

No. 25 of 2015.

*Appropriation (General Public Services Expenditure 2016) Act 2015.*

Certified on : 20 JAN 2016



No. of 2015.

***Appropriation (General Public Services Expenditure 2016) Act 2015.***

**ARRANGEMENT OF SECTIONS.**

1. Grant for general public service expenditure of K13,834,027,770.00.
2. Appropriation.
3. Adjustment of appropriations through the Secretary's Advance for new activities and between activities.
4. Adjustment of appropriations between activities.
5. Adjustment of appropriations for activities identified in Division 207.
6. Adjustment of appropriations for directly funded capital expenditure.
7. Adjustment of appropriations for capital expenditures funded by grants.
8. Adjustment of appropriations for capital expenditures funded from concessional loans.
9. Reallocation of amounts from Division 299 debt services.
10. Delegation of powers.
11. Transfer of activities between Agencies.
12. Directions to be published.
13. Directions to reallocate appropriations to be available to Auditor-General.
14. Direction for expenditure appropriated to trusts.

**SCHEDULE 1.**

**SCHEDULE 2.**



No. of 2015.

AN ACT

entitled

***Appropriation (General Public Services Expenditure 2016) Act 2015.***

Being an Act to appropriate out of the Consolidated Revenue Fund a sum for the General Public Service for operational and capital expenditure for the year ending 31 December 2016,

MADE by the National Parliament.

**1. GRANT FOR GENERAL PUBLIC SERVICE EXPENDITURE OF K13,834,027,770.00.**

Subject to authorisation from the Minister, the Secretary for Treasury may issue out of the Consolidated Revenue Fund and apply for the activities of the General Public Service for the year ending 31 December 2016 the sum of K13,834,027,770.00 consisting of -

- (a) operational expenditure of K8,818,083,770.00; and
- (b) capital expenditure of K5,015,944,000.00 on -
  - (i) direct Government financing K2,951,700,000.00; and
  - (ii) estimated concessional loans K 922,080,000.00; and
  - (iii) estimated donor grants K1,142,164,000.00.

**2. APPROPRIATION.**

Sums granted by this Act out of the Consolidated Revenue Fund for the year ending 31 December 2016 are appropriated for the activities of the agencies listed in Schedule 1 to this Act in the year ending 31 December 2016 as follows:

- (a) for the purpose of identifying the activities of agencies referred to in this Act, Volume 2, A, B, C and D of the 2016 Budget Books may be considered relevant documents; and
- (b) for the purpose of identifying the capital expenditure referred to in this Act, Volume 2, A, B, C and D of the 2016 Budget Books are to be considered relevant documents; and
- (c) where additional donor grants are received in the year ending 31 December 2016, they may be issued out of the Consolidated Revenue Fund and appropriated to capital expenditures with the approval of the Minister; and
- (d) in the event that amounts appropriated for either donor grants or concessional loans are not received from the respective donors in the year ending 31 December 2016, these appropriations may not be issued from the Consolidated Revenue Fund and will lapse.

**3. ADJUSTMENT OF APPROPRIATIONS THROUGH THE SECRETARY'S ADVANCE FOR NEW ACTIVITIES AND BETWEEN ACTIVITIES.**

(1) The Secretary for Treasury may direct the reallocation of the appropriation entitled "Secretary's Advance" which is appropriated to Division 207 (*Treasury and Finance Miscellaneous*) for any activity under operational and capital expenditure.

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(2) Reallocation of the appropriation under “Secretary’s Advance” may occur where the following conditions are met:

- (a) there is insufficient or no appropriation to meet expenditure for an activity within the operational and capital budget; and
- (b) the reallocation of appropriation is supported by the Minister responsible for the agency implementing the activity; and
- (c) the reallocation of appropriation is urgent and was unforeseen at the time of making this Act; and
- (d) the reallocation of appropriation is necessary for the delivery of essential services to the people of Papua New Guinea; and
- (e) the total appropriation reallocated does not exceed the aggregate of the net appropriation for the Secretary’s Advance.

(3) Unexpended appropriations for activities within the operational budget may be reallocated to any Government activity, or activities of the National Parliament or Judiciary within the operational budget.

(4) The appropriation for “Secretary’s Advance” may only be increased by Parliament.

