



FINAL BUDGET OUTCOME

2013

31st MARCH 2014

INTRODUCTION

The Final Budget Outcome (FBO) Report is released in accordance with the requirements of Section 15 of the Papua New Guinea Fiscal Responsibility Act, 2006.

The purpose of the FBO Report is to provide a report on the budget outcome for each fiscal year. This improves the accountability and transparency of Government financing, and it does so in a timely manner. The 2013 FBO Report aims to provide to Parliament and the public a comparison and explanation of the major variations from the 2013 Budget estimates for total revenue and grants, total expenditure and net lending and the budget balance. It also provides a summary of the National Government financing activities for the financial year and a summary of the National Government debt position, together with comparative figures for the previous financial year.

The FBO covers Central Government fiscal operations in what is known as the Government sector. Consistent with the 1986 Government Finance Statistics (GFS) cash reporting framework, the Government sector is defined as covering all units performing government functions, that is, the implementation of public policy through the provision of primarily non-commercial services and the transfer of income, supported mainly by compulsory levies on other institutional sectors.

Government owned or controlled units, which sell industrial or commercial goods and services to the public on a large scale, are excluded from the government sector and are classified separately as non-financial public enterprises. Government owned and or controlled financial institutions are also classified separately from the Government sector as public financial institutions.

The financial information presented in this report is based on the same reporting standards as the 2013 Budget. Generally this follows the cash reporting standards originally laid down in the 1986 'Manual of Government Finance Statistics' published by the International Monetary Fund (IMF).

It should be noted that as of the 2014 Budget the Government will be transitioning to the more modern and transparent 2001 Government Finance Statistics, meaning FBO reporting will also be done on this basis from then on.

The information presented in this report may not reconcile fully with information published in the Public Accounts as some revenues and expenditures detailed in this report will be reported or classified differently in the Public Accounts. For example, transactions relating to debt are generally reported on a net basis and split into principal and interest components in this report, whereas they are reported on a gross basis in the Public Accounts and not split between principal and interest components.

The information presented in this report is based on the same data used in the preparation of the Public Accounts; however this report is compiled before that data has been subject to independent audit. This report will therefore not include the effects of any adjustments made to the underlying data arising from the audit process. In addition, there are some areas where updated figures will modify the actual outcomes for 2012, such as when reports are finally received from all donors on projects grants, and more reporting is provided on the Infrastructure Tax Credit.

The 2013 FBO is the third (after the 2011 and 2012 FBO) to use the Government's new Integrated Financial Management System (IFMS). As with any new system, there are challenges created by the many changes required.

PART 1

FINAL BUDGET OUTCOME BY FISCAL OPERATIONS

1.1 CENTRAL GOVERNMENT FISCAL OPERATIONS

The Final Budget Outcome for 2013 is a deficit of K2,672.4 million which is 7.7 per cent of GDP. The significant increase from the 2012 deficit outcome of K1,377.9 million which is 4.2 percent of GDP is a deliberate intervention by the Government to support continued economic growth with expenditures prioritised towards the Medium Term Development Plan (MTDP) enablers particularly infrastructure due to its more immediate impact on future economic growth.

The final budget deficit outcome for 2013 is also reflective of a deliberate intervention by the O'Neill Dion Government to re-appropriate K386.0 million away from less significant expenditures to investing on upgrading the country's sport facilities to ensure the 2015 South Pacific Games is a memorable event for our visitors and the people of Papua New Guinea

The Final Budget deficit for 2013 compared to the original Budget deficit estimate of K2,548.9 million (7.2 per cent of GDP), is higher by K123.5 million. This is largely reflective of lower Total Revenue and Grants which turned out to be less by K649.2 million as a result of lower tax revenue, non-tax revenue, grants, and infrastructure tax credits. Project grants and the Infrastructure Tax Credit have an equal and offsetting impact on Total Expenditure and Net Lending so they do not affect the overall fiscal balance. Total Expenditures and Net Lending is also lower by K525.6 million, compared to the original budget estimate which reflects under spends across many investment and development projects. The fiscal outcome for 2013 Final Budget Outcome is set out in the Table 1 below.

Table 1: Budget Balance 2012– 2013 (Kina Millions)

	2012 Outcome	2013 Original Budget	2013 Revised Budget	2013 Outcome
Revenue and Grants	9,566.1	10,481.9	10,481.6	9,832.7
Expenditure and Net Lending	10,944.0	13,030.8	13,218.7	12,505.1
Budget Balance	- 1,377.9	- 2,548.9	- 2,737.1	- 2,672.4
% of GDP	-4.2%	-7.2%	-7.9%	-7.7%

Source: Department of Treasury

Towards the end of 2013, Total Revenue and Grants revised estimate remained close to the original Budget estimate of K10,481.9 million. Total Expenditure and Net Lending, on the other hand, was anticipated to be higher than the Original budget estimate at K13,030.8 million. The revised Total Expenditure and Net Lending estimate of K13,218.7 million reflected inclusion under expenditures of the K305 million LNG equity which was initially reported under financing, projected lower interest payments and anticipated increases in expenditures relating to costs to the construction of PNG's sporting facilities.

The 2013 budget deficit outcome compared to the revised budget estimate is smaller by K64.7 million and is reflective of lower Total Expenditure and Net Lending, as well as, lower Total Revenue and Grants. The budget deficit outcome for 2013 will mean that the Government has not fully implemented the 2013 Budget as originally planned and that the Government was faced with lower than anticipated Total Revenues and Grants

1.2 REVENUE

Total Revenue and Grants

The total Revenue and Grants outcome for 2013 is K9,832.7 million (Table 1). Compared to the 2012 outcome of K9,566.1 million, total Revenue and Grants has increased by K266.6 million, primarily reflecting growth in collections in Tax Revenue and Infrastructure Tax Credits. These increases have offset declines in Non Tax Revenues and Grants. The Total Revenue and Grants for 2013 is set out in the Table 2 below.

Compared to the original Total Revenue and Grants estimate of K10, 481.6 million, Total Revenue and Grants outcome for 2013 is lower by K649.2 million. This reflects lower Tax Revenue (down by K42.7 million), Non-Tax Revenue (down K235.6 million) as well as Project Grants (down K333.7 million) and Infrastructure Tax Credits (down K32.2 million).

Table 2: Total Revenue and Grants (Kina, Million)

	2012 Outcome	2013 Original Budget	2013 Revised Budget	2013 Outcome
Tax Revenue	8,148.3	8631.2	8605.7	8588.5
Non Tax Revenue	423.2	509.5	534.8	273.9
Grants	930.8	1211.0	1211.2	877.5
Infrastructure Tax Credit	63.8	130.0	130.0	92.8
Total Revenue and Grants*	9,566.1	10481.9	10481.6	9,832.7

Source: Department of Treasury

*Includes Infrastructure Tax Credit

The overall shortfall in total Revenue and Grants from the revised Budget estimate is driven mainly by lower than expected collections of total Government Revenue, including an unanticipated shortfall in Non Tax Revenue and a smaller shortfall in Tax Revenue. In addition, lower than expected reported Grants received from Foreign Donor agencies have also contributed to the overall shortfall.

Tax Revenue

The total Tax Revenue outcome for 2013 is K8,588.5 million. Compared to the 2012 outcome of K8,148.2 million, total Tax Revenue has increased by K440.2 million, reflective of strong growth in Taxes on Income and Profits, Domestic Taxes on Goods and Services and Taxes on International Trade. The Tax Revenue for 2013 is set out in the Table 3 below.

Compared to the original Budget of K8,631.2 million, Tax Revenue is lower by K42.7 million or 0.5 per cent.

Table 3: Tax Revenue (Kina, Million)

	2012 Outcome	2013 Original Budget	2013 Revised Budget	2013 Outcome
Tax on Income & Profits	5,875.1	6215.5	6185.8	6081.3
Dom. Taxes on G&S	1,575.5	1613.4	1721.7	1765.8
Taxes on International Trade	697.6	802.3	698.2	741.3
Tax Revenue	8,148.2	8631.2	8605.7	8588.5

Source: Department of Treasury

The shortfall in Tax Revenue compared to the revised Budget estimate is due to lower than expected collections from Taxes on Income and Profits, offsetting higher than expected collections from Domestic Taxes on Goods and Services and Taxes on International Trade.

Taxes on Income and Profits outcome for 2013 is K6,081.3 million. This increased by K206.2 million from the 2012 outcome due to strong collections in Company Tax and Personal Income Tax which increased by K314.4 million and K159.7 million respectively. Dividend Withholding Tax, Gaming Machine Tax and Other Direct Tax were also slightly higher than 2012 outcome. The increases in these tax heads have offset the declines in Mining and Petroleum Taxes and Interest Withholding Tax which were down by K314.4 million and K28.9 million respectively. The Taxes on Income and Profits for 2013 is set out in the Table 4 below.

The shortfall against the original budget estimate of K6,215.5 million is K134.2 million and is largely reflective of lower Mining and Petroleum revenues which offset increases in personal income tax, company tax and dividend withholding tax.

Table 4: Taxes on Income and Profits (Kina, Million)

	2012 Outcome	2013		2013 Outcome
		Original Budget	2013 Revised Budget	
Personal Income Tax	2,648.7	2,608.0	2,740.4	2,808.4
Company Tax	1,744.5	1,891.5	2,061.6	2,060.5
Dividend Withholding Tax	190.7	197.3	232.8	244.5
Mining and Petroleum Tax	981.1	1207.5	815.7	666.7
Interest Withholding Tax	67.4	45.1	49.0	38.5
Other Direct	108.8	119.5	115.6	118.1
Gaming Tax	133.9	146.6	170.6	144.6
Tax on Income & Profits	5,875.1	6,215.5	6,185.8	6,081.3

Source: Department of Treasury

Tax on Income and Profits is K104.5 million lower than the revised Budget estimate of K6,185.5 million, driven by lower than expected collections from Mining and Petroleum Tax (MPT). Mining and Petroleum Tax was lower than expected by K149.0 million due to lower than expected commodity prices (Table 3). Slight shortfalls in Gaming Machine Tax (down K26.0 million), Interest Withholding Tax (down K10.5 million) and Company Tax, (down K1.1 million), also contributed to the overall shortfall in Taxes on Income and Profits. The shortfalls in these tax heads have offset the higher than expected collections of Personal Income Tax (up K68.0 million), Dividend Withholding Tax (up K11.7 million) and Other Direct Tax (up K2.5 million).

The stronger than expected growth in Personal Income Tax is reflective of continued strong employment and wages growth in the domestic economy. Continuation of employment of workers related to LNG plant construction has also contributed to the growth in this tax head. However, this is expected to slowdown in line with the project nearing production in 2014.

Domestic Taxes on Goods and Services have increased by K190.3 million from the 2012 outcome, driven by higher GST transferred to Waigani Public Accounts (WPA) (up K207.2 million) due to high collections in provinces combined with low refunds. This has offset a decline of K18.6 million in Excise Tax. The Domestic Taxes on Goods and Services for 2013 is set out in the Table 5 below.

Compared to the Original Budget estimate of K1,613.4 million, this is an increase of K152.4 million. This is a result of stronger collections of Goods and Services Taxes which offset lower collections of Excise duty and other indirect Taxes.

Table 5: Domestic Taxes on Goods and Services (Kina, Million)

	2012 Outcome	2013 Original Budget	2013 Revised Budget	2013 Outcome
Excise Duty	560.5	651.0	606.1	541.9
Goods & Services Tax	1010.0	954.4	1107.5	1217.2
Other Indirect	5.0	8.0	8.0	6.7
Dom. Taxes on Goods & Services	1575.5	1613.4	1721.6	1765.8

Source: Department of Treasury

Domestic Taxes on Goods and Services have increased by K44.2 million from the revised Budget estimate, driven by strong collections from Goods and Services Tax (GST) in provinces and low GST refunds (Table 4). Overall, total GST paid to Waigani Public Accounts (WPA) was higher by K109.7 million. This has offset the shortfall in Excise Duty which was lower than expected by K64.2 million.

Taxes on International Trade outcome for 2013 total K741.3 million. This increased by K43.6 million from the 2012 outcome of K697.7 million, driven by higher Import Duty collections (up K34.2 million) and Export Duty (up K31.8 million). The increase in Import and Export Duty offset a shortfall of K22.3 million in Import Excise. The Taxes on International Trade for 2013 is set out in the Table 6 below.

The original Budget Taxes on International Trade estimate, on the other hand, was over estimated by K61.0 million which assumed all international taxes to have increased during the year, however, that was not the case. Excise Duty on Imports was down by K83.2 million, and offset slight increases in Import Duty and Export Duty.

Table 6: Taxes on International Trade (Kina, Million)

	2012 Outcome	2013 Original Budget	2013 Revised Budget	2013 Outcome
Import Duty	223.0	251.3	240.7	257.2
Export Duty	179.9	195.3	190.0	211.7
Excise Duty on Imports	294.8	355.7	267.5	272.5
Taxes on International Trade	697.7	802.3	698.2	741.3

Source: Department of Treasury

Taxes on International Trade were higher by K43.1 million from the revised Budget estimate due to higher than expected collections of Export Duty (up K21.7 million), Import Duty (up K16.5 million) and Import Excise (up K5.0 million).

Non Tax Revenue

Total Non-Tax Revenue outcome for 2013 is K273.9 million. Compared to the 2012 outcome, Non Tax Revenue is down by K149.3 million or 35.3 per cent. The decline is reflective of nil dividends received from the mining and petroleum sector, offsetting a slight increase in dividends from SOEs (up K5.0 million) and Fees and Charges received from Departments (up K112.5 million). The Total Non Tax Revenue for 2013 is set out in the Table 7 below.

Total Non Tax Revenue for 2013 is lower than the original budget estimate of K509.5 million by K235.6 million or down 46.2 per cent (Table 6).

Table 7: Non Tax Revenue (Kina, Million)

	2012 Outcome	2013 Original Budget	2013 Revised Budget	2013 Outcome
Property Income	172.3	224.8	264.8	55.0
Dividends	50.0	82.0	132.0	55.0
Mining & Petroleum Dividends.	122.3	142.8	132.8	0.0
Interest & Fees from Lending	0.1	4.0	4.0	0.0
Other Non Tax Revenue	106.4	144.7	230.0	218.9
Injections from Trust Accounts	144.4	36.0	36.0	0.0
Asset Sales	0.0	100.0	0.0	0.0
Non Tax Revenue	423.2	509.5	534.8	273.9

Source: Department of Treasury

Compared to the revised Budget, the significant decline is due mainly to the nil payment of Mining and Petroleum Dividends and lower than expected dividends from State Owned Enterprises. Of the revised Budget estimate of K132.0 million, only K50.0 million was received from one SOE in 2013. In addition, collections from Departmental Fees and Charges were also lower by K11.1 million, Injections from Trust Accounts were lower by K36.0 million and Interest and Fees from Lending were lower by K4.0 million.

Grants and the Infrastructure Tax Credit

Project Grants outcome is K877.5 million for 2013. This is lower than the 2012 outcome, as well as, the original budget and the revised budget estimates which equal each other and remained unchanged throughout the year. Compared to the 2012 Project Grants outcome was down by K53.3 million and down by K333.7 million for both the original and revised budget estimates. The Infrastructure Tax Credit (ITC) was lower than expected by K37.2 million from both the revised Budget estimate and the original Budget. Compared to the 2012 outcome the Infrastructure Tax Credit was larger by K29.0 million.

1.3 EXPENDITURE AND NET LENDING

Total Expenditure and Net Lending in 2013 was K12,505.1 million. Compared to the 2012 expenditure outcome of K10,943.9 million Total Expenditure and Net Lending was K1,561.1 million (14.3 per cent) higher, which is reflective of the substantial increase in funding given to the recurrent (up K1,197.3 million) and development (up K1,263.8 million) budgets in 2013.

However, this outcome was K525.8 million (4.0 per cent) lower than the original 2013 budget estimate, mainly reflecting under expenditure in the development budget more than offsetting over expenditure in the recurrent budget.

Table 8: Total Expenditure and Net Lending 2012-13 (Kina Millions)

	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
Service Delivery Expenditure	6,188.1	7,235.0	7,034.4	7,385.4
Development and Capital Investments Expenditure	3,855.8	5,795.8	5,879.3	5,119.6
Equity Purchase	900.0		305.0	
Total Expenditure and Net Lending	10,943.9	13,030.8	13,218.7	12,505.1

% of GDP 33.5% 36.6% 38.2% **36.1%**

Source: Department of Treasury

Service Delivery Expenditure (Recurrent Budget)

Service Delivery Expenditure assisted with the provision of ongoing funding for delivery of essential services by the Government. In 2013, increased funding was provided through the Recurrent Budget to support Government priorities and key MTDP enablers including: expanding Tuition Fee Free Education in 2013 to also include Grade 11 and 12, introduction of Free Primary Health care, and improvements in Law and Order infrastructure sectors. The outcome for Service Delivery Funding by Agency is shown in Table 9 below.

Table 9: Total Recurrent Expenditure by Agency Type 2012-13 (Kina Millions)

	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
National Department	3,917.2	4,681.9	4,511.0	4,990.8
Commercial & Statutory Authorities	392.5	380.6	425.9	434.1
Provincial Government	1,346.5	1,414.5	1,455.0	1,396.6
Autonomous Bougainville Government	75.2	87.0	88.3	80.2
Interest Payments and Fees	459.6	671.0	554.1	484.8
Net Lending	- 2.8	0.0	0.0	-1.0
Recurrent Expenditure	6,188.1	7,235.0	7,034.4	7,385.4

Source: Department of Treasury

In 2013, recurrent expenditure totalled K7,385.4 million. Compared to the 2012 outcome, total recurrent expenditure increased by K1,197.3 million, reflecting increased spending by National Departments.

Against original budget estimates the recurrent budget was over spent by K150.4 million (2.1 per cent). As with previous years there continue to be concerns with over spends in the recurrent budget against original appropriations. In 2013 it was driven by over expenditure on goods and services by K515.8 million (17.1 per cent) by national departments and K42.1 million (36.3 per cent) by Statutory Authorities compared to the original budget.

The overall under expenditure of Personnel Emoluments (PE) attributes to unreported payroll expenditure of three pay periods (pays 22, 23 and 24) of 2013 and also as a result of payroll cleansing activity done by most of the provinces.

Further data on expenditure on goods and services and personnel emoluments for all Agencies are tabled in Part 2 of this document.

Table 10: Total Recurrent Expenditure 2012-13 (Kina Millions)

	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
Goods and Services	3,240.8	3,551.0	3,656.3	4,104.9
National Department	2,522.2	3,015.0	3,066.8	3,530.8
Provincial Government	309.1	398.0	406.0	392.1

Autonomous Bougainville Govt	17.0	22.3	22.5	24.1
Commercial & Statutory Authorities	392.5	115.8	161.0	157.9
Personnel Emoluments	2,490.6	3,013.0	2,823.9	2,796.9
National Department	1,395.0	1,667.0	1,444.2	1,460.0
Provincial Government	1,037.4	1,016.5	1,049.0	1,004.6
Autonomous Bougainville Govt	58.2	64.7	65.8	56.1
Commercial & Statutory Authorities	-	264.8	264.9	276.2
Recurrent Expenditure on PE & GS	5,731.3	6,564.0	6,480.3	6,901.7

Source: Department of Treasury.

Total recurrent expenditure of the Autonomous Bougainville Government was K80.2 million. Compared to the 2012 outcome, recurrent expense for ABG increased by K5.0 million (6.7 percent) reflective of increased funding for Goods and Services.

Against the original budget, ABG under spent by K6.8 million (7.8 per cent), due to a K8.6 million (13.3 per cent) under spend on personal emoluments.

