency;
- (e) a failure of an essential service or infrastructure;
- (f) a terrorist attack against the Kingdom; or
- (g) any other event similar to an event referred to in paragraphs (a) to (f);

“Fund” means the Emergency Fund established under this Act;

“Minister” means the Minister of Finance;

“Public Fund” means the Public Fund established under the Public Finance Management Act 2002; and

“National Emergency Management Committee” means the National Emergency Management Committee established under the Emergency Management Act 2007.

**Minister responsible  
Fund to be appropriated**

3. The Minister shall be responsible for the administration of this Act.
4. (1) The Minister shall, with the approval of Cabinet and the consent of Privy Council, appropriate a sum of at least \$5,000,000 pa‘anga from any surplus in the Public Fund of the Kingdom to establish the Fund.
  - (2) Interest on the Fund shall be allowed to accumulate and the annual amount of interest earned shall be added to the Fund.
  - (3) Any person, including any donor government, institution or organisation, may make voluntary contributions to the Fund at any time.
  - (4) The Minister may, with the approval of Cabinet and the consent of Privy Council, appropriate in any one financial year a sum of at least \$5,000,000 pa‘anga, from the Public Fund of the Kingdom to the Fund.

**Purpose of fund**

5. (1) The Fund and the accumulated interest shall be used exclusively for the purpose of providing timely and efficient relief and reconstruction in any emergency.
  - (2) The Minister shall, with the approval of Cabinet and the consent of Privy Council, and after consultation with the National Emergency Management Committees, authorize expenditure from the Fund for the purposes specified in sub-section (1).

**Criteria for relief**

6. The Minister shall, within six months of the commencement of this Act, in consultation with the National Emergency Management Committee and Cabinet, determine criteria for how funds are to be allocated under section 5(1) for relief and reconstruction and such criteria may be amended from time to time.

**Balances may be invested**

7. The Minister may, with the approval of Cabinet and the consent of Privy Council, invest any balance or part thereof of the Fund for such period and on such terms as he thinks fit at any bank or in such other securities that are approved investments under the Public Finance Management Act 2002.

**Accounts**

8. (1) The Minister shall cause an account to be kept called the Emergency Fund Account.
  - (2) All moneys received and all payments made under this Act to the Fund shall be paid to the account set up under subsection (1).

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- (3) The financial year end date for the Fund shall be the 30th of June each year.
  - (4) The Minister shall cause to be prepared financial statements for the Fund.
  - (5) The financial statements shall include the names of each person to whom the Fund has made payment, and the amount paid, during the period to which the financial statements relate.
- 9.** (1) The Fund shall be audited annually by the Auditor General. **Audit and reporting**
- (2) The Minister shall cause the Fund's financial statement to be available for audit so that the audit can be concluded no later than five months after the Fund's financial year end date.
  - (3) The Fund's financial statements and the report of the Auditor General shall be published in the Gazette and shall be laid before the Legislative Assembly by the Minister no later than six months after the Fund's financial year end date, or if the Legislative Assembly is not in session, at the commencement of the next session.
  - (4) The financial statements required by this Act shall be prepared in accordance with generally accepted accounting practices.
  - (5) Auditor General shall, in any year during which payments are made from the Fund, report on whether such payments were made in accordance with the criteria determined under section 6.

Passed by the Legislative Assembly this 28th day of October, 2008.