



REPUBLIC OF NAURU

Nauru Phosphate Royalties (Payment and Investment) Act 1968

As in force from 1 August 2008

This compilation comprises Ordinance No. 5 of 1968 as amended and in force from 1 August 2008 (being, at the time the compilation was prepared on 16 May 2011, the date of commencement of the most recent amendment).

The notes section at the end of the compilation includes a reference to the law by which each amendment was made. The Table of Amendments in the notes section sets out the legislative history of individual provisions.

The operation of amendments that have been incorporated in the text of the compilation may be affected by application provisions that are set out in the notes section at the end of the compilation.

This compilation is prepared and published in a legislation database by the Nauru Parliamentary Counsel under the *Legislation Publication Act 2011*.

Contents

1	Short title	1
2	Definitions	1
3	<i>[Repealed]</i>	2
4	Nauru Royalty Fund	2
5	Nauru Development Fund	2
6	Nauru Housing Fund	2
7	Nauru Rehabilitation Fund.....	2
8	Nauruan Land Owners Cash Royalties Fund	3
9	Accounts	3
10	Investment of moneys in a fund	3
11	Payments into funds.....	3
12	Periodic review of payments	5
13	Saving	6
14	Payments of royalties to land owners.....	6
SCHEDULES		7
First Schedule		7
Second Schedule		8
NOTES.....		9
Table of Constituent Legislation		9
Table of Amendments		9

REPUBLIC OF NAURU

Nauru Phosphate Royalties (Payment and Investment) Act 1968

An Ordinance relating to Phosphate Royalties

1 Short title

This Ordinance may be cited as the *Nauru Phosphate Royalties (Payment and Investment) Act 1968*.

2 Definitions

In this Act, unless the contrary intention appears:

'fund' means a fund established by this Act;

'the Agreement' means the Agreement, a copy of which is set out in the Schedule to the *Nauru Phosphate Agreement Ordinance 1968*;

'the Corporation' means the Nauru Phosphate Corporation — renamed under the *RONPHOS Act 2005*;

'the Council' means the Nauru Local Government Council;¹
and

'the net proceeds' means the net proceeds of phosphate operations at Nauru, being the proceeds referred to in clause 16 of the Agreement.

¹ Section 2(7) of the *Interpretation Act 1971* provides:
'Subject to the *Nauru Island Council Act 1992*, a reference to the Nauru Local Government Council established under the *Nauru Local Government Council Ordinance 1951-1967*, the Head Chief, the Deputy Head Chief, a Councillor of the Nauru Local Government Council in any written law, including the principal Act, means a reference to the Republic, the Cabinet, the Chairman of the Cabinet, or a Cabinet Minister as the case may be.'

3 *[Repealed]*

4 **Nauru Royalty Fund**

- (1) A fund is hereby established, to be known as the Nauru Royalty Fund.
- (3) The Nauru Royalty Fund is vested in the Republic.

5 **Nauru Development Fund**

- (1) A fund is hereby established, to be known as the Nauru Development Fund.
- (2) Moneys standing to the credit of the Nauru Development Fund shall not be expended by the Council otherwise than in promoting the economic development of Nauru.
- (3) The Nauru Development Fund is vested in the Republic.

6 **Nauru Housing Fund**

- (1) A fund is hereby established, to be known as the Nauru Housing Fund.
- (2) Moneys standing to the credit of the Nauru Housing Fund shall not be expended otherwise than in accordance with law.
- (3) The Nauru Housing Fund is vested in the Republic.
- (4) Any moneys belonging to the Housing Fund and administered by the Nauru Phosphate Royalties Trust must be paid to the credit of the Treasury Fund or any fund established under the *Public Finances (Control and Management) Act 1997*.

7 **Nauru Rehabilitation Fund**

- (1) A fund is hereby established, to be known as the Nauru Rehabilitation Fund.
- (2) Moneys standing to the credit of the Nauru Rehabilitation Fund shall not be expended otherwise than for the purpose of restoring or improving the parts of the Island of Nauru that have been affected by mining for phosphate and in accordance with law.
- (3) The Nauru Rehabilitation Fund is vested in the Republic.

8 Nauruan Land Owners Cash Royalties Fund

- (1) A fund is hereby established; to be known as the Nauruan Land Owners Cash Royalties Fund.
- (2) Moneys standing to the credit of the fund shall not be used by the Republic otherwise than for the purpose of paying royalties to the owners of phosphate bearing land.
- (3) The Nauruan Land Owners Cash Royalties Fund is vested in the Republic.