Total Interest Payments and Fees in 2013 was K25.2 million (5.5 percent) higher than the 2012 outcome, primarily reflecting increased interest payments, especially under domestic financing as a result of consecutive budget deficits.

Nevertheless, Total Interest Payments and Fees were K186.2 million (27.7 per cent) lower than the original Budget estimate. This reflected the effect of high liquidity on the demand for domestic issuance, resulting in lower than expected interest rates.

Development and Capital Investments Expenditure

Total Development Budget expenditure in 2013 was K5,119.6 million. Compared to the 2012 outcome, Total Development Budget expenditure increased by K1,263.8 million (32.8 percent), reflective of increased spending under Domestic Funds (up K1,258.4 million), Infrastructure Tax Credits (up K29 million) and Concessional Loan Drawdown's (up K190.3 million).

Against the 2013 original budget, the outcome was K676.2 million (11.7 per cent) lower. Factors contributing to the lower than expected outcome for the Development Budget include; under spends in domestic funds, the slow and limited draw down rates for concessional loans, under utilization of tax credits and under reporting for both project grants and concessional loans.

The table below shows the different expenditure heads under the Development Budget and their outcomes for 2013.

Table 11: Development Budget 2012-13 (Kina Millions)

Source of Funding	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
Domestic Funds	2,374.4	3,810.8	3,893.5	3,632.8
Project Support Grants	1,091.4	1,211.0	1,211.2	877.5
Infrastructure Tax Credits	63.8	130.0	130.0	92.8
Loans	326.2	644.0	644.7	516.5
<i>Concessional</i>	326.2	644.0	644.7	516.5
Commercial				
Total Development Budget	3,855.8	5,795.8	5,879.3	5,119.6

Source: Department of Treasury.

Against the 2012 outcome domestic funds spending (GoPNG Development Budget component) was K1,258.3 million (53 percent) higher. This was driven by an increased allocation for Infrastructure spending and other key priorities under the Alotau Accord.

Expenditure on Domestic Funds was K178.0 million (4.7 per cent) lower than the original budget estimate. This underspend may be a reflection of the slower expenditure from line agencies as well as the enforcement by the Department of Planning and Monitoring on implementing Agencies to present monthly cash flows and project work programs, before the release of additional funding.

Table 12 below summarizes the Domestic Funds for the three different sector aggregates: National Government Departments; Commercial Statutory Authorities; and Provincial Governments. Details by individual agency/entity are provided in Part 3.

Table 12: Development Expenditure on Domestic Funds 2013 (Kina Millions)

	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
National Department	1,392.1	1,370.1	1,377.6	1,501.0
Commercial & Statutory Authorities	661.0	495.0	577.8	566.9
Provincial Government	321.3	1,945.7	1,938.1	1,564.8
Total Domestic Funds	2,374.4	3,810.8	3,893.5	3,632.8

Source: Department of Treasury.

In 2013, domestic funds spending by National Departments was K108.9 million (7.8 per cent) higher than the 2012 outcome. This was mainly driven by increased allocations for infrastructure development funding especially under the Department of Works.

Overall there was overspending of Domestic Funds by the National Departments of K130.9 million (9.6 per cent) against the original appropriations.

Commercial Statutory Authorities (CSA) reported spending K94.1 million (14.2 percent) less than the 2012 outcome and a K71.9 million (14.5 per cent) over spend against their 2013 original appropriation for Domestic Funds.

Those Commercial Statutory Authorities (CSA) that reported over spends of over K2.0 million against their original appropriation, are the National Research Institute (K2.0 million); University of Goroka (K11.2 million), National Airports Corporation (K5.0 million); Office of Coastal Fisheries Development Agency (K2.8 million), and PNG Oil Palm Industry Corporation (K4.1 million).

Provinces spent K1,243.5 million (387.0 percent) more than their 2012 outcome, reflecting the Governments move in the 2013 Budget to provide increased and direct funding to the lower levels of Government.

Provinces reported under spends of K380.9 million (19.6 per cent) against their original appropriations which may be due to the lack of capacity to implement, especially at the district and LLG levels.

Project Support Grants (Donor grants) were K333.5 million (27.5 per cent) lower than the original budget estimate of K1, 211.0 million. The lower than anticipated outcome was due to the lag in reporting of project support grants.

For Project Grants, the reported outcome of K877.5 million includes figures from AusAID, the World Bank and NZaid with AusAID being the largest contributor reporting K867.7 million in donor spending.

Infrastructure Tax Credit expenditure was K37.2 million (28.6 per cent) lower than the original budget estimate. This under-spending has become a general trend across the scheme as this is caused by the lengthy deliberations and project proposal assessments for project submissions by companies involved in the scheme.

For concessional loans, only K516.5 million of K644.0 million available was drawn-down for the implementation of the Development Budget in 2013, indicating that (19.8 per cent) of the concessional loans available were not utilized. The key reasons for this were capacity issues; lengthy procurement processes; and poor coordination and consultation between government agencies and donor partners.

2013 Supplementary Budget

Parliament passed the 2013 Supplementary Budget of K379.8 million in November 2013. The Supplementary Budget provided for the reallocation of K379.8 million from some 2013 Budget items to make funding available for the completion of the 2015 SP Games facilities (K315.8 million), the cost of Power Generators (K50 million) and the 2014 Melanesian Arts Festival (K14 million). Although, the reallocation did not affect total 2013 expenditure at the aggregate level, it did affect expenditure outcomes at the project level.

As all of these funds needed to be spent before 31st December 2013, it was not feasible to obtain this outcome with around one month of 2013 remaining. As a result, only K64.0 million was spent directly through the recurrent budget and the rest were earmarked for payment into trust accounts.

1.4 FINANCING

The performances of revenue and grants, and expenditure and net lending have led to a budget deficit for 2013 of K2,672.4 million. This deficit and the PNG LNG equity contribution are financed from both external and domestic sources of funding.

External Funding

Concessional Loan drawdowns totalled K516.5million. This is K190.3 million higher than the 2012 Outcome and K128.2million lower than the original Budget estimate of K644.7 million.

Table 13: External Borrowing 2012-13 (Kina Millions)

	2012 Outcome	2013 Original	2013 Revised	2013 Outcome
New External Borrowing	326.2	644.7	644.7	516.5
Concessional financing	326.2	644.7	644.7	516.5
Commercial Financing	0.0	0.0	0.0	0.0
Exceptional Financing	0.0	0.0	0.0	0.0
Repayment of Principal	164.3	168.7	168.7	172.9
Net External Borrowing	161.9	475.9	476.0	343.6

Source: Department of Treasury

The lower drawdown than the Budget estimate is due to delays in the implementation of a number of underlying projects. Repayment of principal on external loans was K172.9 million which is K8.6 million or 4.8 percent higher than the 2012 Outcome and K4.2 million higher than the original Budget estimate. This performance resulted in net external financing of K343.6 million.

Domestic Funding

Table 14: Domestic Borrowing 2012 –2013(Kina Millions)

	2012 Outcome	2013 Original	2013 Revised	2013 Outcome
New Domestic Borrowing	4,076.9	5,732.5	6,820.3	6,914.6
Treasury Bills Financing	3,470.2	3,511.5	5,404.3	5,498.9
Inscribed Stock Financing	606.7	816.0	1,416.0	1,415.7
Other Domestic Financing	-	1,405.0	-	-
Repayment of Principal	3,079.8	3,354.6	4,188.0	4,188.0
Net Domestic Borrowing	997.1	2,377.9	2,632.3	2,726.5

Source: Department of Treasury

Domestic issuance in 2013 totalled K6,914.6 million which comprise K5,498.9 million in Treasury Bills and K1,415.7 million of Inscribed Stock. Treasury Bills were used to fund the K305 million shortfall in the State's equity purchase in the PNG LNG Project. Repayment of principal was K4,188.0 million in 2013 comprising of K4,049.8 million of Treasury Bills and K138.3 million of Inscribed Stock.

Table 15: Summary of Net Borrowings 2013

	2013 Outcome
FINANCING	
Net Domestic Borrowing	2,726.5
Net Foreign Borrowing	343.6
Total Net Borrowing	3,070.1
Change in WPA Balance (Cash on hand used)	238.9
Funds raised	3,309.0
Deficit	-2,672.4
LNG Equity Purchase	-305.0
2012 Trust Accounts	-30.0
Cheque Float	-227.6
Changes in Cash Balances and Float (Use of funds)	-3,235.0
Balancing Item (Unexplained financing)	74.0

Source: Department of Treasury

Debt Service

Total Debt Service comprises of repayment of Principal and Interest. In 2013, repayment of principal was K4,360.9 million comprising of K 172.9 million for external debt and K4,188.0 million for domestic debt.

Total Interest and fees paid in 2013 was K484.9 million comprising of K42.2 million for external debt and K442.7 million for domestic debt. Total interest paid was K186.3 million lower than the original Budget estimate.

Table 16: Interest and Fees (Kina Millions)

	Appropriation			2013 Outcome	Difference
	2013 amount	Transfers	Final available		
Domestic					
Interest and other fees paid	617.4	(1.0)	616.4	481.9	(135.5)
<i>Less interest offsets:</i>					
Interest accrued on issuance ¹				(25.7)	
Net premium on issuance ²				(13.5)	
				442.7	
External					
Interest and other fees paid	53.8		53.8	42.2	(11.6)
Total Interest and Fees	671.2	(1.0)	670.2	484.9	(186.3)

Source: Department of Treasury

1. Inscribed Stock is a bond instrument that pays semi-annual coupons. Investors who purchase Inscribed Stock are entitled to receive a full coupon on the next coupon date, despite not holding the bond for the full 6 month coupon period. In recognition of this, an element of the proceeds received on issuance is for the interest that has accrued on the bond up to the date of issuance. The proceeds for accrued interest are treated as an interest offset to reflect the true interest cost on the bond.
2. The difference between the proceeds received on issuance and the bond's face value plus accrued interest is the net premium on issuance.

1.5 PUBLIC DEBT

The level of total public debt was K11,877.3 million at the end of 2013, which is K3,391.7 million above the 2012 level and K276.8million above the 2013 revised estimate.

The level of domestic debt was K8,844.8 million at the end of 2013, K2,726.6 million above the 2012 level and K93.8 million above the 2013 revised estimate. This increase in domestic debt levels was mainly due to higher than anticipated Treasury Bills issuance to finance the 2013 budget deficit

External debt increased to K3,032.5 million, which was due to the increase in net external borrowing for the year less some exchange rate gains.

Lower than anticipated GDP growth also contributed to debt as a percentage of GDP increasing from 26.4 percent in 2012 to 34.3 percent in 2013.

Table 17: Public Debt 2012 – 2013 (Kina, Millions)

	2012 Actual	2013 Budget	2013 Revised	2013 Outcome
Domestic	6,118.3	8,281.8	8,751.0	8,844.8
Treasury Bills	2,751.6	2,832.1	4,106.2	4,200.7
Inscribed Stock	3,366.6	4,044.7	4,644.8	4,644.1
Other Domestic Debt	0.0	1,405.0	0.0	0.0
<i>Domestic Debt as a % of GDP</i>	19.0	23.3	25.3	25.6
External	2,367.4	3,086.4	2,849.5	3,032.5
International Agencies	2,337.5	3070.3	2,833.2	3,018.4
Commercial Loans	29.9	16.1	16.3	14.1

Other Loans	0.0	0.0	0.0	0.0
<i>External Debt as a % of GDP</i>	7.4	8.7	8.2	8.8
Total Public Debt Outstanding	8,485.6	11368.2	11,600.5	11,877.3
<i>As % of GDP</i>	26.4	32.0	33.5	34.3

Source: Department of Treasury

1.6 SUPERANNUATION

In accordance to Sections 4 and 76 of the Superannuation (General Provisions) Act 2000, the State is obliged to make a mandatory superannuation contribution of an agreed 8.4 percent of the gross salary, individually, on behalf of all its employees, to Nambawan Super Limited (Super).

Since then, due to no budgetary allocations in some fiscal years, the State has incurred superannuation arrears which are yet to be funded. Based on the 2012 Nambawan Super Annual Report, the estimated total unfunded State Share Superannuation liabilities was K1,972.0 million as at end 31 December 2012, which excludes payments that were made in 2013.

The Automation of the State Share Superannuation Contribution program since its inception has been up to date and administratively efficient. This program enables the State to make mandatory superannuation contributions through the government payroll system on a fortnightly basis. A payroll deduction code was created which allows the appropriate amount of superannuation contributions from a budgetary allocation under the Department of Treasury to be remitted to a commercial bank account (operated by the NambawanSuper).

The Automation Process remits yearly State Share Superannuation Contributions allocated in a fiscal year while its superannuation liabilities are paid off manually. In 2013, the Department of Treasury, on behalf of the State manually paid K141.9 million in superannuation payments (Table 18). This comprised exit payments of K82.0 million and K59.9 million in arrears.

In 2014, Treasury has allocated K190.0 million towards the State's Superannuation obligations.

Table 18: State's unfunded superannuation liability and Payments (Kina Million)

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Est. Unfunded liability	1,198	1,458	1,740	1,871	2,036	2,060	2,038	1,972	YTC1
Total Payments	82.3	58.7	362.4	320.3	110	118	349.9	327.8	141.9
<i>Employer Contribution</i>	36.4	18.1	25.6	30.8	52.4	41.9	72.2	147.7*	
<i>Exit payment Lump-sum</i>	45.9	40.6	86.8	99.5	57.6	76.1	67.6	57.40	82
<i>Arrears</i>			250	190			200.1	112.70	59.9
<i>Section 45A</i>							10	10	

¹ The 2013 estimated unfunded liability is yet to be confirmed

Source: NSL Annual Reports 04-12 and DoT data

*K120 million was put aside for automation.

1.7 TRUST ACCOUNTS

The purpose of holding funds in Trust Accounts is to spread spending over time to control demand and inflationary pressures on the economy, as well as to give time to implementing agencies to properly design implementation strategies to execute projects.

Since 2005, up to and including the 2013 Budget, a total of K7270.2 million has been paid into Trust Accounts for implementation of the Government's priority programs. The vast majority of this comprises appropriations from Supplementary Budgets and Additional Priority Expenditure. Table 19 provides a summary on the movement of funds in and out of Trust Accounts from 2005 to 2013.

Table 19: Source of Funds for Trust Accounts: 2005 – 2013 (Kina Million)

Year	Deposits from SBE & APE(1)	Deposits from Annual Budgets & Interest	Spending from Trust Accounts	Net Savings(Deposits less Spending)
2005	400.0		0	400.0
2006	568.4		0	568.4
2007	1,283.0		76.0	1,207.0
2008	1,501.40	36.5	480.5	1,057.40
2009	0	627.2	2,365.90	-1,738.7
2010	0	487.0	908.8	-421.8
2011	628.5	598.2	1,426.3	-199.6
2012	0	690.0	1,389.3	-699.3
2013	0	450.0	537.1	-326.0

Source: Department of Treasury and Department of Finance

Table 20 below shows that the opening balance for Supplementary Budget Trust Accounts at 1 January 2013 was K628.1 million. Total receipts for the period 1 January to 31 December 2013 of K515.2 million from deposits from the Budget. The closing balance of Budget Funded Trust Accounts as at 31 December 2013 was K612.6 million.

Total expenditure from Budget Funded Trust Accounts in 2013 was K537.1 million or 2.2 per cent of GDP. In current kina terms this represents the lowest Trust Account expenditure since 2008.

It is expected that the use of trust accounts will be phased out over time as a result of the introduction of multi-year budgeting and the establishment of the Development Fund within the PNG Sovereign Wealth Fund.

Under the previous Medium Term Fiscal Strategy 2008-2012 (MTFS), Government spending of additional mineral revenue (comprised of spending from additional mineral revenue deposited into trust accounts and additional priority expenditure) was to be limited to a maximum of 4 per cent of GDP per annum.

The revenue rules have changed significantly under the new MTFS 2013-2017. The Government has now passed an Organic Law to establish the PNG Sovereign Wealth Fund (PNG SWF). The PNG SWF includes a Stabilization Fund, and it is the deposit and withdrawal rules for this Stabilization Fund that effectively replaces the "excess minerals revenue" rules of the previous MTFS. The purpose of the SWF Stabilization Fund is to provide a buffer for PNG from the high price volatility of the mining and petroleum sector

while at the same time ensuring that the Government has access to the revenues it receives from the mining sector. The SWF's deposit and withdrawal rules will come into place only when the country's mineral revenues exceed the 15 year long term moving average of resource revenue as a share of non-resource revenue. All mineral revenues below this will be transferred from the Stabilization Fund to the Government's Budget.

Table 20 shows the movements in Trust Accounts for the period 1 January to 31 December 2013.

Table 20: Movements of Funds in Trust Accounts in 2013 (Kina millions)

Description	Balance as at 1-Jan-13	Debit (Receipt)	Credit (Payment)	Balance as at 31- Dec-13
Education Sector Infrastructure Rehabilitation	1.1	0.0	0.0	1.1
Higher Education Sector Infrastructure Rehabilitation	7.4	0.4	5.5	2.3
Transport Sector Infrastructure Rehabilitation	8.0	40.4	0.9	47.5
Kokopau to Arawa Road Upgrading and Bitumen Sealing	8.7	0.0	6.1	2.6
Trans Sepik Highway	10.0	0.0	10.0	0.0
Trans East - West New Britain Highway	2.0	0.0	1.3	0.7
Central Malalaua Highway	10.0	0.0	1.0	9.0
Resettlement of Rabaul Volcano Victims	3.2	0.0	3.0	0.2
Hospital and Healthcare Centre Rehabilitation	0.0	0.0	0.0	0.0
Rehabilitation of Housing for Nurses	1.3	0.0	1.1	0.2
Rehabilitation of Housing for Police	25.2	0.0	6.5	18.7
District Services Improvement Program	191.8	0.0	127.3	64.5
Institutional Housing Pilot	0.0	0.0	0.	0.0
Urbanisation Pilot	7.3	0.0	3.2	4.1
Housing Development Pilot	0.0	0.0	0.0	0.0
Rural Electrification	0.6	0.0	0.6	0.0
Konebada Petroleum Park	0.0	0.0	0.0	0.0
Regional, Provincial Treasury and District Admin. Offices	0.2	0.0	0.0	0.2
LNG Project Development Cost	1.5	5.0	0.0	6.5
Infrastructure Development Grants	2.4	120.0	0.0	122.4
Coastal Vessels	0.1	0.0	0.0	0.1
Outstanding MOA Liabilities	0.0	0.0	0.0	0.0
Highlands Highway Rehabilitation	7.2	0.0	7.2	0.0
Rural District Roads Support	2.1	0.0	0.0	2.1

Description	Balance as at	Debit (Receipt)	Credit (Payment)	Balance as at
PNG LNG High Impact Infrastructure	51.7	50.0	58.3	43.4
Variarata National Park Rehabilitation	0.0	0.0	0.0	0.0
District Offices Rehabilitation	0.4	0.0	0.0	0.4
Mining Legal Costs	0.3	0.0	0.1	0.2
2010 National Census	0.0	0.0	0.0	0.0
Provincial Government Members entitlement	0.0	0.0	0.0	0.0
National High School Renovation and Upgrading	0.0	0.0	00.0	0.0
Port Moresby Roads	2.9	0.0	2.6	0.3
Tuition Fee Free Education	34.1	12.0	5.8	40.3
South Pacific Games	146.3	180.0	237.0	89.3
Port Moresby General Hospital Infrastructure and Improvement	3.3	0.0	3.3	0.0
Defence Barracks Maintenance and Improvement	0.0	0.0	0.0	0.0
Restoration and Development Grant (ABG)	94.8	100.0	42.9	151.9
Trade Skills Scholarships	4.2	7.4	7.9	3.7
TOTAL	628.1	515.2	537.1	612.6

The Government of PNG appropriated K450.0 million into trusts funds through the normal 2013 Budget process and another K315.8 million in the 2013 Supplementary Budget for the 2015 South Pacific Games. However, a delay in the issuing of the warrant meant that this K315.8 million was not subsequently deposited into the 2015 Pacific Games Trust account in 2013. Payment in to the Trust Account is planned for 2014.