**4. ADJUSTMENT OF APPROPRIATIONS BETWEEN ACTIVITIES.**

(1) With the exception of the matters referred to in this section, the Secretary for Treasury may direct the reallocation of any unexpended appropriation for an activity under this Act to appropriations for other activities under this Act.

(2) Reallocation of appropriation may only occur where the following conditions are met:

- (a) there is insufficient or no appropriation to meet expenditure for an activity; and
- (b) the reallocation of appropriation is requested by the Minister responsible for the agency implementing the activity; and
- (c) the reallocation of appropriation is urgent and the reallocation of appropriation is unavoidable; and
- (d) the reallocation of appropriation was unforeseen at the time of making this Act; and
- (e) the reallocation of appropriation is necessary for the delivery of essential services to the people of Papua New Guinea.

(3) Subject to the exceptions outlined in this section, the total amount of reallocated appropriation authorised under this section shall not exceed 10 percent of the total appropriation of operational expenditure plus the aggregate of the direct financing component of capital expenditures, made under this Act.

(4) An amount appropriated for an activity under Division 207 that is to be transferred either to a trust account or to the agency responsible for conducting the activity for which the amount is appropriated will not count towards the limit identified in this section.

(5) An amount transferred between agencies under Section 5 will not count towards the limit identified in this section.

(6) This section does not apply to appropriations made for the purposes of Division 207 (*Treasury and Finance Miscellaneous*) or to Division 299 (*Debt Servicing*).

**5. ADJUSTMENT OF APPROPRIATIONS FOR ACTIVITIES IDENTIFIED IN DIVISION 207.**

(1) The Minister may, in exceptional circumstances, direct the reallocation of funding held in Division 207 (*Treasury and Finance Miscellaneous*) for other purposes.

(2) Only the Minister may direct the reallocation of appropriations for activities identified in Schedule 1 to this Act.

(3) The Minister shall publish in the Department of Treasury website a notice identifying the amount of the proposed transfer, the relevant divisions and the purpose of the transfer.

(4) The Minister may not delegate the powers provided by this section.

**6. ADJUSTMENT OF APPROPRIATIONS FOR DIRECTLY FUNDED CAPITAL EXPENDITURE.**

The Secretary for Treasury may direct the reallocation of any unexpended appropriation for directly financed capital expenditure included in Volume 2, A, B, C and D of the 2016 Budget Publications to other capital expenditure included in Volume 2, A, B, C and D of the 2016 Budget Publications where -

- (a) there is insufficient or no appropriation to meet capital expenditure activities; and
- (b) the reallocation is supported by the agency head responsible for the agency implementing the capital expenditure activities; and
- (c) the reallocation of appropriation is urgent and was unforeseen at the time of making this Act and is necessary for the delivery of essential services to the people of Papua New Guinea; and
- (d) the total amount of all reallocations authorised under this section shall not exceed 10 percent of total directly financed capital expenditures.

**7. ADJUSTMENT OF APPROPRIATIONS FOR CAPITAL EXPENDITURES FUNDED BY GRANTS.**

The Secretary for Treasury may direct the reallocation of any unexpended appropriation for a capital expenditure activity identified in Volume 2, A, B, C and D of the 2016 Budget Books to other capital expenditure activities identified in that volume of the Budget Books where -

- (a) there is insufficient or no appropriation to meet expenditure for a capital expenditure activity; and
- (b) the transfer is requested by the donor providing the grant; and
- (c) the Secretary for Treasury agrees the need for reallocation of appropriation is urgent and was unforeseen at the time of making this Act and is necessary for the delivery of essential services to the people of Papua New Guinea.

**8. ADJUSTMENT OF APPROPRIATIONS FOR CAPITAL EXPENDITURES FUNDED FROM CONCESSIONAL LOANS.**

The Secretary for Treasury may direct the reallocation of any unexpended appropriation for a capital expenditure activity funded from a concessional loan to another capital expenditure activity included in Volume 2, A, B, C and D of the 2016 Budget Books and funded by a concessional loan where -

- (a) there is insufficient or no appropriation to meet expenditure for that other capital expenditure activity; and
- (b) the reallocation is supported by the agency head responsible for the agency implementing the capital expenditure activity; and
- (c) the Secretary for Treasury agrees the need for reallocation of appropriation is urgent and was unforeseen at the time of making this Act and is necessary for the delivery of essential services to the people of Papua New Guinea.