9 Accounts

All moneys paid to the Republic for the purpose of a fund shall be paid to the Treasury Fund to an account opened in respect of that fund.

10 Investment of moneys in a fund

- (1) Moneys standing to the credit of a fund and not immediately required for the purpose of the fund may be invested:
 - (a) in securities of, or guaranteed by, the Commonwealth of Australia or a State of that Commonwealth;
 - (b) by fixed deposit in a bank; or
 - (c) any such other manner as Cabinet approves.
- (2) Income earned from the investment of moneys standing to the credit of a fund forms part of that fund.
- (3) This section has effect only in respect of the Nauru Rehabilitation Fund.

11 Payments into funds

- (1) (a) The Republic shall pay into each of the funds specified in the first column of the First Schedule to this Act, in respect of each ton of phosphate shipped from Nauru, the amount specified in the second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth and thirteenth columns and fourteenth columns to that Schedule.

- (b) This subsection shall be deemed to have had effect as from the 1st day of July, 1968.
- (2) The payments provided for in the last preceding subsection shall be made:
 - (a) with respect to the amounts in the second and third columns of the First Schedule, as soon as practicable after the commencement of this Act;
 - (b) with respect to the amounts in the fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth and thirteenth columns and fourteenth columns of the First Schedule, as soon as practicable after the receipt of net proceeds and the Treasury Fund is charged accordingly.
- (3)
 - (a) The Corporation shall pay into each of the funds specified in the first column of the Second Schedule to this Act in respect of each ton of phosphate shipped from Nauru, the amount specified in the second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth and thirteenth columns and fourteenth columns to that Schedule.
 - (b) This subsection shall be deemed to have had effect as from the 1st day of July, 1968.
- (4) The payments provided for in the last preceding subsection shall be made:
 - (a) with respect to the amounts in the second and third columns of the Second Schedule as soon as practicable after the commencement of this Act;
 - (b) with respect to the amounts in the fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth and thirteenth columns and fourteenth columns of the Second Schedule as soon as practicable after the receipt of net proceeds.
- (5) The amount per ton in the second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth and thirteenth columns and fourteenth columns of the Schedules to this Act is the amount to be paid in respect of the funds in the first column of the Schedules for the period specified at the head of each of the second, third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth and thirteenth columns and fourteenth columns respectively.

- (6) The Minister shall as soon as practicable after the commencement of this Act pay from the Nauru Housing Fund to the Corporation any moneys which have been paid to that Fund in excess of the amount specified to be paid in the fourth column of the First Schedule.
- (7) Notwithstanding anything to the contrary in any Act or Agreement the Corporation shall as soon as practicable after the commencement of this Act pay to the Republic from proceeds accumulated from the sale of phosphate the amount of money required by the Republic to pay the amounts specified in the third column of the First Schedule and the amounts specified in the fourth column of the First Schedule for the period ending the 30th day of September, 1970.
- (8) Notwithstanding anything to the contrary in any other Act or Agreement the Corporation shall pay to the Republic such amounts as may be required by the Republic to pay the amounts specified in the fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, twelfth and thirteenth columns and fourteenth columns of the First Schedule and such payments shall be made as soon as practicable after the receipt of the net proceeds.
- (9) The references in subsections (1) and (3) to 'each ton of phosphate shipped from Nauru' and in subsection (5) to 'the amount per ton' shall, in respect of all phosphate shipped from Nauru after the commencement of the *Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1976* be deemed to be references to 'each tonne of phosphate shipped from Nauru' and 'the amount per tonne' respectively.

12 Periodic review of payments

- (1) In this section '**year of review**' means the year 1970 and every third year thereafter.
- (2) During each year of review the Cabinet may alter the amount payable under the last preceding section to a fund specified in the first column of the Second Schedule.
- (3) Where the Cabinet alters the amounts as provided in subsection (2) it shall by notice in the Gazette and in accordance with that agreement, fix the amount to be paid into that fund in respect of each tonne of phosphate shipped from Nauru on or after the first day of July in that year, and the Corporation shall pay the amount so fixed into that fund until the amount payable is again altered in accordance with this section.

13 Saving

Until the Corporation is established, the British Phosphate Commissioners shall make the payments provided for in section 11 of this Act into the funds specified in the Second Schedule to this Act before the payment of net proceeds.