There were also some movements between trust funds recorded over the course of 2013, with K39.4 million having been re deposited into the Transport Sector from the CPG Special Project Trust following an NEC Decision in 2013.

Following is a summary of expenditure for Supplementary Budget (Budget Funded) Trust Accounts for the period 1 January – 31 December 2013 where more than K5.0 million was expended:

- **K5.5 million was spent from the Higher Education Sector Infrastructure Rehabilitation Trust Account** for infrastructure maintenance of the four (4) government funded universities.
- **K6.1 million was spent from the Kokopau to Arawa Road Upgrading and Bitumen Sealing Trust Account.**
- **K10.0 million was spent from the Trans Sepik Highway Trust Account** for the maintenance and upgrading of the Highway.
- **K6.5 million was spent from the Rehabilitation of Housing for Police Trust Account** for the maintenance and upgrading of Police houses around the nation.

- **K127.3 million was spent from the District Service Improvement Program Trust Account** for implementation of the District Services Improvement Program around the 89 districts of PNG during this
- **K7.2 million was spent from the Highlands Highway Rehabilitation** during this period in relation to rehabilitation of the Highlands Highway.
- **K58.3 million was spent from the PNG LNG High Impact Infrastructure Trust** during this period in relation to impact projects associated with the LNG project in the Southern Highlands and Hela Province.
- **K5.8 million was spent from the Tuition Fee Free Education Trust Account** during this period in relation to providing free education to all primary schools and subsidizing all secondary schools.
- **K237.0 million was spent from the 2015 Pacific Games Trust Account** during this period in relation to the design and construction of stadiums, aquatic centre and games villages within Port Moresby city.
- **K42.9 million was spent from the ABG Restoration and Development Grant Trust** during this period in relation to impact projects associated with the ABG Restoration and Development program in the Autonomous Region of Bougainville.
- **K7.9 million was spent from the Trade Skills Scholarship Trust** in relation to the TVETT programs during this period.

District Service Improvement program (DSIP) Trust Accounts

DSIP Trust Accounts are designed to fund priority expenditure programs in the Districts. A total of K1,789.0 million has been appropriated to the DSIP Trust Accounts over the period 2006-2013.

As at 31 December 2013 the combined balance of the 89 District subsidiary bank accounts still held at BSP was almost K64.6 million. The total DSIP balance reported in Table 21 reflects both the K1.0 million held in the primary account at BPNG and the amounts held in the subsidiary trust accounts.

These accounts will soon be closed pending Cabinet approval.

Table 21 below shows the movements of funds for the period 1 January to 31 December 2013 for each of the 89 DSIP subsidiary Bank Accounts.

Table 21: Movement of funds for the period 1 January to 31 December 2013 for each of the 89 DSIP Subsidiary Bank Accounts.

District	Total Fund Paid into Trust	Balance as at 01-Jan-13	DSIP Debits (Receipts)	No DSIP Deposits	Credits (Payments)	Balance as at 31-Dec-13
Abau	20,000,000	7,413	70		7,439	44
Goilala	20,000,000	2,986	-		135	2,851
KairukuHiri	20,000,000	36,473	-		1,630	34,843
Rigo	20,000,000	1,642	-		140	1,502
Gazelle	20,000,000	2,084,073	-		1,773,955	310,117
Kokopo	20,000,000	1,986,246	-		1,845,163	141,083
Pomio	20,000,000	6,144,000	-		6,045,708	98,293
Rabaul	20,000,000	2,712,621	-		1,529,804	1,182,817
Ambunti-Drekikir	20,000,000	169,650	-		142,518	27,132
Angoram	20,000,000	3,055,222	-		598,691	2,456,532
Maprik	20,000,000	5,895,508	-		5,486,618	408,890
Wewak	20,000,000	506,781	160.10		1,448,292	1,955,233
Wosera-Gawi	20,000,000	6,467,911	-		5,996,730	471,181
Yangogoru-Saussia	20,000,000	94,904	39.89		94,870	74
Daulo	20,000,000	3,143,307	-		2,960,546	182,761
Goroka	20,000,000	11,275,758	-		11,207,458	68,300
Henganofi	20,000,000	5,185	-		150	5,035
Kainantu	20,000,000	760,950	-		759,746	1,204
Lufa	20,000,000	3,918,419	-		3,904,112	14,307
Obura-Wanenara	20,000,000	986,536	18.62		252,559	733,996
Okapa	20,000,000	1,300,448	-		1,275,240	25,208
Unggai-Bena	20,000,000	429,951	-		3,650	426,301
Kandep	22,000,000	13,792	-		392	13,400
Kompiani-Ambun	20,000,000	168,790	-		162,034	6,756
Lagaip-Porgera	20,000,000	131,418	-		115,210	16,208
Wabag	20,000,000	674,893	-		647,948	26,945
Wapenamanda	20,000,000	625,311	-		625,156	155

District	Total Fund Paid into Trust	Balance as at 01-Jan-13	DSIP Debits (Receipts)	No DSIP Deposits	Credits (Payments)	Balance as at 31-Dec-13
Kerema	20,000,000	1,521,101	-		1,508,312	12,789
Kikori	20,000,000	20,797	-		16,673	4,124
Bogia	20,000,000	3,106,319	-		722,793	2,383,526
Madang	20,000,000	1,979,223	-		1,745,691	233,532
Middle Ramu	20,000,000	1,012,340	-		1,010,125	2,215
Raikos	20,000,000	729,861	-		723,279	6,582
Sumkar	20,000,000	719	-		650	69
Usino-Bundi	20,000,000	2,131,357	-		2,058,064	73,293
Manus	21,000,000	4,999,397	460.70		-	5,001,242
Alotau / Rabaraba	20,000,000	845,539	-		1,385	236,761
Esa'ala	20,000,000	6,708,166	-		608,778	351,259
Kiriwina	20,000,000	2,440,045	-		6,356,907	234,609
SamaraiMurua	20,000,000	298,640	-		2,205,436	3,846
Bulolo	20,000,000	22,044	-		294,794	21,794
Finschaffien	20,000,000	5,063,446	-		250	3,066,609
Huon Gulf	20,000,000	4,518,670	-		1,996,837	685,261
Kabwum	20,000,000	1,718,019	-		3,833,409	-8
Lae	20,000,000	5,086,307	-		1,718,027	559
Markham	20,000,000	8,478,883	-		5,085,747	3,715,859
Menyamya	20,000,000	976,726	-		4,763,024	477,062
Nawaeb	20,000,000	215,554	-		499,664	136,691
Tewa-Siasi	20,000,000	2,906,789	-		78,863	2,321,149
Moresby North	20,000,000	121,302	-		585,639	121,182
Moresby North West	20,000,000	2,482,006	-		120	162
Moresby South	20,000,000	1,987,587	-		2,481,844	32,591
Kavieng	20,000,000	463,392	-		1,954,996	357,603
Namatanai	20,000,000	4,874,943	-		105,789	1,155,608
Central Bougainville	20,000,000	6,971,923	-		3,719,335	1,341,786
					5,630,136	

District	Total Fund Paid into Trust	Balance as at 01-Jan-13	DSIP Debits (Receipts)	No DSIP Deposits	Credits (Payments)	Balance as at 31-Dec-13
North Bougainville	20,000,000	1,560,460	-		1,552,104	8,355
South Bougainville	20,000,000	471,854	-		294,562	177,292
Ijivitari	20,000,000	74,703	-		159,282	233,986
Sohe	20,000,000	12,663	-		820,524	833,186
Aitape-Lumi	20,000,000	29,697	-		562	29,135
Nuku	20,000,000	1,397,832	-		1,194,313	203,519
Telefomin	22,000,000	489	-		393	96
Vanimo-Green	20,000,000	3,932,535	391		94,541	3,838,385
Chuave	20,000,000	429,803	-		412,523	17,280
Gumine	20,000,000	665,235	-		163	665,398
Karamui-Nomane	20,000,000	1,344,992	-		657,969	687,023
Kerowagi	20,000,000	202,050	-		200,610	1,440
Kundiawa-Gembogl	20,000,000	994,260	-		456,440	537,820
Sinasina-Yongumugl	20,000,000	4,364,431	-		3,361,513	1,002,918
Ialibu-Pangia	20,000,000	3,721,637	-		596,167	3,125,470
Imbongu	22,000,000	132,145	-		30,924	163,069
Kagua-Erave	20,000,000	74,845	-		265	74,580
Komo-Magarima	20,000,000	4,722	40		4,665	97
Koroba-L/Kopiago	20,000,000	3,724,410	-		3,695,659	28,751
Mendi	21,000,000	1,757,538	-		469,647	2,227,185
Nipa-Kutubu	20,000,000	8,881	-		320	8,561
Tari-Pori	20,000,000	1,133,725	-		133,760	999,965
Kandrian	20,000,000	272,125	-		118,891	153,235
Talasea	21,000,000	2,365,488	-		2,193,784	171,703
Middle Fly	20,000,000	13,171,410	-		3,005,370	10,166,040
North Fly	20,000,000	90,541	-		70,354	20,187
South Fly	20,000,000	6,586,540	-		2,274,200	4,312,340
Dei	20,000,000	7,821,890	-		7,410,813	411,077

District	Total Fund Paid into Trust	Balance as at 01-Jan-13	DSIP Debits (Receipts)	No DSIP Deposits	Credits (Payments)	Balance as at 31-Dec-13
Hagen	20,000,000	4,632,869	-		989,787	3,643,083
Jimi	20,000,000	12,302	-		93,238	105,540
Mul/Bayer	20,000,000	3,584,849	-		3,459,994	124,855
North Waghi	20,000,000	60,296	-		59,135	1,161
South Waghi	20,000,000	1,927,371	-		1,927,256	115
Tambul-Nebiler	20,000,000	1,707	-		120	1,587
Total	1,789,000,000	191,847,576	1,180		127,285,396	64,563,360

FISCAL OUTTURN TABLES

Treasury publishes fiscal outturn reports on a monthly basis. The last report was issued for December 2013. This presentation is also consistent with the 1986 GFS cash reporting classification for the Government Sector.

TABLE 1 : CENTRAL GOVERNMENT REVENUE

Kina, Millions

	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
TAX REVENUE	8,148.3	8,631.2	8,605.7	8,588.5
TAX ON INCOME AND PROFITS	5,875.1	6,215.5	6,185.8	6,081.3
Personal Income Tax	2,648.7	2,608.0	2,740.4	2,808.4
Company Tax	1,744.5	1,891.5	2,061.6	2,060.5
Dividend Withholding Tax	190.7	197.3	232.8	244.5
Mining and Petroleum Taxes	981.1	1,207.5	815.7	666.7
Interest Withholding Tax	67.4	45.1	49.0	38.5
Gaming Tax	108.8	146.6	170.6	144.6
Other: Direct	133.9	119.5	115.6	118.1
DOM. TAXES ON GOODS AND SERVICES	1,575.5	1,613.4	1,721.7	1,765.8
Excise	560.5	651.0	606.1	541.9
GST	1,010.0	954.4	1,107.5	1,217.2
Other: Indirect	5.0	8.0	8.0	6.7
TAXES ON INTERNATIONAL TRADE	697.7	802.3	698.2	741.4
Import Duty	223.0	251.3	240.7	257.2
Export Duty	179.9	195.3	190.0	211.7
Excise duties on Imports	294.8	355.7	267.5	272.5
NON-TAX REVENUE	423.2	509.5	534.8	273.9
PROPERTY INCOME	172.3	224.8	264.8	55.0
Dividends	50.0	82.0	132.0	55.0
Mining and Petroleum Dividends	122.3	142.8	132.8	0.0
INTEREST AND FEES FROM LENDING	0.1	4.0	4.0	0.0
OTHER NON TAX REVENUE	106.4	144.7	230.0	218.9
ASSETS SALES	144.4	100.0	0.0	0.0
Injections from Trust	0.0	36.0	36.0	0.0
TOTAL REVENUE	8,571.4	9,140.7	9,140.5	8,862.4
% of GDP	26.7%	25.7%	26.4%	25.6%
INFRASTRUCTURE TAX CREDIT	63.8	130.0	130.0	92.8
GRANTS	930.8	1,211.0	1,211.2	877.5
Budgetary Support	0.0	0.0	0.0	0.0
Project Grants	930.8	1,211.0	1,211.2	877.5
TOTAL REVENUE AND GRANTS	9,566.0	10,481.9	10,481.6	9,832.7
As % of GDP	29.8%	29.5%	30.3%	28.4%
PRINCIPAL RECEIPTS FROM LENDING	4.0	4.0	4.0	1.0
GROSS BORROWING	4,622.0	6,377.3	7,465.0	7,431.1
ASSET SALES	0.0	0.0	0.0	0.0
TOTAL RECEIPTS	14,192.0	16,863.2	17,950.7	17,264.8
As % of GDP	44.2%	46.5%	51.9%	49.9%

Source: Department of Treasury

TABLE 2a: CENTRAL GOVERNMENT EXPENDITURE AND NET LENDING

Kina, Millions	2012	2013	2013.0	2013
	Actuals	Original	Revised	Outcome
SERVICE DELIVERY FUNDING	6,188.1	7,235.0	7,034.4	7,385.4
As % of GDP	18.9%	21.3%	20.3%	21.3%
NATIONAL DEPARTMENTS	3,917.2	4,681.9	4,511.0	4,990.8
Personal Emoluments	1,395.0	1,667.0	1,444.2	1,460.0
Goods and Services	2,522.2	3,014.9	3,066.8	3,530.8
General Goods and Services	2,171.9	2,242.9	2,337.8	2,803.8
Education Subsidies	277.7	682.0	649.0	647.2
Pre-March 2003 Arrears	0.0	0.0	0.0	0.0
Structural Adjustment Payments	7.1	0.0	0.0	0.0
Court Orders	65.5	90.0	80.0	79.8
PROVINCIAL GOVERNMENTS	1,346.4	1,414.4	1,455.1	1,396.6
Personal Emoluments	1,037.4	1,016.5	1,049.0	1,004.6
Teachers' Salaries	706.0	655.1	665.4	633.0
Teachers Leave Fares	21.3	24.0	29.5	29.5
Public Servant Salaries	290.3	316.8	333.1	321.0
Public Servant leave fares	12.8	12.5	12.8	12.8
Village Courts Allowances	7.0	8.1	8.2	8.2
Goods and Other Services	309.0	397.9	406.0	392.1
Administration Grant	33.5	11.7	11.4	11.4
Other Service Delivery Function Grant	0.0	41.5	42.7	42.6
Primary Production Function Grant	20.3	25.1	28.7	25.3
Health Grant	63.2	73.8	77.5	77.4
Education Grant	58.7	76.6	78.4	78.4
Transport/Infrastructure Maintenance Grant	79.4	108.3	107.0	107.0
Village Court Function Grant	3.5	6.4	5.8	5.8
LLG Grants	50.4	54.5	54.5	52.7
Others		0.0	0.0	-8.6
AUTONOMOUS BOUGAINVILLE GOVERNMENT	75.2	87.0	88.3	80.2
Personal Emoluments	58.2	64.8	65.8	56.1
Teachers' Salaries	40.8	40.8	40.8	35.3
Teachers Leave Fares	0.8	1.4	1.4	1.4
Public Servant Salaries	16.4	22.3	23.3	19.1
Public Servant leave fares	0.2	0.3	0.3	0.3
Goods and Other Services	17.0	22.2	22.5	24.1
Police and Services Grant	2.1	2.8	2.8	3.0
National Functions and Powers Grant	0.2	0.3	0.3	0.3
Recurrent Goods & Services Grant	14.7	19.1	19.4	20.9
Others				-0.2
TRANSFERS TO STATUTORY AUTHORITIES	392.5	380.6	425.9	434.1
Personnel Emoluments	0.0	264.8	264.9	276.2
Goods and Services	392.5	115.8	161.0	157.9

INTEREST PAYMENTS AND FEES	459.6	671.0	554.1	484.8
Domestic	415.2	617.4	498.7	442.7
External	44.4	53.6	55.4	42.1
Net Lending to CSAs	-2.8	0.0	0.0	-1.0
Gross Lending	0.0	0.0	0.0	0.0
Less Loan Repayments	-2.8	0.0	0.0	-1.0
FUNDING FOR DEVELOPMENT AND CAPITAL INVESTMENT INITIATIVES	3,855.8	5,795.8	5,879.3	5,119.7
% of GDP	11.8%	17.1%	17.0%	14.8%
Direct Investment in Provinces, Districts and LLGs	0.0	1,492.0	1,492.0	1,127.5
Direct Investment in Provinces	0.0	445.0	445.0	457.0
Direct Investment in Districts	0.0	890.0	890.0	517.9
Direct Investment in LLGs	0.0	157.0	157.0	152.6
Fixed Commitments	926.8	626.0	562.3	550.8
Direct Investment in Key Priorities (Alotau Accord & others)	0.0	753.0	814.1	859.8
Direct Investment - National Building Productive Infrastructure	0.0	460.0	369.0	409.6
Other Development Activities	1,837.6	1,253.8	1,430.8	1,294.6
Domestic Funds	1,447.6	479.8	656.1	685.3
Infrastructure Tax Credits	63.8	130.0	130.0	92.8
Concessional Loans	326.2	644.0	644.7	516.5
Commercial Loans	0.0	0.0	0.0	0.0
Donor Funded Projects	1,091.4	1,211.0	1,211.2	877.5
Additional Priority Expenditure	781.8			
EQUITY PURCHASE	900.0		305.0	0.0
TOTAL EXPENDITURE & NET LENDING	10,943.9	13,030.8	13,218.7	12,505.1
% of GDP	33.5%	38.3%	38.2%	36.1%
AMORTISATION	3,244.1	3,523.4	4,350.6	4,361.0
Domestic	3,079.8	3,354.6	4,188.0	4,188.0
External	164.3	168.8	162.6	173.0
LOAN REPAYMENTS	0.0	4.0	4.0	1.0
EQUITY PURCHASE		305.0		305.0
TOTAL PAYMENTS	14,188.0	16,863.1	17,573.3	17,172.0
% of GDP	43.4%	49.6%	50.8%	49.6%