**9. REALLOCATION OF AMOUNTS FROM DIVISION 299 DEBT SERVICING.**

(1) The Minister may authorise the reallocation of any unexpended appropriation for interest, fees or charges held under Division 299 and this reallocation may only be for activities identified in Division 207 where -

- (a) the reallocation of appropriation is permitted to only occur after the following conditions are met:
  - (i) reallocation of appropriation may only occur to the extent that projections of interest, fees or charges for the 2016 year published in the Mid-Year Economic and Fiscal Outlook Report are lower than the projections of interest, fees or charges for the 2016 year published in Volume 1 of the 2016 Budget Books; and
  - (ii) the Minister publishes a notice in the Department of Treasury website identifying the amount reallocated from Division 299, the circumstances justifying the reallocation and the remaining balance of the Division; and
- (b) the total amount of reallocation of appropriations for interest, fees or charges shall not exceed five percent of the total appropriation for these items or a sum of K73,978,258.00.

(2) The Minister may not delegate the authority to reallocate unexpended appropriations held under Division 299.

**10. DELEGATION OF POWERS.**

The Secretary for Treasury may, by written instrument, delegate the powers provided under Sections 3 and 4 of this Act to a permanently appointed public servant in the Department of Treasury holding the position of Deputy Secretary.

**11. TRANSFER OF ACTIVITIES BETWEEN AGENCIES.**

Where an activity is transferred from one agency to another, the authority conferred by Sections 3 and 4 extends to the reallocation or transfer of the remaining appropriation for that activity to the agency now responsible for the activity.

**12. DIRECTIONS TO BE PUBLISHED.**

The Secretary for Treasury shall publish a monthly report of all transfers made under this Act on the Department of Treasury website and the report shall identify the following matters:

- (a) the Division number and name; and
- (b) the initial appropriation for the Division; and
- (c) the current appropriation for the Division; and
- (d) warrants released for the Division in the relevant month; and
- (e) total warrants released for the Division for the year to date; and
- (f) the expenditure of the Division in the relevant month; and
- (g) total expenditure of the Division for the year to date; and
- (h) an explanation of changes in the value of current appropriation for the Division.

**13. DIRECTION TO REALLOCATE APPROPRIATIONS TO BE AVAILABLE TO AUDITOR-GENERAL.**

A copy of each direction under Sections 3, 4, 5, 6, 7 and 8 shall be made available to the Auditor-General at the conclusion of each quarter of the year ending 31 December 2016.



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**14. DIRECTION FOR EXPENDITURE APPROPRIATED TO TRUSTS.**

(1) K190,000,000.00 of the amount appropriated in this Act is to be immediately transferred to the Trust Accounts identified for the approved capital expenditures expressed in Schedule 2.

(2) Where a Trust Account specified in Schedule 2 does not exist, a new trust account is to be established by the Minister for Finance under Section 15 of the **Public Finances (Management) Act 1995** and the transfer is to take place immediately on the establishment of the Trust Account.

(3) In the event that the amounts expressed in Schedule 2 are not transferred, the appropriation will lapse and the amounts will be returned to the Consolidated Revenue Fund.

(4) These funds cannot be utilised, transferred or reallocated for any other purpose.

