

# **EXPLANATORY NOTES FOR MEMBERS OF THE NATIONAL PARLIAMENT**

## **Additional Supplementary Appropriation Bill 2008**

### **FOR THE YEAR ENDING 31 DECEMBER 2008**

The purpose of the Additional Supplementary Appropriation Bill 2008 is to provide an additional sum of **K850,000,000** for expenditure for the year ending 31 December 2008 (the current financial year) as required under Section 209(2)(c) of the Constitution as amended.

The appropriation in the Bill has two main parts. The first is the appropriation of K565 million to Division 207 for Additional Expenditure.

Because spending of some of the funds involved may take place after the end of 2008, K342.5 million of this amount will be paid immediately into trusts from which funds can be disbursed over time. K250.5 million is to be directed to improvement of transport infrastructure.

The components of the K250.5 million for improvement of transport infrastructure are:

- K90 million for major priority roads,
- K64 million for rural town roads,
- K21.5 million for existing Lae Port,
- K20 million for other Ports, Wharves and Jetties,
- K20 million for Airport Upgrades, and
- K35 million for National/Rural Bridges.

The remaining K222.5 million of the appropriation for Additional Expenditure is for a range of expenditures to be undertaken in the remaining months of 2008. These are:

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|----------------|---|
| K70 million    | Pre-fund on-lending to Air Niugini for purchase of a new aircraft.  |
| K 6 million    | National Television Service set-up by National Broadcasting Corporation, for equipment & installation costs for 6 sites under Phase 1 of the project.                         |
| K12 million    | Outstanding land settlements.   |
| K 3.8 million  | Set-up of the Office of Climate Change.   |
| K 2.6 million  | Payment of the housing allowance for Attorney General's Staff.  |
| K 6.5 million  | Outstanding NDO verified liabilities for Oro Disaster.  |
| K 5 million    | Feasibility studies for a road from Kisenepou in the Southern Highlands Province to Toweï in the Gulf Province, linking with the current construction of Gobe-Samberigi Road. |
| K 5 million    | National Planning Technical Advisory Team   |
| K 0.5 million  | Bougainville Office   |
| K 1.38 million | Outstanding liabilities for Yomoki Ltd of K1.3 million and New Guinea Fisheries of K80,000 for food supplies to Defence.  |

K 1.4 million	Refurbishment and maintenance of the air-conditioning system and acquisition and installation of new generator set for the National Museum.
K 12.9 million	Outstanding liabilities – LLG elections in 2008 and for 2007 National Elections.
K 1.74 million	Land acquisitions by the State – for State Schools.
K 5.85 million	Government funding for IFMS.
K12.63 million	Replenishment of the Secretary’s Advance.
K 2.3 million	PNG National Games.
K14 million	Church Run Hospitals Partnership (PPP).
K 1.6 million	Additional funding for Government House.
K 6 million	Additional funding for National Parliament.
K 1.3 million	Public Accounts Committee.
K 3 million	Mirigini House Renovation.
K 5 million	PM’s Overseas and Domestic commitments.
K20 million	Court Orders.
K12 million	PNG Canberra Office – Purchase of Residence.
K10 million	Waigani Office Redevelopment

The second main part of the Bill is an appropriation of K285 million to Division 207 for reduction of Government liabilities. This has three components.

The first component is an allocation of K50 million for the purpose of retiring public debt. This is an addition to the appropriation made in the 2008 Budget for public debt charges.

The second component is an amount of K40 million for payment to Nambawan Super Limited, to reduce the Government's liability for contributions due to the superannuation fund by the Government as employer.

The third component is an amount of K195 million for payment of other outstanding liabilities under MOA commitments. These are:

K100 million	Southern Highlands Province
K 60 million	Gulf Province
K 10 million	Gobe Samberigi Road
K 2.5 million	Hela
K 2.5 million	Jiwaka
K 20 million	Expenditure Implementation Committee