Source: Department of Treasury

TABLE 2b: CENTRAL GOVERNMENT EXPENDITURE

Kina, Millions

	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
National Department	6,603.1	7,392.1	7,392.1	6,490.7
Personnel Emoluments	1,395.0	1,669.3	1,669.3	1,463.4
Goods & Services	2,557.4	2,606.8	2,641.1	1,919.7
Utilities, Rentals and Property Costs	529.7	529.4	529.4	555.1
Grants Subsidies and Transfers	1,392.1	1,256.4	1,256.5	1,285.3
Acquisition of Existing Assets	27.6	14.7	14.7	26.0
Capital Formation	700.8	1,315.5	1,281.1	868.1
Other	0.5	0.0	0.0	373.2
Provincial Government	1,582.1	3,203.2	3,203.3	2,813.4
Personnel Emoluments	1,031.2	1,016.5	1,008.3	1,006.3
Goods & Services	17.5	1,178.9	1,179.0	931.0
Grants Subsidies and Transfers	462.2	857.5	865.6	745.8
Capital Formation	71.2	150.3	150.3	137.3
Other (write offs and depreciations)	0.0	0.0	0.0	-6.8
Autonomous Bougainville Government	255.1	259.1	259.1	228.3
Personnel Emoluments	58.4	64.7	64.7	56.1
Goods & Services	75.2	6.6	6.6	4.0
Grants Subsidies and Transfers	121.5	89.8	89.8	70.3
Capital Formation	0.0	98.0	98.0	98.0
Other	0.0	0.0	0.0	-0.2
Commercial & Statutory Authorities	1,080.3	1,375.3	1,375.0	1,001.0
Personnel Emoluments	7.8	265.1	265.1	276.5
Goods & Services	72.0	225.6	225.6	149.4
Utilities, Rentals and Property Costs	1.2	38.6	38.6	41.9
Grants Subsidies and Transfers	495.3	75.2	75.2	133.1
Acquisition of Existing Assets		0.4	0.0	0.4
Capital Formation	503.2	770.4	770.4	399.8
Capital Transfers	0.8	0.0	0.0	0.0
Interest Payments	459.6	671.0	554.1	484.9
Domestic Interest Payments	415.2	617.4	498.7	442.7
Foreign Interest Payments	44.4	53.6	55.4	42.2
Infrastructure Tax Credits	63.8	130.0	130.0	92.8
Grants				877.5
Concessional loans				516.5
Commercial Loans				
LNG Equity Purchase	900.0	0.0	305.0	0.0
Total Expenditure and Net Lending	10,944.0	13,030.8	13,218.7	12,505.1
%GDP	43.4%	47.4%	50.8%	49.6%

AMORTIZATION	3,244.1	3,523.4	4,350.7	4,361.0
Domestic	3,079.8	3,354.6	4,188.0	4,188.0
External	164.3	168.8	162.7	173.0
LNG Equity Purchase		305.0		305.0
LOAN REPAYMENTS	0.0	4.0	4.0	1.0
TOTAL PAYMENTS	14,188.1	16,863.2	17,573.3	17,172.1
%GDP	43.4%	47.4%	50.8%	49.6%

Source: Department of Treasury

TABLE 3: CENTRAL GOVERNMENT FINANCING

Kina, Millions	2012 Actuals	2013 Original	2013 Revised	2013 Outcome
TOTAL REVENUE AND GRANTS	9,566.1	10,481.9	10,481.6	9,832.7
TOTAL EXPENDITURE AND NET LENDING	10,944.0	13,030.8	13,218.7	12,505.1
DEFICIT (-) / SURPLUS (+)	-1,377.9	-2,548.9	-2,737.1	-2,672.4
% of GDP	-4.2%	-7.2%	-7.9%	-7.7%
NET EXTERNAL FINANCING	161.9	475.9	482.0	343.6
CONCESSIONAL FINANCING	214.8	528.9	528.2	395.1
New Borrowing	326.2	644.7	644.7	516.5
Less Amortisation	-111.4	-115.8	-116.5	-121.4
COMMERCIAL FINANCING	-16.1	-16.1	-13.6	-14.2
New Borrowing	0.0	0.0	0.0	0.0
Less Amortisation	-16.1	-16.1	-13.6	-14.2
EXCEPTIONAL FINANCING	-36.8	-36.9	-32.5	-37.4
New Borrowing	0.0	0.0	0.0	0.0
Less Amortisation	-36.8	-36.9	-32.5	-37.4
NET DOMESTIC FINANCING	1,216.0	2,073.0	2,255.1	2,328.8
DOMESTIC MARKET BORROWING (NET)	997.1	2377.9	2632.3	2,726.6
New Domestic Borrowing	4,076.9	5,427.5	6,820.3	6,609.6
Investment Financing	0.0	305.0	0.0	305.0
Less Amortisation	-3,079.8	-3,354.6	-4,188.0	-4,188.0
OTHER DOMESTIC FINANCING	218.9	-304.9	-377.2	-397.8
TOTAL FINANCING REQUIREMENT	1,377.9	2,548.9	2,737.1	2,672.4
% of GDP	4.2%	7.2%	7.9%	7.7%
GROSS BORROWING	4,622.0	6,072.3	7,465.0	7,431.1
Concessional	326.2	644.7	644.7	516.5
Commercial	0.0	0.0	0.0	0.0
Exceptional	0.0	0.0	0.0	0.0
Domestic	4,295.8	5,427.6	6,820.3	6,914.6
GROSS AMORTISATION	3,244.1	3,523.4	4,350.7	4,361.0
Concessional	111.4	115.8	116.5	121.4
Commercial	16.1	16.1	13.6	14.2
Exceptional	36.8	36.9	32.5	37.4
Domestic	3,079.8	3,354.6	4,188.0	4,188.0

Source: Department of Treasury

PART 2

FINAL BUDGET OUTCOME BY AGENCY

2.1 INTRODUCTION

Part Two (2) of the Final Budget Outcome discusses the actual expenses incurred by each agency compared to the Appropriation available to the Agency as at the close of the financial year on 31 December 2013 for the Recurrent Budget. The Final Available Appropriation (FAA) represents the original budget plus or minus any transfers made under either Section 3 or 4 of the 2013 Appropriation Acts.

When assessing Agency performance in Part 2 of the Final Budget Outcome, the FAA is compared to the actual expenses incurred by agencies. This recognises that Section 3 is for unforeseen expenditure. Section 4 of the Appropriation Act provides for the transfers of appropriations between agencies as approved by the Secretary of Treasury. These transfers can occur after the publication of the relevant budget documents. As a consequence it is possible that agency appropriations for 2013 will not be consistent with figures published in the 2013 Budget papers or in Part 1 of the 2013 Final Budget Outcome.

It should also be noted that the 2013 Budget was still based on having a separate 'Recurrent' and 'Development' Budget and the 2013 FBO reports on this basis accordingly. As part of the Budget modernisation process, however, the Government plans to integrate the 'Recurrent' and 'Development' Budgets into a single National Budget from 2014 onwards. Final Budget Outcome documents will therefore also report on this basis from 2014 onwards.

Table 22: The Final Available Appropriation by agency type is shown below:

Agency Type	2013 Original Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation as at 31 December 2013	Total Expenditure as at 31 December 2013	Underspent (Overspend)
National Department	3,339,609,046	26,991,800	385,188,400	3,751,789,246	4,089,289,151	(337,499,905)
Commercial & Statutory Authorities	380,647,900	-	45,274,400	425,922,300	434,051,381	(8,129,081)
Miscellaneous Expenditure	1,342,333,200	252,613,000	(835,147,000)	759,799,200	901,520,521	(141,721,321)
Debt Services	671,189,300	-	(1,000,000)	670,189,300	484,800,000	185,389,300
Provincial Government	1,501,456,522	-	41,974,400	1,543,430,922	1,476,902,636	66,528,286
Total	7,235,235,968	279,604,800	(363,709,800)	7,151,130,968	7,386,563,689	(235,432,721)

Note: The figures in the table above do not account for Amortisation of K3.523 billion.

2.2 OVERVIEW

The Recurrent or the Operational Budget is responsible for funding the ongoing delivery of the essential services of the Government. Funds appropriated in the Recurrent Budget caters for teachers and expenses for teaching our children, employing health workers, maintaining our roads and many other services which are important to all PNG citizens. The Recurrent Budget delivers these services by providing funding to Government Departments, Agencies and Provincial Governments approved for Personnel Emoluments (PE), Goods and Services (G&S) and managing Government Debt.

For 2013 the total revised Recurrent Budget was K7,151.1 million. This includes interest payments and excludes amortisation from Debt Services. The total Recurrent Expenditure is K7,386.6 million resulting in a net overspending of K235.4 million. National Departments including Miscellaneous expenditures are leading the overspending with K479.2 million or 19.1%, Statutory Authorities (CSA) with K8.1 million or 1.9% and Provincial Administrations for the first time with a net underspend of K66.5 million or 4.3% (an underspend) although there are overspends within individual provinces in both PE and G&S. For the first time, 73% of Provincial Administrations are taking control of their PE expenditure resulting in a net underspending of K54.1 million in their PE.

The K235.4 million net overspending is made up of K448.3 million or 12.3% overspending in total G&S and K27.3 million or 1% overspending in total PE.

National Departments are responsible for K463.8 million of the G&S overspending while Provinces and Statutory Authorities are responsible for K15.5 million overspending in G&S. In addition, for the first time provinces are showing improvements in managing their payrolls resulting in them being responsible for K54.1 million in underspends. Statutory Authorities however overspend in their PE by K11.2 million while National Departments by K15.5 million. Underspending in PE was mostly from the Provincial Governments. *Details are contained in Table 24, 26 and 27 in the following pages.*

Although there are under spends in the other agency categories, CSA's net total showed an over expenditure of K11.2 million in PE. *Details are contained in Tables 23 and 25 in the following pages.*

2.3 RECURRENT BUDGET OUTCOME BY AGENCIES

Variations in Agency Appropriations can occur during the Budget Year through new appropriations via transfer of funds and Supplementary Budgets (there was one Supplementary Budget in 2013). These movements are provided for under Section 3 and 4 of the Appropriations Act.

Attachment A identifies expenditure performance by agency.

2.3.1 Personnel Emoluments

Personnel Emoluments – National Departments

National Departments overspend on Personnel Emoluments (PE) in 2013 by K15.5 million although 70% of National Departments underspend on their PE. There were instances of overspends in Overtime and Payroll related Expenditure of about K133.2 million. However, this was netted off with underspending of K117.7 million in other areas of PE. In many cases, this was due to unbudgeted staffing cost, impact of salary awards and/or a failure to exercise appropriate controls over PE expenditure. Against these overspends, a number of agencies, about 30%, recorded underspends. The net overspend by National Departments was K15.5 million.

Table 24 shows overspendings and underspending of greater than K1.0 million in personnel emoluments and goods and services expenditure by National Departments.

A full list identifying personnel emoluments expenditure by National Department is at **Attachment B**

Table 23: The Final Available Appropriation by agency type with breakdown into Personnel Emoluments and Goods and Services.

Agency Category	2013 Initial Appropriation	2013 Revised Appropriation (FAA)	2013 Outcome	Under Spend (Overspend)
National Department	5,353.1	5,181.8	5,475.7	(293.9)
Personnel Emoluments	1,667.0	1,444.6	1,460.1	(15.5)
Goods & Services	3,015.0	3,067.0	3,530.8	(463.8)
Debt (Interest Repayment)	671.2	670.2	484.8	185.4
Commercial & Statutory Authorities	380.6	425.9	434.1	(8.1)
Personnel Emoluments	264.8	264.9	276.2	(11.2)
Goods & Services	115.8	161.0	157.9	3.1
Provincial Government	1,501.5	1,543.4	1,476.9	66.5
Personnel Emoluments	1,081.2	1,114.8	1,060.7	54.1
Goods & Services	420.2	428.6	416.2	12.4
Grand Total	7,235.2	7,151.1	7,386.6	(235.4)

Note: this table shows only the Recurrent Budget and shows a net over expenditure of K235.4 million.

Table 24: Overall Recurrent Final Available Appropriation consisting of Total Expenditures and (Over)/Under Expenditure for National Departments under Personnel Emoluments and Goods and Services categories that are over K1.0 million.

Agency Name	Initial Appropriation	Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Personnel Emoluments	1,666,962,690	1,444,624,200	1,460,089,979	(15,465,779)
203 Department of Prime Minister & NEC	47,485,600	41,821,400	35,649,443	6,171,957
206 Department of Finance	14,927,710	15,072,936	16,777,385	(1,704,449)
207 Treasury and Finance - Miscellaneous	343,808,800	146,067,013	217,178,668	(71,111,655)
208 Department of Treasury	13,614,411	12,200,711	9,030,690	3,170,021
211 PNG Customs Service	19,434,800	15,006,800	11,086,792	3,920,008
212 Information Technology Division	5,438,900	5,438,900	2,384,591	3,054,309
215 PNG Immigration and Citizenship Services	8,665,500	8,665,500	10,772,267	(2,106,767)
216 Internal Revenue Commission	22,411,300	22,103,300	16,464,194	5,639,106
222 Office of the Public Solicitor	7,855,500	6,845,778	5,773,112	1,072,666
223 Judiciary Services	-	-	4,462,930	(4,462,930)
224 Magisterial Services	28,245,400	28,245,400	43,542,533	(15,297,133)
225 Department of Attorney-General	22,416,300	22,430,000	20,312,187	2,117,813
226 Department of Corrective Institutional Services	62,802,100	58,201,653	48,819,365	9,382,288
227 Provincial Treasuries	27,271,900	27,271,900	24,003,839	3,268,061
228 Department of Police	169,705,000	171,982,900	163,564,847	8,418,053

Agency Name	Initial Appropriation	Final Available Appropriation	2013 Outcome	(Overspending) Underspending
232 Provincial and Local Government Affairs	8,693,600	8,328,700	5,929,476	2,399,224
234 Department of Defence	101,722,700	91,180,900	92,254,525	(1,073,625)
235 Department of Education	117,945,000	108,881,900	93,912,703	14,969,197
240 Department of Health	69,462,700	60,866,600	69,259,630	(8,393,030)
241 Hospital Management Services	313,153,100	336,533,900	333,931,666	2,602,234
247 Department of Agriculture and Livestock	11,517,100	11,500,200	10,069,168	1,431,032
252 Department of Lands and Physical Planning	15,008,700	14,008,700	11,926,980	2,081,720
255 Department of Petroleum and Energy	10,961,100	9,772,600	7,405,156	2,367,444
259 Department of Transport	11,755,600	10,832,300	8,898,091	1,934,209
264 Department of Works and Implementation	51,963,100	51,963,100	44,406,608	7,556,492
Other	160,696,769	159,401,109	152,273,134	7,127,975
Goods & Services	3,014,979,556	3,066,964,246	3,530,781,401	(463,817,155)
203 Department of Prime Minister & NEC	30,835,300	101,195,500	117,546,944	(16,351,444)
206 Department of Finance	12,935,246	15,535,062	406,906,751	(391,371,689)
207 Treasury and Finance - Miscellaneous	998,524,400	613,732,187	684,341,853	(70,609,666)
208 Department of Treasury	5,190,910	18,866,310	17,477,030	1,389,280
209 Registrar For Political Parties	2,867,000	4,140,600	1,375,630	2,764,970
211 PNG Customs Service	16,827,200	17,861,200	13,261,565	4,599,635

Agency Name	Initial Appropriation	Final Available Appropriation	2013 Outcome	(Overspending) Underspending
213 Fire Services	10,035,700	9,935,700	8,713,337	1,222,363
216 Internal Revenue Commission	23,484,900	22,079,900	20,610,575	1,469,325
220 Department of Personnel Management	5,668,900	12,214,100	8,862,736	3,351,364
223 Judiciary Services	75,116,500	75,116,500	81,758,500	(6,642,000)
225 Department of Attorney-General	21,235,600	31,671,900	30,305,602	1,366,298
227 Provincial Treasuries	9,223,300	9,523,300	25,564,269	(16,040,969)
228 Department of Police	90,546,200	181,468,300	180,282,843	1,185,457
230 Electoral Commission	72,726,000	106,805,000	99,941,356	6,863,644
232 Provincial and Local Government Affairs	7,127,800	31,992,700	33,961,367	(1,968,667)
234 Department of Defence	78,745,100	129,286,900	86,395,024	42,891,876
235 Department of Education	739,984,800	749,047,900	767,316,496	(18,268,596)
240 Department of Health	206,178,500	220,082,500	216,485,511	3,596,989
245 Department of Environment and Conservation	15,259,600	16,422,600	17,492,177	(1,069,577)
252 Department of Lands and Physical Planning	22,205,500	42,205,500	44,331,188	(2,125,688)
255 Department of Petroleum and Energy	7,687,900	22,126,400	19,819,543	2,306,857
258 Department of Information and Communication	2,681,000	2,681,000	(2,286,610)	4,967,610
259 Department of Transport	11,432,500	12,355,800	10,175,988	2,179,812
262 Department of Industrial Relations	4,548,800	4,548,800	1,813,909	2,734,891

Agency Name	Initial Appropriation	Final Available Appropriation	2013 Outcome	(Overspending) Underspending
264 Department of Works and Implementation	117,575,000	127,575,000	155,337,479	(27,762,479)
Other	426,335,900	488,493,587	482,990,338	5,503,249
Debt (Interest Repayment)	671,189,300	670,189,300	484,800,000	185,389,300
299 Treasury and Finance - Public Debt Charges	671,189,300	670,189,300	484,800,000	185,389,300
Grand Total	5,353,131,546	5,181,777,746	5,475,671,380	(293,893,634)

Personnel Emoluments – Commercial & Statutory Authorities (CSA)

Statutory Authorities had a total Revised PE Appropriation of K264.9 million in 2013. CSAs had a total net over spending of K8.1 million attributed mostly to PE over spends. They over spent PE by K11.2 million. The over expenditure can be attributed to changes on the salary scales within individual agency and unbudgeted salary changes. Table 25 below shows the details of this information.

Table 25: Overall Recurrent Final Available Appropriation consisting of Total Expenditures and (Over)/Under Expenditure for Commercial & Statutory Authorities (CSA) under Personnel Emoluments and Goods and Services categories greater than K1.0 million.

Commercial & Statutory Authorities	Initial Appropriation	Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Personnel Emoluments	264,818,300	264,918,300	276,167,116	(11,248,816)
516 Papua New Guinea Sports Foundation	6,297,300	6,297,300	8,796,741	(2,499,441)
517 National Narcotics Bureau	2,254,400	2,254,400	4,077,961	(1,823,561)
532 National Institute of Standards & Industrial Technology	1,827,000	1,827,000	2,960,234	(1,133,234)
539 National Museum and Art Gallery	4,478,700	4,478,700	6,205,390	(1,726,690)
542 National Cultural Commission	2,894,500	2,894,500	4,609,452	(1,714,952)
557 PNG National Forest Authority	25,806,500	25,806,500	23,655,954	2,150,546
563 National Agriculture Quarantine & Inspection Authority	4,741,400	4,741,400	9,136,237	(4,394,837)
Other	216,518,500	216,618,500	216,725,147	(106,647)
Goods & Services	115,829,600	161,004,000	157,884,265	3,119,735
511 Papua New Guinea Climate Change Authority	5,841,100	6,841,100	4,278,834	2,562,266
Other	109,988,500	154,162,900	153,605,431	557,469
Grand Total	380,647,900	425,922,300	434,051,381	(8,129,081)

Personnel Emoluments – Provincial Governments

Provincial Governments had a net underspend on Personnel Emoluments (PE) by K54.1 million although there is overspending in individual provinces. The individual overspends were primarily relating to spending on Teachers' salaries which occurs in 36% of provinces.

The possible reasons for the over expenditure on Teachers' Salaries in some provinces might be, to some extent, the result of teachers' movements during the year, under budgeting of teachers' awards, and a payroll issue whereby more than one person were being paid for a single teaching position.

The overall net under expenditure of Personnel Emoluments (PE) attributes to unreported payroll expenditure of three pay periods (pays 22, 23 and 24) of 2013 and also reflects to some extent the devolution of human resource powers to Provincial Administrators allowing them to monitor their human resources. It also reflects payroll cleansing activity done by most of the provinces.

Table 26 shows details of overspendings and underspending in Personnel Emoluments and Goods and Services expenditure by Provincial Governments greater than K1.0 million.

Attachment C identifies the full listings of Personnel Emoluments by Provinces.

Table 26: Provincial Governments Personnel Emoluments and Goods & Services Overspend and Underspend of greater than K1.0 million.

