



GOVERNMENT OF NIUЕ

MEDIA RELEASE

FOR IMMEDIATE RELEASE

NIUE GOVERNMENT ANNOUNCES NEW FRAMEWORK FOR STATE OWNED AND CROWN ENTITIES

SOE Policy Sets Standards By Which Crown Entities Are Managed In The Best Interests of Niue Public, Taxpayers and Donors

Alofi, Niue - 12 April 2022 – Niue’s Cabinet has approved the Government State Owned Entities (SOEs) and Crown Entities (CEs) Policy (“Government SOE Policy”) for guidance and adoption by the government and SOEs/CEs from 1 July 2022, pending specific legislation being prepared and enacted by the Assembly.

Niue’s SOEs and CEs, such as Broadcasting Corporation of Niue, Niue Development Bank, Niue Commercial Entities Limited, Telecom Niue Limited and Niue Philatelic and Numismatic Corporation, have been seen as Government-owned entities that have been established as private companies with the main purpose to generate revenue by selling goods and services but operate under their establishment legislation (for example the Companies Act 2006)

Premier and Minister of Commercial Entities Hon Dalton Tagelagi says the number of SOEs and CEs with various establishment structures has seen the need to create a governance framework.

Hon Dalton Tagelagi noted that “The policy is designed to codify the establishment and management of these entities and outline the level of expectations and standards they manage in the best interest of the Niue public, taxpayers and donors.”

The Minister of Finance, Hon Crossley Tatui, adds that the establishment of SOEs and CEs has two key objectives, “One is to ensure there is a clear separation between the Government’s non-commercial roles (policy, regulatory and social functions etc.) and its commercial role in delivering products and services to paying customers to minimise conflicting objectives. The second is to allow the Government’s commercial activities to be in a position analogous to that of the private sector while retaining public ownership to maximise the economy, efficiency, effectiveness and financial viability of these commercial activities.”

In addition, Hon Dalton Tagelagi also says Niue’s Government is reviewing its SOE structures, business standards, investment diversification and business portfolio decisions to ensure the Government receive benefits from its sovereign assets.

“Appropriate investment decisions and proposed entities are planned in the short and medium-term, such as a Niue Superannuation Fund to operate with commercial disciplines to manage better and control these investments. As part of the adoption and implementation of the Government SOE Policy, each SOE/CE will commence the Statement of Intent (SOI) process set out in the Government SOE Policy so that each SOE has an SOI in place by 1 July 2022.”

The SOI aims to promote public accountability enabling the Government to participate in the process of setting the SOE’s or Crown entity’s strategic intentions and medium-term undertakings, setting out for the Assembly those intentions and undertakings, providing a base against which the SOE’s or Crown entity’s actual performance can later be reported and assessed.

A central unit will be established within the government to monitor and report regularly to Cabinet on the performance of SOEs and CEs.

ENDS

Media Contact:

Rhonda Tiakia, GON Communications Officer niuegovt.media@mail.gov.nu

For updated information on the Government of Niue, see our website www.gov.nu.