**SCHEDULE 1.**

**General Public Service Expenditure for the Year ending 31 December 2016.**

Div	Summary	Operational (Kina)	Capital (Kina)	Total (Kina)
202	Office of Governor-General	5,229,011.00	-	5,229,011.00
203	Department of Prime Minister and NEC	83,069,623.00	82,520,000.00	165,589,623.00
204	National Statistical Office	6,401,908.00	4,000,000.00	10,401,908.00
205	Office of Bougainville Affairs	3,388,028.00	-	3,388,028.00
206	Department of Finance	29,376,145.00	36,580,000.00	65,956,145.00
207	Treasury and Finance Miscellaneous	1,051,550,900.00	-	1,051,550,900.00
208	Department of Treasury	29,375,303.00	126,370,000.00	155,745,303.00
209	Office of the Registrar for Political Parties	7,753,832.00	-	7,753,832.00
211	Papua New Guinea Customs Service	49,631,721.00	10,000,000.00	59,631,721.00
212	Information Technology Division	18,340,042.00	-	18,340,042.00
213	Fire Services	18,015,004.00	11,000,000.00	29,015,004.00
215	Papua New Guinea Immigration and Citizenship Services	10,016,508.00	-	10,016,508.00
216	Internal Revenue Commission	54,992,480.00	20,000,000.00	74,992,480.00
217	Department of Foreign Affairs	59,931,794.00	900,000.00	60,831,794.00
218	Office of the Public Prosecutor	7,393,762.00	-	7,393,762.00
219	Papua New Guinea Institute of Public Administration	7,162,631.00	3,000,000.00	10,162,631.00
220	Department of Personnel Management	22,077,797.00	124,550,000.00	146,627,797.00
221	Public Service Commission	6,435,483.00	-	6,435,483.00
222	Office of the Public Solicitor	12,559,548.00	-	12,559,548.00
224	Magisterial Services	38,317,365.00	-	38,317,365.00
225	Department of Attorney-General	98,500,000.00	60,900,000.00	159,400,000.00
226	Department of Corrective Institutional Services	129,699,381.00	10,000,000.00	139,699,381.00
227	Provincial Treasuries	45,153,661.00	-	45,153,661.00
228	Department of Police	356,294,689.00	5,000,000.00	361,294,689.00

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<b>Div</b>	<b>Summary</b>	<b>Operational (Kina)</b>	<b>Capital (Kina)</b>	<b>Total (Kina)</b>
229	Department of National Planning and Monitoring	16,585,979.00	176,240,000.00	192,825,979.00
230	Electoral Commission	21,741,378.00	710,000.00	22,451,378.00
231	National Intelligence Organisation	4,669,962.00	-	4,669,962.00
232	Department of Provincial and Local Government Affairs	16,226,881.00	65,440,000.00	81,666,881.00
233	Office of Censorship	3,675,840.00	-	3,675,840.00
234	Department of Defence	237,474,765.00	19,000,000.00	256,474,765.00
235	Department of Education	845,055,017.00	108,330,000.00	953,385,017.00
236	Department of Higher Education	54,248,390.00	83,000,000.00	137,248,390.00
237	Papua New Guinea National Commission for UNESCO	3,062,017.00	-	3,062,017.00
238	Milne Bay Provincial Health Authority	29,820,252.00	-	29,820,252.00
239	Western Highlands Provincial Health Authority	32,735,052.00	-	32,735,052.00
240	Department of Health	310,651,064.00	310,124,000.00	620,775,064.00
241	Hospital Management Services	383,538,040.00	332,290,000.00	715,828,040.00
242	Department of Community Development	11,928,930.00	48,080,000.00	60,008,930.00
243	National Volunteer Services	1,882,502.00	-	1,882,502.00
244	Eastern Highlands Provincial Health Authority	34,991,681.00	-	34,991,681.00
245	Conservation and Environment Protection Authority	13,532,507.00	51,260,000.00	64,792,507.00
246	Office of Urbanisation	1,753,723.00	-	1,753,723.00
247	Department of Agriculture and Livestock	15,815,575.00	27,490,000.00	43,305,575.00
251	Papua New Guinea Science and Technology Secretariat	4,220,146.00	-	4,220,146.00
252	Department of Lands and Physical Planning	39,596,665.00	-	39,596,665.00
253	West New Britain Provincial Health Authority	36,159,272.00	-	36,159,272.00
254	Department of Mineral Policy and Geohazards Managements	8,695,800.00	3,000,000.00	11,695,800.00
255	Department of Petroleum and Energy	19,837,026.00	27,700,000.00	47,537,026.00
256	Manus Provincial Health Authority	17,730,297.00	-	17,730,297.00
257	Department of Public Enterprises	7,777,378.00	-	7,777,378.00
258	Department of Information and Communication	4,274,803.00	12,470,000.00	16,744,803.00
259	Department of Transport	24,704,857.00	21,420,000.00	46,124,857.00
260	Enga Provincial Health Authority	29,659,749.00	-	29,659,749.00
261	Department of Commerce and Industry	15,643,883.00	46,740,000.00	62,383,883.00
262	Department of Industrial Relations	31,431,144.00	2,000,000.00	33,431,144.00
263	National Tripartite Consultative Council	862,859.00	-	862,859.00
264	Department of Works and Implementation	319,898,081.00	744,540,000.00	1,064,438,081.00
266	Sandaun Provincial Health Authority	26,953,372.00	-	26,953,372.00