Provincial Government	Initial Appropriation	Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Personnel Emoluments	1,081,221,822	1,114,802,222	1,060,710,008	54,092,214
571 Fly River Provincial Government	41,133,285	42,687,785	39,423,211	3,264,574
572 Gulf Provincial Government	23,836,900	23,979,800	20,492,326	3,487,474
573 Central Provincial Government	51,259,100	53,167,100	50,381,024	2,786,076
575 Milne Bay Provincial Government	39,535,726	45,035,726	41,849,193	3,186,533
576 Oro Provincial Government	29,378,100	35,059,800	27,525,006	7,534,794
577 Southern Highlands Province	75,788,400	76,171,300	99,384,172	(23,212,872)
578 Enga Provincial Government	48,333,281	49,280,881	63,359,553	(14,078,672)
579 Western Highlands Provincial Government	68,298,500	69,798,500	74,881,686	(5,083,186)
582 Morobe Provincial Government	93,308,500	96,230,200	106,575,900	(10,345,700)
583 Madang Provincial Government	65,731,100	70,595,100	76,129,049	(5,533,949)
584 East Sepik Provincial Government	63,355,600	64,973,700	67,264,721	(2,291,021)
585 Sandaun Provincial Government	52,710,700	53,272,700	40,939,120	12,333,580
586 Manus Provincial Government	27,814,230	28,087,130	21,812,215	6,274,915
587 New Ireland Provincial Government	39,111,300	39,436,300	37,844,352	1,591,948
588 East New Britain Provincial Government	69,390,000	69,929,200	64,017,379	5,911,821
589 West New Britain Provincial Government	52,196,900	54,271,100	50,971,956	3,299,144
590 Autonomous Bougainville Government	64,725,800	65,763,900	56,113,890	9,650,010
591 Hela Provincial Government	27,484,800	27,484,800	717,300	26,767,500
592 Jiwaka Provincial Government	28,765,100	28,765,100	979,200	27,785,900
Other	119,064,500	120,812,100	120,048,755	763,345
Goods & Services	420,234,700	428,628,700	416,192,629	12,436,071
575 Milne Bay Provincial Government	29,303,300	29,303,300	30,852,902	(1,549,602)
577 Southern Highlands Province	14,878,000	15,110,200	13,476,731	1,633,469
580 Simbu Provincial Government	25,288,900	28,840,600	27,478,135	1,362,465
584 East Sepik Provincial Government	38,085,500	38,412,700	34,706,916	3,705,784
586 Manus Provincial Government	13,372,900	13,470,000	11,121,216	2,348,784
587 New Ireland Provincial Government	3,458,100	3,681,900	5,989,280	(2,307,380)

588 East New Britain Provincial Government	22,850,500	23,225,300	21,728,779	1,496,521
589 West New Britain Provincial Government	16,247,500	16,564,900	15,432,491	1,132,409
590 Autonomous Bougainville Government	22,250,500	22,541,700	24,097,954	(1,556,254)
591 Hela Provincial Government	7,877,700	8,100,900	1,100,900	7,000,000
Other	226,621,800	229,377,200	230,207,325	(830,125)
Grand Total	1,501,456,522	1,543,430,922	1,476,902,636	66,528,286

2.3.2 Goods and Services

Goods and Services (G&S) is comprised of the operational expenses of Government and includes the costs of purchasing medical supplies and equipment, the payment of education subsidies, essential maintenance of Government facilities such as roads and bridges.

In 2013 G&S expenses relative to appropriations were overspent by K262.9 million, primarily due to lower than forecast spending across a number of agencies.

Goods and Services – National Departments

Compared to the revised appropriations National Departments overspent on total Goods and Services (G&S) in 2013 by K463.8 million. Rentals were overspent by K74.6 million, Construction, Renovation and Improvement by K72.6 million, and unbalanced expenditures of K369.3 million. Note that huge over expenditure is the result of expenditures that have incurred without proper accounting treatments. All other Goods and Services items were under spent. Details of agency spending are at **Attachment D**.

Goods and Services – Provincial Governments

Consistent with the funding arrangements arising from the Review of Intergovernmental Financing Arrangements (RIGFA), which were passed by Parliament in 2009 the National Government provided K428.6 million in grants to Provinces with K416.2 million being spent resulting in a net underspend of K12.4 million. About 27% or K3.4 million of this under spending is on Primary Production Grants. Although there was an overspending on Goods and Services Grant to ABG of K1.5 million other underspends netted off to give an overall net underspend of K12.4 million.

Table 27 on the next page shows details of Provincial Administration Grants expended in 2013.

Attachment E shows the details of goods and services by Provincial Governments.

Table 27: Total Spending by Grants in Personnel Emolument and Goods and Services – Provincial Governments

Provincial Grants	Initial Appropriation	Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Personnel Emoluments¹	1,033,049,022	1,062,629,422	811,923,164	250,706,258
Staffing Grants	326,874,466	356,454,866	143,613,568	212,841,298
Teacher Salaries Grants	706,174,556	706,174,556	668,309,596	37,864,960
Goods & Services	420,234,700	428,628,700	424,934,787	3,693,913
Administration Grants	11,399,500	11,399,500	11,383,740	15,760
Education Function Grants	78,440,800	78,440,800	78,440,800	-
Functions & Powers Grant (ABG)	299,000	299,000	322,400	(23,400)
Goods & Services Grant (ABG)	19,148,100	19,148,100	20,644,000	(1,495,900)
Health Function Grants	72,695,400	77,806,300	77,685,858	120,442
Infrastructure Grants	107,007,900	107,007,900	107,007,900	-
LLG Village Services Grants	50,812,800	50,812,800	48,988,306	1,824,494
Police & Services Grants (ABG)	2,803,400	2,803,400	3,022,400	(219,000)
Primary Production Grants	25,402,100	28,685,200	25,332,100	3,353,100
Service Delivery Grants	42,726,500	42,726,500	42,608,083	118,417
Town/Urban Services Grants	3,718,300	3,718,300	3,718,300	-
Village Courts Grants	5,780,900	5,780,900	5,780,900	-
Grand Total	1,453,283,722	1,491,258,122	1,236,857,951	254,400,171

1. PE Excludes Leave Fares and Village Court Allowances.

Goods and Services – Commercial Statutory Authorities

In 2013 funding to Commercial and Statutory Authorities (CSA's) were provided and reported in economic items similar to National Departments. This sector of the Recurrent Budget recorded an underspending of K3.1 million for 2013 against a FAA of K161.0 million in Goods and Services. This over spend is from the Personnel Emoluments (PE) components of the grants to the Statutory Authorities.

Expenditure by agency is shown in **Attachment F**.

Goods and Services – Debt Services

In 2013 Debt Services underspend by K185.4 million. The underspending was primarily due to Domestic Interest Payments being underspent by K56.0 million not as expected.

Table 28 on the next page shows the details of Interest Payments.

Table 28: Details of Debt Services Interest Payments and Fees excluding Amortization.

	2013 Original Appropriation	Other Transfers	2013 Final Available Appropriation	Dec Outturn	(Over) /Under
INTEREST PAYMENTS AND FEES	671,189,300	(1,000,000)	670,189,300	484,786,963	185,402,337
Domestic	627,368,500	(1,000,000)	626,368,500	442,700,116	183,668,384
External	43,820,800		43,820,800	42,086,847	1,733,953

2.4 DETAILS OF EXPENDITURE FROM AND REALLOCATIONS THROUGH SECRETARY'S ADVANCE (DIVISION 207)

The funds available in the Secretary's Advance for 2013 totalled K40.0 million. The Table below identifies the reallocations of funds through the Secretary's Advance.

Table 29: 2013 Secretary's Advance

Div.	Agency	2013 Original Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Comments	Final Available Appropriation as at 31 December 2013 (FAA)	Total Expenditure as at 31 December 2013)	Variance (FAA less Total Expenditure)
203	Department of Prime Minister & NEC	78,320,900	9,249,000	To cater for Deputy Prime Minister's Official travel AND Hosting of Thai Prime Minister's visit to PNG. AND To cater for inquiry into UNITECH saga. AND To cater for NEC decision No. 27/2013 AND To cover Fiji PM's visit to PNG. AND To cater for Australian Governor General's visit to PNG. AND To settle outstanding hire car claims for PM. AND Cater for Australian PM's visit to PNG.	143,016,900	153,196,387	(10,179,487)
207	Treasury and Finance - Miscellaneous	1,342,333,200	13,008,200	To fund Women In Business (WIB) as per NEC Decision 189/2009 AND To settle hire car bills incurred during the Political Impulse AND To cater for Sir Lokoloko State Funeral. AND To cater for execution of NEC Dec20/2009 AND Payment for East Awin Refugee Camp Land Owners AND To facilitate payment of variation cost.	759,799,200	901,520,521	(141,721,321)
208	Department of Treasury	18,805,321	619,800	To cover for Min's delegation overseas. AND For EM TV "Treasury Business Program"	31,067,021	26,507,720	4,559,301

Div.	Agency	2013 Original Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Comments	Final Available Appropriation as at 31 December 2013 (FAA)	Total Expenditure as at 31 December 2013)	Variance (FAA less Total Expenditure)
217	Department of Foreign Affairs and Trade	65,853,500	1,500,000	To cater for fit-out work for DOF. AND Engagement of Consultant for IPC.	73,928,100	73,089,439	838,661
220	Department of Personnel Management	19,769,500	380,000	To cater for engagement of Brian Hart Consultants.	31,644,500	28,496,749	3,147,751
228	Department of Police	260,251,200	6,200,000	To fund the 2012 NATEL outstanding	353,451,200	343,847,690	9,603,510
230	Electoral Commission	76,383,000	2,800,000	To cater for Angoram By - Election E.S.P	110,462,000	103,207,512	7,254,488
237	PNG National Commission for UNESCO	2,104,200	643,000	Reimbursement for participation program.	3,547,200	3,592,289	(45,089)
252	Department of Lands and Physical Planning	37,214,200	2,500,000	To cater for New Lands Head Quarter Office furniture and fittings.	56,214,200	56,258,168	(43,968)
254	Department of Mineral Policy and Geohazards Management	8,267,300	500,000	Additional funding to DMP&GM for vehicle.	8,767,300	8,104,600	662,700
255	Department of	18,649,000	2,000,000	Transfer of additional funds to DPE for IIC. AND To	31,899,000	27,224,700	4,674,300

Div.	Agency	2013 Original Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Comments	Final Available Appropriation as at 31 December 2013 (FAA)	Total Expenditure as at 31 December 2013)	Variance (FAA less Total Expenditure)
	Petroleum and Energy			conduct LLG Benefit Sharing Forum.			
268	Central Supply & Tenders Board	2,706,200	600,000	Training workshops on Procurement.	3,736,200	2,701,501	1,034,699
Grand Total		1,930,657,521	40,000,000		1,607,532,821	1,727,747,276	(120,214,455)

ATTACHMENT A: 2013 RECURRENT BUDGET OUTCOME BY AGENCY

Div./Agency Name	2013 Initial Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation (FAA) as at 31 December 2013	Expenditure as at 31 December 2013	(Overspending) / (Underspending)
201 National Parliament	117,757,300	-	19,600,000	137,357,300	137,357,300	-
202 Office of Governor-General	5,048,900	-	5,535,000	5,887,900	5,191,736	696,164
203 Department of Prime Minister & NEC	78,320,900	9,249,000	279,327,706	143,016,900	153,196,387	(10,179,487)
204 National Statistical Office	6,092,800	-	1,504,386	6,092,800	6,450,179	(357,379)
205 Office of Bougainville Affairs	3,256,000	-	378,800	3,256,000	2,160,056	1,095,944
206 Department of Finance	27,862,956	-	7,394,118	30,607,998	423,684,135	(393,076,137)
207 Treasury and Finance - Miscellaneous	1,342,333,200	336,613,000	1,414,517,774	759,799,200	901,520,521	(141,721,321)
208 Department of Treasury	18,805,321	619,800	17,290,500	31,067,021	26,507,720	4,559,301
209 Registrar For Political Parties	7,451,900	-	2,679,200	7,451,900	4,185,729	3,266,171
211 PNG Customs Service	36,262,000	-	18,688,200	32,868,000	24,348,357	8,519,643
212 Information Technology Division	19,429,100	-	3,845,142	17,663,958	14,916,275	2,747,683
213 Magisterial Services	20,322,800	-	944,000	20,322,800	19,853,836	468,964
215 PNG Immigration and Citizenship Services	8,665,500	-	-	8,665,500	10,772,267	(2,106,767)
216 Internal Revenue Commission	45,896,200	-	11,316,500	44,183,200	37,074,769	7,108,431
217 Department of Foreign Affairs and Trade	65,853,500	1,500,000	9,263,600	73,928,100	73,089,439	838,661
218 Office of the Public Prosecutor	6,845,800	-	814,000	6,915,800	6,529,593	386,207
219 PNG Institute of Public Administration	6,849,000	-	-	6,849,000	6,055,531	793,469
220 Department of Personnel Management	19,769,500	380,000	23,526,090	31,644,500	28,496,749	3,147,751
221 Public Service Commission	6,153,500	-	838,800	6,153,500	5,442,112	711,388
222 Office of the Public Solicitor	11,731,400	-	3,474,290	11,731,400	10,262,867	1,468,533
223 Judiciary Services	75,116,500	-	-	75,116,500	86,221,430	(11,104,930)
224 Magisterial Services	37,618,200	-	-	37,618,200	52,915,355	(15,297,155)

Div./Agency Name	2013 Initial Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation (FAA) as at 31 December 2013	Expenditure as at 31 December 2013	(Overspending) Underspending
225 Department of Attorney-General	43,651,900	-	13,855,600	54,101,900	50,617,788	3,484,112
226 Department of Corrective Institutional Services	103,775,400	-	10,785,498	104,825,400	94,848,288	9,977,112
227 Provincial Treasuries	36,495,200	-	300,000	36,795,200	49,568,109	(12,772,909)
228 Department of Police	260,251,200	6,200,000	115,784,014	353,451,200	343,847,690	9,603,510
229 Department of National Planning and Monitoring	17,379,469	-	8,985,328	17,379,469	16,366,392	1,013,077
230 Electoral Commission	76,383,000	2,800,000	35,168,060	110,462,000	103,207,512	7,254,488
231 National Intelligence Organisation	4,318,900	-	1,348,800	4,418,900	4,834,744	(415,844)
232 Provincial and Local Government Affairs	15,821,400	-	26,643,200	40,321,400	39,890,843	430,557
234 Department of Defence	180,467,800	-	121,200,260	220,467,800	178,649,549	41,818,251
235 Department of Education	857,929,800	-	78,443,600	857,929,800	861,229,200	(3,299,400)
236 Office of Higher Education	51,550,500	-	1,418,000	51,950,500	50,996,817	953,683
237 PNG National Commission for UNESCO	2,104,200	643,000	1,369,800	3,547,200	3,592,289	(45,089)
240 Department of Health	275,641,200	-	42,571,100	280,949,100	285,745,140	(4,796,040)
241 Hospital Management Services	427,553,200	-	53,539,900	470,370,300	468,011,666	2,358,634
242 Department of Community Development	15,178,400	-	5,884,200	16,472,400	15,603,324	869,076
243 National Volunteer Services	1,379,900	-	-	1,379,900	1,379,900	-
245 Department of Environment and Conservation	21,758,100	-	23,115,400	21,758,100	22,496,272	(738,172)
247 Department of Agriculture and Livestock	15,285,400	-	5,064,500	15,438,500	14,007,274	1,431,226
252 Department of Lands and Physical Planning	37,214,200	2,500,000	25,111,800	56,214,200	56,258,168	(43,968)
254 Department of Mineral Policy and Geohazards Management	8,267,300	500,000	243,600	8,767,300	8,104,600	662,700
255 Department of Petroleum and Energy	18,649,000	2,000,000	20,523,600	31,899,000	27,224,700	4,674,300
257 Department of Public Enterprises	3,781,400	-	3,732,000	3,781,400	2,061,907	1,719,493
258 Department of Information and Communication	4,284,700	-	546,800	4,284,700	(1,474,184)	5,758,884

Div./Agency Name	2013 Initial Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation (FAA) as at 31 December 2013	Expenditure as at 31 December 2013	(Overspending) Underspending
259 Department of Transport	23,188,100	-	3,262,600	23,188,100	19,074,079	4,114,021
261 Department of Commerce and Industry	13,058,500	-	2,118,200	13,058,500	13,083,995	(25,495)
262 Department of Industrial Relations	17,184,900	-	16,900	17,201,800	13,987,009	3,214,791
263 National Tripartite Consultative Council	918,700	-	-	918,700	263,523	655,177
264 Department of Works and Implementation	169,538,100	-	10,140,000	179,538,100	199,744,087	(20,205,987)
267 Office of Rural Development	6,790,000	-	1,976,000	6,790,000	5,872,897	917,103
268 Central Supply & Tenders Board	2,706,200	600,000	2,185,000	3,736,200	2,701,501	1,034,699
269 Office of Tourism Arts and Culture	1,993,900	-	-	1,993,900	2,782,251	(788,351)
299 Treasury and Finance - Public Debt Charges	671,189,300	-	1,000,000	670,189,300	484,786,963	185,402,337
502 Office of the Auditor-General	18,415,400	-	5,000,000	23,415,400	23,355,400	60,000
503 Ombudsman Commission	18,114,900	-	-	18,114,900	17,370,520	744,380
505 National Research Institute	5,142,400	-	-	5,142,400	5,123,282	19,118
506 National Training Council	2,739,800	-	-	2,739,800	3,285,013	(545,213)
507 National Economic & Fiscal Commission	3,081,900	-	-	3,081,900	3,038,774	43,126
509 Border Development Authority (BDA)	4,441,500	-	3,000,000	7,441,500	7,441,500	-
510 Legal Training Institute	2,453,200	-	-	2,453,200	2,453,200	-
511 Papua New Guinea Climate Change Authority	7,835,800	-	1,100,000	8,935,800	7,348,567	1,587,233

Div./Agency Name	2013 Initial Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation (FAA) as at 31 December 2013	Expenditure as at 31 December 2013	(Overspending) Underspending
512 University of Papua New Guinea	43,453,300	-	3,500,000	46,953,300	46,953,292	8
513 University of Technology	44,440,000	-	-	44,440,000	44,440,000	-
514 University of Goroka	17,569,100	-	-	17,569,100	17,569,100	-
515 University of Environment & Natural Resources	15,276,700	-	-	15,276,700	15,276,699	1
516 Papua New Guinea Sports Foundation	10,163,700	-	-	10,163,700	12,663,141	(2,499,441)
517 National Narcotics Bureau	4,440,300	-	-	4,440,300	6,263,861	(1,823,561)
518 PNG Maritime College	3,252,500	-	-	3,252,500	2,981,450	271,050
519 National Aids Council Secretariat	8,294,800	-	-	8,294,800	8,294,800	-
520 Institute of Medical Research	7,702,000	-	-	7,702,000	7,702,000	-
521 National Youth Commission	4,386,100	-	-	4,386,100	5,296,753	(910,653)
522 Constitutional and Law Reform Commission	3,007,300	-	-	3,007,300	3,007,300	-
523 Papua New Guinea Accidents Investigation Commission	4,966,100	-	-	4,966,100	4,121,157	844,943
525 National Broadcasting Commission	28,547,800	-	-	28,547,800	28,547,800	-
526 National Maritime Safety Authority	1,703,500	-	-	1,703,500	1,703,500	-
530 Investment Promotion Authority	2,851,500	-	-	2,851,500	2,851,500	-
531 Small Business Development Corporation	2,801,500	-	-	2,801,500	2,593,700	207,800