14 Payments of royalties to land owners

- (1) The owners of phosphate bearing land shall be paid from the Nauruan Land Owners Cash Royalties Fund an amount calculated by multiplying the number of tons of phosphate mined from their land and shipped from Nauru by the rate per ton at which contributions were made to the fund at the time the phosphate was shipped.
- (2) The Republic shall make the payments to land owners provided for by this section as soon as practicable after the phosphate extracted from that owner's phosphate bearing land is shipped and the Treasury Fund is charged to the extent necessary.
- (3) The Republic may authorize the Corporation or, until the Corporation comes into existence, the British Phosphate Commissioners to pay the amounts calculated in accordance with the last preceding subsection to the owners of phosphate bearing land and the amounts so paid shall be deemed to have been paid into the fund and then paid by the Republic to those land owners pursuant to this section.
- (4) The references in subsection (1) to 'the number of tons of phosphate mined' and 'the rate per ton' shall, in respect of all phosphate shipped from Nauru after the commencement of the *Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1976*, be deemed to be references to 'the number of tonnes of phosphate mined' and 'the rate per tonne' respectively.

FIRST SCHEDULE

Section 11

(1) <i>Name of Fund</i>	<i>Amount per Ton</i>												
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
	1-7-68 to 30-6-69	1-7-69 to 30-6-70	1-7-70 to 30-6-72	1-7-72 to 30-6-73	1-7-73 to 28-2-74	1-3-74 to 30-6-74	1-7-74 to the day immediately preceding the date of commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1976</i>	From the date of commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1976</i> to the day immediately preceding the commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1978</i>	From the date of commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1978</i> to the day immediately preceding the commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1988</i>	From the date of commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1988</i> to the day immediately preceding the commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1989</i>	From the date of commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1989</i> to the day immediately preceding the commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 2005</i>	From the date of the commencement of the <i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 2005</i> and thereafter	
Long Term Investment Fund*	\$1.70	\$2.50	\$2.50	\$2.50	\$3.70	\$4.70	\$9.00	\$8.75	\$1.75	\$1.75	\$1.75	\$1.75	
Nauruan Land Owners' Royalty Trust Fund	.50	.70	1.00	1.00	1.20	2.70	5.00	4.75	4.75	5.75	6.35	\$6.50	
Nauru Housing Fund	.80	.80	.50	.05	.05	.15	.15	0.10	0.50	0.50	0.70	\$0.70	
Nauru Rehabilitation Fund	.20	.20	.20	.20	.20	.50	4.00	3.75	3.25	3.25	3.25	\$3.25	

As in force from 1 August 2008

Nauru Phosphate Royalties (Payment and Investment) Act 1968

SECOND SCHEDULE

sections 11, 12 and 13

(1) Name of Fund	Amount per Ton													
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
	1-7-68 to 30-6-69	1-7-69 to 30-6-70	1-7-70 to 30-6-72	1-7-72 to 30-6-73	1-7-72 to 30-6-73	1-3-74 to 30-6-74	1-7-74 to the day immediately preceding the date of commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1976	From the date of commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1976 to the day immediately preceding the commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1978	From the date of commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1978 to the day immediately preceding the commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1988	From the date of commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1988	From the date of commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1989	From the date of commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 2005	From the date of the commencement of the Nauru Phosphate Royalties (Payment & Investment) (Amendment) Act 2005 and thereafter	From the date of the commencement of the Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 2008 and thereafter
Nauru Development Fund	.60	.75	\$1.00	\$1.30	\$1.40	\$3.00	\$4.00	\$3.75	\$3.75	\$4.75	\$5.25	\$0	\$0	
Nauru Royalty Fund	.10	.10	.10	.10	.40	1.00	2.10	2.00	1.25	1.25	1.40	\$0	\$0	
Nauru Land Owners' Cash Royalty Fund	.65	.70	.80	.80	1.00	2.05	2.75	2.50	2.50	3.00	3.30	\$4.00	\$12.00	

As in force from 1 August 2008

Notes

Table of Constituent Legislation

Ordinance

Citation	Number	Made	Gazettal	Commencement
<i>Nauru Phosphate Royalties (Payment and Investment) Ordinance 1968</i>	1968/05	25.01.1968	29.01.1968	29.01.1968