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Div	Summary	Operational (Kina)	Capital (Kina)	Total (Kina)
267	Department of Implementation and Rural Development	10,129,697.00	55,500,000.00	65,629,697.00
268	Central Supply and Tenders Board	2,727,530.00	-	2,727,530.00
269	Office of Tourism Arts and Culture	1,843,913.00	50,000,000.00	51,843,913.00
299	Treasury and Finance - Public Debt Charges	11,330,043,040.00	-	11,330,043,040.00
501	Konebada Petroleum Park Authority	6,447,100.00	-	6,447,100.00
502	Office of the Auditor-General	23,927,754.00	-	23,927,754.00
503	Ombudsman Commission	18,350,185.00	2,000,000.00	20,350,185.00
505	National Research Institute	7,160,541.00	-	7,160,541.00
506	National Training Council	2,492,045.00	37,640,000.00	40,132,045.00
507	National Economic and Fiscal Commission	3,498,475.00	-	3,498,475.00
509	Board Development Authority	4,173,107.00	2,900,000.00	7,073,107.00
510	Legal Training Institute	2,865,372.00	2,000,000.00	4,865,372.00
511	Office of Climate Change and Development	8,532,618.00	6,520,000.00	15,052,618.00
512	University of Papua New Guinea	47,469,169.00	30,000,000.00	77,469,169.00
513	University of Technology	45,247,257.00	20,000,000.00	65,247,257.00
514	University of Goroka	19,399,327.00	15,000,000.00	34,399,327.00
515	University of Environment and Natural Resources	18,565,756.00	10,000,000.00	28,565,756.00
516	Papua New Guinea Sports Foundation	10,511,550.00	43,840,000.00	54,351,550.00
517	National Narcotics Bureau	4,376,599.00	-	4,376,599.00
518	Papua New Guinea Maritime College	4,803,502.00	-	4,803,502.00
519	National AIDS Council Secretariat	8,926,734.00	-	8,926,734.00
520	Institute of Medical Research	12,355,782.00	-	12,355,782.00
521	National Youth Development Authority	4,137,142.00	-	4,137,142.00
522	Constitutional and Law Reform Commission	3,094,390.00	1,000,000.00	4,094,390.00
523	Papua New Guinea Accidents Investigation Commission	5,585,403.00	-	5,585,403.00
524	Independent Public Business Corporation	-	178,700,000.00	178,700,000.00
525	National Broadcasting Commission	25,240,268.00	-	25,240,268.00
526	National Maritime Safety Authority	3,302,911.00	37,540,000.00	40,842,911.00
530	Investment Promotion Authority	2,969,471.00	-	2,969,471.00
531	Small and Medium Enterprises Corporation	3,132,404.00	1,500,000.00	4,632,404.00
532	National Institute of Standards and Industrial Technology	3,466,677.00	-	3,466,677.00
533	Industrial Centres Development Corporation	2,572,994.00	-	2,572,994.00
535	Mineral Resources Authority	-	26,420,000.00	26,420,000.00
536	Kokonasa Industry Corporation	2,042,732.00	4,500,000.00	6,542,732.00
537	National Airport Corporation	-	70,830,000.00	70,830,000.00
539	National Museum and Art Gallery	7,773,964.00	15,100,000.00	22,873,964.00