Div./Agency Name	2013 Initial Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation (FAA) as at 31 December 2013	Expenditure as at 31 December 2013	(Overspending) Underspending
532 National Institute of Standards & Industrial Technology	3,307,500	-	-	3,307,500	4,440,734	(1,133,234)
533 Industrial Centers Development Corporation	2,345,500	-	-	2,345,500	2,345,500	-
536 KokonasIndustryKoproration	1,113,500	-	-	1,113,500	1,113,500	-
539 National Museum and Art Gallery	9,707,700	-	-	9,707,700	11,434,390	(1,726,690)
541 National Housing Corporation	244,600	-	-	244,600	(213,602)	458,202
542 National Cultural Commission	4,473,700	-	14,500,000	18,973,700	20,688,652	(1,714,952)
549 Office of Coastal Fisheries Development Agency	2,546,000	-	-	2,546,000	2,555,429	(9,429)
550 Cocoa Coconut Institute Ltd	6,650,300	-	-	6,650,300	6,650,300	-
551 Fisheries (project)	-	-	-	-	(37)	37
553 Fresh Produce Development Company	5,822,600	-	-	5,822,600	5,805,932	16,668
554 PNG Coffee Industry Corporation	3,223,000	-	-	3,223,000	3,222,999	1
557 PNG National Forest Authority	30,645,500	-	8,674,400	39,319,900	36,766,078	2,553,822
558 Tourism Promotion Authority	10,710,300	-	5,000,000	15,710,300	15,710,300	-
562 National Agriculture Research Institute	9,194,500	-	-	9,194,500	9,194,500	-
563 National Agriculture Quarantine & Inspection Authority	4,741,400	-	-	4,741,400	9,136,237	(4,394,837)

Div./Agency Name	2013 Initial Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation (FAA) as at 31 December 2013	Expenditure as at 31 December 2013	(Overspending) Underspending
565 Civil Aviation Safety Authority	11,112,200	-	-	11,112,200	11,289,659	(177,459)
566 PNG Cocoa Board	-	-	4,500,000	4,500,000	4,500,000	-
569 Independent Consumer and Competition Commission	9,728,500	-	-	9,728,500	9,728,500	-
571 Fly River Provincial Government	46,835,285	-	1,837,700	48,672,985	45,408,411	3,264,574
572 Gulf Provincial Government	41,527,800	-	232,000	41,759,800	38,152,772	3,607,028
573 Central Provincial Government	74,872,200	-	2,216,100	77,088,300	74,612,760	2,475,540
574 National Capital District	3,913,400	-	101,300	4,014,700	4,003,970	10,730
575 Milne Bay Provincial Government	68,839,026	-	6,444,800	74,339,026	72,702,096	1,636,930
576 Oro Provincial Government	46,603,500	-	5,874,900	52,478,400	45,868,074	6,610,326
577 Southern Highlands Province	90,666,400	-	615,100	91,281,500	112,860,903	(21,579,403)
578 Enga Provincial Government	67,661,081	-	1,259,500	68,920,581	82,999,253	(14,078,672)
579 Western Highlands Provincial Government	86,825,600	-	1,740,800	88,325,600	93,305,309	(4,979,709)
580 Simbu Provincial Government	85,826,000	-	3,799,300	89,625,300	87,866,620	1,758,680
581 Eastern Highlands Provincial Government	89,523,800	-	2,128,200	91,023,800	90,667,400	356,400
582 Morobe Provincial Government	107,803,200	-	11,652,400	111,455,600	121,801,300	(10,345,700)

Div./Agency Name	2013 Initial Appropriation Published in 2013 Budget Papers	Section 3 Transfers	Section 4 Transfers	Final Available Appropriation (FAA) as at 31 December 2013	Expenditure as at 31 December 2013	(Overspending) Underspending
583 Madang Provincial Government	96,885,900	-	5,375,100	102,261,000	107,824,985	(5,563,985)
584 East Sepik Provincial Government	101,441,100	-	1,945,300	103,386,400	101,971,637	1,414,763
585 Sandaun Provincial Government	82,716,700	-	719,900	83,436,600	70,971,425	12,465,175
586 Manus Provincial Government	41,187,130	-	370,000	41,557,130	32,933,431	8,623,699
587 New Ireland Provincial Government	42,569,400	-	548,800	43,118,200	43,833,632	(715,432)
588 East New Britain Provincial Government	92,240,500	-	914,000	93,154,500	85,746,158	7,408,342
589 West New Britain Provincial Government	68,444,400	-	2,391,600	70,836,000	66,404,447	4,431,553
590 Autonomous Bougainville Government	86,976,300	-	1,329,300	88,305,600	80,211,843	8,093,757
591 Hela Provincial Government	35,362,500	-	223,200	35,585,700	1,818,200	33,767,500
592 Jiwaka Provincial Government	42,735,300	-	68,900	42,804,200	14,938,011	27,866,189
Grand Total	7,235,235,968	363,604,800	2,534,334,466	7,151,130,968	7,386,550,653	(235,419,685)

ATTACHMENT B: 2013 TRANSFERS TO NATIONAL DEPARTMENTS – PERSONNEL EMOLUMENTS

Div./Agency Name	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	Under (Overspend)
202 Office of Governor-General	2,346,000	46,000	2,516,000	2,220,067	295,933
203 Department of Prime Minister & NEC	47,485,600	(3,529,200)	41,821,400	35,649,443	6,171,957
204 National Statistical Office	4,558,600	(13,460)	4,545,140	4,914,918	(369,778)
205 Office of Bougainville Affairs	1,747,200	(95,300)	1,704,200	1,599,351	104,849
206 Department of Finance	14,927,710	389,993	15,072,936	16,777,385	(1,704,449)
207 Treasury and Finance - Miscellaneous	343,808,800	(197,741,787)	146,067,013	217,178,668	(71,111,655)
208 Department of Treasury	13,614,411	871,300	12,200,711	9,030,690	3,170,021
209 Registrar For Political Parties	4,584,900	(1,273,600)	3,311,300	2,810,099	501,201
211 PNG Customs Service	19,434,800	(4,466,000)	15,006,800	11,086,792	3,920,008
212 Information Technology Division	5,438,900	137,000	5,438,900	2,384,591	3,054,309
213 Magisterial Services	10,287,100	100,000	10,387,100	11,140,499	(753,399)
215 PNG Immigration and Citizenship Services	8,665,500	-	8,665,500	10,772,267	(2,106,767)
216 Internal Revenue Commission	22,411,300	(84,470)	22,103,300	16,464,194	5,639,106
217 Department of Foreign Affairs and Trade	34,343,500	(598,200)	33,614,500	33,737,471	(122,971)
218 Office of the Public Prosecutor	4,802,500	(282,000)	4,506,500	4,082,464	424,036
219 PNG Institute of Public Administration	4,778,800	-	4,778,800	3,985,331	793,469
220 Department of Personnel Management	14,100,600	5,525,800	19,430,400	19,634,013	(203,612)
221 Public Service Commission	4,741,400	(114,200)	4,627,200	3,912,208	714,992
222 Office of the Public Solicitor	7,855,500	(1,292,881)	6,845,778	5,773,112	1,072,666
223 Judiciary Services	-	-	-	4,462,930	(4,462,930)
224 Magisterial Services	28,245,400	-	28,245,400	43,542,533	(15,297,133)
225 Department of Attorney-General	22,416,300	339,700	22,430,000	20,312,187	2,117,813
226 Department of Corrective Institutional Services	62,802,100	(2,399,974)	58,201,653	48,819,365	9,382,288
227 Provincial Treasuries	27,271,900	20,000	27,271,900	24,003,839	3,268,061
228 Department of Police	169,705,000	12,350,007	171,982,900	163,564,847	8,418,053

Div./Agency Name	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	Under (Overspend)
229 Department of National Planning and Monitoring	10,921,769	-	10,921,769	10,056,710	865,059
230 Electoral Commission	3,657,000	50,000	3,657,000	3,266,156	390,844
231 National Intelligence Organisation	2,174,300	(271,800)	1,979,300	2,395,150	(415,850)
232 Provincial and Local Government Affairs	8,693,600	(121,900)	8,328,700	5,929,476	2,399,224
234 Department of Defence	101,722,700	(10,848,274)	91,180,900	92,254,525	(1,073,625)
235 Department of Education	117,945,000	(9,008,200)	108,881,900	93,912,703	14,969,197
236 Office of Higher Education	2,757,200	62,000	2,772,200	1,943,083	829,117
237 PNG National Commission for UNESCO	1,528,600	(93,000)	1,485,600	1,545,734	(60,134)
240 Department of Health	69,462,700	(8,596,100)	60,866,600	69,259,630	(8,393,030)
241 Hospital Management Services	313,153,100	23,530,800	336,533,900	333,931,666	2,602,234
242 Department of Community Development	11,159,900	(2,013,100)	9,146,800	8,437,829	708,971
243 National Volunteer Services	929,900	-	929,900	929,900	-
245 Department of Environment and Conservation	6,498,500	(513,000)	5,335,500	5,004,095	331,405
247 Department of Agriculture and Livestock	11,517,100	153,100	11,500,200	10,069,168	1,431,032
252 Department of Lands and Physical Planning	15,008,700	(1,000,000)	14,008,700	11,926,980	2,081,720
254 Department of Mineral Policy and Geohazards Management	4,977,300	-	4,977,300	4,369,003	608,297
255 Department of Petroleum and Energy	10,961,100	(1,844,200)	9,772,600	7,405,156	2,367,444
257 Department of Public Enterprises	2,147,900	(1,233,000)	1,184,900	319,696	865,204
258 Department of Information and Communication	1,603,700	(152,000)	1,603,700	812,426	791,274
259 Department of Transport	11,755,600	(835,500)	10,832,300	8,898,091	1,934,209
261 Department of Commerce and Industry	6,500,200	-	6,500,200	6,745,812	(245,612)
262 Department of Industrial Relations	12,636,100	16,900	12,653,000	12,173,100	479,900
263 National Tripartite Consultative Council	379,700	-	379,700	285,823	93,877
264 Department of Works and Implementation	51,963,100	-	51,963,100	44,406,608	7,556,492
267 Office of Rural Development	4,170,000	(721,000)	3,659,000	2,821,288	837,712
268 Central Supply & Tenders Board	1,380,100	539,000	1,810,100	1,296,850	513,250

Div./Agency Name	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	Under (Overspend)
269 Office of Tourism Arts and Culture	984,000	-	984,000	1,772,351	(788,351)
299 Treasury and Finance - Public Debt Charges	-	-	-	61,709	(61,709)
Grand Total	1,666,962,690	(205,010,546)	1,444,624,200	1,460,089,979	(15,465,779)

ATTACHMENT C: 2013 TRANSFERS TO PROVINCIAL GOVERNMENTS – PERSONNEL EMOLUMENTS

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Autonomous Bougainville Government	64,725,800	1,038,100	65,763,900	56,113,890	9,650,010
Overtime	-	-	-	4,596	(4,596)
Public Service Leave Fares	272,800	-	272,800	294,100	(21,300)
Retirement Benefits, Pensions, Gratuities & Retrenchments	-	-	-	302,507	(302,507)
Salaries & Allowances	-	-	-	11,980,621	(11,980,621)
Staffing Grants	22,299,800	1,038,100	23,337,900	6,823,442	16,514,458
Teachers Leave Fares	1,350,500	-	1,350,500	1,431,100	(80,600)
Teachers' Salaries Grants	40,802,700	-	40,802,700	35,277,523	5,525,177
Central Provincial Government	51,259,100	1,908,000	53,167,100	50,381,024	2,786,076
Overtime	-	-	-	88,189	(88,189)
Public Service Leave Fares	422,900	-	422,900	422,900	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-	-	-	53,448	(53,448)
Salaries & Allowances	-	-	-	10,236,114	(10,236,114)
Staffing Grants	13,850,400	1,908,000	15,758,400	6,660,825	9,097,575
Teachers Leave Fares	2,316,800	-	2,316,800	2,316,800	0
Teachers' Salaries Grants	34,300,000	-	34,300,000	30,233,748	4,066,252
Village Courts Allowances	369,000	-	369,000	369,000	0
East New Britain Provincial Government	69,390,000	539,200	69,929,200	64,017,379	5,911,821
Payroll Cost	-	-	-	(12,680)	12,680
Public Service Leave Fares	504,700	-	504,700	504,700	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-	-	-	99,866	(99,866)
Salaries & Allowances	-	-	-	13,711,751	(13,711,751)
Staffing Grants	21,150,700	539,200	21,689,900	8,110,955	13,578,945

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Teachers Leave Fares	1,274,100		1,274,100	1,274,100	0
Teachers' Salaries Grants	46,196,500		46,196,500	40,064,687	6,131,813
Village Courts Allowances	264,000		264,000	264,000	0
East Sepik Provincial Government	63,355,600	1,618,100	64,973,700	67,264,721	(2,291,021)
Payroll Cost	-		-	(8,039)	8,039
Public Service Leave Fares	1,250,000		1,250,000	1,250,000	-
Salaries & Allowances	-		-	5,311,649	(5,311,649)
Staffing Grants	20,065,200	1,618,100	21,683,300	16,981,477	4,701,823
Teachers Leave Fares	1,163,700		1,163,700	1,163,700	-
Teachers' Salaries Grants	40,395,100		40,395,100	42,084,334	(1,689,234)
Village Courts Allowances	481,600		481,600	481,600	-
Eastern Highlands Provincial Government	58,332,300	1,500,000	59,832,300	59,475,900	356,400
Payroll Cost	-		-	(33,184)	33,184
Public Service Leave Fares	752,000		752,000	752,000	-
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	59,482	(59,482)
Salaries & Allowances	-		-	7,697,798	(7,697,798)
Staffing Grants	13,762,300	1,500,000	15,262,300	2,891,473	12,370,827
Teachers Leave Fares	1,156,500		1,156,500	1,156,500	-
Teachers' Salaries Grants	42,161,500		42,161,500	46,451,831	(4,290,331)
Village Courts Allowances	500,000		500,000	500,000	-
Enga Provincial Government	48,333,281	947,600	49,280,881	63,359,553	(14,078,672)
Payroll Cost	-		-	(24,485)	24,485
Public Service Leave Fares	260,000		260,000	260,000	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	21,935	(21,935)
Salaries & Allowances	-		-	14,793,526	(14,793,526)

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Staffing Grants	16,957,265	947,600	17,904,865	9,613,660	8,291,205
Teachers Leave Fares	1,068,000		1,068,000	1,068,000	0
Teachers' Salaries Grants	29,169,716		29,169,716	36,748,617	(7,578,901)
Village Courts Allowances	878,300		878,300	878,300	0
Fly River Provincial Government	41,133,285	1,554,500	42,687,785	39,423,211	3,264,574
Public Service Leave Fares	247,600		247,600	247,600	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	9,034	(9,034)
Salaries & Allowances	-		-	8,291,190	(8,291,190)
Staffing Grants	16,247,873	1,554,500	17,802,373	5,165,478	12,636,895
Teacher Salaries Grants	23,362,612		23,362,612	24,434,710	(1,072,098)
Teachers Leave Fares	1,001,200		1,001,200	1,001,200	0
Village Courts Allowances	274,000		274,000	274,000	0
Gulf Provincial Government	23,836,900	142,900	23,979,800	20,492,326	3,487,474
Public Service Leave Fares	807,200		807,200	807,200	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	149,207	(149,207)
Salaries & Allowances	-		-	1,526,024	(1,526,024)
Staffing Grants	11,586,000	142,900	11,728,900	7,582,464	4,146,436
Teachers Leave Fares	699,600		699,600	699,600	0
Teachers' Salaries Grants	10,255,100		10,255,100	9,238,830	1,016,270
Village Courts Allowances	489,000		489,000	489,000	0
Hela Provincial Government	27,484,800	-	27,484,800	717,300	26,767,500
Public Service Leave Fares	173,900		173,900	173,900	0
Staffing Grants	10,314,300		10,314,300	-	10,314,300
Teachers Leave Fares	333,900		333,900	333,900	0
Teachers' Salaries Grants	16,453,200		16,453,200	-	16,453,200

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Village Courts Allowances	209,500		209,500	209,500	0
Jwaka Provincial Government	28,765,100	-	28,765,100	979,200	27,785,900
Public Service Leave Fares	193,400		193,400	193,400	0
Salaries & Allowances	-		-	-	0
Staffing Grants	5,808,100		5,808,100	-	5,808,100
Teachers Leave Fares	524,500		524,500	524,500	0
Teachers' Salaries Grants	21,977,800		21,977,800	-	21,977,800
Village Courts Allowances	261,300		261,300	261,300	0
Madang Provincial Government	65,731,100	4,864,000	70,595,100	76,129,049	(5,533,949)
Payroll Cost	-		-	(6,551)	6,551
Public Service Leave Fares	955,400		955,400	955,400	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	18,266	(18,266)
Salaries & Allowances	-		-	13,962,778	(13,962,778)
Staffing Grants	20,675,500	4,864,000	25,539,500	11,988,314	13,551,186
Teachers Leave Fares	1,711,500		1,711,500	1,711,500	0
Teachers' Salaries Grants	41,935,500		41,935,500	47,046,142	(5,110,642)
Village Courts Allowances	453,200		453,200	453,200	0
Manus Provincial Government	27,814,230	272,900	28,087,130	21,812,215	6,274,915
Overtime	-		-	296	(296)
Public Service Leave Fares	513,600		513,600	513,600	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	60,581	(60,581)
Salaries & Allowances	-		-	5,998,072	(5,998,072)
Staffing Grants	12,394,428	272,900	12,667,328	2,700,914	9,966,414
Teachers Leave Fares	614,300		614,300	614,300	0
Teachers' Salaries Grants	14,057,302		14,057,302	11,689,853	2,367,449

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Village Courts Allowances	234,600		234,600	234,600	0
Milne Bay Provincial Government	39,535,726	5,500,000	45,035,726	41,849,193	3,186,533
Payroll Cost	-		-	(24,738)	24,738
Public Service Leave Fares	517,800		517,800	517,800	0
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	339,442	(339,442)
Salaries & Allowances	-		-	5,634,288	(5,634,288)
Staffing Grants	5,051,400	5,500,000	10,551,400	4,173,819	6,377,581
Teachers Leave Fares	1,163,700		1,163,700	1,163,700	0
Teachers' Salaries Grants	32,485,926		32,485,926	29,727,982	2,757,944
Village Courts Allowances	316,900		316,900	316,900	0
Morobe Provincial Government	93,308,500	2,921,700	96,230,200	106,575,900	(10,345,700)
Overtime	-		-	247,683	(247,683)
Payroll Cost	-		-	(27,380)	27,380
Public Service Leave Fares	1,411,500		1,411,500	1,411,500	-
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	600,200	(600,200)
Salaries & Allowances	-		-	16,285,507	(16,285,507)
Staffing Grants	29,056,700	(1,078,300)	27,978,400	11,167,681	16,810,719
Teachers Leave Fares	3,008,100	4,000,000	7,008,100	7,008,100	-
Teachers' Salaries Grants	59,313,600		59,313,600	69,364,009	(10,050,409)
Village Courts Allowances	518,600		518,600	518,600	-
National Capital District	195,100		195,100	184,370	10,730
Payroll Cost	-		-	(10,730)	10,730
Village Courts Allowances	195,100		195,100	195,100	-
New Ireland Provincial Government	39,111,300	325,000	39,436,300	37,844,352	1,591,948
Payroll Cost	-		-	(15,392)	15,392