Acts

Short title	Number	Certification	Commencement
<i>Nauru Phosphate Royalties (Payment and Investment) Ordinance Amendment Act 1968</i>	1968/06	12.07.1968	01.07.1968
<i>Nauru Phosphate Royalties (Payment and Investment) Act Amendment Act 1970</i>	1970/09	11.11.1970	11.11.1970
<i>Nauru Phosphate Royalties (Payment and Investment) Act Amendment Act 1972</i>	1972/14	10.05.1972	10.05.1972
<i>Nauru Phosphate Royalties (Payment and Investment) Act Amendment Act 1974</i>	1974/05	04.07.1974	04.07.1974
<i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1976</i>	1976/14	23.09.1976	11.10.1976 (GN 324/1976)
<i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1978</i>	1978/04	01.07.1978	01.07.1978
<i>Nauru Phosphate Royalties (Payment and Investment) (Amendment Act) 1988</i>	1988/06	09.09.1988	01.07.1988
<i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 1989</i>	1989/06	29.09.1989	01.07.1989
<i>Nauru Phosphate Royalties (Payment and Investment) Amendment Act 1997</i>	1997/04	13.06.1997	30.09.1997
<i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 2005</i>	2005/08	05.10.2005	30.09.2005
<i>Nauru Phosphate Royalties (Payment and Investment) (Amendment) Act 2008</i>	2008/08	18.07.2008	01.08.2008

Table of Amendments

ad. = added or inserted am. = amended rep. = repealed rs. = repealed and substituted

Provision affected	How affected
Section 1	Short title rs. by Act 2008/08.

Nauru Phosphate Royalties (Payment and Investment) Act 1968

Provision affected	How affected
Section 2	Rs. by Act 1968/06; am. by Act 2005/08.
Section 3	Rep. by Act 1968/06.
Section 4	Subs. rep. by Act 1997/04. Subs. (3) rs. by Act 1968/06; am. by Act 1997/04.
Section 5	Subs. (2) am. by Act 1968/06. Subs. (3) rs. by Act 1968/06; am. by Act 1997/04.
Section 6	Subs. (2) rs. by Act 1968/06; am. by Act 2005/08. Subs. (3) rs. by Act 1968/06. Subs. (4) ad. by Act 2005/08.
Section 7	Subs. (2) am. by Act 1968/06. Subs. (3) rs. by Act 1968/06.
Section 8	Rs. by Act 1968/06. Subs. (2) am. by Act 1997/04. Subs. (3) am. by Act 1997/04.
Section 9	Rs. by Act 1997/04.
Section 10	Rs. by Act 1968/06. Subs. (3) ad. by Act 1997/04.
Section 11*	Rs. by Act 1970/09. Subs. (1) am. by Act 1972/14, Act 1974/05, Act 1976/14, Act 1978/04, Act 1988/06, Act 1989/06, Act 2005/08, Act 2008/08. Subs. (2) am. by Act 1972/14, Act 1974/05, Act 1976/14, Act 1978/04, Act 1988/06, Act 1989/06, Act 2005/08, Act 2008/08. Subs. (3) am. by Act 1972/14, Act 1974/05, Act 1976/14, Act 1978/04, Act 1988/06, Act 1989/06, Act 2005/08, Act 2008/08. Subs. (4) am. by Act 1972/14, Act 1974/05, Act 1976/14, Act 1978/04, Act 1988/06, Act 1989/06, Act 2005/08, Act 2008/08. Subs. (5) am. by Act 1972/14, Act 1974/05, Act 1976/14, Act 1978/04, Act 1988/06, Act 1989/06, Act 2005/08, Act 2008/08. Subs. (8) am. by Act 1972/14, Act 1974/05, Act 1976/14, Act 1978/04, Act 1988/06, Act 1989/06, Act 2005/08, Act 2008/08. Subs. (9) ad by Act 1976/14.
Section 12	Rs. by Act 1968/06. Subs. (2) am. by Act 1997/04. Subs. (3) am. by Act 1976/14, Act 1997/04..
Section 13	Rs. by Act 1968/06.
Section 14	Ad. by Act 1968/06. Subs. (2) am. by Act 1997/04. Subs. (3) am. by Act 1997/04.
First Schedule	Rs. by Act 1974/05. Am. by Act 1976/14, Act 1978/04, Act 1988/06, 1989/06, Act 2005/08.
Second Schedule	Rs. by Act 1974/05. Am. by Act 1976/14, Act 1978/04, Act 1988/06, 1989/06, Act 2005/08, Act 2008/08.