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<b>Div</b>	<b>Summary</b>	<b>Operational (Kina)</b>	<b>Capital (Kina)</b>	<b>Total (Kina)</b>
541	National Housing Corporation	230,158.00	7,000,000.00	7,230,158.00
542	National Cultural Commission	4,669,020.00	-	4,669,020.00
543	National Development Bank	-	61,500,000.00	61,500,000.00
545	Rural Airstrip Authority	4,500,000.00	-	4,500,000.00
546	Papua New Guinea Power Limited	-	149,500,000.00	149,500,000.00
549	Office of Coastal Fisheries Development Agency	2,602,633.00	23,000,000.00	25,602,633.00
550	Cocoa Coconut Institute	6,699,182.00	-	6,699,182.00
551	Papua New Guinea National Fisheries Authority	-	1,000,000.00	1,000,000.00
553	Fresh Produce Development Company	6,677,180.00	4,700,000.00	11,377,180.00
554	Papua New Guinea Coffee Industry Corporation	3,018,560.00	7,000,000.00	10,018,560.00
557	Papua New Guinea National Forest Authority	29,374,653.00	8,190,000.00	37,564,653.00
558	Tourism Promotion Authority	9,841,089.00	-	9,841,089.00
562	National Agriculture Research Institute	11,498,610.00	2,000,000.00	13,498,610.00
563	National Agriculture Quarantine and Inspection Authority	8,413,662.00	2,000,000.00	10,413,662.00
565	Civil Aviation Safety Authority	12,275,341.00	-	12,275,341.00
566	Papua New Guinea Cocoa Board	6,847,866.00	10,000,000.00	16,847,866.00
567	National Road Authority	2,500,000.00	7,000,000.00	9,500,000.00
569	Independent Consumer and Competition Commission	9,772,191.00	-	9,772,191.00
571	Fly River Provincial Government	69,073,400.00	44,900,000.00	113,973,400.00
572	Gulf Provincial Government	63,116,200.00	32,000,000.00	95,116,200.00
573	Central Provincial Government	93,565,600.00	51,650,000.00	145,215,600.00
574	National Capital District	3,325,000.00	165,820,000.00	169,145,000.00
575	Milne Bay Provincial Government	101,821,300.00	51,600,000.00	153,421,300.00
576	Oro Provincial Government	56,990,402.00	30,900,000.00	87,890,402.00
577	Southern Highlands Provincial Government	104,605,484.00	69,500,000.00	174,105,484.00
578	Enga Provincial Government	85,683,828.00	76,680,000.00	162,363,828.00
579	Western Highlands Provincial Government	108,762,590.00	60,900,000.00	169,662,590.00
580	Simbu Provincial Government	111,155,290.00	72,000,000.00	183,155,290.00
581	Eastern Highlands Provincial Government	141,368,704.00	92,400,000.00	233,768,704.00
582	Morobe Provincial Government	194,651,300.00	106,170,000.00	300,821,300.00
583	Madang Provincial Government	156,378,600.00	71,900,000.00	228,278,600.00
584	East Sepik Provincial Government	137,216,710.00	72,600,000.00	209,816,710.00
585	Sandaun Provincial Government	114,030,200.00	61,700,000.00	175,730,200.00
586	Manus Provincial Government	51,312,000.00	21,200,000.00	72,512,000.00
587	New Ireland Provincial Government	80,854,500.00	34,900,000.00	115,754,500.00

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588	East New Britain Provincial Government	115,517,100.00	57,220,000.00	172,737,100.00
589	West New Britain Provincial Government	89,404,900.00	31,100,000.00	120,504,900.00
590	Bougainville Autonomous Government	128,007,500.00	215,970,000.00	343,977,500.00
591	Hela Provincial Government	48,344,974.00	85,100,000.00	133,444,974.00
592	Jiwaka Provincial Government	59,519,013.00	41,200,000.00	100,719,013.00
	<b>Grand Total</b>	<b>18,668,291,652.00</b>	<b>5,015,944,000.00</b>	<b>23,684,235,652.00</b>

**SCHEDULE 2**

**TRUST ACCOUNT**

<b>ACTIVITY</b>	<b>KINA</b>
Infrastructure Development Grant	120,000,000.00
Special Interventions Program - Bougainville	70,000,000.00
<b>TOTAL FOR TRUST</b>	<b>190,000,000.00</b>

I hereby certify that the above is a fair print of the *Appropriation (General Public Services Expenditure 2016) Act 2015* which has been made by the National Parliament.

Acting Clerk of the National Parliament.

20 JAN 2016

I hereby certify that the *Appropriation (General Public Services Expenditure 2016) Act 2015* was made by the National Parliament on 3 November 2015.

Speaker of the National Parliament.

20 JAN 2016