Provincial Governments		2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Public Service Leave Fares		366,700		366,700	366,700	0
Retirement Benefits, Pensions, Gratuities & Retrenchments		-		-	31,596	(31,596)
Salaries & Allowances		-		-	8,078,305	(8,078,305)
Staffing Grants		15,459,000	325,000	15,784,000	4,761,196	11,022,804
Teachers Leave Fares		890,700		890,700	890,700	0
Teachers' Salaries Grants		22,206,000		22,206,000	23,542,446	(1,336,446)
Village Courts Allowances		188,900		188,900	188,800	100
Oro Provincial Government		29,378,100	5,681,700	35,059,800	27,525,006	7,534,794
Payroll Cost		-		-	(360)	360
Public Service Leave Fares		926,400		926,400	926,400	0
Retirement Benefits, Pensions, Gratuities & Retrenchments		-		-	15,673	(15,673)
Salaries & Allowances		-		-	6,257,898	(6,257,898)
Staffing Grants		11,413,300	5,681,700	17,095,000	4,433,300	12,661,700
Teachers Leave Fares		1,478,000		1,478,000	1,478,000	0
Teachers' Salaries Grants		15,422,200		15,422,200	14,275,894	1,146,306
Village Courts Allowances		138,200		138,200	138,200	0
Sandaun Provincial Government		52,710,700	562,000	53,272,700	40,939,120	12,333,580
Payroll Cost		-		-	(6,425)	6,425
Public Service Leave Fares		723,400		723,400	723,400	-
Retirement Benefits, Pensions, Gratuities & Retrenchments		-		-	65,192	(65,192)
Salaries & Allowances		-		-	8,984,239	(8,984,239)
Staffing Grants		16,049,300	562,000	16,611,300	6,132,101	10,479,199
Teachers Leave Fares		1,144,700		1,144,700	1,144,700	0
Teachers' Salaries Grants		34,543,700		34,543,700	23,646,313	10,897,387
Village Courts Allowances		249,600		249,600	249,600	0

Provincial Governments		2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Simbu Provincial Government		60,537,100	247,600	60,784,700	60,388,485	396,215
Overtime		-		-	14,733	(14,733)
Payroll Cost		-		-	(725)	725
Public Service Leave Fares		241,500		241,500	241,500	0
Retirement Benefits, Pensions, Gratuities & Retrenchments		-		-	107,272	(107,272)
Salaries & Allowances		-		-	12,964,995	(12,964,995)
Staffing Grants		13,246,000	247,600	13,493,600	9,318,732	4,174,868
Teachers Leave Fares		778,500		778,500	778,500	0
Teachers' Salaries Grants		45,840,100		45,840,100	36,532,478	9,307,622
Village Courts Allowances		431,000		431,000	431,000	0
Southern Highlands Province		75,788,400	382,900	76,171,300	99,384,172	(23,212,872)
Payroll Cost		-		-	(1,504)	1,504
Public Service Leave Fares		463,800		463,800	463,800	0
Retirement Benefits, Pensions, Gratuities & Retrenchments		-		-	263,644	(263,644)
Salaries & Allowances		-		-	22,753,063	(22,753,063)
Staffing Grants		28,467,600	382,900	28,850,500	14,899,957	13,950,543
Teachers Leave Fares		890,400		890,400	890,400	0
Teachers' Salaries Grants		45,407,800		45,407,800	59,556,012	(14,148,212)
Village Courts Allowances		558,800		558,800	558,800	0
West New Britain Provincial Government		52,196,900	2,074,200	54,271,100	50,971,956	3,299,144
Overtime		-		-	17,133	(17,133)
Payroll Cost		-		-	(7,000)	7,000
Public Service Leave Fares		1,620,000		1,620,000	1,620,000	0
Retirement Benefits, Pensions, Gratuities & Retrenchments		-		-	95,410	(95,410)
Salaries & Allowances		-		-	9,742,881	(9,742,881)

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Staffing Grants	15,410,000	2,074,200	17,484,200	6,306,758	11,177,442
Teachers Leave Fares	3,019,600		3,019,600	3,019,600	0
Teachers' Salaries Grants	31,647,000		31,647,000	29,676,874	1,970,126
Village Courts Allowances	500,300		500,300	500,300	0
Western Highlands Provincial Government	68,298,500	1,500,000	69,798,500	74,881,686	(5,083,186)
Overtime	-		-	10,887	(10,887)
Payroll Cost	-		-	(1,344)	1,344
Public Service Leave Fares	483,400		483,400	483,383	17
Retirement Benefits, Pensions, Gratuities & Retrenchments	-		-	87,375	(87,375)
Salaries & Allowances	-		-	9,718,475	(9,718,475)
Staffing Grants	7,609,300	1,500,000	9,109,300	3,901,023	5,208,277
Teachers Leave Fares	1,311,300		1,311,300	1,311,275	25
Teachers' Salaries Grants	58,241,200		58,241,200	58,717,313	(476,113)
Village Courts Allowances	653,300		653,300	653,300	0
Grand Total	1,081,221,822	33,580,400	1,114,802,222	1,060,710,008	54,092,214

ATTACHMENT D: 2013 TRANSFERS TO NATIONAL DEPARTMENTS – GOODS & SERVICES

Div./Agency Name	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) / Underspending
201 National Parliament	117,757,300	19,600,000	137,357,300	137,357,300	-
202 Office of Governor-General	2,702,900	793,000	3,371,900	2,971,669	400,231
203 Department of Prime Minister & NEC	30,835,300	77,474,200	101,195,500	117,546,944	(16,351,444)
204 National Statistical Office	1,534,200	13,460	1,547,660	1,535,261	12,399
205 Office of Bougainville Affairs	1,508,800	95,300	1,551,800	560,705	991,095
206 Department of Finance	12,935,246	2,355,049	15,535,062	406,906,751	(391,371,689)
207 Treasury and Finance - Miscellaneous	998,524,400	(132,179,213)	613,732,187	684,341,853	(70,609,666)
208 Department of Treasury	5,190,910	12,010,200	18,866,310	17,477,030	1,389,280
209 Registrar For Political Parties	2,867,000	1,273,600	4,140,600	1,375,630	2,764,970
211 PNG Customs Service	16,827,200	1,072,000	17,861,200	13,261,565	4,599,635
212 Information Technology Division	13,990,200	(1,902,142)	12,225,058	12,531,683	(306,625)
213 PNG Fire Services	10,035,700	(100,000)	9,935,700	8,713,337	1,222,363
216 Internal Revenue Commission	23,484,900	(1,628,530)	22,079,900	20,610,575	1,469,325
217 Department of Foreign Affairs and Trade	31,510,000	10,172,800	40,313,600	39,351,968	961,632
218 Office of the Public Prosecutor	2,043,300	352,000	2,409,300	2,447,130	(37,830)
219 PNG Institute of Public Administration	2,070,200	-	2,070,200	2,070,200	-
220 Department of Personnel Management	5,668,900	6,729,200	12,214,100	8,862,736	3,351,364
221 Public Service Commission	1,412,100	114,200	1,526,300	1,529,904	(3,604)
222 Office of the Public Solicitor	3,875,900	1,292,881	4,885,622	4,489,755	395,867
223 Judiciary Services	75,116,500	-	75,116,500	81,758,500	(6,642,000)
224 Magisterial Services	9,372,800	-	9,372,800	9,372,822	(22)
225 Department of Attorney-General	21,235,600	10,110,300	31,671,900	30,305,602	1,366,298
226 Department of Corrective Institutional Services	40,973,300	3,449,974	46,623,747	46,028,923	594,824

Div./Agency Name	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) / Underspending
227 Provincial Treasuries	9,223,300	280,000	9,523,300	25,564,269	(16,040,969)
228 Department of Police	90,546,200	87,049,993	181,468,300	180,282,843	1,185,457
229 Department of National Planning and Monitoring	6,457,700	-	6,457,700	6,309,682	148,018
230 Electoral Commission	72,726,000	36,829,000	106,805,000	99,941,356	6,863,644
231 National Intelligence Organisation	2,144,600	371,800	2,439,600	2,439,594	6
232 Provincial and Local Government Affairs	7,127,800	24,621,900	31,992,700	33,961,367	(1,968,667)
234 Department of Defence	78,745,100	50,848,274	129,286,900	86,395,024	42,891,876
235 Department of Education	739,984,800	9,008,200	749,047,900	767,316,496	(18,268,596)
236 Office of Higher Education	48,793,300	338,000	49,178,300	49,053,734	124,566
237 PNG National Commission for UNESCO	575,600	2,179,000	2,061,600	2,046,556	15,045
240 Department of Health	206,178,500	13,904,000	220,082,500	216,485,511	3,596,989
241 Hospital Management Services	114,400,100	19,286,300	133,836,400	134,080,000	(243,600)
242 Department of Community Development	4,018,500	3,307,100	7,325,600	7,165,496	160,104
243 National Volunteer Services	450,000	-	450,000	450,000	-
245 Department of Environment and Conservation	15,259,600	513,000	16,422,600	17,492,177	(1,069,577)
247 Department of Agriculture and Livestock	3,768,300	-	3,938,300	3,938,106	194
252 Department of Lands and Physical Planning	22,205,500	22,500,000	42,205,500	44,331,188	(2,125,688)
254 Department of Mineral Policy and Geohazards Management	3,290,000	1,000,000	3,790,000	3,735,597	54,403
255 Department of Petroleum and Energy	7,687,900	17,094,200	22,126,400	19,819,543	2,306,857
257 Department of Public Enterprises	1,633,500	1,233,000	2,596,500	1,742,211	854,289
258 Department of Information and Communication	2,681,000	152,000	2,681,000	(2,286,610)	4,967,610
259 Department of Transport	11,432,500	835,500	12,355,800	10,175,988	2,179,812

Div./Agency Name	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) / Underspending
261 Department of Commerce and Industry	6,558,300	-	6,558,300	6,338,183	220,117
262 Department of Industrial Relations	4,548,800	-	4,548,800	1,813,909	2,734,891
263 National Tripartite Consultative Council	539,000	-	539,000	(22,300)	561,300
264 Department of Works and Implementation	117,575,000	10,000,000	127,575,000	155,337,479	(27,762,479)
267 Office of Rural Development	2,620,000	721,000	3,131,000	3,051,608	79,392
268 Central Supply & Tenders Board	1,326,100	1,091,000	1,926,100	1,404,651	521,449
269 Office of Tourism Arts and Culture	1,009,900	-	1,009,900	1,009,900	-
299 Treasury and Finance - Public Debt Charges	671,189,300	(1,000,000)	670,189,300	484,786,963	185,402,337
Grand Total	3,686,168,856	313,261,546	3,737,153,546	4,015,568,364	(278,414,817)

ATTACHMENT E: 2013 TRANSFERS TO PROVINCIAL GOVERNMENTS – GOODS & SERVICES

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Autonomous Bougainville Government	22,250,500	291,200	22,541,700	24,097,954	(1,556,254)
Health Function Grant	-	291,200	291,200	291,200	-
Goods & Services Grant (ABG)	19,148,100	-	19,148,100	20,644,000	(1,495,900)
Police & Services Grant (ABG)	2,803,400	-	2,803,400	3,022,400	(219,000)
Functions & Powers Grant (ABG)	299,000	-	299,000	322,400	(23,400)
Unbalanced CRF	-	-	-	(182,046)	182,046
Central Provincial Government	23,613,100	308,100	23,921,200	24,231,736	(310,536)
Administration Grant	1,054,700	-	1,054,700	1,054,700	-
Education Function Grant	3,570,700	-	3,570,700	3,570,700	-
Health Function Grant	4,277,900	308,100	4,586,000	4,586,000	-
Infrastructure Grant	8,590,700	-	8,590,700	8,590,700	-
LLG Village Services Grant	1,753,700	-	1,753,700	1,753,700	-
Primary Production Grant	1,345,800	-	1,345,800	1,345,800	-
Service Delivery Grant	2,596,100	-	2,596,100	2,596,100	-
Village Courts Grant	423,500	-	423,500	423,500	-
Unbalanced CRF	-	-	-	310,536	(310,536)
East New Britain Provincial Government	22,850,500	374,800	23,225,300	21,728,779	1,496,521
Administration Grant	146,600	-	146,600	146,600	-
Education Function Grant	6,343,400	-	6,343,400	6,343,400	-
Health Function Grant	3,883,400	374,800	4,258,200	4,258,200	-
Infrastructure Grant	4,501,500	-	4,501,500	4,501,500	-
LLG Village Services Grant	2,752,000	-	2,752,000	2,752,000	-
Primary Production Grant	1,610,300	-	1,610,300	1,610,300	-
Service Delivery Grant	3,404,700	-	3,404,700	3,404,700	-
Village Courts Grant	208,600	-	208,600	208,600	-
Unbalanced CRF	-	-	-	(1,496,521)	1,496,521
East Sepik Provincial Government	38,085,500	327,200	38,412,700	34,706,916	3,705,784
Administration Grant	1,006,000	-	1,006,000	1,006,000	-
Education Function Grant	6,646,000	-	6,646,000	6,646,000	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Health Function Grant	8,197,700	327,200	8,524,900	8,524,900	-
Infrastructure Grant	12,303,000		12,303,000	12,303,000	-
LLG Village Services Grant	3,751,900		3,751,900	3,761,500	(9,600)
Primary Production Grant	2,167,400		2,167,400	2,167,400	-
Service Delivery Grant	3,485,200		3,485,200	3,485,200	-
Village Courts Grant	528,300		528,300	528,300	-
Unbalanced CRF	-		-	(3,715,384)	3,715,384
Eastern Highlands Provincial Government	31,191,500		31,191,500	31,191,500	-
Administration Grant	1,199,000		1,199,000	1,199,000	-
Education Function Grant	5,648,400		5,648,400	5,648,400	-
Health Function Grant	4,788,800		4,788,800	4,788,800	-
Infrastructure Grant	10,397,000		10,397,000	10,397,000	-
LLG Village Services Grant	3,676,800		3,676,800	3,676,800	-
Primary Production Grant	1,528,100		1,528,100	1,528,100	-
Service Delivery Grant	2,921,300		2,921,300	2,921,300	-
Village Courts Grant	1,032,100		1,032,100	1,032,100	-
Enga Provincial Government	19,327,800	311,900	19,639,700	19,639,700	-
Administration Grant	533,800		533,800	533,800	-
Education Function Grant	1,470,400		1,470,400	1,470,400	-
Health Function Grant	3,779,100	311,900	4,091,000	4,091,000	-
Infrastructure Grant	7,697,200		7,697,200	7,697,200	-
LLG Village Services Grant	2,476,000		2,476,000	2,476,000	-
Primary Production Grant	1,002,800		1,002,800	1,002,800	-
Service Delivery Grant	2,000,300		2,000,300	2,000,300	-
Village Courts Grant	368,200		368,200	368,200	-
Fly River Provincial Government	5,702,000	283,200	5,985,200	5,985,200	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Administration Grant	43,300		43,300	43,300	-
Education Function Grant	657,300		657,300	657,300	-
Health Function Grant	781,400	283,200	1,064,600	1,064,600	-
Infrastructure Grant	1,048,100		1,048,100	1,048,100	-
LLG Village Services Grant	2,627,800		2,627,800	2,627,800	-
Primary Production Grant	414,000		414,000	414,000	-
Service Delivery Grant	43,300		43,300	43,300	-
Village Courts Grant	86,800		86,800	86,800	-
Gulf Provincial Government	17,690,900	89,100	17,780,000	17,660,447	119,553
Administration Grant	831,800		831,800	831,800	-
Education Function Grant	2,998,900		2,998,900	2,998,900	-
Health Function Grant	3,723,700	89,100	3,812,800	3,812,800	-
Infrastructure Grant	4,969,100		4,969,100	4,969,100	-
LLG Village Services Grant	1,251,100		1,251,100	1,251,100	-
Primary Production Grant	1,152,200		1,152,200	1,152,200	-
Service Delivery Grant	2,568,900		2,568,900	2,568,900	-
Village Courts Grant	195,200		195,200	195,200	-
Unbalanced CRF			-	(119,553)	119,553

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Hela Provincial Government	7,877,700	223,200	8,100,900	1,100,900	7,000,000
Administration Grant	92,400		92,400	92,400	-
Education Function Grant	1,478,400		1,478,400	1,478,400	-
Health Function Grant	1,848,000	223,200	2,071,200	2,071,200	-
Infrastructure Grant	1,540,000		1,540,000	1,540,000	-
LLG Village Services Grant	1,748,500		1,748,500	1,748,500	-
Primary Production Grant	431,200		431,200	431,200	-
Service Delivery Grant	616,000		616,000	616,000	-
Village Courts Grant	123,200		123,200	123,200	-
Unbalanced CRF	-		-	(7,000,000)	7,000,000
Jiwaka Provincial Government	13,970,200	68,900	14,039,100	13,958,811	80,289
Administration Grant	188,900		188,900	188,900	-
Education Function Grant	3,526,900		3,526,900	3,526,900	-
Health Function Grant	2,141,300	68,900	2,210,200	2,210,200	-
Infrastructure Grant	4,786,500		4,786,500	4,786,500	-
LLG Village Services Grant	1,361,600		1,361,600	1,361,600	-
Primary Production Grant	755,800		755,800	755,800	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Service Delivery Grant	1,007,700		1,007,700	1,007,700	-
Village Courts Grant	201,500		201,500	201,500	-
Unbalanced CRF	-		-	(80,289)	80,289
Madang Provincial Government	31,154,800	511,100	31,665,900	31,695,935	(30,035)
Administration Grant	892,200		892,200	892,200	-
Education Function Grant	5,161,700		5,161,700	5,161,700	-
Health Function Grant	5,954,800	511,100	6,465,900	6,465,900	-
Infrastructure Grant	8,363,400		8,363,400	8,363,400	-
LLG Village Services Grant	3,871,400		3,871,400	3,871,400	-
Primary Production Grant	2,497,800		2,497,800	2,497,800	-
Service Delivery Grant	4,069,600		4,069,600	4,069,600	-
Village Courts Grant	343,900		343,900	343,900	-
Unbalanced CRF	-		-	30,035	(30,035)
Manus Provincial Government	13,372,900	97,100	13,470,000	11,121,216	2,348,784
Administration Grant	894,100		894,100	894,100	-
Education Function Grant	2,669,700		2,669,700	2,669,700	-
Health Function Grant	2,544,600	97,100	2,641,700	2,641,700	-
Infrastructure Grant			3,560,600	3,560,600	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
	3,560,600				
LLG Village Services Grant	593,200		593,200	593,196	4
Primary Production Grant	726,000		726,000	726,000	-
Service Delivery Grant	2,154,900		2,154,900	2,154,900	-
Village Courts Grant	229,800		229,800	229,800	-
Unbalanced CRF	-		-	(2,348,780)	2,348,780
Milne Bay Provincial Government	29,303,300		29,303,300	30,852,902	(1,549,602)
Administration Grant	1,073,000		1,073,000	1,073,000	-
Education Function Grant	6,977,700		6,977,700	6,977,700	-
Health Function Grant	5,535,800		5,535,800	5,535,800	-
Infrastructure Grant	6,657,800		6,657,800	6,657,800	-
LLG Village Services Grant	2,327,800		2,327,800	2,327,800	-
Primary Production Grant	1,870,700		1,870,700	1,870,700	-
Service Delivery Grant	4,520,600		4,520,600	4,520,600	-
Village Courts Grant	339,900		339,900	339,900	-
Unbalanced CRF	-		-	1,549,602	(1,549,602)
Morobe Provincial Government	14,494,700	730,700	15,225,400	15,225,400	-
Administration Grant	526,800		526,800	526,800	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Education Function Grant	2,000,000		2,000,000	2,000,000	-
Health Function Grant	1,275,800	730,700	2,006,500	2,006,500	-
Infrastructure Grant	2,266,300		2,266,300	2,266,300	-
LLG Village Services Grant	6,777,500		6,777,500	6,777,500	-
Primary Production Grant	465,300		465,300	465,300	-
Service Delivery Grant	1,026,000		1,026,000	1,026,000	-
Village Courts Grant	157,000		157,000	157,000	-
National Capital District	3,718,300	101,300	3,819,600	3,819,600	-
Health Function Grant	-	101,300	101,300	101,300	-
Towns & Urban Services Grant	3,718,300		3,718,300	3,718,300	-
New Ireland Provincial Government	3,458,100	223,800	3,681,900	5,989,280	(2,307,380)
Administration Grant	25,400		25,400	25,400	-
Education Function Grant	555,400		555,400	555,400	-
Health Function Grant	783,700	223,800	1,007,500	1,007,500	-
Infrastructure Grant	496,100		496,100	496,100	-
LLG Village Services Grant	1,288,100		1,288,100	1,074,320	213,780
Primary Production Grant	230,800		230,800	230,800	-
Service Delivery Grant			50,900	50,900	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Village Courts Grant	27,700		27,700	27,700	-
Unbalanced CRF	-		-	2,521,160	(2,521,160)
Oro Provincial Government	17,225,400	193,200	17,418,600	18,343,069	(924,469)
Administration Grant	595,400		595,400	595,400	-
Education Function Grant	3,529,300		3,529,300	3,529,300	-
Health Function Grant	3,757,400	193,200	3,950,600	3,950,600	-
Infrastructure Grant	4,154,400		4,154,400	4,154,400	-
LLG Village Services Grant	1,773,600		1,773,600	1,773,600	-
Primary Production Grant	1,310,400		1,310,400	1,310,400	-
Service Delivery Grant	2,021,700		2,021,700	2,021,700	-
Village Courts Grant	83,200		83,200	83,200	-
Unbalanced CRF	-		-	924,469	(924,469)
Sandaun Provincial Government	30,006,000	157,900	30,163,900	30,032,305	131,595
Administration Grant	937,600		937,600	937,600	-
Education Function Grant	7,498,400		7,498,400	7,498,400	-
Health Function Grant	5,935,400	157,900	6,093,300	6,093,300	-
Infrastructure Grant	6,757,500		6,757,500	6,757,500	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
LLG Village Services Grant	2,731,900		2,731,900	2,731,900	-
Primary Production Grant	2,611,900		2,611,900	2,611,900	-
Service Delivery Grant	3,230,700		3,230,700	3,230,700	-
Village Courts Grant	302,600		302,600	302,600	-
Unbalanced CRF	-		-	(131,595)	131,595
Simbu Provincial Government	25,288,900	3,551,700	28,840,600	27,478,135	1,362,465
Administration Grant	857,200		857,200	857,200	-
Education Function Grant	6,069,300		6,069,300	6,069,300	-
Health Function Grant	4,134,000	268,600	4,402,600	4,402,600	-
Infrastructure Grant	7,579,800		7,579,800	7,579,800	-
LLG Village Services Grant	2,199,500		2,199,500	2,199,500	-
Primary Production Grant	1,209,400	3,283,100	4,492,500	1,209,400	3,283,100
Service Delivery Grant	2,893,100		2,893,100	2,893,100	-
Village Courts Grant	346,600		346,600	346,600	-
Unbalanced CRF	-		-	1,920,635	(1,920,635)
Southern Highlands Province	14,878,000	232,200	15,110,200	13,476,731	1,633,469
Administration Grant	173,400		173,400	157,640	15,760
Education Function Grant			2,567,500	2,567,500	-

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
	2,567,500				
Health Function Grant	3,234,100	232,200	3,466,300	3,466,300	-
Infrastructure Grant	3,280,300		3,280,300	3,280,300	-
LLG Village Services Grant	3,406,900		3,406,900	1,859,191	1,547,709
Primary Production Grant	771,000		771,000	701,000	70,000
Service Delivery Grant	1,148,200		1,148,200	1,148,200	-
Village Courts Grant	296,600		296,600	296,600	-
West New Britain Provincial Government	16,247,500		16,564,900	15,432,491	1,132,409
Administration Grant	61,000		61,000	61,000	-
Education Function Grant	4,521,700		4,521,700	4,521,700	-
Health Function Grant	3,050,600	317,400	3,368,000	3,368,000	-
Infrastructure Grant	2,299,600		2,299,600	2,299,600	-
LLG Village Services Grant	1,935,200		1,935,200	1,935,199	1
Primary Production Grant	2,483,600		2,483,600	2,483,600	-
Service Delivery Grant	1,675,100		1,675,100	1,675,100	-
Village Courts Grant	220,700		220,700	220,700	-
Unbalanced CRF	-		-	(1,132,408)	1,132,408
Western Highlands Provincial Government	18,527,100		18,527,100	18,423,622	103,478

Provincial Governments	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
Administration Grant	266,900		266,900	266,900	-
Education Function Grant	4,549,700		4,549,700	4,549,700	-
Health Function Grant	3,067,900		3,067,900	2,947,458	120,442
Infrastructure Grant	5,759,000		5,759,000	5,759,000	-
LLG Village Services Grant	2,508,300		2,508,300	2,435,700	72,600
Primary Production Grant	817,600		817,600	817,600	-
Service Delivery Grant	1,292,200		1,292,200	1,173,783	118,417
Village Courts Grant	265,500		265,500	265,500	-
Unbalanced CRF	-		-	207,981	(207,981)
Grand Total	420,234,700		428,628,700	416,192,629	12,436,071

ATTACHMENT F: 2013 TRANSFERS TO STATUTORY AUTHORITIES

Commercial & Statutory Authorities	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
502 Office of the Auditor-General	18,415,400	5,000,000	23,415,400	23,355,400	60,000
503 Ombudsman Commission	18,114,900		18,114,900	17,370,520	744,380
505 National Research Institute	5,142,400		5,142,400	5,123,282	19,118
506 National Training Council	2,739,800		2,739,800	3,285,013	(545,213)
507 National Economic & Fiscal Commission	3,081,900		3,081,900	3,038,774	43,126
509 Border Development Authority (BDA)	4,441,500	3,000,000	7,441,500	7,441,500	-
510 Legal Training Institute	2,453,200		2,453,200	2,453,200	-
511 Papua New Guinea Climate Change Authority	7,835,800	1,100,000	8,935,800	7,348,567	1,587,233
512 University of Papua New Guinea	43,453,300	3,500,000	46,953,300	46,953,292	8
513 University of Technology	44,440,000		44,440,000	44,440,000	-
514 University of Goroka	17,569,100		17,569,100	17,569,100	-
515 University of Environment & Natural Resources	15,276,700		15,276,700	15,276,699	1
516 Papua New Guinea Sports Foundation	10,163,700		10,163,700	12,663,141	(2,499,441)
517 National Narcotics Bureau	4,440,300		4,440,300	6,263,861	(1,823,561)
518 PNG Maritime College	3,252,500		3,252,500	2,981,450	271,050
519 National Aids Council Secretariat	8,294,800		8,294,800	8,294,800	-
520 Institute of Medical Research	7,702,000		7,702,000	7,702,000	-
521 National Youth Commission	4,386,100		4,386,100	5,296,753	(910,653)
522 Constitutional and Law Reform Commission	3,007,300		3,007,300	3,007,300	-
523 Papua New Guinea Accidents Investigation Commission	4,966,100		4,966,100	4,121,157	844,943

Commercial & Statutory Authorities	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
525 National Broadcasting Commission	28,547,800		28,547,800	28,547,800	-
526 National Maritime Safety Authority	1,703,500		1,703,500	1,703,500	-
530 Investment Promotion Authority	2,851,500		2,851,500	2,851,500	-
531 Small Business Development Corporation	2,801,500		2,801,500	2,593,700	207,800
532 National Institute of Standards & Industrial Technology	3,307,500		3,307,500	4,440,734	(1,133,234)
533 Industrial Centers Development Corporation	2,345,500		2,345,500	2,345,500	-
536 KokonasIndustryKoproration	1,113,500		1,113,500	1,113,500	-
539 National Museum and Art Gallery	9,707,700		9,707,700	11,434,390	(1,726,690)
541 National Housing Corporation	244,600		244,600	(213,602)	458,202
542 National Cultural Commission	4,473,700	14,500,000	18,973,700	20,688,652	(1,714,952)
549 Office of Coastal Fisheries Development Agency	2,546,000		2,546,000	2,555,429	(9,429)
550 Cocoa Coconut Institute Ltd	6,650,300		6,650,300	6,650,300	-
551 Fisheries (project)	-		-	(37)	37
553 Fresh Produce Development Company	5,822,600		5,822,600	5,805,932	16,668
554 PNG Coffee Industry Corporation	3,223,000		3,223,000	3,222,999	1
557 PNG National Forest Authority	30,645,500	8,674,400	39,319,900	36,766,078	2,553,822
558 Tourism Promotion Authority	10,710,300	5,000,000	15,710,300	15,710,300	-
562 National Agriculture Research Institute	9,194,500		9,194,500	9,194,500	-
563 National Agriculture Quarantine & Inspection Authority	4,741,400		4,741,400	9,136,237	(4,394,837)
565 Civil Aviation Safety Authority	11,112,200		11,112,200	11,289,659	(177,459)
566 PNG Cocoa Board	-	4,500,000	4,500,000	4,500,000	-

Commercial & Statutory Authorities	2013 Initial Appropriation	Other Transfers	2013 Final Available Appropriation	2013 Outcome	(Overspending) Underspending
569 Independent Consumer and Competition Commission	9,728,500		9,728,500	9,728,500	-
Grand Total	380,647,900	45,274,400	425,922,300	434,051,381	(8,129,081)

PART 3

DEVELOPMENT BUDGET

FINAL BUDGET OUTCOME BY AGENCY

3.1 OVERVIEW

The following tables Attachments F1 to F3 below summarise the (GoPNG) Domestic Funds component of Development Expenditure. Details are separately reported for the 2012 outcomes for the National Government Departments (Attachment F.1), Commercial Statutory Authorities (CSA) (Attachment F.2) and Provincial Governments (Attachment F.3). The Summary Table at the end of this section sums up the total figures for (Attachment F.1), (Attachment F.2), and (Attachment F.3) together.

The Variance column is the difference between the Revenue Appropriated by each entity and the 2013 Outcome (the Report final expenditure). Figures in brackets indicate a net underspend.

Discussion on the performance of the agencies is provided in Section 1.3 of the FBO.

3.2 Attachments (overleaf)

Attachment F.1 - 2013 GOPNG Domestic Funded Projects by National Department (Kina)

Division	2013 Budget Appropriation	2013 Final Appropriation	2013 Outcome	Overspend (Underspend)
202 Office of Governor-General	-	1,000,000.0	-	(1,000,000.0)
203 Department of Prime Minister & NEC	185,000,000.0	402,604,800.0	397,604,800.0	(5,000,000.0)
204 National Statistical Office	3,000,000.0	3,000,000.0	2,846,526.3	(153,473.8)
206 Department of Finance	15,342,000.0	13,900,000.0	19,222,506.5	5,322,506.5
208 Department of Treasury	172,000,000.0	171,500,000.0	171,500,000.0	-
211 PNG Customs Service	8,000,000.0	2,000,000.0	2,639,519.7	639,519.7
213 Fire Services	3,000,000.0	3,000,000.0	2,999,670.0	(330.0)
216 Internal Revenue Commission	6,000,000.0	3,500,000.0	3,828,769.4	328,769.4
217 Department of Foreign Affairs and Trade	25,000,000.0	11,000,000.0	21,100,570.3	10,100,570.3
220 Department of Personnel Management	-	-	4,832.6	4,832.6
223 Judiciary Services	10,000,000.0	3,358,000.0	3,358,000.0	-
224 Magisterial Services	-	1,000,000.0	1,000,000.0	-
225 Department of Attorney-General	7,000,000.0	7,000,000.0	6,982,438.6	(17,561.4)
226 Department of Corrective Institutional Services	2,000,000.0	-	-	-
228 Department of Police	10,000,000.0	10,000,000.0	10,000,000.0	-
229 Department of National Planning and Monitoring	53,300,000.0	75,800,000.0	75,242,719.0	(557,281.0)

234 Department of Defence	16,000,000.0	6,000,000.0	10,000,000.0	4,000,000.0
235 Department of Education	29,000,000.0	17,315,200.0	27,234,148.3	9,918,948.3
236 Office of Higher Education	20,000,000.0	23,000,000.0	20,000,000.0	(3,000,000.0)
240 Department of Health	38,000,000.0	29,200,000.0	38,000,000.0	8,800,000.0
241 Hospital Management Services	83,000,000.0	68,000,000.0	83,000,000.0	15,000,000.0
242 Department of Community Development	1,000,000.0	3,000,000.0	3,000,000.0	-
245 Department of Environment and Conservation	1,000,000.0	493,000.0	1,844,223.3	1,351,223.3
247 Department of Agriculture and Livestock	8,000,000.0	5,500,000.0	4,550,818.7	(949,181.3)
252 Department of Lands and Physical Planning	12,000,000.0	9,000,000.0	7,809,429.8	(1,190,570.2)
254 Department of Mineral Policy and Geohazards Management	4,500,000.0	3,479,000.0	3,342,674.9	(136,325.1)
255 Department of Petroleum and Energy	11,000,000.0	36,000,000.0	40,981,912.1	4,981,912.1
258 Department of Information and Communication	9,000,000.0	6,000,000.0	8,982,499.8	2,982,499.8
259 Department of Transport	6,000,000.0	6,000,000.0	6,000,000.0	-
261 Department of Commerce and Industry	12,000,000.0	10,000,000.0	3,434,161.0	(6,565,839.0)
264 Department of Works and Implementation	544,500,000.0	366,300,000.0	445,595,739.6	79,295,739.6
267 Office of Rural Development	75,500,000.0	79,650,000.0	78,906,924.8	(743,075.2)
Total	1,370,142,000.0	1,377,600,000.0	1,501,012,884.7	123,412,884.7

Attachment F.2 - 2013 GOPNG Domestic Funded Projects by Commercial Statutory Authorities (CSA) (Kina)

Division	2013 Budget Appropriation	2013 Final Appropriation	2013 Outcome	Overspend (Underspend)
505 National Research Institute	-	2,000,000	2,000,000	-
509 Border Development Authority (BDA)	10,000,000	10,000,000	10,000,000	-
512 University of Papua New Guinea	10,000,000	4,000,000	4,000,000	-
513 University of Technology	5,000,000	5,000,000	5,000,000	-
514 University of Goroka	7,000,000	8,000,000	18,230,898	10,230,898
515 University of Environment & Natural Resources	10,000,000	11,500,000	11,500,000	-
516 Papua New Guinea Sports Foundation	5,000,000	5,000,000	4,998,408	(1,592)
519 National Aids Council Secretariat	3,000,000	3,000,000	3,000,000	-
520 Institute of Medical Research	5,000,000	5,000,000	5,000,000	-
522 Constitutional and Law Reform Commission	10,000,000	10,000,000	10,000,000	-
523 Papua New Guinea Accidents Investigation Commission	3,000,000	3,000,000	3,000,000	-
524 Independent Public Business Corporation	90,000,000	90,000,000	90,000,000	-
531 Small Business Development Corporation	5,000,000	5,000,000	5,000,000	-
535 Mineral Resources Authority	21,172,000	21,172,000	22,885,400	1,713,400
536 KokonasIndustryKopration	7,000,000	8,500,000	7,951,000	(549,000)
537 National Airports Corporation	46,000,000	51,000,000	51,000,000	-
538 Papua New Guinea Air Services Limited				

539 National Museum and Art Gallery	14,300,000	14,300,000	14,300,000	-
540 Water PNG	15,000,000	15,000,000	15,000,000	-
543 National Development Bank	-	75,000,000	75,000,000	-
546 PNG Power Limited	17,000,000	17,000,000	17,000,000	-
547 Telikom (PNG) Limited	10,000,000	10,000,000	10,000,000	-
549 Office of Coastal Fisheries Development Agency	15,000,000	17,800,000	17,800,000	-
550 Cocoa Coconut Institute Ltd	3,000,000	3,000,000	3,000,000	-
554 PNG Coffee Industry Corporation	4,000,000	4,000,000	4,000,000	-
557 PNG National Forest Authority	500,000	500,000	500,000	-
559 PNG Oil Palm Industry Corporation	3,000,000	3,000,000	7,065,987	4,065,987
563 National Agriculture Quarantine & Inspection Authority	1,000,000	1,000,000	1,000,000	-
567 National Road Authority	170,000,000	170,000,000	143,700,000	(26,300,000)
568 Livestock Development Corporation	5,000,000	5,000,000	5,000,000	-
Total	494,972,000	577,772,000	566,931,693	(10,840,307)

Attachment F.3 - 2013 GOPNG Domestic Funded Projects by Provincial Governments (Kina)

Division	2013 Budget Appropriation	2013 Final Appropriation	2013 Outcome	Overspend (Underspend)
571 Fly River Provincial Government	70,000,000	70,000,000	58,000,000	(12,000,000)
572 Gulf Provincial Government	58,800,000	53,800,000	42,700,000	(11,100,000)
573 Central Provincial Government	67,200,000	67,200,000	45,240,000	(21,960,000)
574 National Capital District	47,500,000	47,500,000	35,500,000	(12,000,000)
575 Milne Bay Provincial Government	70,000,000	70,000,000	54,000,000	(16,000,000)
576 Oro Provincial Government	47,080,000	44,500,000	36,500,000	(8,000,000)
577 Southern Highlands Province	113,800,000	113,800,000	91,800,000	(22,000,000)
578 Enga Provincial Government	112,300,000	117,300,000	96,400,000	(20,900,000)
579 Western Highlands Provincial Government	124,500,000	124,500,000	108,500,000	(16,000,000)
580 Simbu Provincial Government	115,000,000	115,000,000	90,323,649	(24,676,351)
581 Eastern Highlands Provincial Government	138,000,000	138,000,000	107,471,965	(30,528,035)
582 Morobe Provincial Government	155,900,000	155,900,000	119,800,000	(36,100,000)
583 Madang Provincial Government	112,500,000	112,500,000	99,500,000	(13,000,000)
584 East Sepik Provincial Government	108,000,000	103,000,000	79,000,000	(24,000,000)
585 Sandaun Provincial Government	84,500,000	84,500,000	66,800,000	(17,700,000)

586 Manus Provincial Government	33,000,000	33,000,000	19,000,000	(14,000,000)
587 New Ireland Provincial Government	53,700,000	53,700,000	43,700,000	(10,000,000)
588 East New Britain Provincial Government	69,000,000	69,000,000	52,080,000	(16,920,000)
589 West New Britain Provincial Government	35,500,000	35,500,000	24,540,000	(10,960,000)
590 Autonomous Bougainville Government	161,520,000	161,520,000	148,080,000	(13,440,000)
591 Hela Provincial Government	89,900,000	89,900,000	78,787,137	(11,112,863)
592 Jiwaka Provincial Government	78,000,000	78,000,000	67,104,560	(10,895,440)
Grand Total	1,945,700,000	1,938,120,000	1,564,827,311	(373,292,689)

Attachment F.4 - 2013 Development Expenditure Summary Table of National Government Departments, Commercial Statutory Authorities and Provincial Governments (Kina)

Summary Table: Development Expenditure 2012 - 2013 (Kina)						
Source of Funding	2012 Actuals	2013 Budget	2013 Final Appropriation	2013 Outcome	Overspend/ (Underspend)	
Domestic Funds	2,374.4	3,810.8	3,893.5	3,632.8	(260.7)	
Project Support Grants	1,091.4	1,211.0	1,211.2	877.5	(333.7)	
Infrastructure Tax Credits	63.8	130.0	130.0	92.8	(37.2)	
Loans	326.2	644.0	644.7	516.5	(128.2)	
<i>Concessional</i>	326.2	644.0	644.7	516.5	(128.2)	
<i>Commercial</i>						
Total Development Budget	3,855.8	5,795.8	5,879.4	5,119.6	(759.8)	